

Medicare isn't an excuse for letting children live in poverty

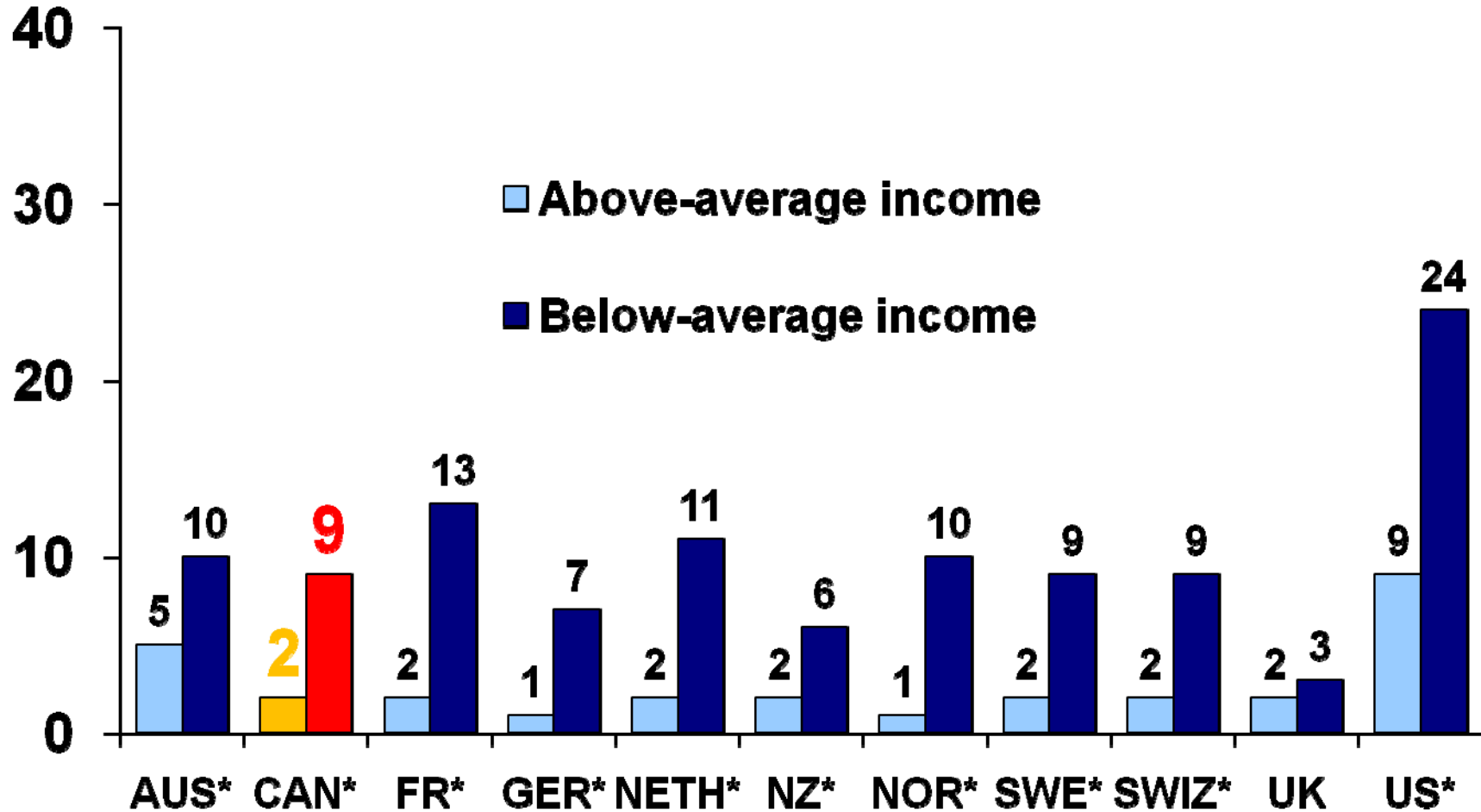


Campaign 2000 Breakfast on the Hill
Michael M Rachlis MD MSc FRCPC LLD
November 25, 2010 www.michaelrachlis.com

Medicare and poverty

- Medicare has provided more equitable access to care, almost eliminated health care initiated bankruptcy, and reduced overall costs,
- In the US 3 million Americans are directly affected every year by health care initiated bankruptcy.

