

# LeaderShift: Webinars for Health System Leaders

April 19<sup>th</sup>, 2018

# Webinar One: Understanding the Ecosystem: Overview of the Ontario Healthcare System



Addictions &  
Mental Health  
Ontario

Dépendances &  
santé mentale  
d'Ontario

**afhto**  
association of family  
health teams of ontario



Canadian Mental  
Health Association  
Ontario  
*Mental health for all*



**OCSA**  
Ontario Community  
Support Association

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**LeaderShift**

# The purpose of today's webinar

- **Educate** on the relevant elements of the health system and policy landscape, and the trends that matter.
- **Understand** what these factors and trends mean for your sector, organization and local health system.
- **Gain practical ideas** about how to interpret health system dynamics and steer your organizations within Ontario's landscape.
- **Reinforce** the opportunity for your sector to take leadership.

# AGENDA

- Introduction and CEOs Opening Remarks
  - The Canadian Health Care System: The Macro View (20 minutes)
    - Questions and discussion (10 minutes)
  - Ontario's Health Care System in Focus (20 minutes)
    - Questions and discussion (10 minutes)
  - Your Operating Reality – The Funding Environment and its Impact (20 minutes)
    - Questions and discussions (10 minutes)
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# CEOs Opening Remarks

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Deborah Simon, OCSA

# The Canadian Health Care System: The Macro View

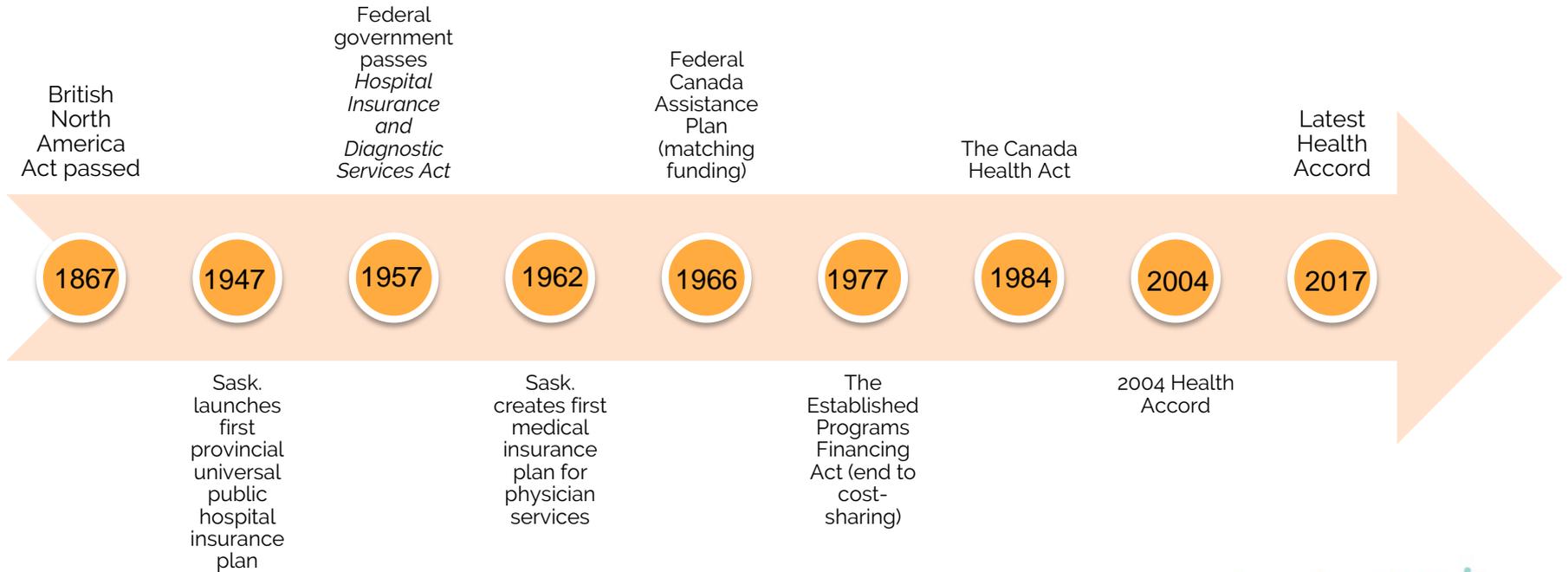
# Key Features of the Canadian System

1. Division of responsibility between the federal and provincial governments with evolving federal/provincial dynamics;
2. A single-tiered, universal system for physician and hospital services;
3. But, high degrees of private pay for other health services – dental care, eye care, drugs, mental health, home and community care.
4. 13 distinct provincial & territorial health systems with different structures, funding levels and priorities.
5. Overall, in comparison to OECD peers:
  - Strong performance in life expectancy, self-reported health status and premature mortality (overall health)
  - Poor / mediocre performance in health system performance (access to care, disease management, etc.)

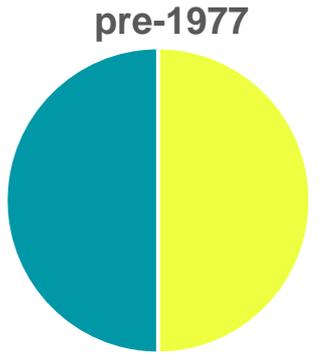
# Provincial and Federal Government Health Care Responsibilities

Provincial/Territorial	Municipal	Federal
<ul style="list-style-type: none"><li>• Management, organization, and delivery of health care services</li><li>• Administration of provincial health insurance plan (within Canada Health Act framework)</li><li>• Oversight of municipal role in health care</li></ul>	<ul style="list-style-type: none"><li>• Differs by province</li><li>• Key role in funding and delivery of community, mental health, and addictions, and prevention services</li><li>• Public health</li></ul>	<ul style="list-style-type: none"><li>• Providing funding transfers to provinces and territories</li><li>• National standards for the system</li><li>• Supporting service delivery to First Nations, Inuit, Canadian Forces, and other groups</li><li>• Other functions - product regulation, health research, promotion, and prevention</li></ul>

