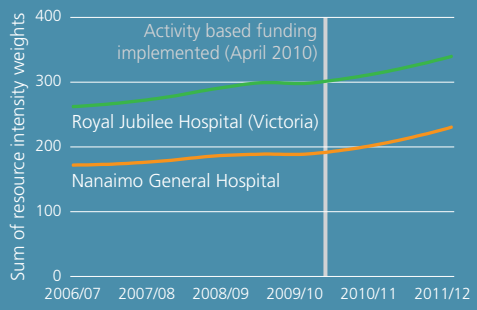
Health Care Funding NEWS

October 2012 | Volume 2 | Issue 4

From the Editor

This edition of *Health Care Funding News* profiles proposed changes in Québec around funding health and social services and summarizes the highlights of the Priorities 2012 conference. We also invite you to visit **www.healthcarefunding.ca** to read our monthly data bulletins assessing the effects of the introduction of activity based funding in BC. The September data bulletin examines trends in resource intensity weights since the introduction of activity based funding.



Please feel free to contact us (**editor@healthcarefunding.ca**) with comments or suggestions.

CONFERENCE SUMMARY

Priorities 2012: Partnerships for Improving Health Systems

The International Society for Priorities in Health Care conference was held September 17–19 in Vancouver, BC. The focus was on using partnerships to find practical and pragmatic solutions to today's policy challenges. About 200 people from various backgrounds attended, including academics, public servants, front-line workers, and health care managers. National and international presenters shared their experiences with decision-making and priority setting at plenary lectures, panels, and oral and poster abstract presentations.

Continues on following page...

PROVINCIAL PROFILE

Funding Health and Social Care in Québec

Provinces across Canada are seeking new and innovative ways to manage the efficiency, effectiveness, and quality of their health care systems. Health care costs have been consistently rising, and now constitute around 45 percent of Québec's government program expenditures. In light of these challenges, the Québec government is looking at the feasibility of new ways of funding health care services.

The methods used by Québec to fund health care for residents are largely unknown outside of Quebec. Currently, Québec's Ministère de la Santé et des Services Sociaux (MSSS) provides funding to 18 regional agencies whose mandate is to provide both health and social care to residents. While regionalization is not unique to Québec, the integration of health and social care services under a single management entity is in contrast with other provinces that provide health care and social care independently of one another.

With the funds provided by the MSSS, the Agencies are responsible for the organization, delivery, and funding of health and social care. The funding amount for each region has traditionally been based on a global budget (a fixed amount of funding distributed to providers to pay for services). A parallel population-based funding model is being phased in to reduce unwarranted variations in under- and over-funding, an approach which allocates funds to a region based on the characteristics of the population within a given Agency (region).

Relative to other countries, but not to other provinces, Québec is unusual in its extensive use of global budgets to fund health care. Many countries fund health care based on the type and amount of services provided, known as activity based funding (ABF).

As an element of the 2012 Québec budget, the government established an expert panel to evaluate options for

Continues on following page...

Continued from Priorities 2012...

One panel explored the politics of priority setting with Alberta Minister of Health Fred Horne and former Québec Minister of Health Philippe Couillard. The panellists stressed the political priority that wait times have traditionally represented. They also discussed politics and the political process in general, as well as the realities of compromise when faced with competing interests. These were reoccurring themes throughout the conference, as later panellists discussed how all challenges can be addressed by asking "what are the relevant interests, ideas, and institutions?" Challenges to the health care system outside of politics that many speakers identified included aging populations, provision of appropriate health services to patients, and equity.

Another common theme at the conference was priority setting in an era of austerity. This was explored from multiple perspectives, including ethical and economic. Some panels explored austerity as a crisis or an opportunity; others discussed the need to address current and future health care priorities regardless of austerity measures. There were also discussions around the concepts of disinvestment and reallocation. These speakers stressed the need for the creation of a structured framework and systematic approach to disinvestment in obsolete procedures and programs.

A third common theme at the conference was a focus on partnerships with patients. Patients were seen as a valuable asset towards achieving high quality health care and high performing organizations. Panellists spoke about interdependencies through collaboration and community partnerships in regards to implementation strategies within health authorities.

Conference materials are available at priorities2012.com.

This newsletter was produced by the editorial team of www.healthcarefunding.ca, a reliable and impartial resource for literature, news, and discussion regarding health care funding policies in Canada and internationally.

Chief Editor: Jason Sutherland
Co-Editor: Trafford Crump

Editorial Team:
Rachael McKendry, Dawn Mooney, Nadya Repin

Contact us:
editor@healthcarefunding.ca

Continued from Québec..

increasing access to health care using tools drawn from ABF methods with a view to implementing pilot projects in 2013 (Expert Panel on Activity-Based Funding, 2012).

There is strong support among some stakeholders in Québec to use ABF-based methods for funding hospital-based care. The association representing Québec's hospitals and other health facilities (L'Association québécoise d'établissements de santé et de services sociaux, or AQESSS) has endorsed ABF for hospital funding and has promoted the introduction of pilot projects for hospitalizations and same-day surgery (Health Edition, 2012). The McGill University Health Centre and the Québec Association of Health and Social Services Institutions have also endorsed ABF for hospital funding (Guénette, 2012). A recent report by the Montréal Economic Institute outlines how ABF for hospitals could improve access and reduce wait times (Labrie, 2012).

This support is not unanimous. Some stakeholders of the health and social care system in Québec and Montréal are noting a pressure for increased spending and the ongoing lack of coordination of care as reasons not to implement ABF. Recently the Institut de recherche et d'informations socio-économiques published a report pointing out the limitations of ABF and encouraging Québec to look at other options for health care reform (Hébert, 2012).

Overall, Québec Agencies face struggles similar to other provinces with providing timely access to health care, coordination between sectors, and providing efficient care, while attempting to control growing health care expenditures. The actions of the expert panel will be closely watched for developments in this area.

Expert Panel on Activity-Based Funding. (2012). Implementation of Activity-Based Funding in the Health and Social Services Sector: Mandate, Principles and Workplan.

Guénette, J. (2012). Activity-Based Hospital Funding Helps Reduce Wait Times. Longwoods.

Health Edition. (2012, February). Quebec hospitals after activity-based funding. Health Edition.

Hébert, G. (2012). le financement à l'activité peut-il résoudre les problèmes du système de santé? Montreal: Institut de recherche et d'informations socio-économiques.

Labrie, Y. (2012). Activity-Based Hospital Funding: We've Waited Long Enough. Montreal: Montreal Economic Institute.