Serious Problems Paying or Unable to Pay Medical Bills in the Past Year, by Income



Note: Percentages adjusted based on logistic regression to control for health status, age, and—in the U.S.—insurance status.

* Indicates significant within-country differences with below-average income ($p < 0.05$).

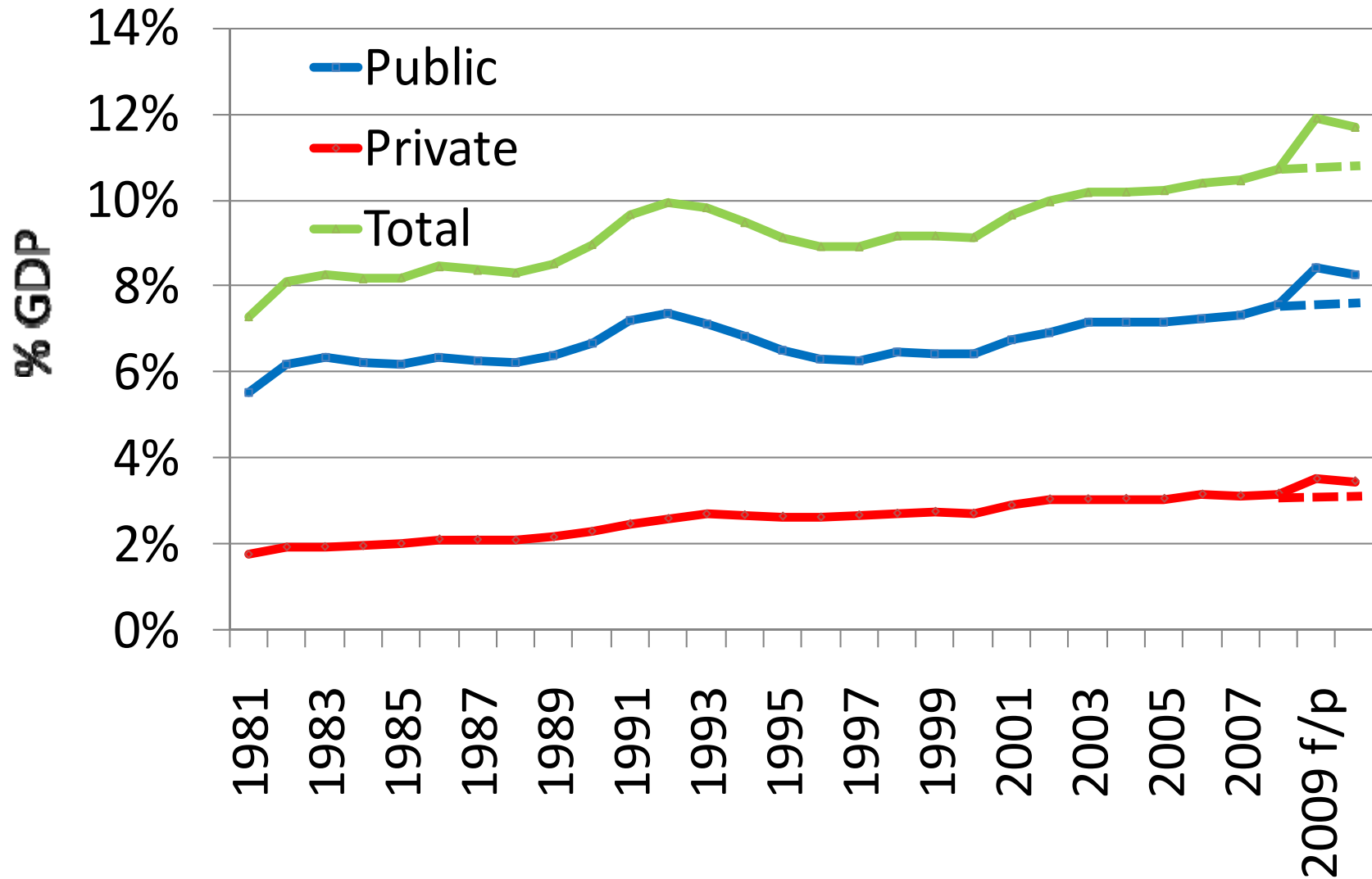
Source: 2010 Commonwealth Fund International Health Policy Survey in Eleven Countries.

