

# Sustainability and Canadian Health Care

Jeremiah Hurley<sup>1,2,3</sup>

<sup>1</sup>Department of Economics, McMaster University

<sup>2</sup>Centre for Health Economics and Policy Analysis, McMaster University

<sup>3</sup>Department of Clinical Epidemiology and Biostatistics, McMaster University

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# What do we want to sustain?

The current system?

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The realization of certain principles?

- access to medically necessary services?
- *equal* access to medically necessary services?

# What do we mean by “Sustainable?”

## Dimensions of Sustainability

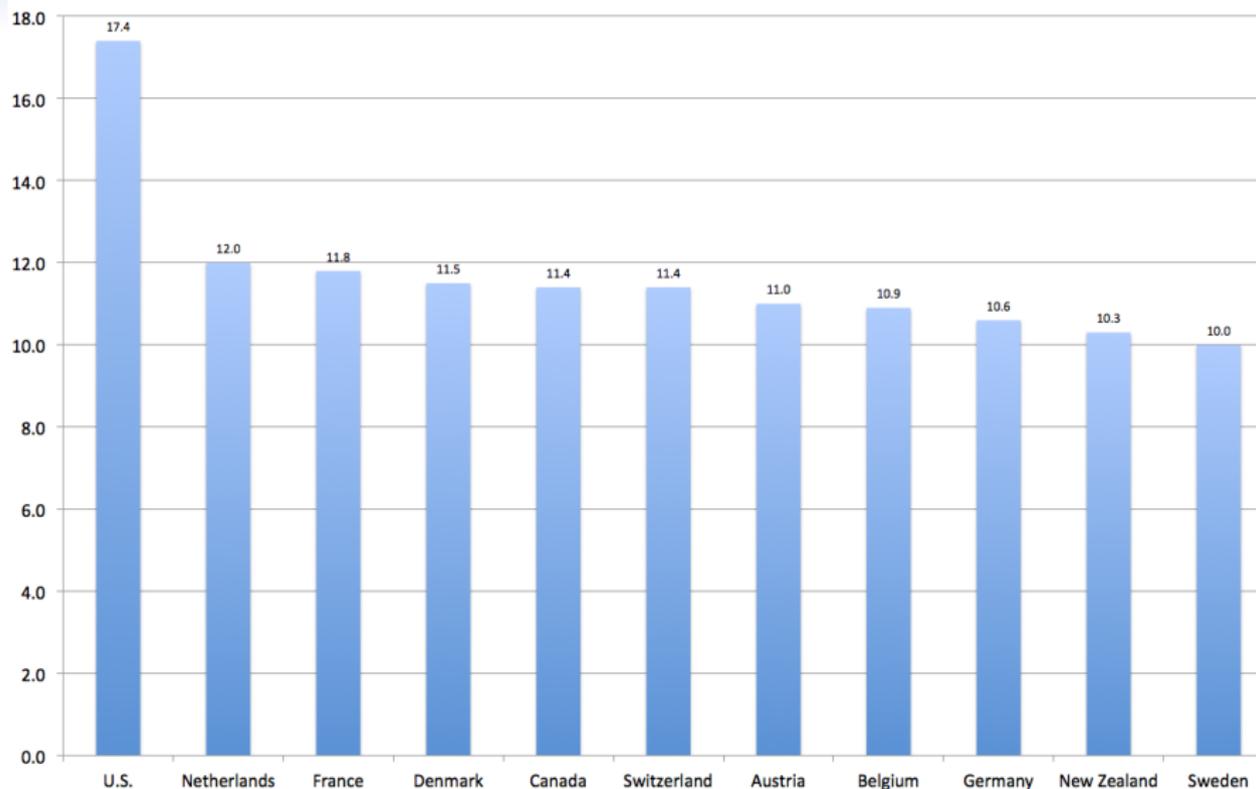
- economic
- political
- social
- legal

# Economic Sustainability

## With Respect to the Overall Economy

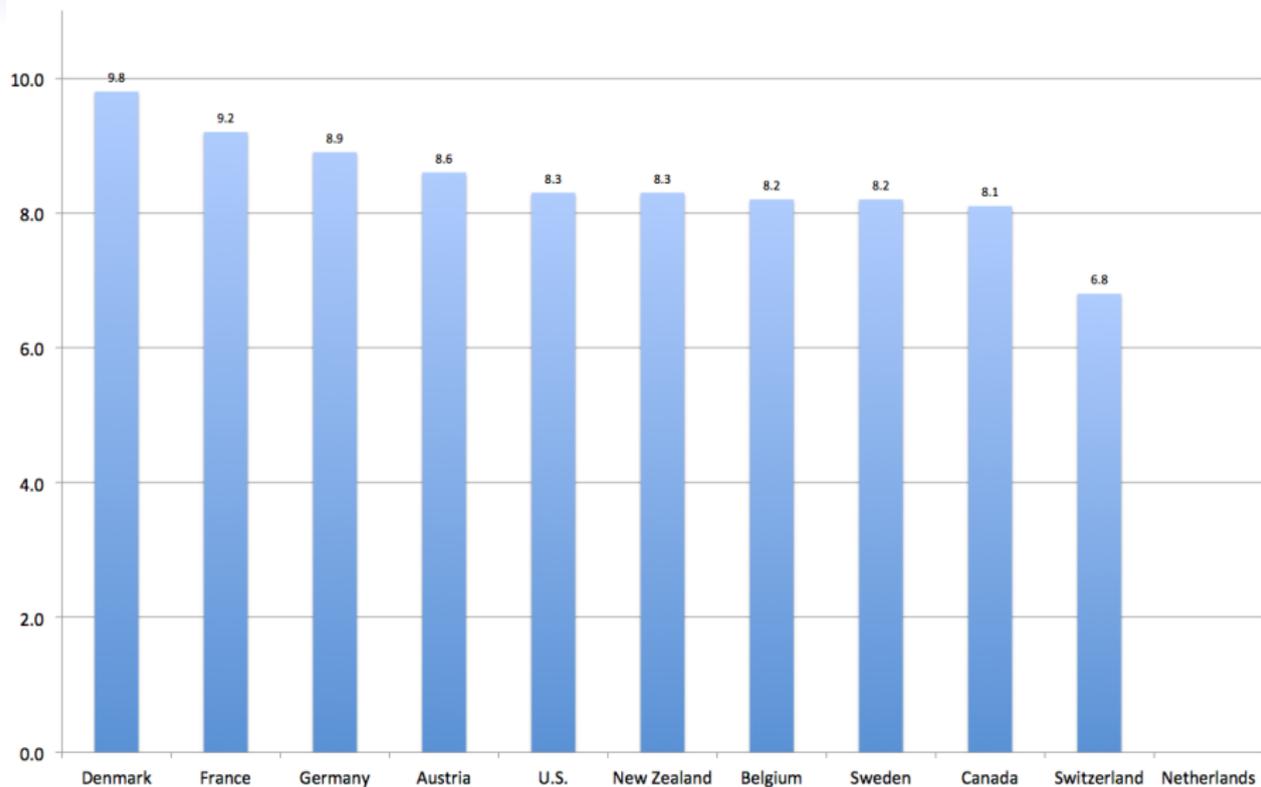
- health care spending as proportion of GDP

**Total HC Expend as Percent GDP, 2009**



Source: OECD. 2011.

Public HC Expend as Percent GDP, 2009



Source: OECD. 2011.

