

WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE, MEANS WHAT?

Workshop #2 on March 21, 2024 at 12pm EST





PLEASE BE AWARE THAT WE RECORD THE SESSION



Some digital reminders

- Mute yourself when not talking
- If you want you can open your camera
- Feel free to ask questions, interact and write in the chat





- HealthCare Co-operatives Federation of Canada (HCCFC) = federally incorporated co-operative dedicated to strengthening the voice of our sector by
 - Advocating to governments and industry
 - Working to create awareness about the benefit of health co-operatives
- Founded in 2011 as a professional association
- Check our website: https://healthcoopcanada.org/
- Feel free to reach out: info@healthcoopcanada.org







- Four strategic areas
 - Relationships: Creating and fostering relationships among members, between members and others, between the Federation and others in the health and co-op sectors
 - 2. Resources and Research with identifying and sharing:
 - The programs and practices to strengthen the work of our member co-ops
 - The resources for the sector to continue to expand
 - 3. **Recruitment**: to attract additional members and to have a wider base of support
 - 4. Visibility:
 - Within our local communities
 - Nationally and internationally in the wellness, social services, health and co-op communities
 - To inform the public and policy makers about the community wellness benefits and the cost savings that are created by health, social services and wellness co-ops



TABLE OF CONTENTS

- 1. WHAT IS A CO-OPERATIVE?
- 2. CO-OPERATIVES: LEGAL ASPECT
- 3. HOW IS A CO-OPERATIVE DIFFERENT FROM OTHER BUSINESS FORMS?
- 4. CO-OPERATIVES: VALUES AND PRINCIPLES
- **5. CO-OPERATIVES: DATA IN CANADA**

- 6. WHAT CANADIAN THINK ABOUT CO-OPERATIVES?
- 7. HEALTHCARE CO-OPERATIVES
- 8. WHAT WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE REALLY MEANS?
- 9. IN THE DAILY LIFE, WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE, MEANS WHAT?







1. WHAT IS A CO-OPERATIVE?

- **2 DEFINITIONS**
- *** 4 TYPES**



1. WHAT IS A CO-OPERATIVE?

INFORMATION GUIDE ON CO-OPERATIVES

 A co-operative is a legally incorporated corporation that is owned by an association of persons seeking to satisfy common needs such as access to products or services, sale of their products or services, or employment

INTERNATIONAL CO-OPERATIVE ALLIANCE (ICA)

 A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise





WHILE CO-OPERATIVES SERVE A WIDE VARIETY OF FUNCTIONS, THEY GENERALLY FIT ONE OF THE FOLLOWING FOUR TYPES:

A consumer co-op provides products or services to its members (such as a retail co-op, housing, financial, health-care or child-care co-op).

A producer co-op processes and markets the goods or services produced by its members, and/or supplies products or services necessary to the members' professional activities (such as independent entrepreneurs, artisans, or farmers).

A worker co-op provides employment for its members.

In this type of co-op, the employees are the members and the owners of the enterprise.

A multi-stakeholder co-op serves the needs of different stakeholder groups (such as employees, clients, and other interested individuals and organizations).

This type of co-op is usually found in health, home care and other social enterprises.







2. CO-OPERATIVES: LEGAL ASPECT

IN CANADA, A CO-OPERATIVE MUST INCORPORATE UNDER A SPECIFIC CO-OPERATIVE ACT AT THE PROVINCIAL, TERRITORIAL OR FEDERAL LEVEL



ACTS

These acts:

- Govern all types of co-operatives, with the exception of financial co-operatives which are governed by separate legislation
- Define the nature of the co-operative business model and how they operate





WHATEVER THE GOVERNING ACT MAY BE, CO-OPERATIVES SHARE THREE COMMON CHARACTERITICS

Ownership: business jointly owned by its members who use its products or services

In some cases, co-operatives can have members who do not use its services or products (e.g. support members, investor members)

Governance: democratically controlled businesses with the governing principle "one-member, one-vote"

This right is exercised at the cooperative's Annual General Meeting (AGM), where members can vote directly for the board of directors Distribution of Profits: Any surplus is owned by the member-owners who can decide how to distribute the profits at the AGM

It can include the following decisions:

- 1. to allocate either part or all of the surplus to the general reserve for future investments
- 2. to distribute the profits to all the members in the form of patronage dividends based on the individual member's usage of the co-operative over the past fiscal year





IN ADDITION

Depending on the governing legislation, a co-operative may become a non-profit entity

These non-profit co-operatives do not provide members with a patronage dividend All surpluses are directed eventually into the general reserve







3. HOW IS A CO-OPERATIVE DIFFERENT FROM OTHER BUSINESS FORMS?

*The following comparison table is generally based on federal corporate statutes (Canada Cooperatives Act, Canada Business Corporations Act, and Not-For-Profit Corporations Act) and may vary by jurisdiction. The purpose of this tool is solely for general comparison and is not intended to be used as legal advice on corporate structures. It is recommended to seek legal counsel for your specific business needs.