Medicare and poverty

- Health care slightly increased its share of provincial program spending from the late 1990s to 2003
 - Even this increase was mainly due to cuts in other areas rather than increases in health spending
- Provincial health care expenditures as share of program spending have been FLAT since 2003

Canadian Health Care Costs as % of GDP

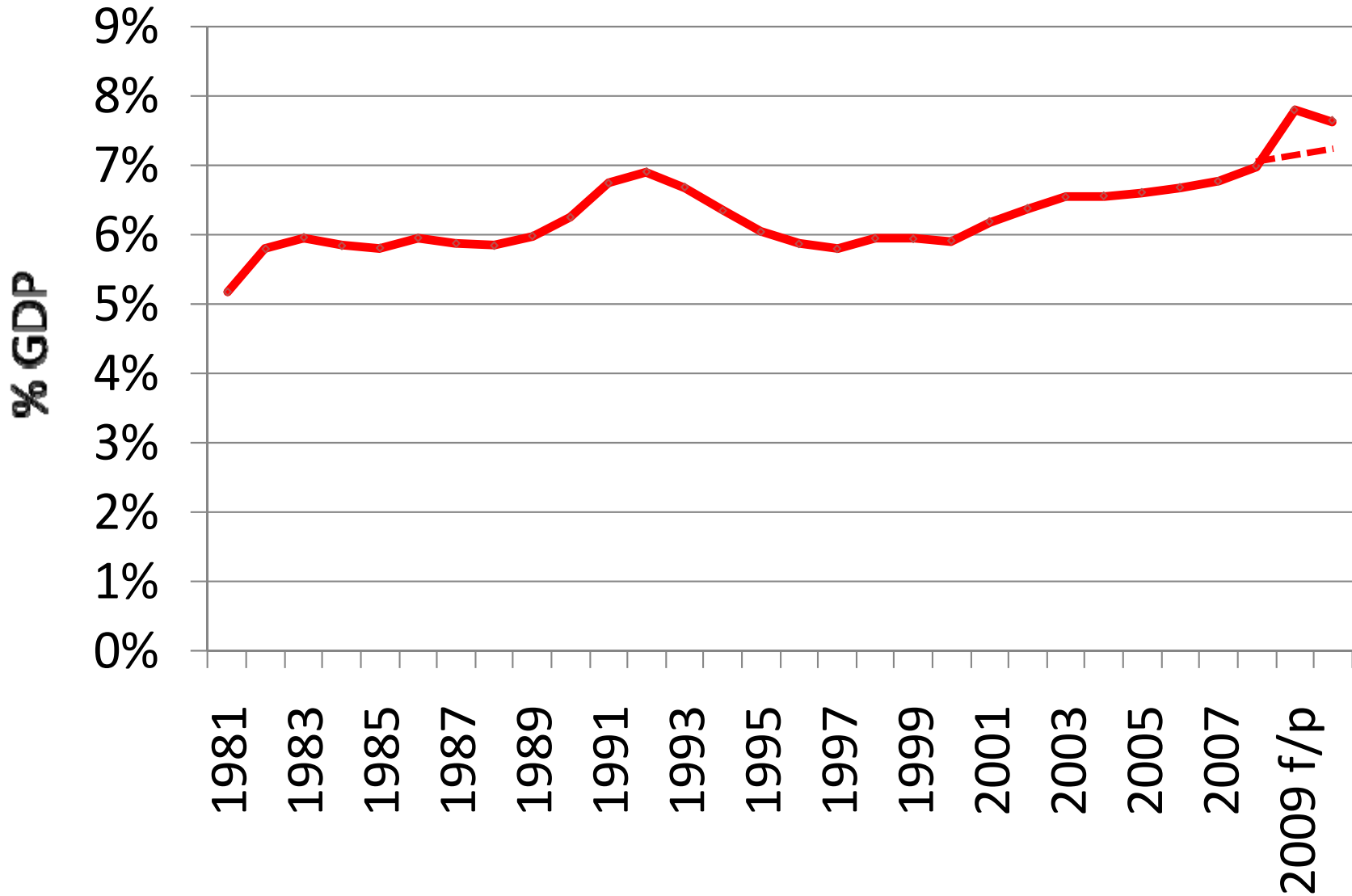
(Dashed lines with 1998-2008 rates of GDP growth)



