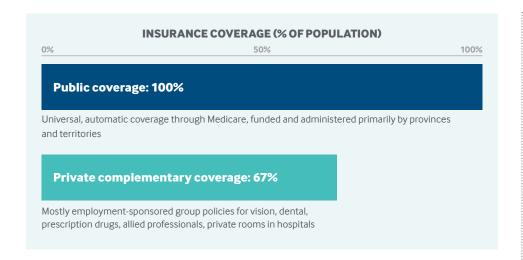
# Canada



Canada has a decentralized, universal, publicly funded health system called Canadian Medicare. Health care is funded and administered primarily by the country's 13 provinces and territories: each has its own insurance plan, and each receives cash assistance from the federal government on a per-capita basis. Benefits and delivery approaches vary as well. All citizens and permanent residents, however, receive medically necessary hospital and physician services free at the point of use. To pay for excluded services, including outpatient prescription drugs and dental care, provinces and territories provide some coverage for targeted groups. In addition, about two-thirds of Canadians have private insurance.



### **HEALTH CARE DELIVERY AND PAYMENT**

**General practitioners (GPs)** are typically self-employed and in private practice. Paid mostly on fee-for-service basis, with fees negotiated between provincial ministries of health and medical associations. Patient registration requirements vary, but no province or territory has strict rules. *Patient cost-sharing:* None for medically necessary services. Patient cost-sharing for services not covered by public plans.

**Specialists** deliver outpatient care primarily in hospitals, although less-complex services may be provided in private diagnostic or surgical facilities. Mostly self-employed and paid on fee-for-service basis, typically under the same fee schedule as GPs. Patients can freely choose specialists, but in many provinces specialists receive lower fees when patients are not referred by GPs. *Patient cost-sharing*: None for medically necessary services. Patient cost-sharing for services not insured by public plans.

**Hospitals** are a mix of public and private and predominantly not-for-profit. Often managed locally by regional authorities or hospital boards representing the community. Paid primarily through annual global budgets. *Patient cost-sharing*: None, except for private room fees.

All costs are in U.S. dollars, adjusted for cost-of-living differences. Conversion rate: USD 1.00 = CAD 1.26.

#### **DEMOGRAPHICS**

36.7M
Total population

**17.3%** Population age 65+

## HEALTH SYSTEM CAPACITY & UTILIZATION

**2.7** Practicing physicians

per 1,000 population

Average physician visits per person

**10.0**Nurses per 1,000 populat

Nurses per 1,000 population

**2.5**Hospital beds per 1,000 population



# Canada

**Prescription drugs** provided in hospitals are paid under Canadian Medicare. Publicly funded outpatient drug coverage for individuals without private supplemental insurance through an employer varies by province and territory. *Patient cost-sharing:* For outpatient drugs, varies across provinces and territories depending on safety-net programs.

**Mental health services** provided by physicians are covered under Canadian Medicare, and the provinces and territories also provide a range of community mental health and addiction services. *Patient cost-sharing:* Visits to providers other than physicians (e.g., psychologists) are mostly paid out of pocket or with private insurance (or some combination of the two).

Long-term care provided outside hospitals is not insured by Canadian Medicare, but provinces and territories subsidize some home and institutional services. Long-term care facilities are a mix of private and public. Home care is publicly funded through contracts with home care agencies or via government stipends to patients who purchase their own services. In some provinces and territories, means-testing is required for long-term care. Support for informal caregivers varies by province and territory. *Patient cost-sharing*: Many provinces require a copayment for nursing home and home care services.

**Safety nets** include outpatient drug plans that provinces and territories provide to some resident subgroups (e.g., recipients of social assistance, individuals age 65 years and older, or those who lack private health insurance). Provincial/territorial governments also pay for certain accommodations and food expenses for indigent individuals in publicly financed long-term care facilities. The federal Medical Expense Tax Credit provides tax credits for individuals with significant out-of-pocket medical expenses.

**Care coordination** for chronically ill patients with complex needs is being encouraged by the provinces and territories through various initiatives, including a bundled payment pilot program in Ontario.

### **TOTAL HEALTH EXPENDITURES**

Health spending accounted for an estimated 11.5 percent of GDP in 2017. Public funds paid for approximately 70 percent of expenses. The federal government contributed USD 29.4 billion to provinces and territories in 2017–2018 for health care, representing approximately 24 percent of provincial and territorial health expenditures.

### RECENT REFORMS

- Provincial and territorial governments are implementing structural reforms to improve efficiency, with a recent trend toward centralizing the administration of health services into a single provincial health authority, including in Saskatchewan, Manitoba, and Ontario (2016–2019).
- The Advisory Council on the Implementation of National Pharmacare was established in 2018 to consider a pan-Canadian system of drug coverage.

 $This\ overview\ was\ prepared\ by\ Sara\ Allin,\ Greg\ Marchildon,\ and\ Allie\ Peckham.$ 

#### **SPENDING**

\$4,974

Health care spending per capita

\$749

Out-of-pocket health spending per capita

\$806

Spending on pharmaceuticals (prescription and OTC) per capita

HEALTH STATUS & DISEASE BURDEN

82.0

Life expectancy at birth (years)

26.3% Obesity prevalence

**7.4%** 

Diabetes prevalence

**22%** 

Adults with multiple chronic conditions (2 or more)

**Data:** 2019 OECD Health Data except: diabetes prevalence from *Health at a Glance 2019* (IDF Atlas 2017 data); adults with 2+ chronic conditions from the 2016 CMWF International Survey.