OWNERSHIP

	Co-operative Corporations	Share Capital Corporations	Not-for-Profit Corporations
Issue Shares	In the member's name	In the name of the person who is registering the share	Do not issue shares
Membership/fee	In general, a membership share may not increase in value	A common share may increase in value	Generally, anyone can be a member on payment of a fee and in accordance with the requirements of the articles and by-laws
Ownership's limit	The amount of the membership shares he or she holds	The value of the shares he or she holds	No ownership





DIRECTORS

	Co-operative Corporations	Share Capital Corporations	Not-for-Profit Corporations
Number	At least three directors or any greater minimum number that is set out in the articles	One or more directors	One or more directors
Elected by	Members	Shareholders	Members

Directors in exercising their powers and discharging their duties shall act honestly and in good faith with a view to the best interests of the corporation; and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances





VOTING

	Co-operative Corporations	Share Capital Corporations	Not-for-Profit Corporations
A member/shareholder is entitled to	Only one vote at a general meeting, regardless of the number of shares he or she holds	The number of votes based on the type of share he or she holds in the company	One vote
Delegates	Some cooperatives with a large and dispersed membership have a delegate structure for representing members (e.g., one delegate represents multiple members from a geographic district)	Not permitted	Not permitted
Proxy voting	Not allowed	Permitted	Permitted
Voting rights	Restricted	In accordance with the terms of the shares they hold	At any meeting of the members





SHARING IN THE SURPLUS

	Co-operative Corporations	Share Capital Corporations	Not-for-Profit Corporations
Share capital/dividend	May limit or prohibit the payment of interest	No limit	Cannot issue dividends or payments of capital to members
Surpluses/profits	May be paid into the reserve and/or to members in the form of patronage returns proportional to the business done by each member. Dividends on any membership share are limited to the maximum percentage fixed in the articles	May be distributed in the form of dividends according to the provisions for each class of shares, or reinvested in the company. The value of shares reflects the net value of the corporation	Do not belong to individual members but to the organization. They may, therefore, not be redistributed among the members but must be returned in full to the indivisible general reserve of the organization
Division/dissolution	Some provincial legislation may stipulate that a cooperative's general reserve is indivisible, or divisible in whole or in part	Shareholders may dispose of all of the assets of the business in accordance with certain legislative provisions	Legislation and the articles of incorporation may specify how assets are to be disposed upon dissolution







4. CO-OPERATIVES: VALUES AND PRINCIPLES

HISTORY

The Statement on Co-operative identity
was adopted in 1995 by the General
Assembly of the International Cooperative Alliance (ICA) held in Manchester
to mark its centennial



VALUES

Co-operatives are based on:

- ✓ Self-help
- Self-responsibility
- ✓ Democracy
- ✓ Equality
- ✓ Equity
- ✓ Solidarity

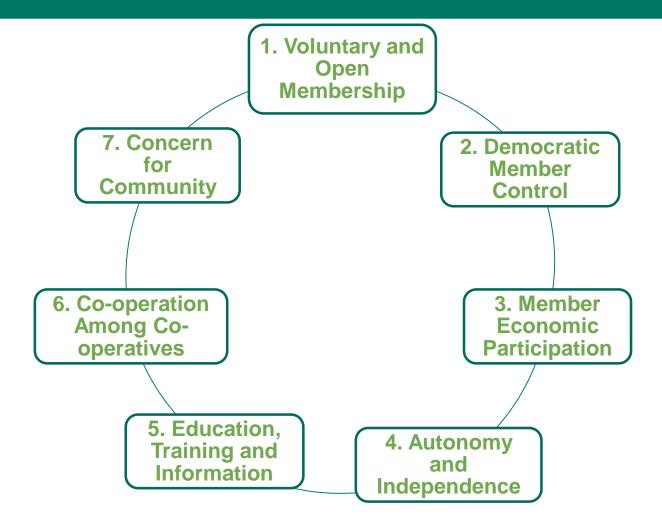
In the tradition of their founders, members believe in the:

