

Health care in Canada

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Outline of presentation

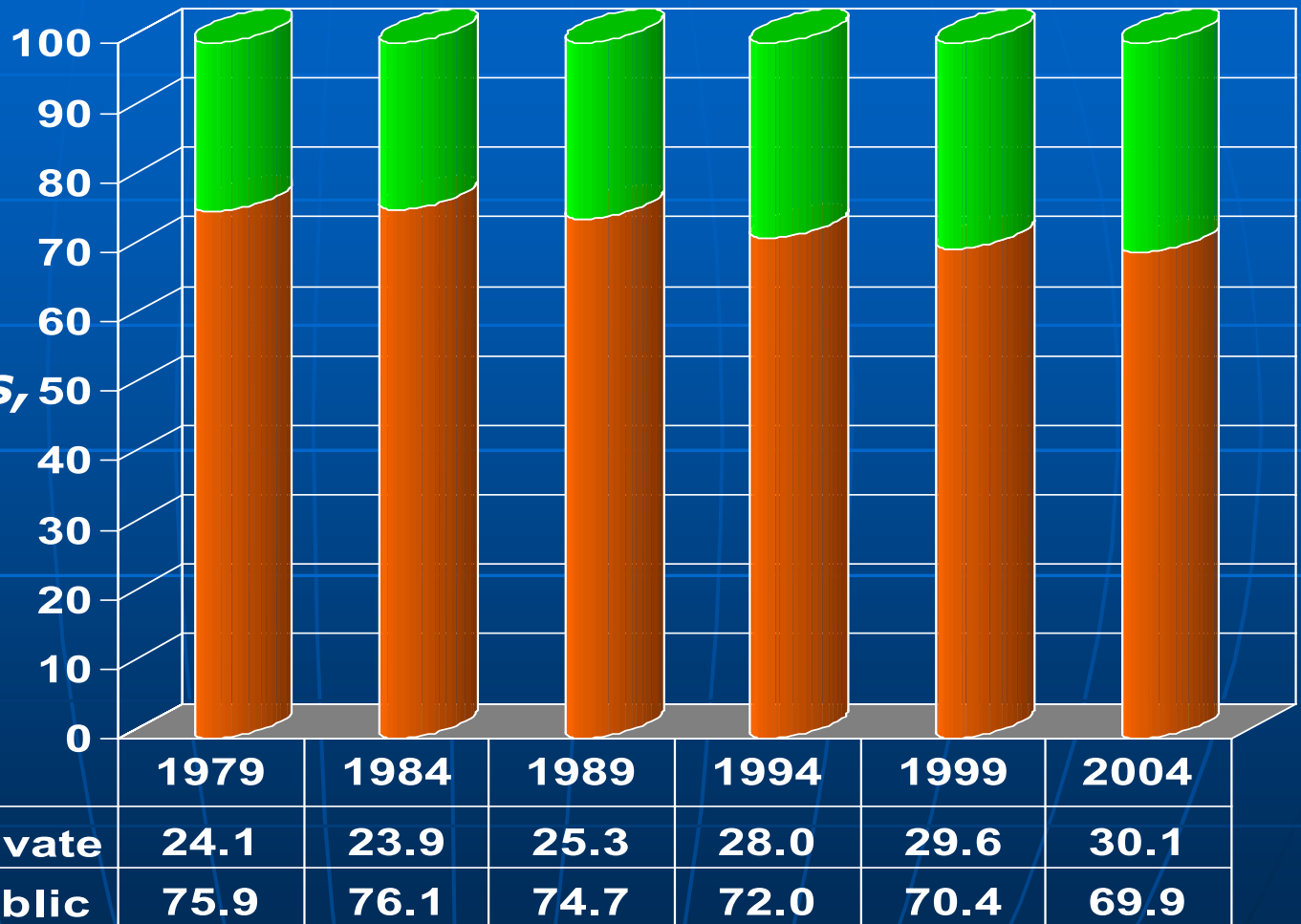
- Overview of the Canadian system
 - Public / private mix
 - Medicare's underlying principles
 - Cost trends
- International comparisons
- Issue: Waiting times
- Issue: Cost of drugs
- Prognosis

Overview

- Mixed public / private system
- Provinces / territories primarily responsible for health care
- Public system – “Medicare”:
 - Established in the 1960s
 - Financed mostly from general tax revenues, but with “premiums” (earmarked taxes) in some provinces