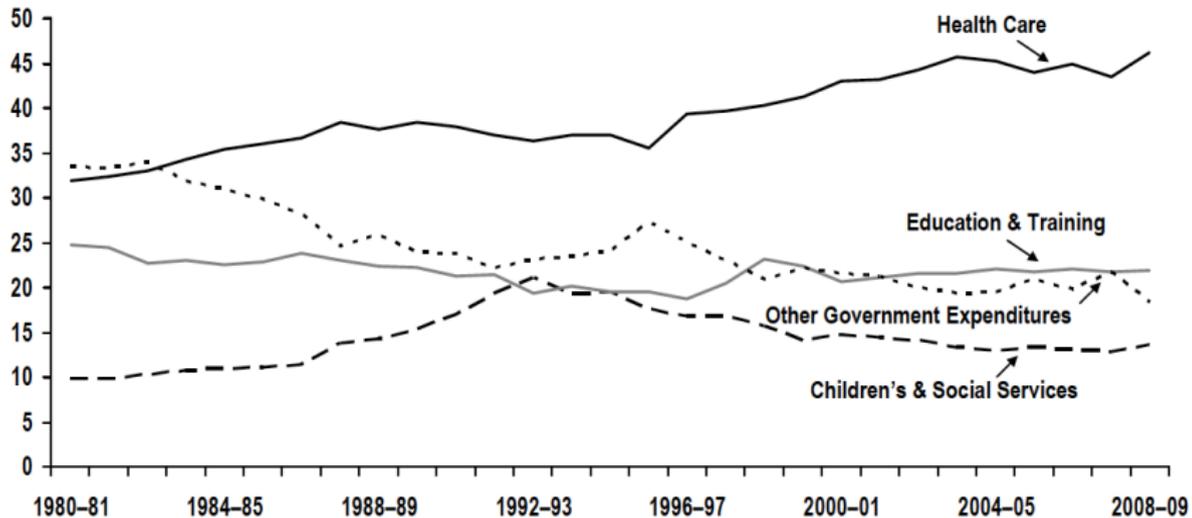
## Public-Sector Sustainability

- public health care spending as a proportion of program spending
- public health care spending as a proportion of tax revenue

# Ontario Government Program Spending

Chart 1

Per Cent of Total Program Spending



Source: Ontario Ministry of Finance.

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# Challenges to Sustainability

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# Challenges to Sustainability

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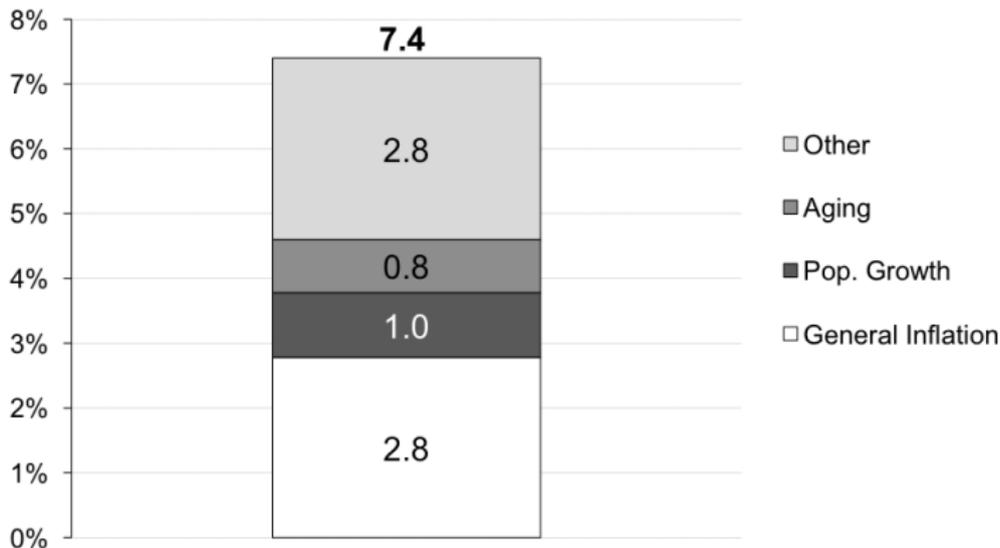
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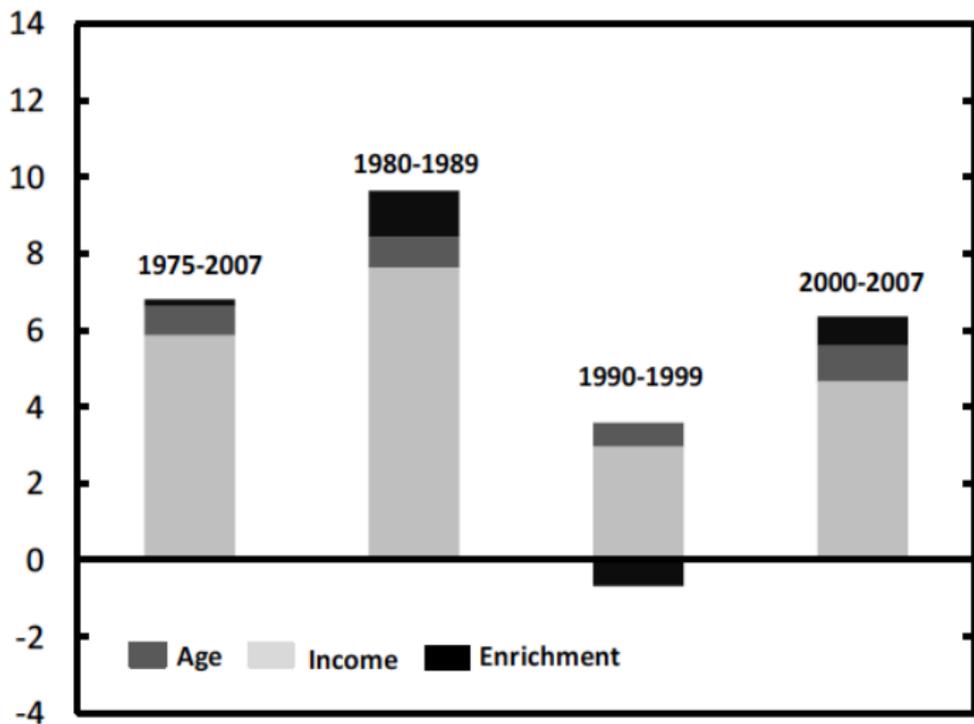
## Health Care Spending

