

The challenges facing Ontario's health care system moving forward: a health policy perspective

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INTRODUCTION

The purpose of this commentary is to inform Ontario's Deputy Minister of Health and Long-Term Care on the province's current top health priorities and the factors that have pushed these priorities to the top of the agenda. It will include the three most important health policy priorities that should top the health agenda in Ontario over the next 5 years, outlining their incentives and challenges and stating Ontario's number one top health policy priority

BACKGROUND

Priorities that currently top Ontario's health policy agenda include:

1. Managing the rising costs of public health care

Budgetary deficits at the federal and provincial levels have raised questions concerning the sustainability of Ontario's publicly funded system of health insurance [1]. Recommendations have been put forth in order to manage the rising costs of public health care, as the current deal of federal-provincial transfer payments is set to end in 2014. A review of the quantitative evidence demonstrates that if interest costs were omitted, 46% of all Ontario spending would be devoted to health care [2]. Ontario is at the upper end of the provincial rankings in terms of percentage increase in overall health spending, only behind Alberta and British Columbia. The major drivers of health spending growth include: demographics, inflation, medical technology, treatment decisions by physicians and hospitals, and drug coverage. Containment of these driving factors as the population ages is a major concern [2].

2. Improving access to quality family healthcare and certain medical specialists

Access to primary care continues to be a concern for many people living in Ontario. The percentage of general practitioners accepting new patients is only 9.6%, down from 39% only seven years ago [3]. On a national scale, Canada has a doctor-patient ratio of just 2.3 per 1,000 (1.76 in Ontario) and is ranked 24th on a list of 28 industrialized countries. Notwithstanding our family doctor shortage, there is also a growing risk of unemployment and underemployment facing new medical school graduates in several specialties (i.e. nephrology, neurosurgery, plastic

surgery, public health and preventive medicine), in addition to cardiac surgery where the employment concerns first surfaced. The Royal College of Physicians and Surgeons of Canada published surprising data showing the impact the recent economy has had on hospitals and their attempt to decrease additional costs by avoiding hiring more medical specialists [4]. Finding cost-effective and efficient ways to remedy this problem has proven difficult, pushing it to the top of Ontario's health policy agenda.

3. Reducing wait times

In recent years, there have been continued warnings from physicians regarding the tragic human cost of waiting for care. Long wait times for joint replacement, cataract surgery, heart bypass grafts, and MRI scans costs, as calculated for all provinces, from \$2,900 to over \$26,000 per patient [5]. The cumulative cost of waiting for treatment in just four areas was \$14.8 billion and the reduced economic activity lowered government revenues by \$4.4 billion in one year. Reduction in economic activity includes the impact of the patient's inability to work while waiting, direct losses from decreased production of goods and services, reduced income, and lowered discretionary spending. In addition to the benefit reduced waiting time has on patient health, there also exists a financial incentive for the government to improve wait times and access to healthcare, pushing it to the top of the health care agenda.

ANALYSIS

The following section includes the incentives and challenges of addressing each of the abovementioned three priorities in Ontario over the next five years.

1. Managing the rising costs of public health care.

Incentives: A sustainable strategy to reduce health care costs can improve the health of Ontario's citizens. The funds saved could instead be used to improve the health of the province's most vulnerable citizens (i.e. children with mental health problems) and would go the furthest in lowering the cost of health care over time [2]. Some sustainable strategies include a provincial system for pharmacare and bulk purchasing of medical equipment. Purchasing in bulk instead of purchases done by individual hospitals establishes considerably lower price structures and can save

the government billions of dollars [6]. An innovative strategy for health promotion to reduce the rising rate of obesity and diabetes in our population would also go a long way toward ensuring our system is sustainable for future generations. Any new funds given to the province for health care should be tied to accountability measures that include improving outcomes.

Challenges: In a report from the C.D. Howe Institute (a respected economic think tank), former Bank of Canada governor David Dodge suggested that in order to manage the rising costs of public health care, there must be severe cuts to health care services, increased taxes, or increased personal payments [2]. Many believe that Ontario's position of deficit is an opportunity for the federal government to suspend the Canada Health Act, let individuals buy private insurance, allow health providers to charge fees in addition to what Medicare covers, and allow for personal payments for publicly funded medical goods and services [2]. However, a TD Economics report on health care published in 2010 cautions that private financing does not lead to large public savings [6]. For example, multiple-payer systems are more expensive to administer. The OECD conservatively estimates that the US spends 8% of its budget for health care on administration, compared with 2% spent in Canada. In addition to the public and political resistance to private financing, there are risks to the overall quality if health care providers shift resources away from the public toward private financing. A more compelling reason is seen in a report published by the Ontario Hospital Association analyzing the use of health care in Ontario [7]. They found that 5% of the Ontario population accounts for 84% of all spending on health care. This portion of the population often comprises of patients with chronic diseases and people from vulnerable populations such as the frail elderly and the economically disadvantaged. None of these Canadians would likely be able to afford private insurance; therefore, the bulk of health care costs would continue to rest with the public system.

