Sustainability: What Does This Mean for Canada’s Health Care Systems

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Overview

• Health care reform in Canada
• Definition of sustainable health care system
• Key elements and principles for sustainable health care systems
• Opinions from key informant interviews
• Final thoughts
Health Care Reform in Canada

• 18 reports over the past 15 years produced 432 recommendations or ideas for action.

• There is remarkable consensus on the need to transform the health care system to improve outcomes

• More than half of the recommendations involved improving system management and funding or financial models
Recommendations, Ideas, and Areas for Action to Transform Health Care in Canada

Access to Care 7%
Innovation and Innovative Technologies 8%
System Management Approaches and Processes 30%
Health Human Resources 9%
Funding and Financial models 23%
Health Promotion and Disease Prevention 9%
Quality and Value for Money 14%
Health Care Reform in Canada

There is broad agreement on what matters. Less so on how best to move forward - particularly in funding (the way in which money is allocated) and financing (the way in which money is raised).
Health Care Tension

Recognition of the need for more

Realization that resources might not be enough
<table>
<thead>
<tr>
<th>Ideas to Reform Health and Health Care</th>
<th>% of all recommendations under this theme</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funding</strong></td>
<td></td>
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<tr>
<td>Modify Funding (e.g., increased funding for specific activities and ensuring adequate and predictable funding overall)</td>
<td>44</td>
</tr>
<tr>
<td>Decrease Pharmaceutical Expenditures (e.g., better use of medications, greater use of generics, regulate generics, increased bulk purchases)</td>
<td>12</td>
</tr>
<tr>
<td>Improve Cost Management</td>
<td>11</td>
</tr>
<tr>
<td>Preserve Publicly Funded Model</td>
<td>4</td>
</tr>
<tr>
<td><strong>Financing</strong></td>
<td></td>
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<tr>
<td>Expand Canada Health Act (to cover additional services like home care, long term care, prescription drugs, rehabilitation)</td>
<td>15</td>
</tr>
<tr>
<td>Transform Insurance Model</td>
<td>7</td>
</tr>
<tr>
<td>Increase revenues (Introduce user fees, co-payments, deductibles, avoid tax subsidies to employer-provided health insurance benefits)</td>
<td>5</td>
</tr>
<tr>
<td>Incorporate Health-care Benefit Tax into Income Taxes</td>
<td>2</td>
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<tr>
<td>Reduce growth of public health spending</td>
<td>1</td>
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</tbody>
</table>
What is a Sustainable Health Care System?

It is a system that:

• is designed to meet the health and health care needs of individuals and the population (from health promotion and disease prevention to restoring health and supporting end of life);

• leads to optimal health and health care outcomes;

• responds and adapts to cultural, social, and economic conditions and demands; and,

• does not compromise the outcomes and ability of future generations to meet their own health and health care needs.
Key Elements and Principles for Sustainable Health and Health Care Systems

Six key elements considered essential to support sustainable health and health care:

1. Effective disease prevention and health promotion strategies and programs
2. Effective health care system management structures, processes, and approaches
3. Affordable financial resources and investments and innovative funding models
4. Leveraging innovation and innovative technologies
5. Optimal development and alignment of human resources
6. Effective government policies outside of health care that protect the health of Canadians
Effective Disease Prevention and Health Promotion Strategies and Programs

- Sustainability of the health care system was directly linked to our ability to control chronic diseases:
  - 2 out of 5 Canadian adults have one chronic condition
  - Responsible for 42% of direct medical care expenditures and over 65% of indirect costs
  - Total estimated economic burden is equivalent to 9 per cent of Canada’s annual GDP!

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Effective Health Care System Management Structures, Processes and Approaches

• 20-40% of resources spent on health are wasted due to inefficiencies
  – Operational waste: administrative processes that add cost without creating value
  – Clinical waste: inappropriate medical care

• What needs to change?
  – Cost Control Value Generation
  – Processes Outcomes
  – Silos Integration
What Has Been Suggested to Transform Health Care System Management Approaches and Processes?

<table>
<thead>
<tr>
<th>Ideas</th>
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<tbody>
<tr>
<td>Introduce Process and Structural Changes</td>
<td>33</td>
</tr>
<tr>
<td>Enhance Accountability and Reporting</td>
<td>27</td>
</tr>
<tr>
<td>Address Health System Priority Areas</td>
<td>21</td>
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<tr>
<td>Transform Governance Models</td>
<td>20</td>
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Affordable Financial Resources & Investments and Innovative Funding Models

- Growth in total health expenditures over the last 10 years has occurred at a rate that has outpaced the rate of growth of the Canadian economy
- What are we getting from these investments?

