Canada’s Healthcare Systems: Key Features and Major Issues

The 2013 Harkness Canadian Health Policy Briefing Tour

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Montreal, May 14th, 2013
Big area:
35 million residents
in 10 provinces
Health spending per capita, OECD, 1980-2010

Source: OECD
Provinces and Territories have responsibility for organizing and delivering healthcare to residents.

The federal government co-finances health provincial healthcare programs.

Healthcare delivery is primarily private actors non-profit hospitals, physicians and for-profit post-acute care.
Financing the System

General taxation

Federal government contributes ~20% of provincial health spending

Source of continual tension

Public funding is ~70% of total health expenditures

Health is now ~50% of provinces’ expenditures
Coverage

Canada Health Act (CHA) includes:

- Medically necessary hospital, diagnostic and physician services
- Portability between provinces

Other services are insured by public, private and out-of-pocket expenditures

Coverage decisions are made by each province
Coverage

Absence of national ‘benefit’ package

There is no cost sharing for insured services: ‘first-dollar’ coverage

   No surcharges by physicians for services

Provinces may extend coverage into long-term care, home care on the basis of age, need and income
Many provinces have ‘regionalized’ healthcare: a regional entity, funded by the province. The region is responsible for the health needs of the residents (excluding physicians and drugs). Own the hospitals (or private not-for-profit). Fund long-term care and home care. Responsible for quality, efficiency.
Annual % change in total health and hospital spending, 1981-2012

Source: CIHI
Physician Payment

Physicians are funded directly by the province
Predominantly fee-for-service funding (GP and specialist) in many provinces

A number of provinces have been implementing alternative funding methods
Fee schedule negotiations are challenging

Access to physician care is a source of tension
Access

Wait Times

- Last in access to specialist care
- Last in access to elective surgery
- Poor access to off-hours primary care

Ref: Commonwealth Fund
Improving Ourselves?

Wait Time Reduction Fund
Cancer, cardiac, cataracts, joint and imaging

Common Drug Review
Canadian Agency for Drugs and Tech in Health
Non-binding review of cost- and clinical eff.

Other initiatives are based on the provinces
Changing the funding methods: Ontario, B.C.
What are other countries doing about the missing elements that case-based payment doesn’t provide?

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Canadian Healthcare:
Current Key Issues

Over reliance on hospital-based care
Access (geographic and equitable)
Global budgets haven’t been successful
Mis-aligned incentives: co-ordination
Drug payment policy
Fragmentation
Poor accountability for quality and effectiveness
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