Public / private mix

Percent of health expenditures: public and private sources, 1979-2004

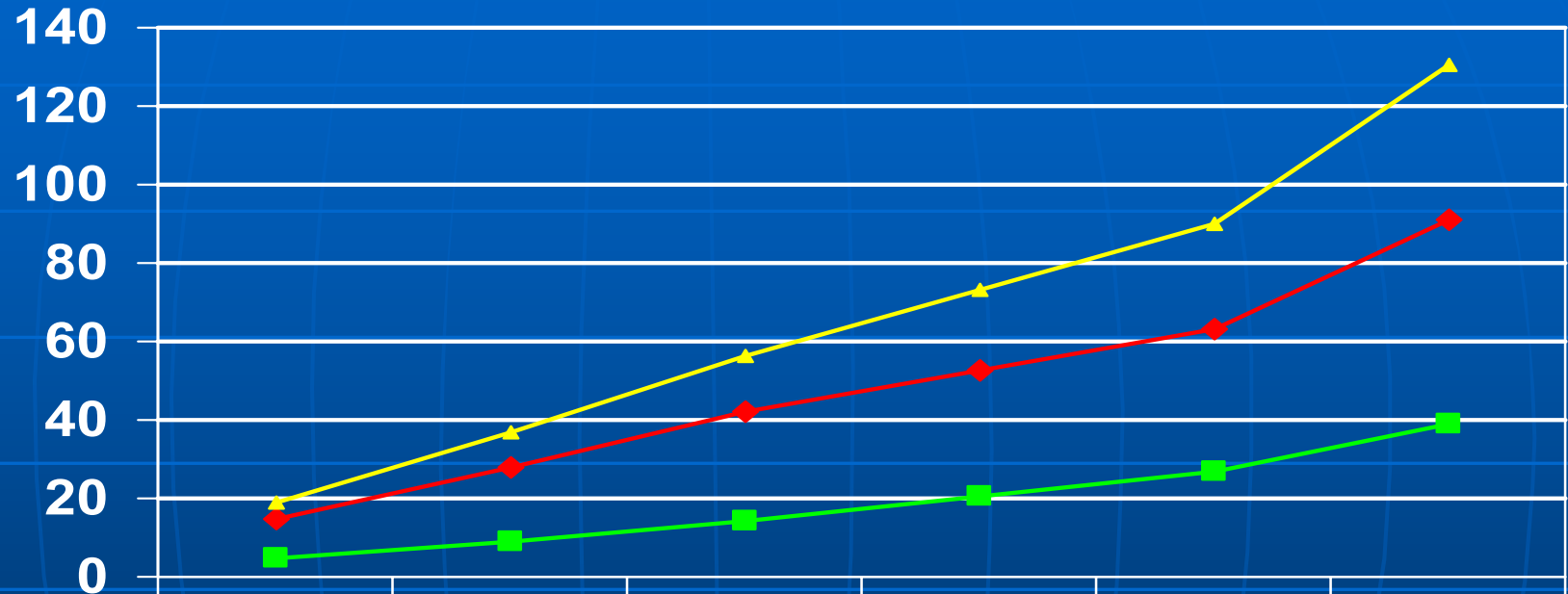


Medicare's underlying principles

- Public administration
- Comprehensiveness
- Universality
- Portability
- Accessibility