- ✓ Ethical values of honesty
- ✓ Openness
- ✓ Social responsibility
- ✓ Caring for others





PRINCIPLES









5. CO-OPERATIVES: DATA IN CANADA

STATE OF CO-OPERATIVE IN CANADA



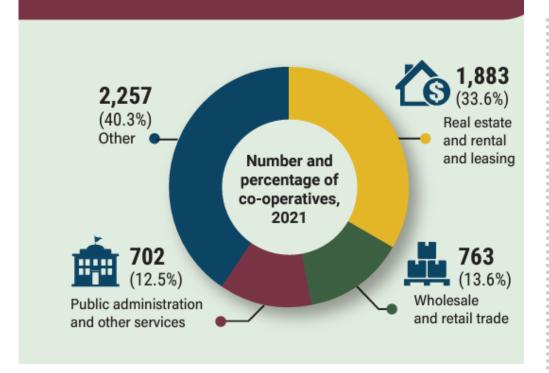


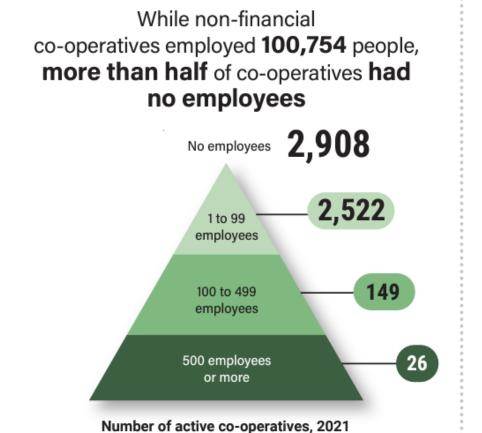






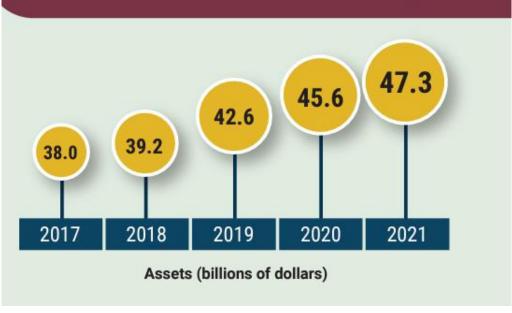
More than half of non-financial co-operatives operated in three sectors.

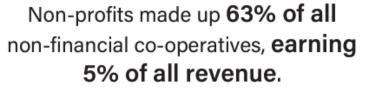


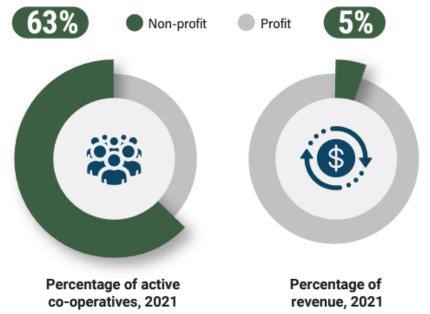




Growth of non-financial co-operatives **continued** through 2021.









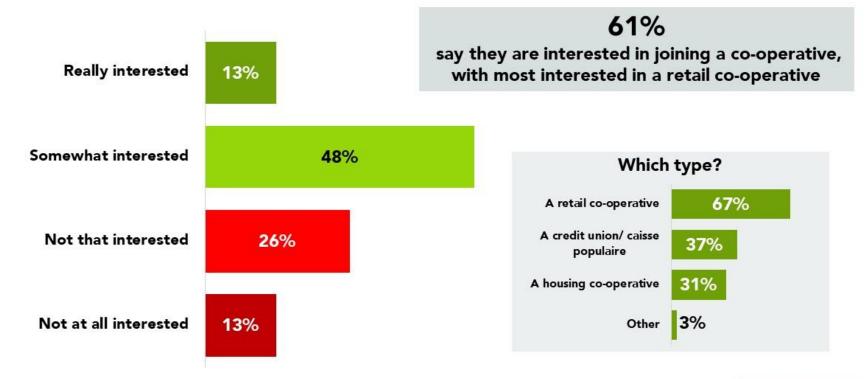
6. WHAT CANADIAN THINK ABOUT CO-OPERATIVES?