# Timeline of key healthcare events

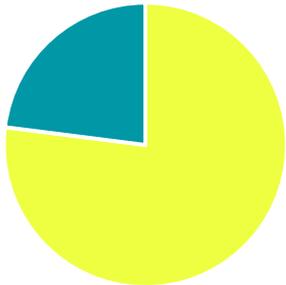


# An Evolving FTP Funding Relationship



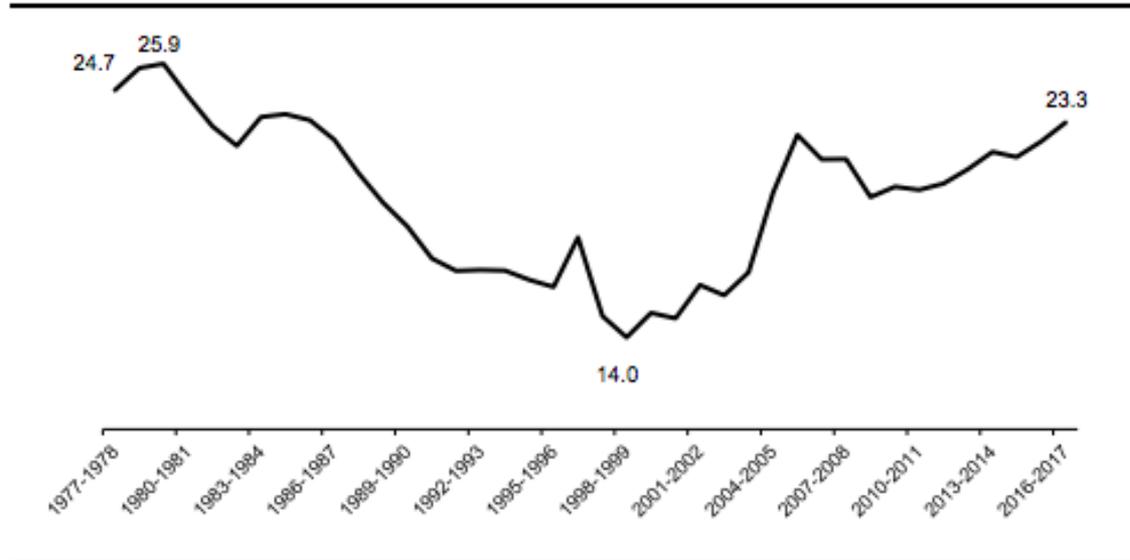
- Provincial
- Federal

Today



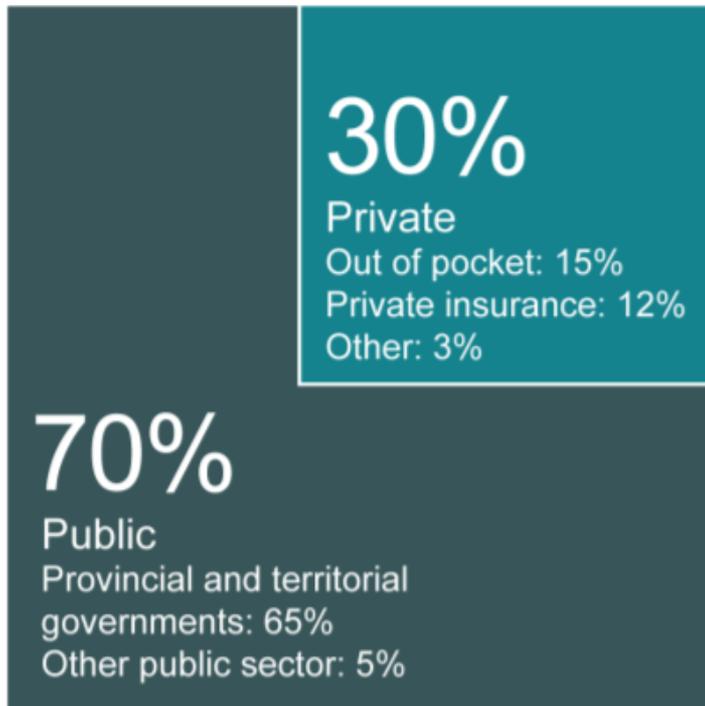
- Provincial
- Federal

**Share of federal funding in provincial health spending,  
1977-1978 to 2016-2017**  
(per cent)

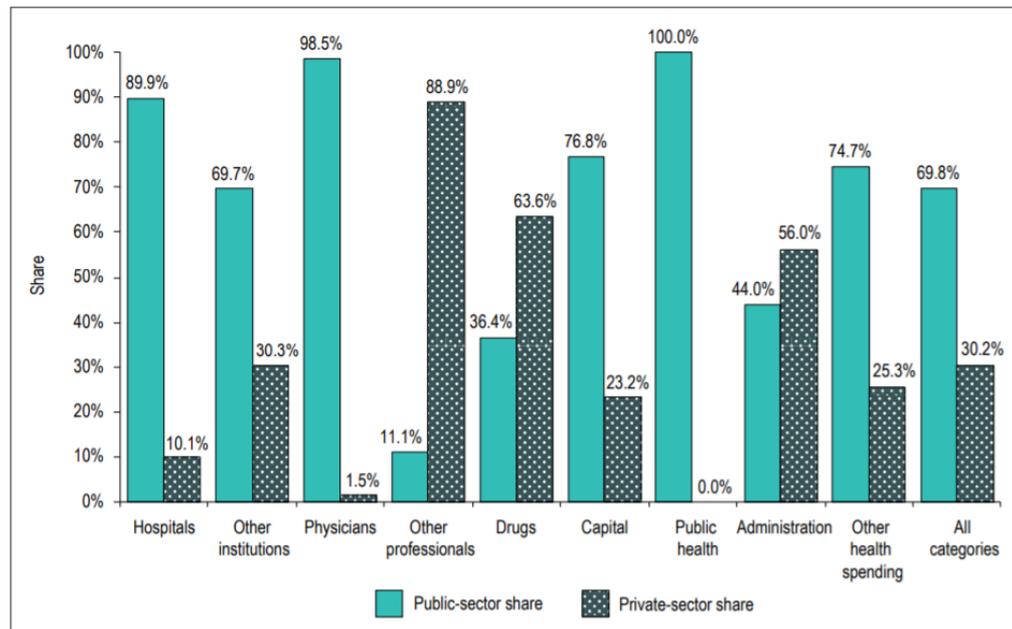


Sources: Canadian Institute for Health Information, Conference Board of Canada, Department of Finance Canada and Ministère des Finances du Québec.