2. Improving Access to Primary and Specialist Care

Incentives: In 2003 the First Ministers established a 10-year plan to strengthen health care across the nation, focusing on improving both the access to quality health care, and reducing waiting times [3]. Improving access to care primarily involves increasing the number of health care professionals such as family physicians and certain specialists and encouraging health care workers to work more closely together and efficiently [5]. This is important because of the province's changing physician demographics. The average age of an Ontario practicing physician is 50.9, nearing the age of retirement [3]. The impact of a substantial amount of physicians retiring in the near future could be concerning.

Another benefit of making this policy a top priority is that it is highly supported by the public. A recent report by the Health Council of Canada reports that Canada ranks last in an international comparison that analyzed how quickly patients

can access their family doctors, and that patients are frustrated that care is not better integrated or more patient-centered [8]. Therefore, improving access to care is a goal perceived as important by the public. It follows then that a provincial government will strive to resolve these issues to gain public support and may therefore be compelled to follow through with this policy implementation in order to remain in office the subsequent term. The Canada Health Act of 1984 states that if each province's health-care system is accessible, portable, comprehensive, universal, and publicly administered, the federal government will put money towards provincial healthcare expenditure [3]. Making improved access to care a top priority coincides with improving accessibility, and may persuade the federal government to allot more money to the province of Ontario.

Challenges: One cost associated with making improved access to care a top priority is the cost of paying more health professionals as well as the cost to change the healthcare infrastructure. This places an additional financial burden to the province's already high expenditure on health care.

One proposed solution to increase jobs for the affected medical specialties such as cardiac surgery is to urge older practitioners to cut back on the number of procedures they are performing in order to provide opportunities for younger medical specialists. This would spread the same number of procedures over more surgeons and allow for better access to more rural areas for those surgeons not located in large tertiary centers [6]. However, practitioners may perceive this as a loss of status and social power and be resistant to this change [9]. When a similar threat to physician autonomy occurred in 1984 upon introduction of the Canada Health Act, which forbade user fees, balanced billing by doctors, and private clinics and hospitals, physicians began moving to the United States by the hundreds every year [9]. It is crucial moving forward that we find innovative ways to improve access to care while avoiding these past policy mistakes

3. Reducing Waiting Times

Incentives: Addressing wait times offers similar benefits to improving access to care. Both policies coincide with Canada's First Ministers' 10-year plan, both have public support, and both are in accordance with the Canada Health Act [3]. Focusing on reducing waiting times is an important way to deal with Ontario's aging population. As the baby-boomer generation ages, they will require more medical attention since prevalence of disease increases with age. Reducing waiting times would meet increasing demand for healthcare services more effectively and therefore, the government's healthcare expenses would be more efficiently utilized.

Challenges: In addition to the financial cost discussed in the previous section, health care professionals may be resistant to changes required to accommodate an effective reduction in

waiting times. Former Canadian Medical Association President Dr. Jeff Turnbull suggested that in order to significantly decrease waiting times, the healthcare system must be reformed [5]. A clinic in Saskatchewan was able to reduce its average wait times from 36 days to 2 days by completely remodeling its infrastructure by using a pooled referral system and restricting physician autonomy [10]. This change may be more difficult to implement in Ontario because physicians might be hesitant to accept it and lack of cooperation could lead to longer wait times.

RANKING and RECOMMENDATIONS

Based on the aforementioned analysis and the recommendations of top health policy experts, managing the rising health care costs should be Ontario's top health policy priority over the next five years [1,5,11]. Health care costs are increasing at a faster rate than the revenue of the government and the scramble by the provincial government to fund health care means that other critical priorities are being underfunded (i.e. education, social programs and the environment) [2]. Funding cuts unaccompanied by thoughtful infrastructure redesign was seen in Ontario in the 1990s and only led to a decrease in quality of healthcare and short-term, not long-term savings. For long-term cost savings, investments must be made in prevention, cost-effective treatments, and quality/accessibility. The final conclusion is that our provincial health system, like other health systems around the world, needs to continue to invest and modernize its delivery systems to improve the health of our citizens, which in turn will make our future health care sustainable.

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