A NATIONAL SURVEY OF 5,000 CANADIAN ADULTS





NEARLY TWO IN THREE SAY THEY ARE INTERESTED IN JOINING A CO-OP



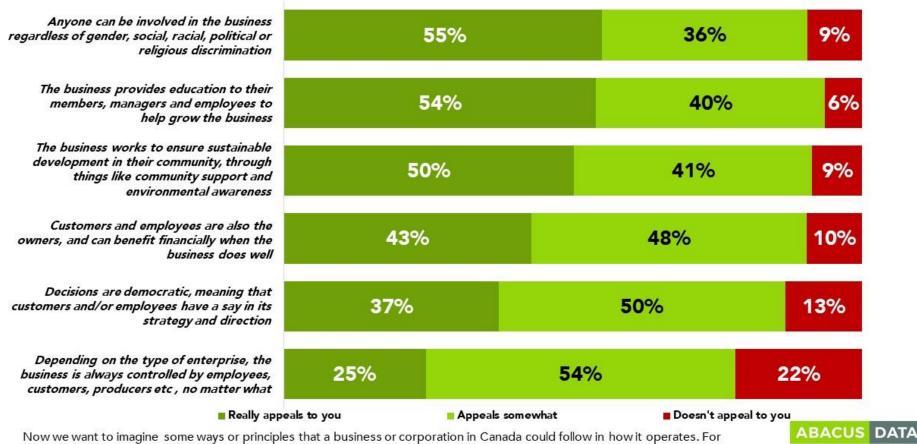
After learning about co-ops would you say you are really interested in joining a co-op, somewhat interest, not that interest, or not at all interested?/Which kind of co-op are you interested in joining? Select all that apply.







APPEAL OF THE CO-OPERATIVE MODEL

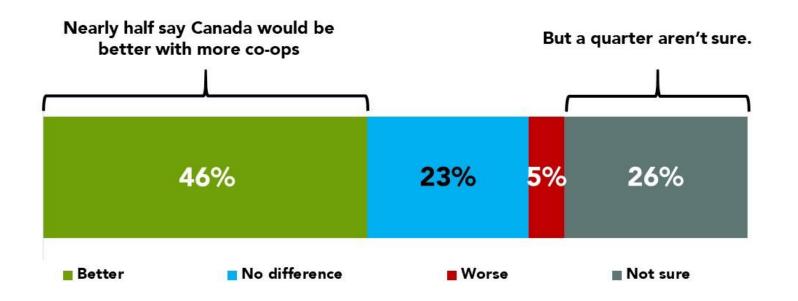


Now we want to imagine some ways or principles that a business or corporation in Canada could follow in how it operates. For each of the following, tell us whether you think it is something that really appeals to you, appeals somewhat, or something that doesn't appeal to you.





MOST SAY CANADA WOULD BE BETTER OFF WITH MORE CO-OPS



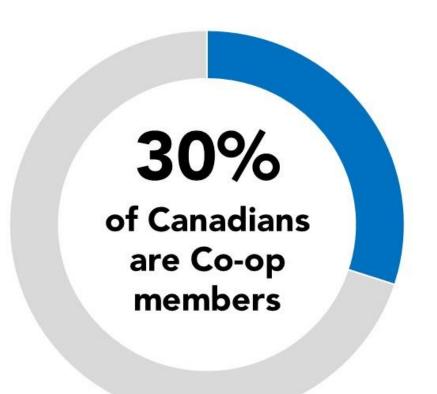
If there were more co-operatives operating in Canada, do you think Canada would be a better country or a worse country?







HOW MANY CANADIANS ARE CO-OP MEMBERS?



Representing approximately 9 million Canadian adults







7. HEALTHCARE CO-OPERATIVES

A CO-OPERATIVE THAT MEETS MOST OF THE CRITERIA DEFINED FOR CO-OPERATIVES APPLIED TO HEALTHCARE



HISTORY

EARLIEST INCORPORATIONS OF HEALTH CO-OP IN CANADA

- Coopérative de santé de Québec in 1944
- C.U.&C. Health
 Services Society in
 British Columbia in
 1946 → a health
 insurance provider

MOVEMENT TOWARDS CO-OPERATIVE HEALTH CARE BECAME WIDESPREAD

- - The establishment of these associations was facilitated by the Mutual Medical and Hospital Benefit Associations Act – enacted in the mid-1930s





MEDICARE

THE CENTRAL ISSUE IN THE SASKATCHEWAN PROVINCIAL GENERAL ELECTION OF 1960

- Medicare supporters felt that publicly-funded health care should include representation by its users and should emphasize prevention and education
- The Co-operative Commonwealth Federation party, under the direction of Tommy Douglas, won a comfortable majority with its promise of the first publicly-funded medical care insurance program in North America

IMPLEMENT

- Fierce opposition from Saskatchewan's physicians, culminating with the doctors' strike in July of 1962
- Community health associations quickly organized clinics and other facilities to help fill the gap created by the lost services of the striking doctors
- Many give credit to the community clinics for helping to make Medicare a reality in Saskatchewan





HISTORY

However, with Medicare up and running, several community health co-operatives ceased operations.