# Canada has a mixed health care system

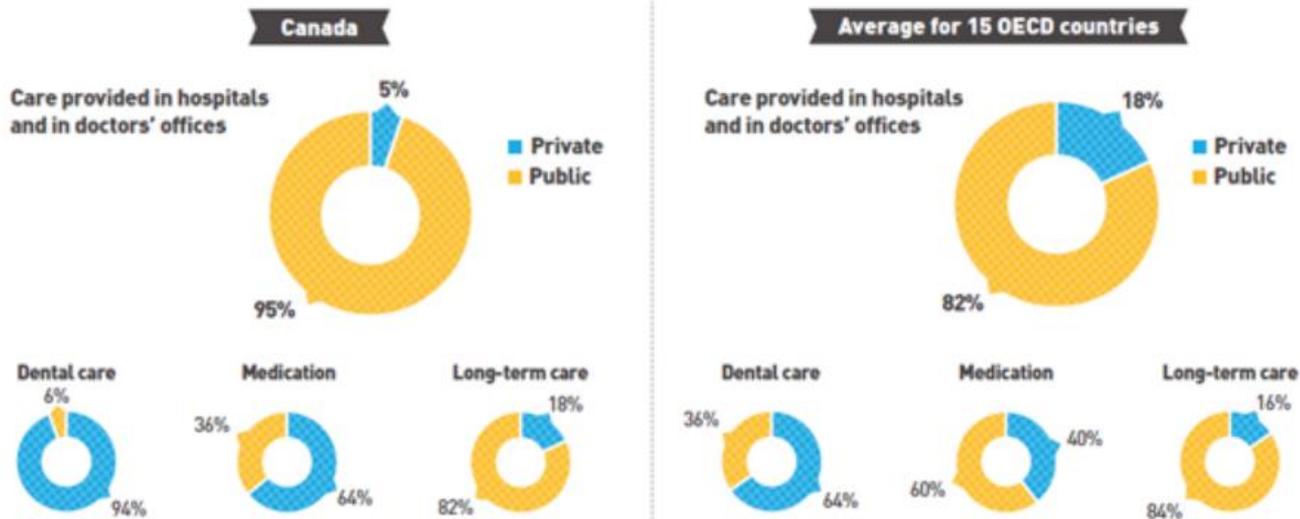


**Figure 11** Public and private shares of total health expenditure, by use of funds, Canada, 2017



# Canada has high levels of public pay for medical services but low levels of public funding for other health services

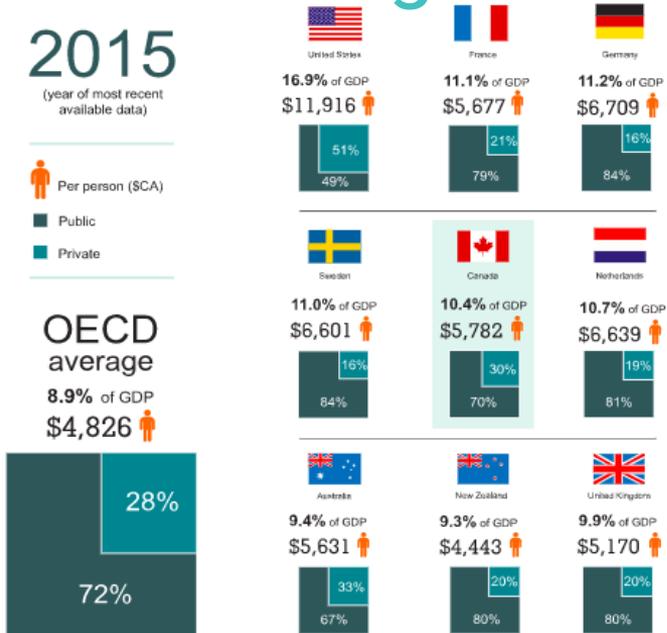
## Proportion of private funding of health care services, by category of care, 2013



Source: OECD, OECD Health Statistics, Health expenditure indicators. See the Technical Annex on the MEI's website for details.

Notes: In the case of Canada, the private portion of 5% of expenditures in hospitals and doctors' offices does not concern health services provided for Canadians, but rather includes spending by patients to have a private or semi-private room, parking fees, or medical items that are not considered necessary for patient health. The only private spending for medically required care included in this figure is spending by foreign patients. The fifteen OECD countries are Australia, Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Japan, Norway, Portugal, South Korea, Spain, Sweden, and Switzerland.