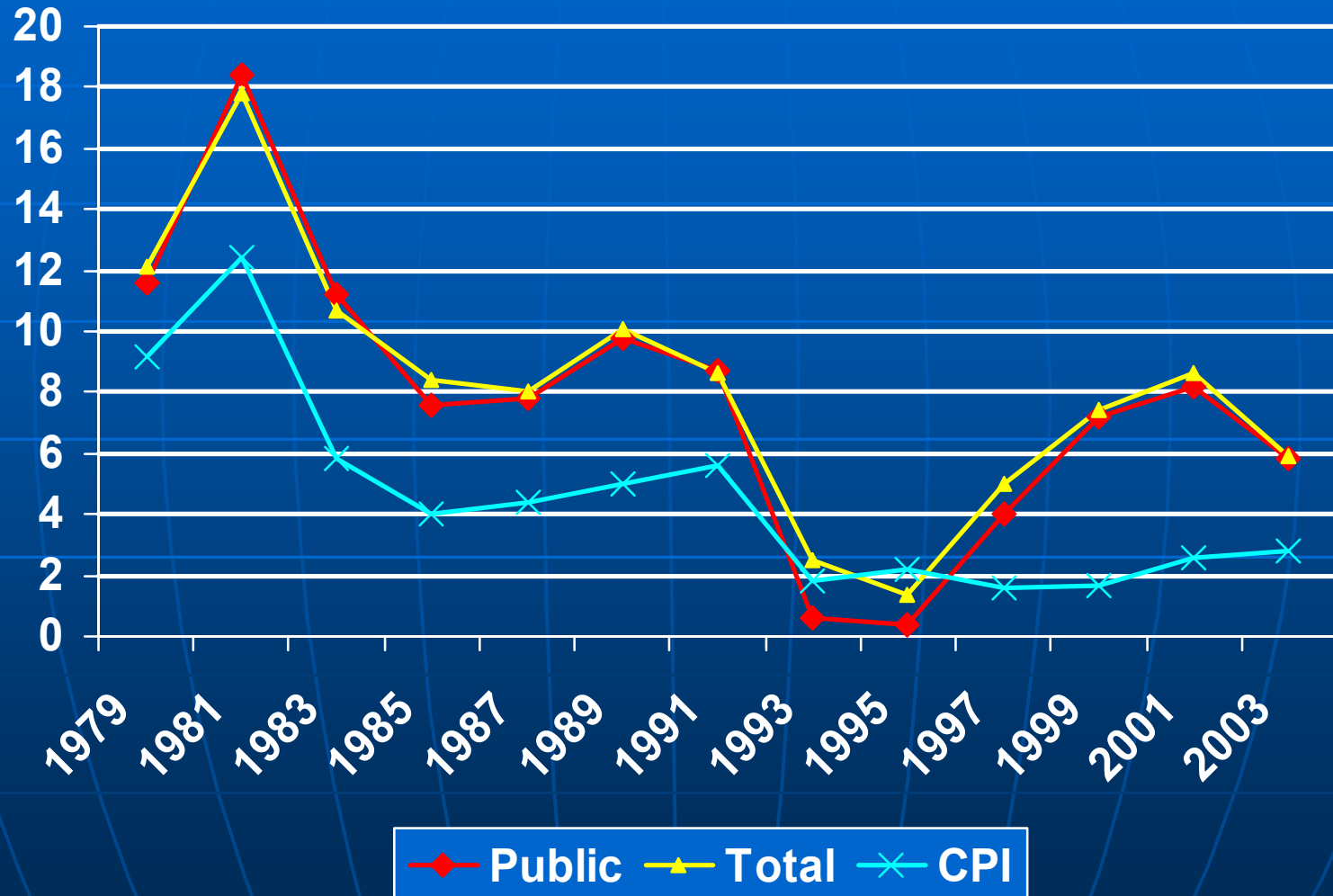
Cost trends: Expenditures, 1979-2004

CAD billions



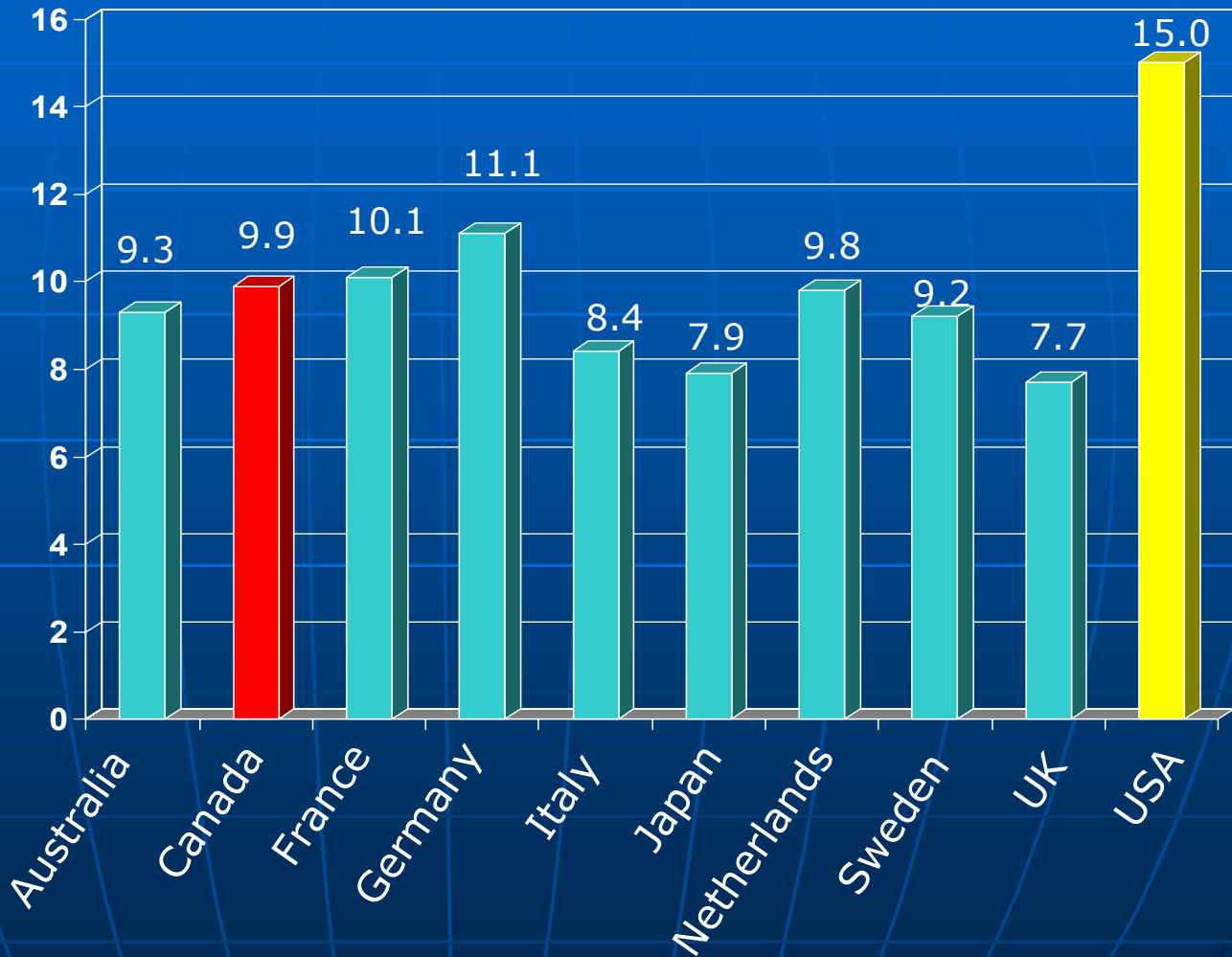
	1979	1984	1989	1994	1999	2004
◆ Public	14.6	28	41.9	52.6	63.3	91.1
■ Private	4.6	8.8	14.2	20.5	26.6	39.2
▲ Total	19.2	36.7	56.1	73.1	89.9	130.3

