The Canadian Health System Puzzle

St. John’s, NL Rotary Club
Thursday, October 29, 2009
John G. Abbott
Chief Executive Officer
Health Council of Canada
Overview of Presentation

- Canada’s ‘national’ health care system
- Did you know some of these stats?
- How large is the health care "crisis"?
- The challenge of health care renewal
- Why the Heath Council was born
- Are we getting where we need to go?
- Action required to sustain the system
Canada’s many health systems
## A global look at health care $$$

### Dataset: OECD Health Data 2009 - Selected Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Canada</th>
<th>Denmark</th>
<th>France</th>
<th>Netherlands</th>
<th>New Zealand</th>
<th>United Kingdom</th>
<th>United States</th>
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<tbody>
<tr>
<td>Year</td>
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<tr>
<td>Total expenditure on health, % GDP</td>
<td>10.1</td>
<td>9.8</td>
<td>11</td>
<td>10.4</td>
<td>9.8</td>
<td>9.2</td>
<td>8.4</td>
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<td><strong>2008</strong></td>
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<td>Total expenditure on health, Per capita US$ PPP</td>
<td>3895</td>
<td>3512</td>
<td>3601</td>
<td>3588</td>
<td>3837</td>
<td>2510</td>
<td>2992</td>
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<td>Public expenditure on health, % total expenditure on health</td>
<td>70</td>
<td>84.5</td>
<td>79</td>
<td>76.9</td>
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<td>..</td>
<td>81.7</td>
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<td>Pharmaceutical expenditure per capita, US$ PPP</td>
<td>691</td>
<td>301</td>
<td>588</td>
<td>542</td>
<td>422</td>
<td>241</td>
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<td>Practising physicians, density per 1,000 population</td>
<td>2.18</td>
<td>..</td>
<td>3.37</td>
<td>3.5</td>
<td>3.93</td>
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<td>Practising nurses, density per 1,000 population</td>
<td>9.02</td>
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<td>7.73</td>
<td>9.94</td>
<td>8.69</td>
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</table>
The Elephant in the Room

- Health care costs and expectations rising while government revenues are declining
- What is the right amount of money to spend on health care?
- Is there a better or smarter way to spend health care dollars?
- Or, will we make the same mistakes as the past?
In Canada, did you know?

**FIGURE 1**
$172 billion for health care in 2008

Where does the money come from?
70% of our health care spending comes from taxes.

"Private" includes out-of-pocket spending by individuals and services covered by private insurance plans.

Where does it go?
We spend most on hospitals, drugs, and doctors.

"Capital" includes construction, machinery, and equipment. "Other" includes long-term care institutions, public health services, research and training, medical transport, home care, and administration.

In Canada, did you know?

FIGURE 5
What made health care spending double in a decade?

- **Aging** — Impact of more Canadians living longer, 1998 – 2007
- **Population growth** — Impact of Canada’s population growing, 1998 – 2007
- **Inflation**
  - General economic inflation, 1998 – 2007
- **Increased use of services**
  - More services being used, more prescriptions filled, and health care costs (such as salaries/payments to providers) rising beyond general inflation, 1998 – 2007

1998 spending

$0  $20  $40  $60  $80  $100  $120  $140  $160

$84 billion  $160 billion

Note: This graph starts from 1998, rather than 1997, because 1998 is the first year data were available to describe the impact of our aging population on health care spending.

In Canada, did you know?

FIGURE 10

Big opportunities to improve value for money?
Small numbers of Canadians with multiple chronic health conditions use most health care services.

Canadians with:

- No select chronic health conditions* (68% of all Canadians)
- 1 select chronic health condition (21% of all Canadians)
- 2 select chronic health conditions (8% of all Canadians)
- 3 or more select chronic health conditions (4% of all Canadians)

*Select chronic health conditions include: arthritis, cancer, chronic obstructive pulmonary disease, diabetes, heart disease, high blood pressure, and mood disorders.

Addressing the 1990’s health care ‘crisis’

- Public provided input into what changes were needed (e.g. Romanow Commission, 2002)
- Two health accords signed by First Ministers in 2003 and 2004 to address major areas of concern, including primary health care, pharmaceuticals management, wait times, health of Canadians, home care and information technology
- Agreed to action items with implementation at the jurisdictional level
- Cautious timeframes
The Challenge of Renewal

…it is not the evidence that produces changes, it is the process that allows an informed dialogue to take place among policy makers, the media, the public, providers and users of the health care system”

Dr. Noralous Roos, Director, Manitoba Centre for Health Policy
Role of the Health Council of Canada

- VISION: An informed and healthy Canadian public

- MISSION: To foster accountability and transparency by assessing progress in improving the quality, effectiveness and sustainability of the health care system

- MANDATE: To monitor and report to Canadians on the progress of health care renewal
Is Canada where governments & Canadians expected?

Half Empty? Half Full?
Reporting on Progress: we must and can do better

- Some action slower, less comprehensive, less collaborative than envisioned:
  - Catastrophic drug coverage and safe, appropriate prescribing
  - Home care
  - Aboriginal health
  - Primary health care
  - E-health records and IT
A high quality and sustainable publicly-funded health care system

Individual responsibility for health +
changes to organization and provision of services

Key Contributors

Public Policy Makers
Health care system managers
Health care providers
Individuals, families, communities
Three Levels of Action

- Governments need to support system change through appropriate funding and policy changes
- Health system needs to focus on addressing chronic diseases
  - Better service design (e.g. Primary Health Care, e-health systems)
  - Population health approach
- Patients/Canadians need to be better engaged
How do we fill up the glass?

- Stay the course on a Pan-Canadian agenda
- Insist on leadership at all levels of government
- Encourage collaboration among all players
- Take personal responsibility
In conclusion

- Thank you
- Are there any questions?
- Please visit our website: healthcouncilcanada.ca