# Canada spends more on health care (and has more private coverage) than the OECD average

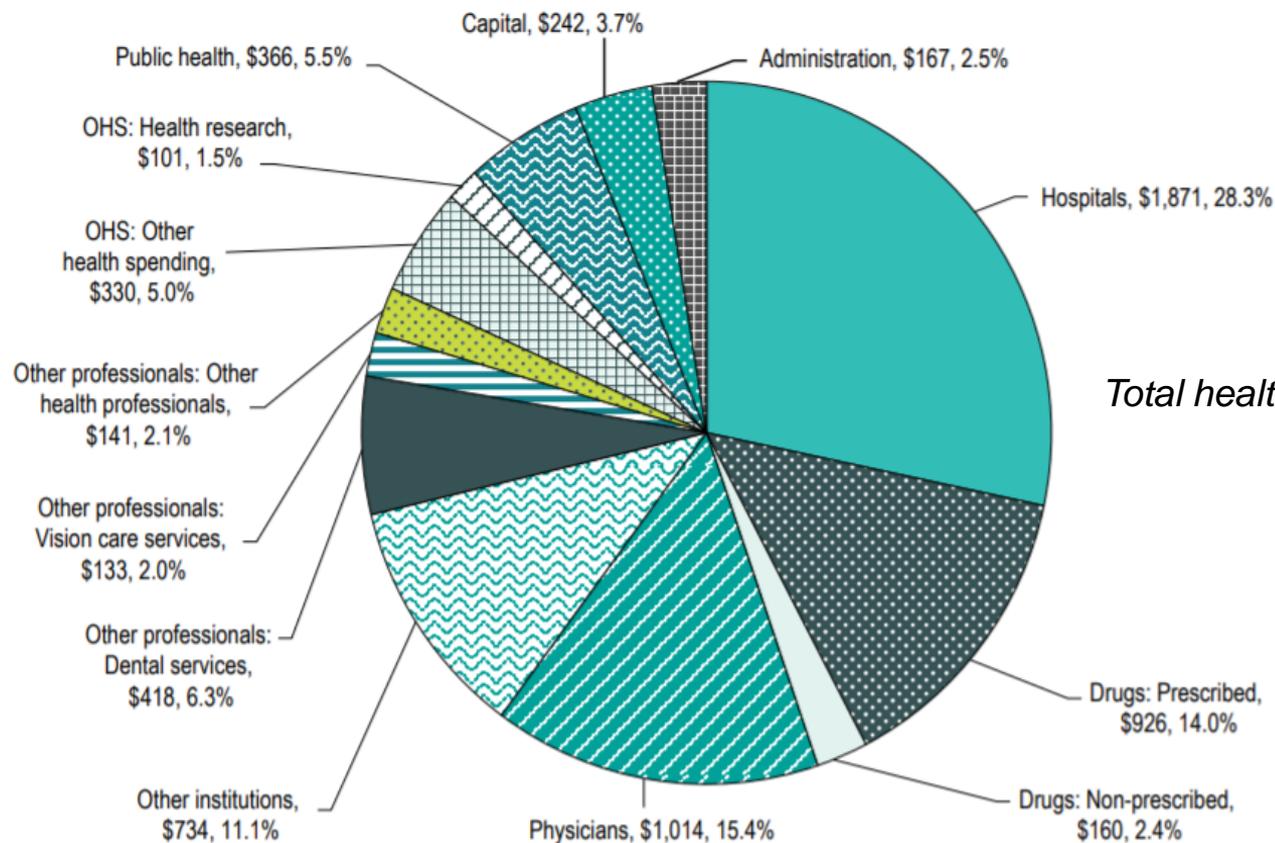


**Note**  
Total current expenditure (capital excluded). Expenditure data is based on the System of Health Accounts.

**Source**  
OECD Health Statistics 2017.



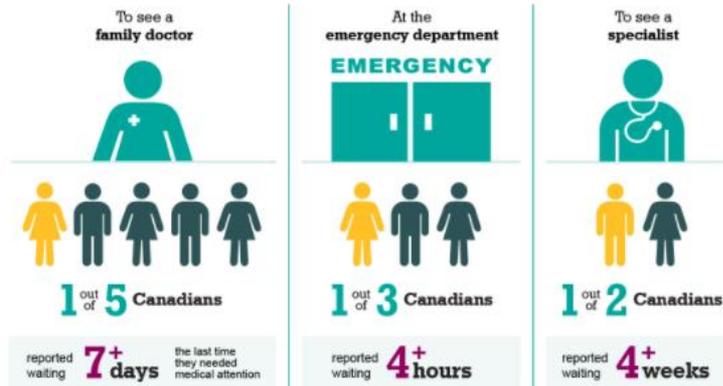
# How does Canada's overall health spending break down?



Total health expenditure: \$242 billion (2017)

# How does our performance stack up?

Canadians report the longest waits of patients in 11 countries\*



Canadians are generally happy with the quality of their care



\*The Commonwealth Fund (CMF) surveyed adults in 11 countries through its 2016 International Health Policy Survey

# How does our performance stack up?

## EXHIBIT ES-1. OVERALL RANKING

### COUNTRY RANKINGS

Top 2\*

Middle

Bottom 2\*



AUS CAN FRA GER NETH NZ NOR SWE SWIZ UK US

	AUS	CAN	FRA	GER	NETH	NZ	NOR	SWE	SWIZ	UK	US
<b>OVERALL RANKING (2013)</b>	4	10	9	5	5	7	7	3	2	1	11
<b>Quality Care</b>	2	9	8	7	5	4	11	10	3	1	5
Effective Care	4	7	9	6	5	2	11	10	8	1	3
Safe Care	3	10	2	6	7	9	11	5	4	1	7
Coordinated Care	4	8	9	10	5	2	7	11	3	1	6
Patient-Centered Care	5	8	10	7	3	6	11	9	2	1	4
<b>Access</b>	8	9	11	2	4	7	6	4	2	1	9
Cost-Related Problem	9	5	10	4	8	6	3	1	7	1	11
Timeliness of Care	6	11	10	4	2	7	8	9	1	3	5
<b>Efficiency</b>	4	10	8	9	7	3	4	2	6	1	11
<b>Equity</b>	5	9	7	4	8	10	6	1	2	2	11
<b>Healthy Lives</b>	4	8	1	7	5	9	6	2	3	10	11
<b>Health Expenditures/Capita, 2011**</b>	<b>\$3,800</b>	<b>\$4,522</b>	<b>\$4,118</b>	<b>\$4,495</b>	<b>\$5,099</b>	<b>\$3,182</b>	<b>\$5,669</b>	<b>\$3,925</b>	<b>\$5,643</b>	<b>\$3,405</b>	<b>\$8,508</b>

Notes: \* Includes ties. \*\* Expenditures shown in \$US PPP (purchasing power parity); Australian \$ data are from 2010.

Source: Calculated by The Commonwealth Fund based on 2011 International Health Policy Survey of Sicker Adults; 2012 International Health Policy Survey of Primary Care Physicians; 2013 International Health Policy Survey; Commonwealth Fund *National Scorecard 2011*; World Health Organization; and Organization for Economic Cooperation and Development, *OECD Health Data, 2013* (Paris: OECD, Nov. 2013).



# How do our outcomes stack up?

## REPORT CARD

### Health Indicators

	Life expectancy	Self-reported health status	Premature mortality	Mortality due to cancer	Mortality due to circulatory diseases	Mortality due to respiratory diseases	Mortality due to diabetes	Mortality due to musculo-skeletal system diseases	Mortality due to mental disorders	Infant mortality	Mortality due to medical mis-adventures
Australia	B	A	A	A	A	A	B	C	B	B	D
Austria	C	A	B	B	D	A	D	A	A	B	D
Belgium	C	A	B	B	C	D	A	B	C	A	n.a.
Canada	B	A	A	C	A	B	C	C	B	C	B
Denmark	D	A	B	D	C	C	B	D	D	A	A
Finland	C	B	B	A	D	A	A	B	C	A	A
France	B	B	B	B	A	A	A	C	B	B	C
Germany	C	B	A	B	D	A	B	A	B	B	C
Ireland	C	A	B	C	D	D	B	D	B	A	C
Italy	A	B	A	B	B	A	C	B	A	B	A
Japan	A	D	A	A	A	C	A	A	A	A	A
Netherlands	B	A	A	D	B	C	B	C	D	B	A
Norway	B	A	A	B	B	C	A	B	C	A	A
Sweden	B	A	A	A	C	A	B	B	C	A	C
Switzerland	A	A	A	A	B	A	A	C	C	B	n.a.
U.K.	C	A	B	C	C	D	A	D	C	C	B
U.S.	D	A	D	B	C	C	C	C	C	D	C

Note: Data for the most recent year available were used. For details on data sources, see the Methodology section of this website.  
Source: The Conference Board of Canada.