At the same time, others saw Medicare as merely a first step in the right direction and consequently pushed forward with their community health associations.

They stood by their principles of consumer involvement and alternative planning, financing, and delivery mechanisms, in hopes of creating a more inclusive Medicare system.







8. WHAT WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE REALLY MEANS?

IN AN ORGANIZATION WHERE
HEALTHCARE SERVICES ARE PROVIDED
TO MEMBERS WHO ARE ALSO OWNERS
OR STAKEHOLDERS IN THE COOPERATIVE



COLLABORATIVE OWNERSHIP

THE MEMBERS ARE ALSO THE OWNERS

 Employees working within the co-operative often have a say in how the organization is run and may participate in decision-making processes



"Cooperatives are organizations that are owned and democratically controlled by their members"

Johnston Birchall, an expert in co-operative studies (January 2011, Review of Social Economy 70(3):1-32)

- Being part of a collaborative effort to provide quality healthcare
- Participating in the decision-making processes and have a stake in the organization's success
- Having opportunity for employees to contribute to important decisions that impact the organization and its members
- Participating in governance structures, election of representatives to serve on the cooperative's board of directors
- Etc.



"Research by Hansmann (1996) suggests that cooperatives are more likely to invest in innovation and adapt to changing market conditions due to their participatory decision-making structures"

Organizational costs in enterprises (based on Hansmann, 1996), cited by Michael Lee Cook & Constantine Iliopoulos (2016)

Collaborative ownership in a healthcare service cooperative can lead to more innovative and responsive healthcare solutions





HEALTHCARE SERVICE PROVISION

THE PRIMARY FUNCTION IS TO PROVIDE HEALTHCARE SERVICES TO ITS MEMBERS

 Include a range of services such as medical consultations, diagnostic tests, preventive care, and sometimes even insurance coverage



concern for community"

This principle underscores the commitment of co-operative healthcare organizations to serving the healthcare needs of their members and the broader community

The provision of healthcare services often:

- encompasses a variety of medical, dental, and wellness services tailored to meet the diverse needs of members
- include care consultations, diagnostic tests, specialist referrals, preventive care initiatives, and wellness programs



By offering a comprehensive range of services, co-operative healthcare organizations strive to promote holistic health and well-being among their members





COMMUNITY ENGAGEMENT

MANY HEALTHCARE COOPERATIVES ARE DEEPLY ROOTED IN THE COMMUNITIES THEY SERVE

 Employees may engage with community members to understand their healthcare needs better and to ensure that the cooperative's services are tailored to meet those needs



Community engagement takes various forms, including outreach programs, health education initiatives, and collaboration with local organizations and stakeholders

"Co-operatives are driven by the needs and aspirations of their members and are concerned about the sustainable development of their communities"

International Co-operative Alliance (ICA)

Working closely with community members to identify their healthcare needs, preferences, and challenges





SHARED RESOURCES AND COSTS

MEMBERS OF A HEALTHCARE
COOPERATIVE TYPICALLY SHARE
RESOURCES AND COSTS, WHICH
CAN LEAD TO MORE AFFORDABLE
HEALTHCARE OPTIONS
COMPARED TO TRADITIONAL
HEALTHCARE PROVIDERS

"Co-operatives are based on the principle of self-help and mutual aid"
International Co-operative Alliance (ICA)

"Co-operatives enable people to pool their resources to provide goods and services for themselves and their communities"

National Co-operative Business Association (NCBA)

- Pool their resources to collectively finance the operation of the cooperative and share the costs associated with healthcare services
- Leverage economies of scale and negotiate favorable terms with healthcare providers, suppliers, and insurers
- Mitigate the impact of healthcare expenses on individual members
- Operate on a not-for-profit basis, reinvesting any surplus funds back into the cooperative to improve healthcare services or expand membership benefits