Cost trends: Annual percentage change, 1979-2003



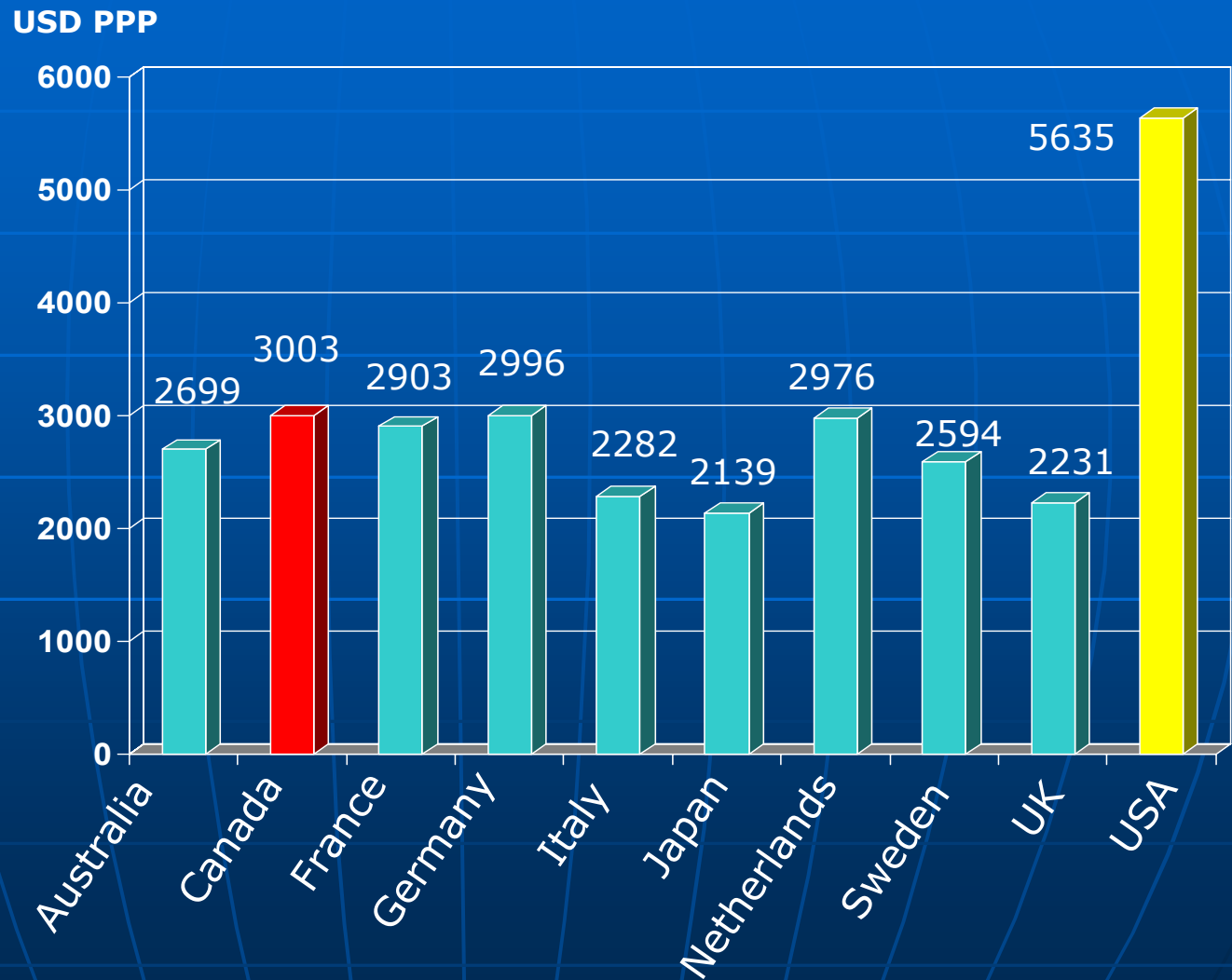
International comparisons

Health expenditures as percent of GDP, 2003



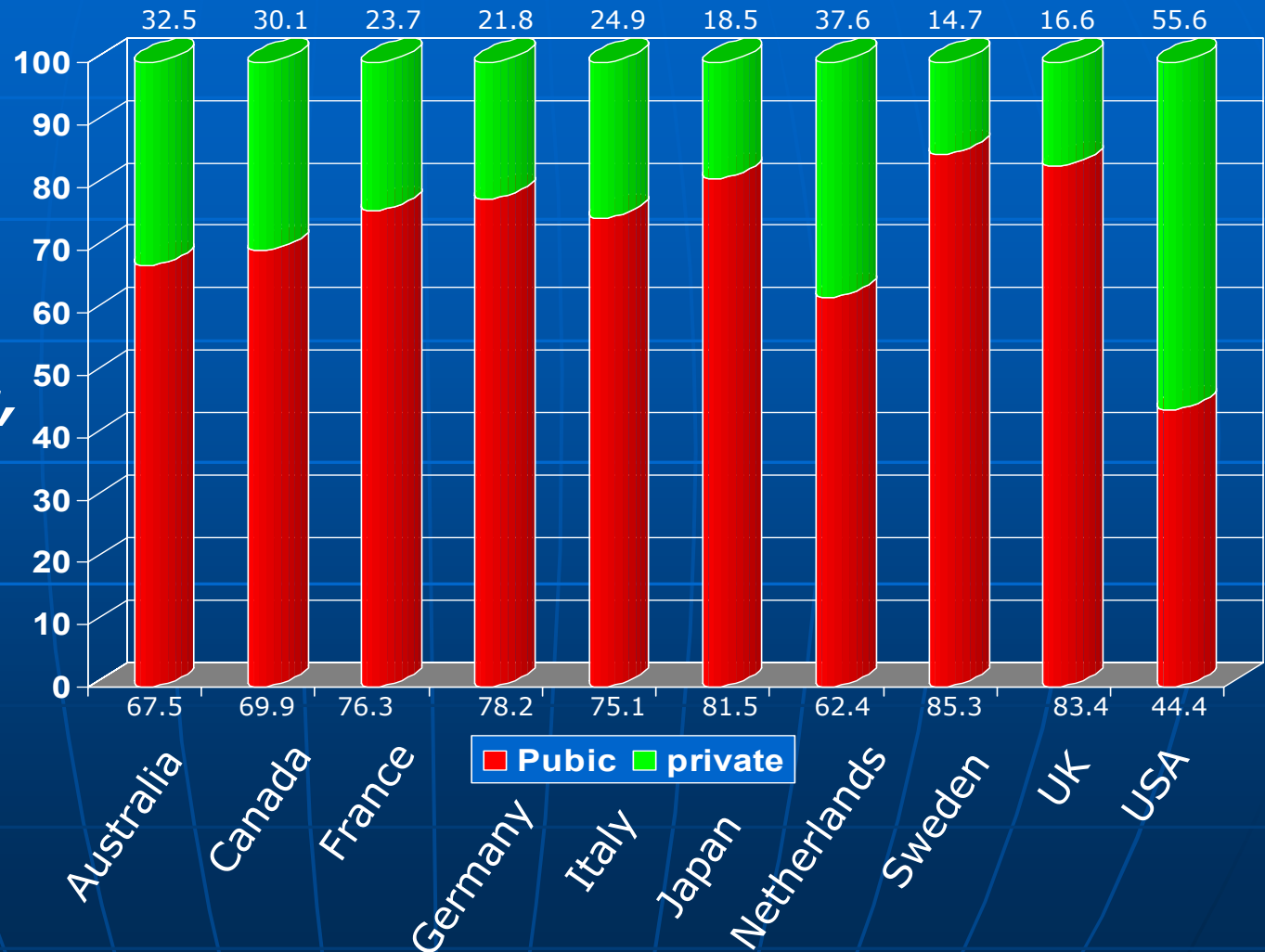
International comparisons

Health expenditures per capita, 2003



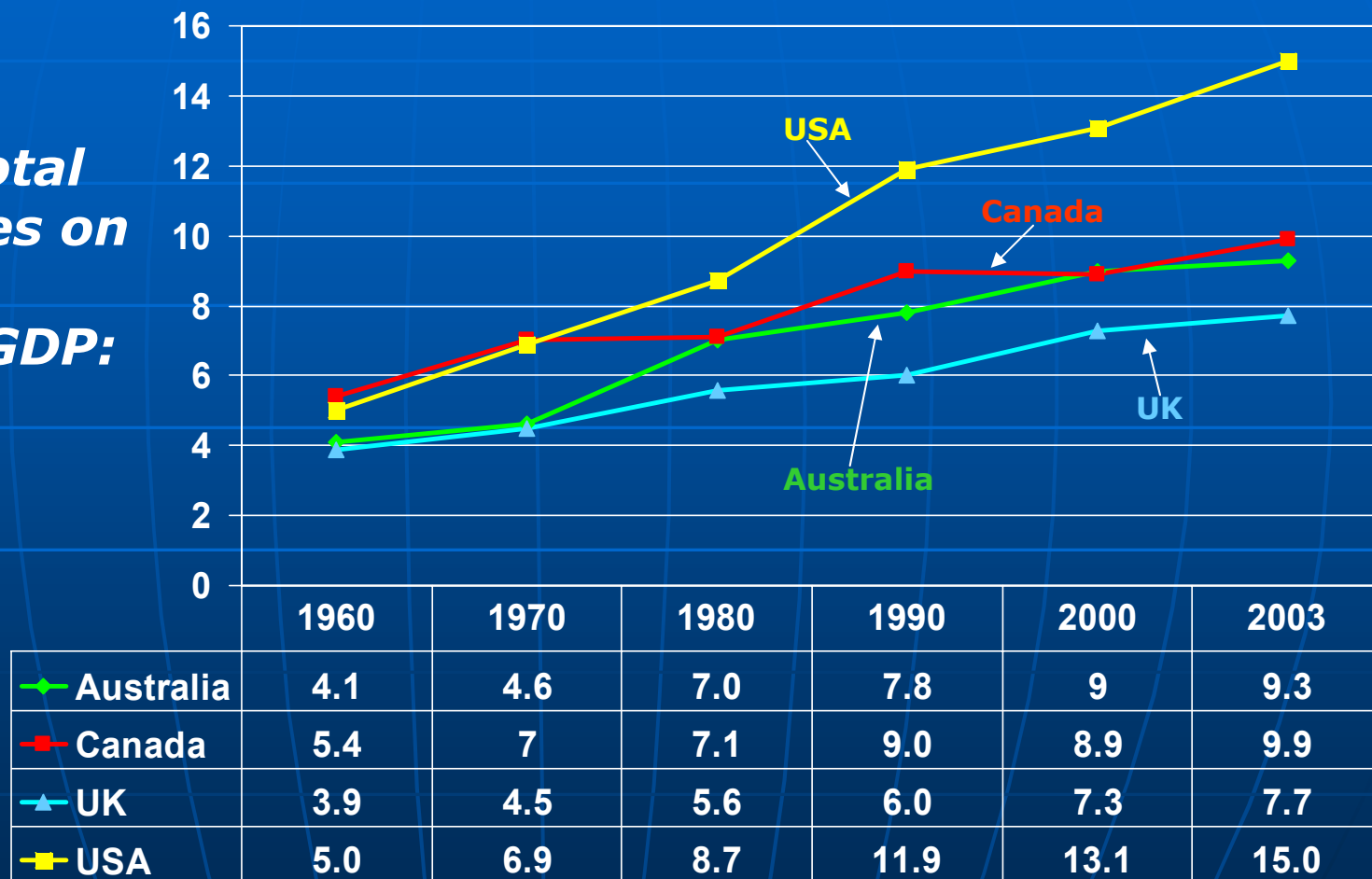
International comparisons

Percent of health expenditures: public and private sources, 2003



International comparisons

Trends in total expenditures on health as percent of GDP: 1960-2003



Waiting times

- Major source of public concern
- Vary considerably between provinces and by service
- Especially serious for “elective” surgeries particularly relevant to seniors (e.g. hip/knee replacements)
- Key element of recent Supreme Court of Canada decision regarding private health insurance