# But... national measures obscure significant provincial variations

REPORT CARD														
Health Indicators														
	Canada	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon	N.W.T.	Numavut
Life expectancy	B	C	C	C	B	B	A	C	D	B	A	D-	D-	D-
Premature mortality	B	B	B	B	B	A	A	D	D	B	A	C	D-	D-
Infant mortality	C	D	B	C	B	C	C	D-	D-	D	B	C	D-	D-
Self-reported health	A	A	A	A	A	A+	A+	A+	A	A+	A	A	A+	A
Self-reported mental health	A	A	B	B	B	A	A	A	A	A	B	B	B	D
Mortality due to cancer	B	D	C	D	C	C	B	C	B	A	A	D-	D-	D-
Mortality due to heart disease and stroke	B	C	C	B	B	A	B	B	B	C	B	B	C	A
Mortality due to respiratory diseases	B	C	C	C	C	B	B	B	B	B	B	D	D	D-
Mortality due to diabetes	C	D-	B	C	C	B	C	D	D	B	C	D-	A	A+
Mortality due to nervous system diseases	B	B	B	B	B	B	B	B	B	B	B	B	A	A
Suicides	B	B	A	B	B	B	A	B	C	B	B	A	C	D-

Note: Data for the most recent year available were used. For details on methodology and data sources, see the "Methodology & Data" section of this website.  
Source: The Conference Board of Canada.

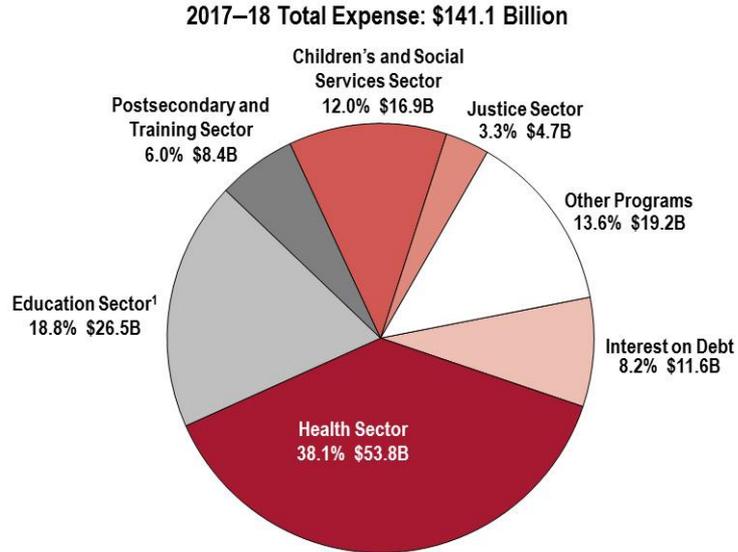
# Questions and Discussion

# Ontario's Health Care System in Focus

# Health Care is ~42% of Ontario's Program Expenditure (38% of total spending including interest)

CHART 6.3

Composition of Total Expense, 2017–18



<sup>1</sup> Excludes Teachers' Pension Plan. Teachers' Pension Plan expense is included in Other Programs.

Note: Numbers may not add due to rounding.

# Provincial Roles and Responsibilities

## Premier

- Selects Minister of Health
- Sets mandate for Ministry of Health
- Provides strategic oversight over health portfolio
- Balances health care investment needs over other priorities

## Minister of Health and Long-Term Care

- Responsible for day-to-day strategic oversight of Ministry of Health
- Accountable for Ministry performance (Responsible Government)
- Final decision-maker at the Ministry of Health

## Ministry of Health and Long-Term Care

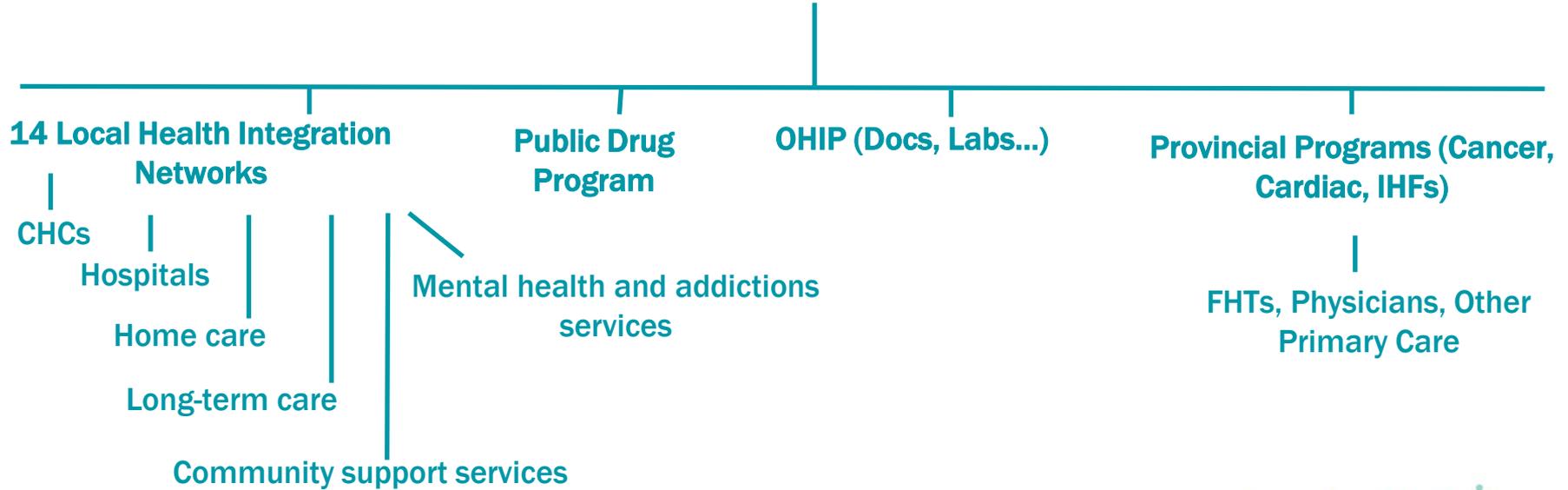
- Responsible for implementing government's health care agenda
- Provides nonpartisan, expert technical advice to support Minister's decision-making
- Stewardship role over health system, including regulatory/policy oversight, funding and overseeing LHIN and provincial services, running provincial insurance plan

## Local Health Integration Networks

- Responsible for local-level health service planning and performance
- Funding of hospitals, home care, long-term care, home and community care
- Directly delivers some home care through CCAC
- Broad integration powers