Data from: Canadian Institute of Health Information. National Health Expenditures Trends 2010

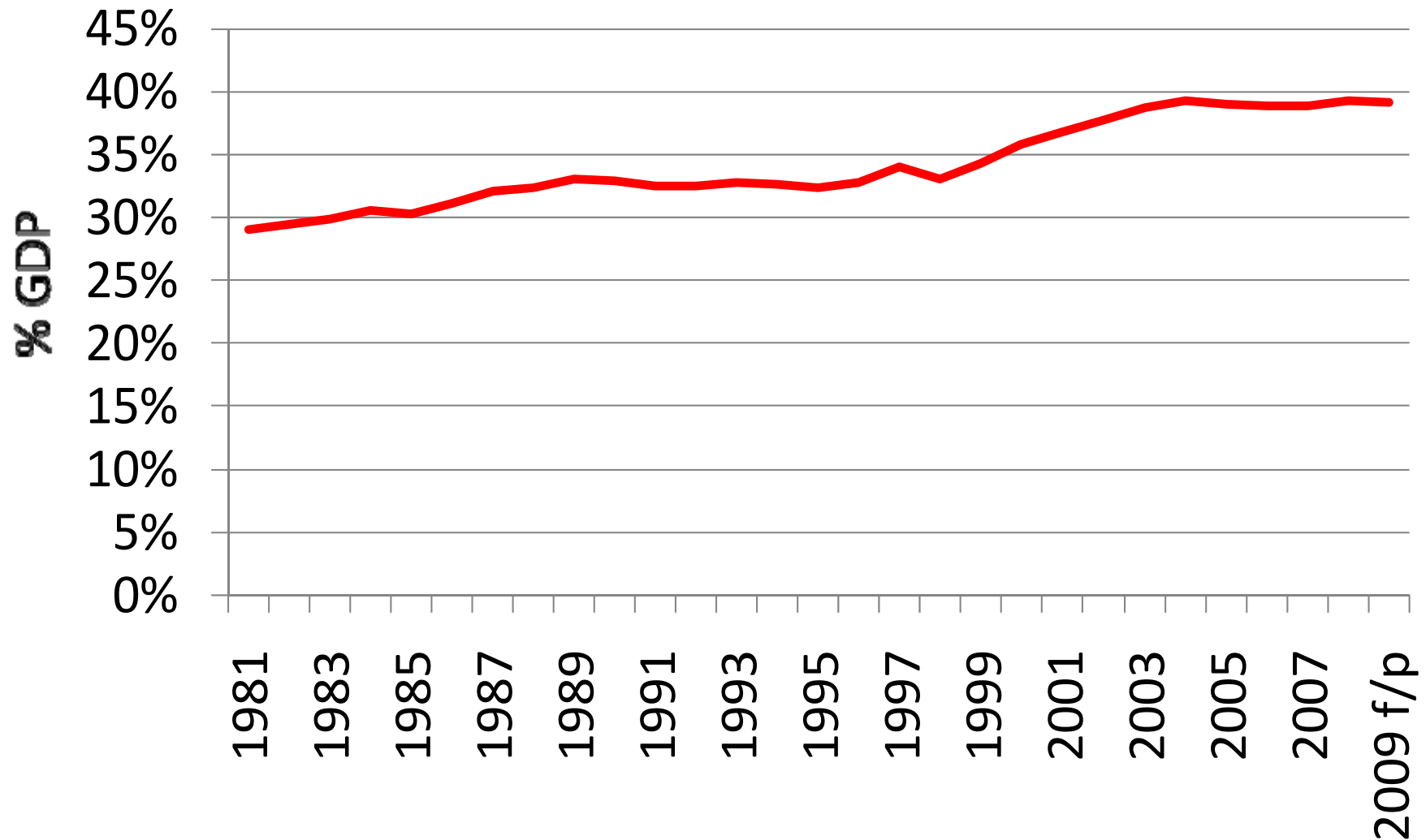
Canadian Prov HC Exp as % of GDP

(Dashed lines with 1998-2008 rates of GDP growth)