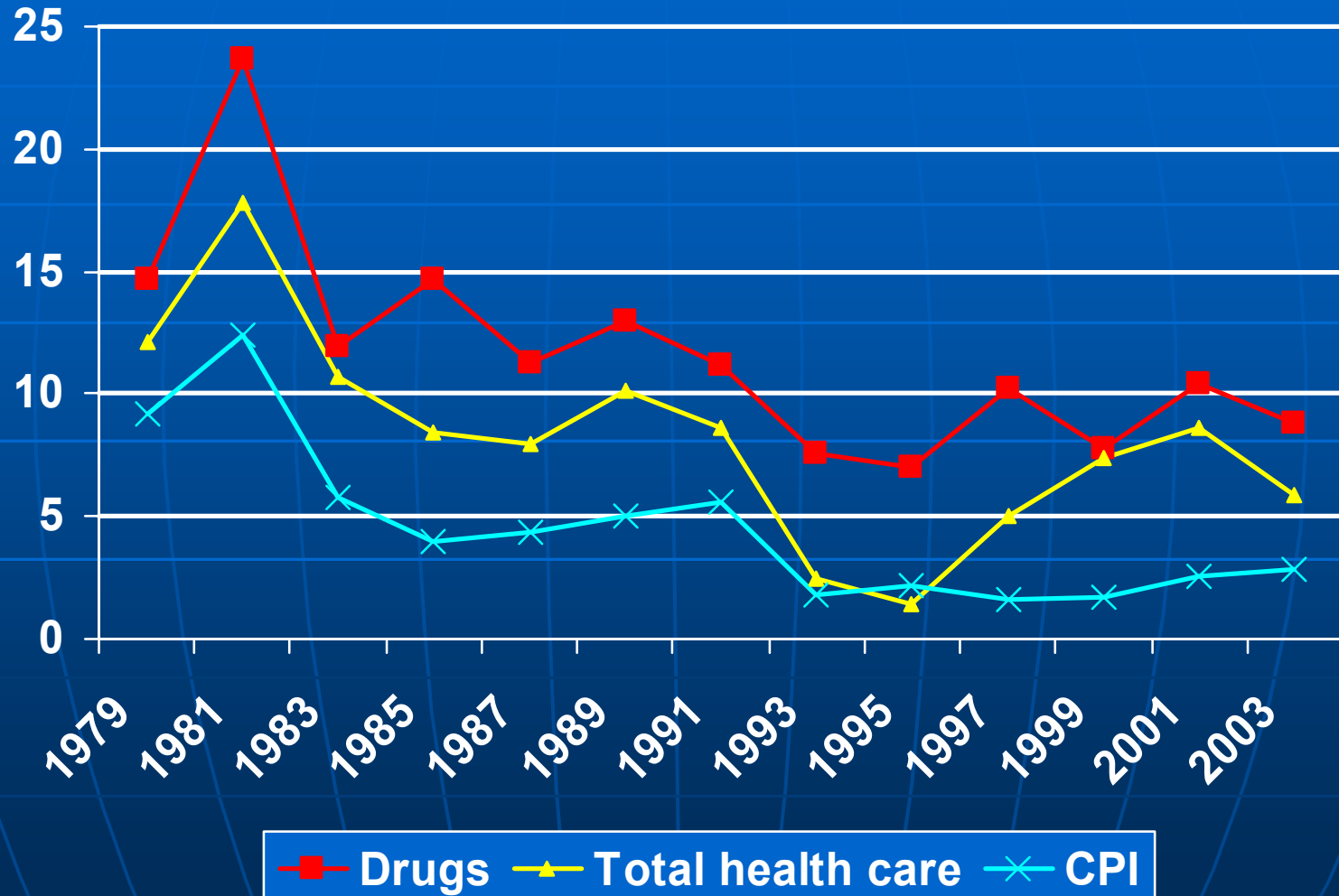
Waiting times – Ontario

<i>Service</i>	<i>Total procedures</i>	<i>Procedures per 100,000</i>	<i>Median waiting time</i>
Cancer – mastectomies	2,693	50	29 days
Cardiac – angioplasty	15,406	177	3 days
Cardiac – bypass surgery (elective)	7,846	90	40 days
Cataract surgery	102,182	1,174	15 weeks
Total hip replacement	9,791	113	24 weeks
Total knee replacement	12,933	147	33 weeks
MRI	207,144	1,768	22 weeks