# How is the Ontario health care system structured and organized?

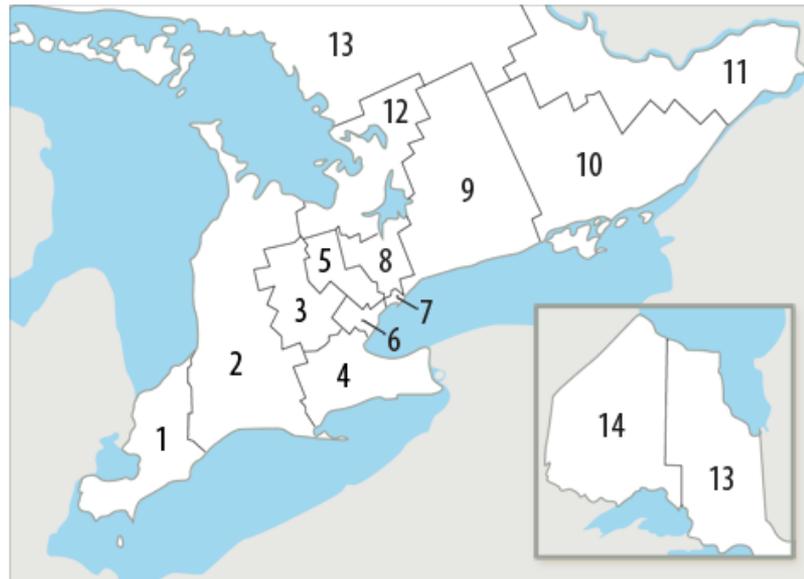
## Ministry of Health and Long-Term Care



# What is the role of the LHIN?

Established to integrate the health system and devolve local health care decisions to the regional level to:

- Improve access to high-quality services
- Coordinate care
- Better manage healthcare dollars



# LHINs have almost 2000 HSP funding agreements = ~50% of total provincial health expenditure

**Figure 3: Expenditures of LHINs and Health Sectors Managed by LHINs for Fiscal Year Ending March 31, 2015**

Source of data: Ministry of Finance

	Expenditures (\$ million)	% of Overall Provincial Health Expenditures
LHIN Operational Expenditures	90	0.2
<b>Health Sectors Managed by LHINs</b>		
Hospitals	16,942	33.8
Long-Term Care Homes	3,545	7.1
Community Care Access Centres	2,495	5.0
Community Mental Health and Addiction Agencies	936	1.9
Community Support Services Agencies	834	1.6
Community Health Centres	378	0.8
Other LHIN Expenditures (for electronic health records)	7	<0.1
<b>Total Health Funding Managed by LHINs, Including LHIN Operational Expenditures</b>	<b>25,227</b>	<b>50.4</b>
Health Funding Not Managed by LHINs	24,786	49.6
<b>Total Provincial Health Expenditures</b>	<b>50,013</b>	<b>100.0</b>

# LHINs have almost 2000 HSP funding agreements = ~50% of total provincial health expenditure

**Figure 5: Number of Unique Health Service Providers in the Six Health Sectors Funded by LHINs as at March 31, 2015**

Source of data: Ministry of Health and Long-Term Care

LHIN	Hospitals	Long-term Care Homes	Community Care Access Centres	Community Health Centres	Community Support Services Agencies	Mental Health and Addiction Agencies	Total
Toronto Central	18	37	1	17	70	82	225
Hamilton Niagara Haldimand Brant	9	87	1	7	64	40	208
Champlain	21	61	1	11	60	44	198
North East	25	40	1	6	75	47	194
South West	20	80	1	5	49	33	188
Central	9	77	1	2	39	23	151
North West	13	14	1	2	64	35	129
Central East	9	46	1	7	44	21	128
South East	7	37	1	5	33	22	105
Erie St. Clair	7	38	1	5	34	16	101
Waterloo Wellington	8	36	1	4	27	14	90
North Simcoe Muskoka	7	27	1	3	31	11	80
Mississauga Halton	2	28	1	1	33	12	77
Central West	2	23	1	2	18	9	55
<b>Total</b>	<b>157<sup>1</sup></b>	<b>631</b>	<b>14</b>	<b>77<sup>1</sup></b>	<b>641<sup>1</sup></b>	<b>409<sup>1</sup></b>	<b>1,929<sup>2</sup></b>

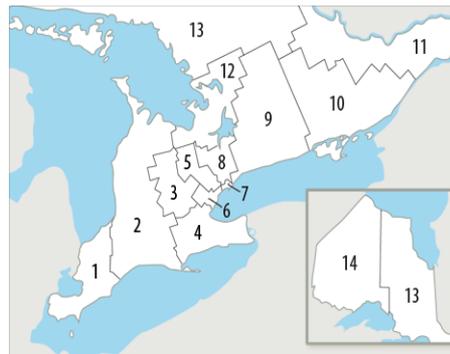
1. Total number of unique agencies by sector is greater than the sector's total number of agencies reported in Appendix 2 because some agencies provide services in multiple sectors and in multiple LHINs.

2. There are about 1,300 unique health service providers across Ontario.



# How did the LHIN model evolve?

- Regionalization of health care is relatively new to Ontario
  - LHINs created in 2006
- LHINs have same mandate and legislation, but each is distinct
  - Shaped by local context, culture and local political landscape.
  - With sub-regions will see greater local variability.



# Trend to regional healthcare: a balancing act

Regional health models exist across Canada

Tension between devolution and centralization –

Provincial, local dynamics key

# What is the state of regionalization today?

*“The formation of LHINs has allowed health service providers, such as hospitals, and the home and community sector to better work together to find solutions to common health system issues, as a number of working groups and committees have been established to address common priority areas such as mental health and palliative care. However, to fully realize the value of LHINs, both the Ministry of Health and Long-Term Care (Ministry) and the LHINs themselves need to better ensure that LHINs are meeting their mandate (a fully integrated health system).”*

Ontario’s Auditor General Report, 2015

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# How are decisions made in practice?