## Average Annual Growth Rate, Public Health Care Spending, Canada, 1998-2008



Source: CIHI. 2011. *Macro-Level Health Care Cost Drivers*. January

## Average Annual Percentage Growth, Provincial-Territorial Health Spending, Canada, 1975-2007



Source: Parliamentary Budget Office. 2010. *Fiscal Sustainability Report*. February.

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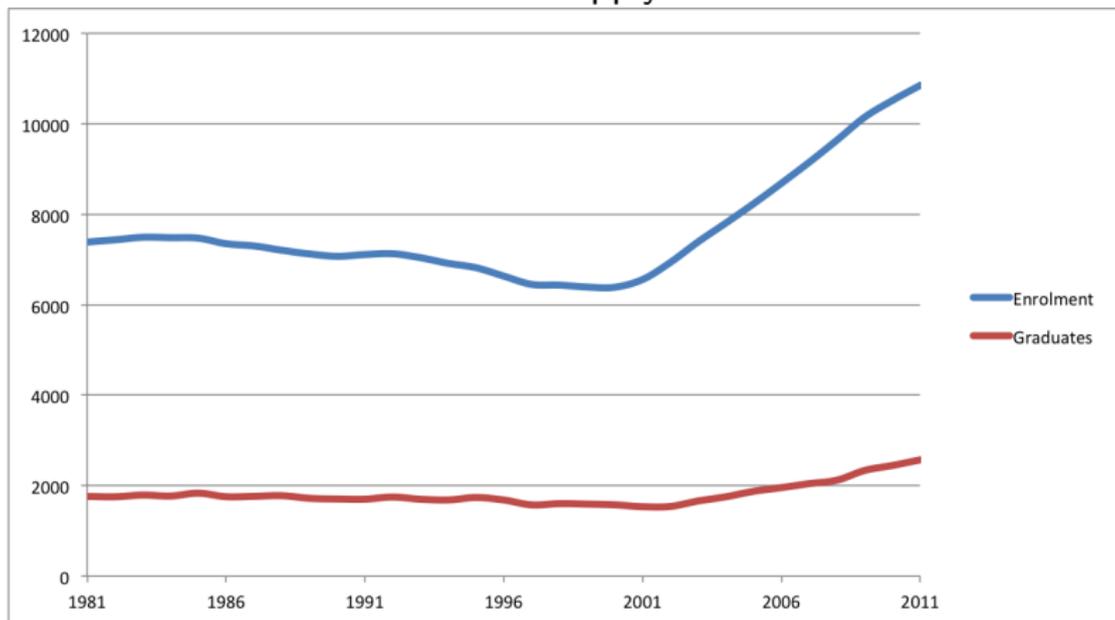
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## Health Care Spending

## Physician Supply

## Challenges to Health System Sustainability, cont'd

### MD Supply



Source: Association of Faculties of Medicine of Canada. 2011. *Annual Statistics*.

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## Health Care Spending

## Physician Supply

## Evolution of Health Care Sector

## Challenges to Sustainability, cont'd

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  - lifestyle drugs, devices and interventions are increasingly the focus of medical innovation; these are non-medically necessary consumer services

# Challenges to Sustainability, cont'd

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## Some Consequences

- Clean distinction between what is medically necessary (and hence, public) and what is not will increasingly blur.
- The growing private, non-medically necessary sector will attract private capital that will seek to broaden markets for its services.