<table>
<thead>
<tr>
<th></th>
<th>Health expenditures per Capita (US$PPP)</th>
<th>Life expectancy (years)</th>
<th>Infant mortality (deaths per 1,000 live births)</th>
<th>Potential years of life lost (years per 100,000 population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>$4,079</td>
<td>80.7</td>
<td>5.1</td>
<td>3365</td>
</tr>
<tr>
<td>Germany</td>
<td>$3,737</td>
<td>80.2</td>
<td>3.5</td>
<td>3134</td>
</tr>
<tr>
<td>Sweden</td>
<td>$3,470</td>
<td>81.2</td>
<td>2.5</td>
<td>2541</td>
</tr>
<tr>
<td>Australia</td>
<td>$3,353</td>
<td>81.5</td>
<td>4.1</td>
<td>2823</td>
</tr>
<tr>
<td>Japan</td>
<td>$2,729</td>
<td>82.7</td>
<td>2.6</td>
<td>2587</td>
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Leveraging Innovation and Innovative Technologies

• Innovations have significantly improved health care. They can enhance the efficiency, safety, quality, and productivity of health and health-care services.

• However, Canada’s health care is a slow adopter of innovations and innovative technologies:
  – Canada ranks below average on both the availability of CT scanners and MRI equipment.
  – Canada ranked 13 out of 14 peer countries in the use of innovative cancer drugs.
  – Canada still lags behind in adopting electronic medical records.
What Has Been Suggested to Boost Innovation within Canada’s Health Care?

• 14 out of 18 reports made recommendations to enhance innovation and speed up the adoption of innovative technologies

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<tr>
<td>Upgrade medical technology (e.g., implementation and optimal use of EMRs, assessment of their impact on patient care)</td>
<td>56</td>
</tr>
<tr>
<td>Target funding for medical technology (e.g., telehealth, e-prescribing, computerized order entry systems, drug information systems)</td>
<td>21</td>
</tr>
<tr>
<td>Create a more innovative culture in health care (focus on translating research and bringing more innovation to patient care)</td>
<td>24</td>
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Optimal Development and Alignment of Human Resources

- Sustainable health care services depend on thriving and sustainable human resources.

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<tr>
<td>Enhance Health Human Resources Practices (develop strategic HHR action plans, conduct productivity studies, ensure appropriate training for health care professionals)</td>
<td>46</td>
</tr>
<tr>
<td>Reorganize Health Care Professionals to Provide Better Service</td>
<td>26</td>
</tr>
<tr>
<td>Ensure Adequate Supply of Health Care Professionals</td>
<td>18</td>
</tr>
<tr>
<td>Improve working conditions and benefits for staff</td>
<td>10</td>
</tr>
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Effective Government Policies Outside of Health Care that Protect the Health of Canadians

- Social, economic, and physical environments have a great impact on population health.
- Effective cross-sector health policies are required on food, housing, transportation, environment, national security, education, economy and other key areas to manage risk and reduce social inequalities.
Key Informant Interviews
What are the changes that would have the greatest impact in transforming health and health care in Canada?

1. Greater use of innovative technologies, including those to enable e-health
2. Adoption of new funding models to drive behavioral change
3. Focus on evidence, outcomes, and value creation
Biggest Impediments to Sustainability

- Vested interests: 20%
- Disfunctional jurisdictional collaboration: 13%
- Politics: 13%
- Limited and ineffective citizen involvement: 11%
- Limited focus on outcomes and accountability: 8%
- Lack of leadership: 8%
- Unwillingness to leverage private sector resources: 8%
- Lack of innovation and innovative technologies: 6%
- Too much focus on acute care: 4%
- Inadequate and uncoordinated funding systems: 4%
- Lack of coordination of health and social services: 2%
Key Stakeholder Groups that Should Lead the Transformation Agenda

- Health care providers: 23%
- F/P/T governments: 20%
- Businesses/ Private sector: 18%
- All canadians / Citizens: 18%
- Health care organizations and their associations: 11%
- Patient advocacy groups: 5%
- Health Council of Canada: 5%
A Sustainable Health Care System

It is a system designed to:

• meet the health and health care needs of individuals and the population (from health promotion and disease prevention to restoring health and supporting end of life);

• lead to optimal health and health care outcomes;

• respond and adapts to cultural, social, and economic conditions and demands; and

• Deliver on its promise without compromising the outcomes and ability of future generations to meet their own health and health care needs.
Final Thoughts

• The main policy objective should be improving and sustaining the performance of the health care system within current and future fiscal constraints.

• There is a remarkable degree of consensus on the key elements essential for sustainability and on the need to transform the health care system in ways that will improve health outcomes.

• This transformation is unlikely to occur without a supportive and stable political environment and collaborative partnerships.
Thank you!