## Scarborough Hospital – Rouge Valley Hospital Amalgamation

## How are decisions made in practice?

**Mental health funding among top concerns at provincial pre-budget meeting in Kitchener**

**Nurse practitioner position cut from the health unit**

Ontario allocates \$75M to cut home care wait times

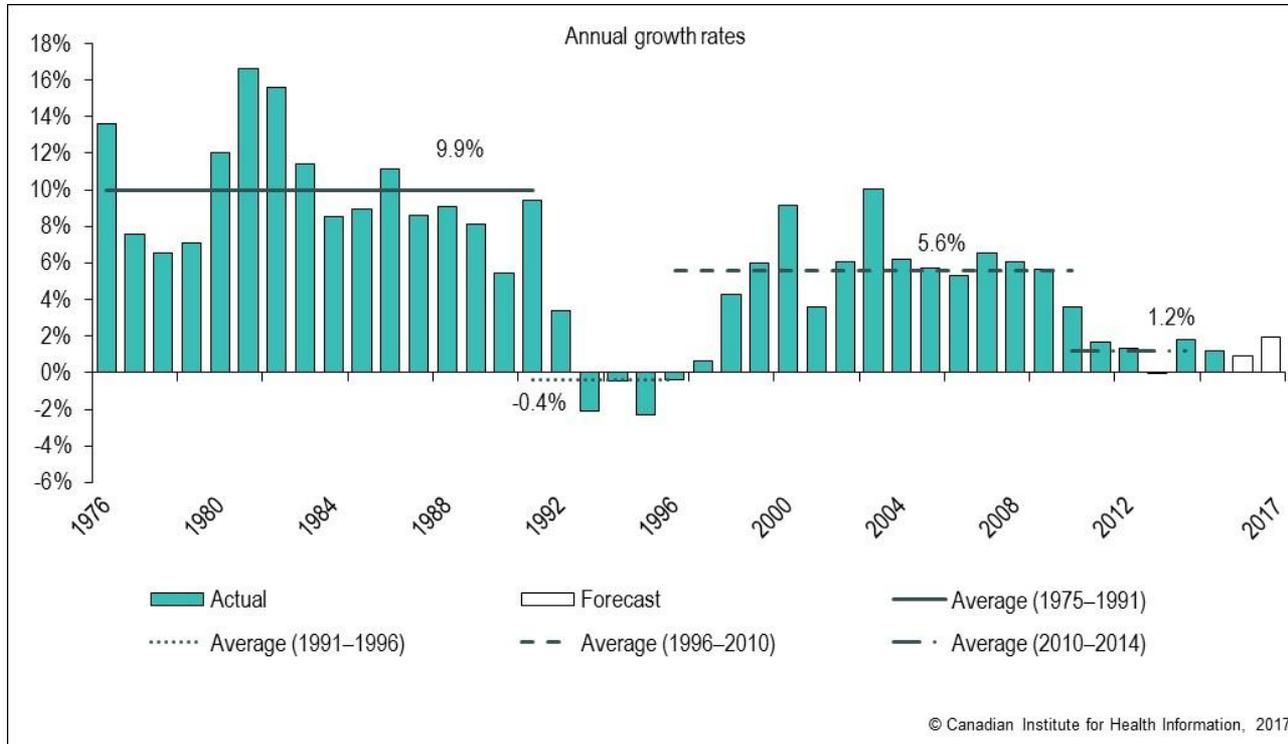
**Trenton health hub approved**

# Questions and Discussion

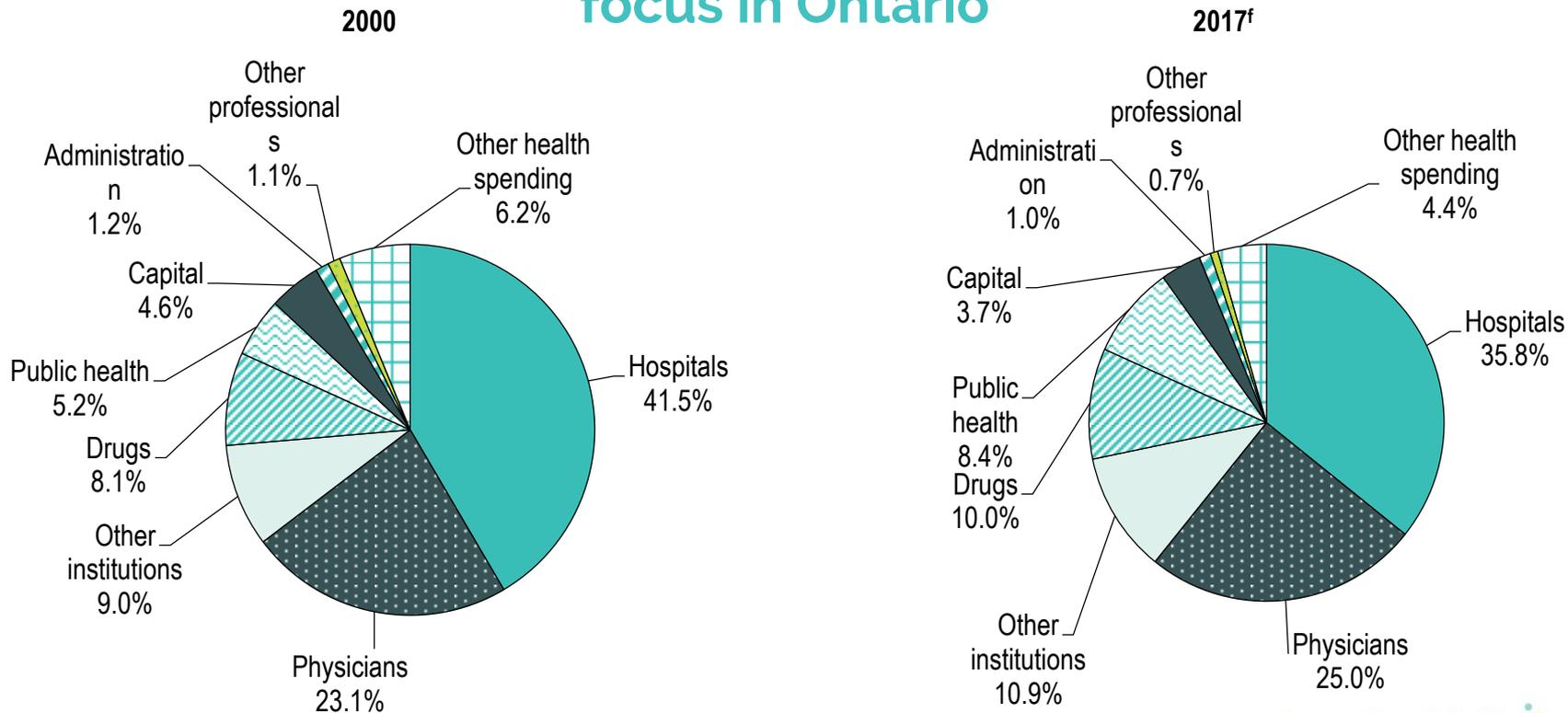
# Your Operating Reality: The Funding Environment and Its Impact