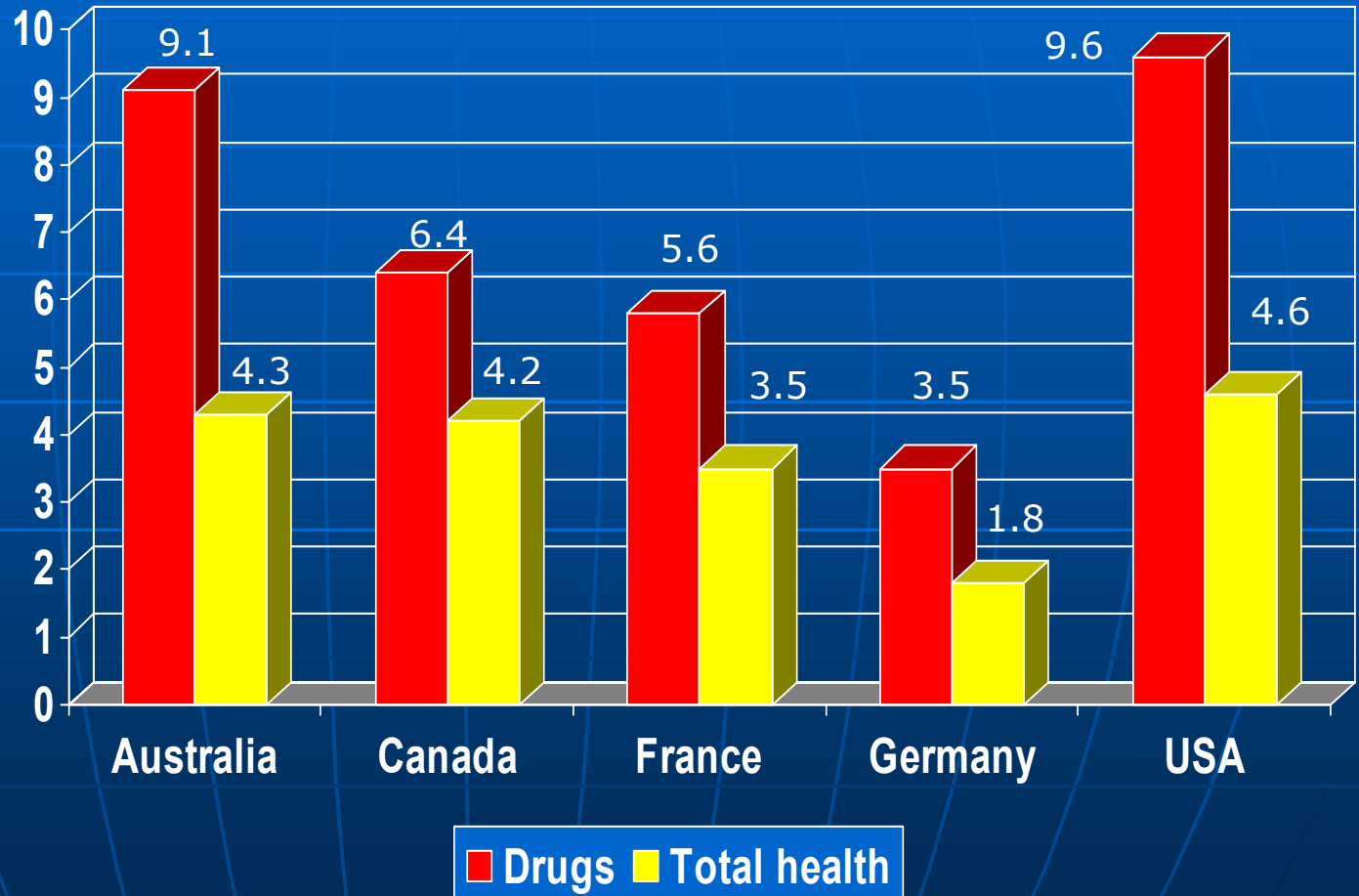
Cost of drugs

- Increase in spending for drugs consistently higher than total spending for health care
- Drugs not covered by Medicare unless administered in a hospital
- Most provinces / territories have programs to assist seniors 65+ with part of cost of drugs

Cost trends for drugs: Annual percentage change, 1979-2003



International comparisons: Growth in drug costs vs. total health costs



Ontario Drug Benefit

- Virtually all residents 65+ qualify
- Covers ~2,600 drug products
- Deductibles and co-payments:
 - For low- and modest-income seniors (singles/couples with annual incomes less than \$16,018 and \$24,175 respectively): no deductible, \$2 co-payment per prescription
 - For others: \$100 annual deductible and \$6.11 co-payment per prescription

Prognosis

- Canada's health care system is and will remain under pressure, facing problems – as in most other industrialized countries
- Chances of recovery: almost guaranteed, given Canadians' strong support, but continued incremental changes will be required