COMMITMENT TO MEMBER SATISFACTION

SINCE MEMBERS ARE ALSO
OWNERS, THERE'S OFTEN A
STRONG EMPHASIS ON
PROVIDING HIGH-QUALITY
CARE AND ENSURING MEMBER
SATISFACTION

"Co-operatives provide products and services that respond to individual members' needs"

National Cooperative Business Association (NCBA)

The Commitment to member satisfaction:

- Core value embedded within the ethos of the healthcare service coop
- Direct stake in the success and performance of the coop
- Not only enhances the quality of care provided but also strengthens the social fabric of the coop, fostering a sense of belonging and mutual support among members





ETHICAL AND TRANSPARENT PRACTICES

HEALTHCARE COOPERATIVES OFTEN PRIORITIZE ETHICAL PRACTICES AND TRANSPARENCY IN THEIR OPERATIONS

 Include transparent pricing, fair treatment of employees, and ethical decision-making processes

- Foundational principles that guide the operations of healthcare service cooperatives
- Based on ensuring integrity, accountability, and trustworthiness
- Essential to building trust and confidence among members and stakeholders
- Protection of member information and ensure compliance with relevant laws and regulations governing healthcare data







9. IN THE DAILY LIFE,
WORKING IN A HEALTHCARE
SERVICE CO-OPERATIVE,
MEANS WHAT?

PARTICIPATING IN THE DELIVERY OF HEALTHCARE SERVICES WITHIN A COLLABORATIVE AND MEMBER-DRIVEN ENVIRONMENT



WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE

It can include

a variety of responsibilities and tasks
depending on the specific role within the cooperative





IT MAY INVOLVE

For Healthcare Professionals such as doctors, nurses, and allied health professionals:

- ✓ Provide medical care
- ✓ Conducting consultations
- ✓ Administering treatments
- ✓ Collaborating with colleagues to ensure the well-being of patients

For Administrative staff:

- Responsible for managing appointments
- ✓ Processing paperwork
- ✓ Coordinating services
- ✓ Handling member inquiries





IT MAY INVOLVE

For everyone:

- ✓ Participating in community outreach programs
- ✓ Organizing health education sessions
- ✓ Soliciting feedback from members to improve the quality of care and services provided
- ✓ Involving in decision-making processes
- ✓ Attending meetings
- ✓ Contributing ideas to enhance the co-operative's operations and meet the evolving needs of its members





WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE

Prioritizing member satisfaction
Respecting privacy and confidentiality
Promoting a culture of compassion, empathy, and inclusivity



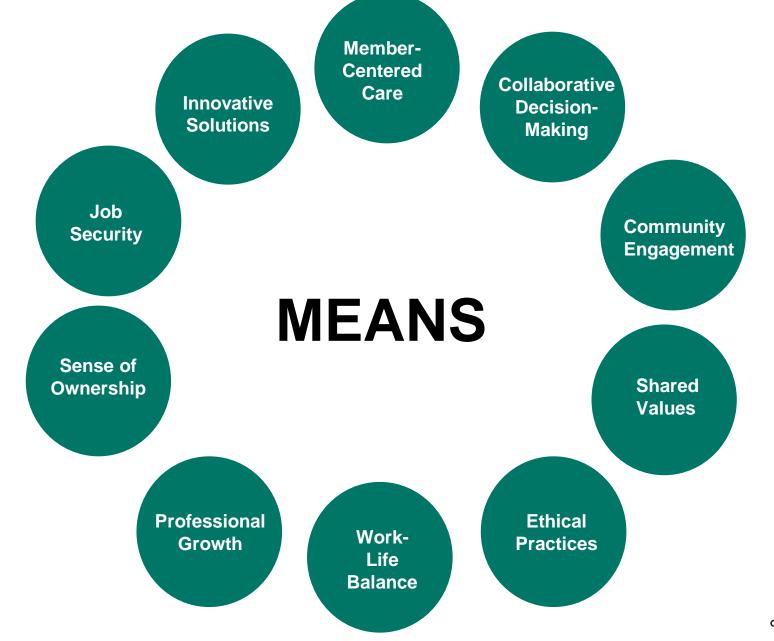




IN CONCLUSION: WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE, MEANS WHAT?











WORKING IN A HEALTHCARE SERVICE CO-OPERATIVE, MEANS APPLYING THE 7 PRINCIPLES SET FORTH BY THE ICA AND HAVING LOVE FOR ONE'S NEIGHBOR





THANK YOU FOR YOUR ATTENTION

Any questions?

Become a member! info@healthcoopcanada.org