# Since 2010, provinces have been focused on cost containment

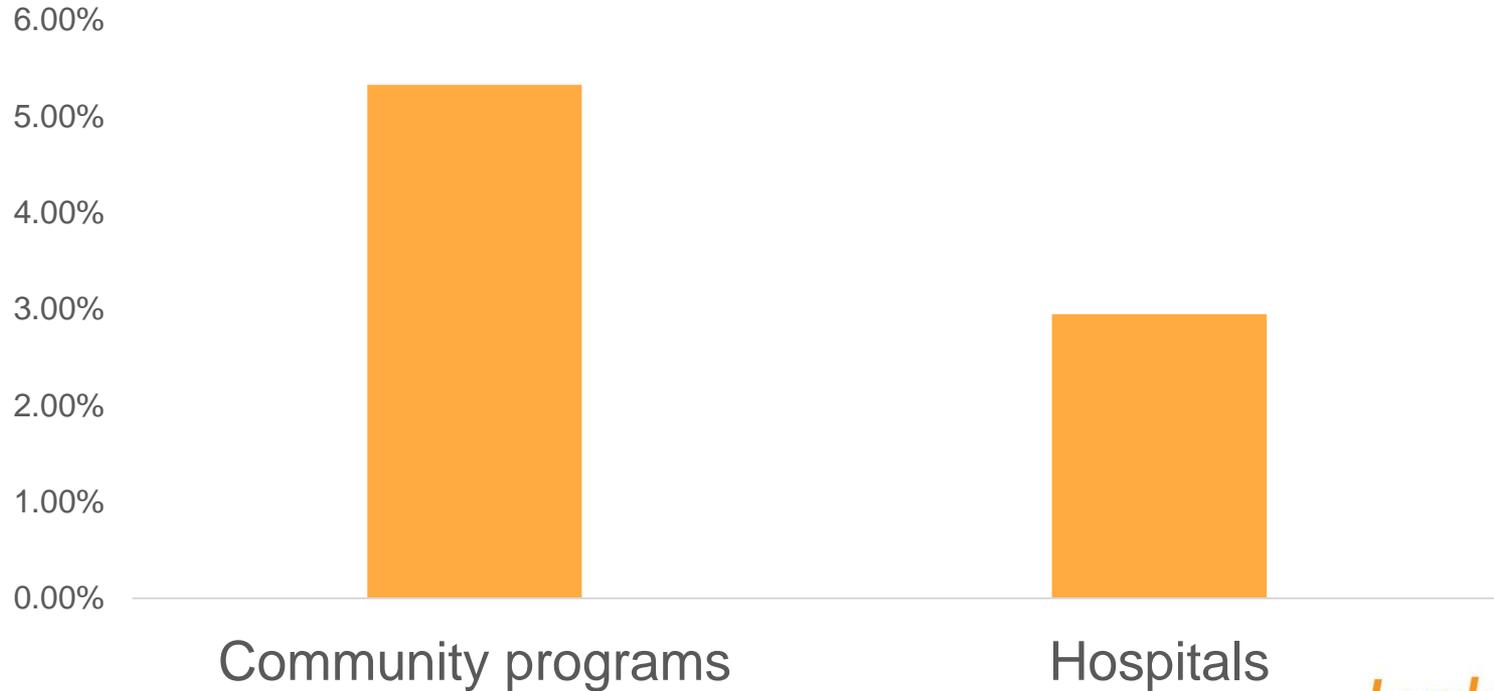
ON: 1.2% growth 2010-2014



# In particular, constraining hospital expenditure has been a major focus in Ontario



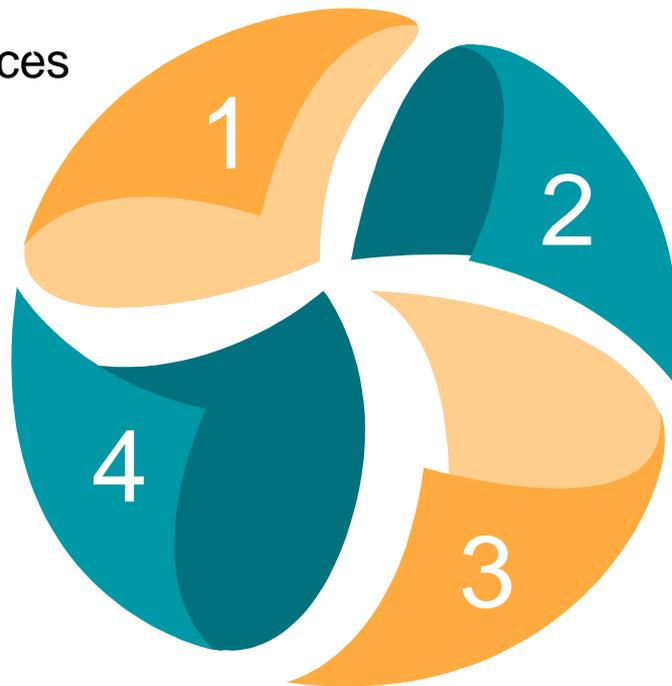
# Funding growth (2012-2017): Community program growth outpacing hospitals



# What are the key healthcare funding dynamics?

Supply side management: resources allocated based on supply, but demand rising

Providers spend to budget



Growing need for services but limited capacity

Accountability for evidence-based pathways and standards: pre-requisites for funding

# What do these changing dynamics mean for you?

- Little-to-no base increases, with limited ability to increase salaries
  - *Primary care: annual base funding not tied to number of clients served*
- Staff retention challenging (often losing to acute care)
- Requirement to seek new business models
- Funding tied to volume growth, new services, and greater needs



# With funding freeze, mental health pros turn to innovation

## Community Care recognized for commitment to quality improvement

**INTEGRATING MENTAL HEALTH SERVICES INTO PRIMARY CARE: THE HAMILTON FHT MENTAL HEALTH PROGRAM**

Addressing Integration of Mental Health and Addictions

# Primary care quality improvement: Is data the future?



# Is 2018 an inflection point?

- Budgeted healthcare spending rebounding
  - Average 4.7% annual growth 2017-18 to 2020-21
- Includes base increases for many sectors for the first time in 10+ years
- Renewed Health Accord



THE HONOURABLE CHARLES SOUSA  
MINISTER OF FINANCE

2018 ONTARIO BUDGET  
BUDGET PAPERS

the star.com

News · Canada

## Ontario welcomes new 10-year health accord with Ottawa

Province will receive an additional \$2.3 billion for home care and \$1.9 billion for mental health initiatives over next decade. Federal Health Minister Jane Philpott also announced agreements with Quebec and Alberta on Friday.

# Your work is leading the way...

## COMMUNITY HUBS

For Health and Wellbeing

Community Health and Wellbeing

Shift the conversation



# PATIENTS FIRST

A PROPOSAL TO STRENGTHEN PATIENT-CENTRED HEALTH CARE IN ONTARIO

## HealthLinks

## Ontario Making Historic Investment in Mental Health Care

Largest Single Investment in Canadian History will Improve Access to Services for Mental Health and Addictions



LeaderShift

# ... and you are shaping a system of care that improves patient experience

“The quality problems occur typically not because of failure of good will, knowledge, effort or resources directed to health care, but because of fundamental shortcomings in the way care is organized.”

BY FAR THE BIGGEST DIFFICULTY PEOPLE HAD was in understanding how to move around the system. You can call this a problem with “care coordination,” “case management” or “patient navigation”

# Questions and Discussion

**Thank you**