Data from: Canadian Institute of Health Information. National Health Expenditures Trends 2010

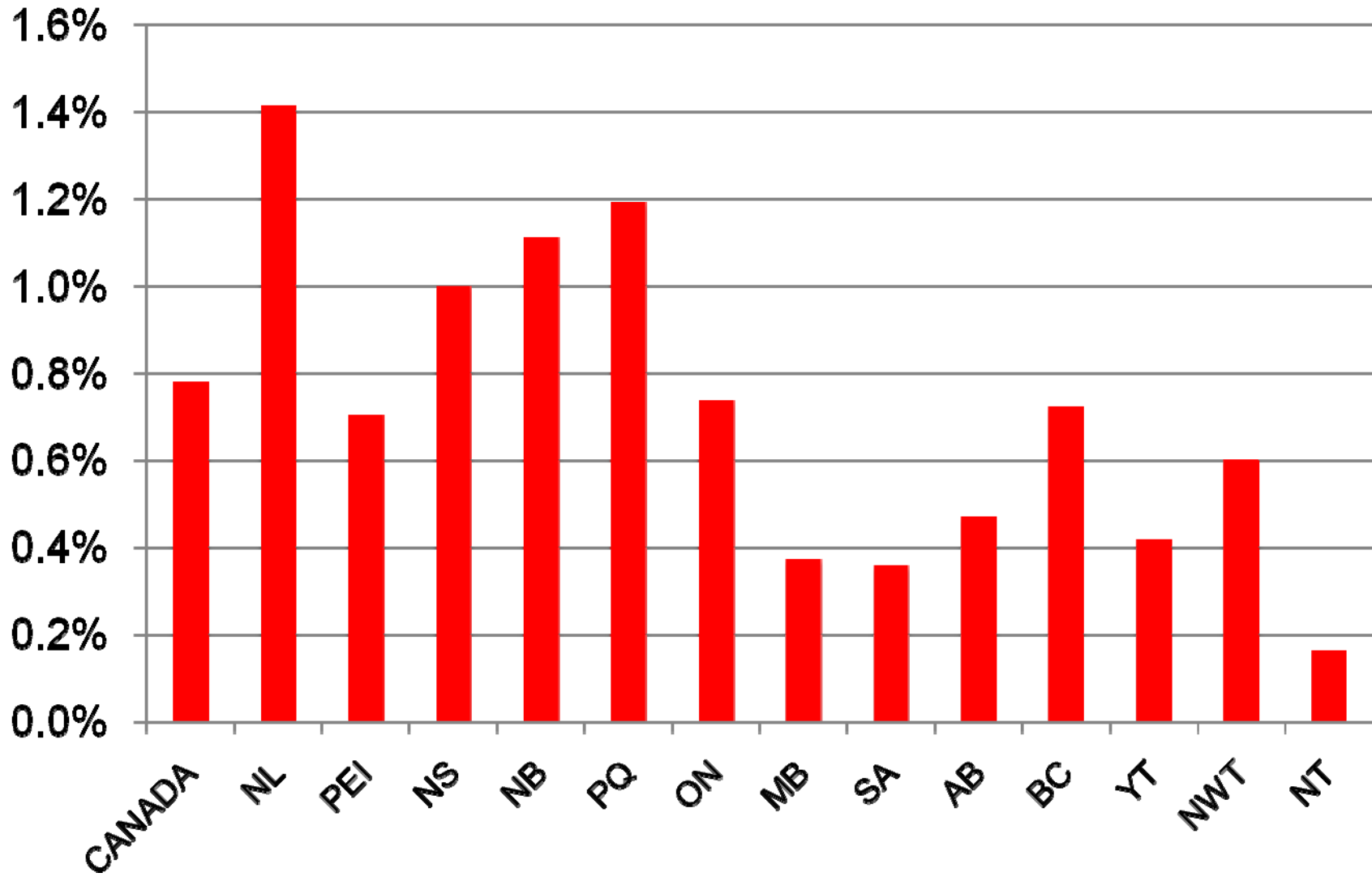
Canadian Provincial Healthcare Expenditures as % of Program spending



Data from: Canadian Institute of Health Information. National Health Expenditures Trends 2010

Population aging has a *moderate* impact on costs

Annual impact of Aging on health costs 2001-2010



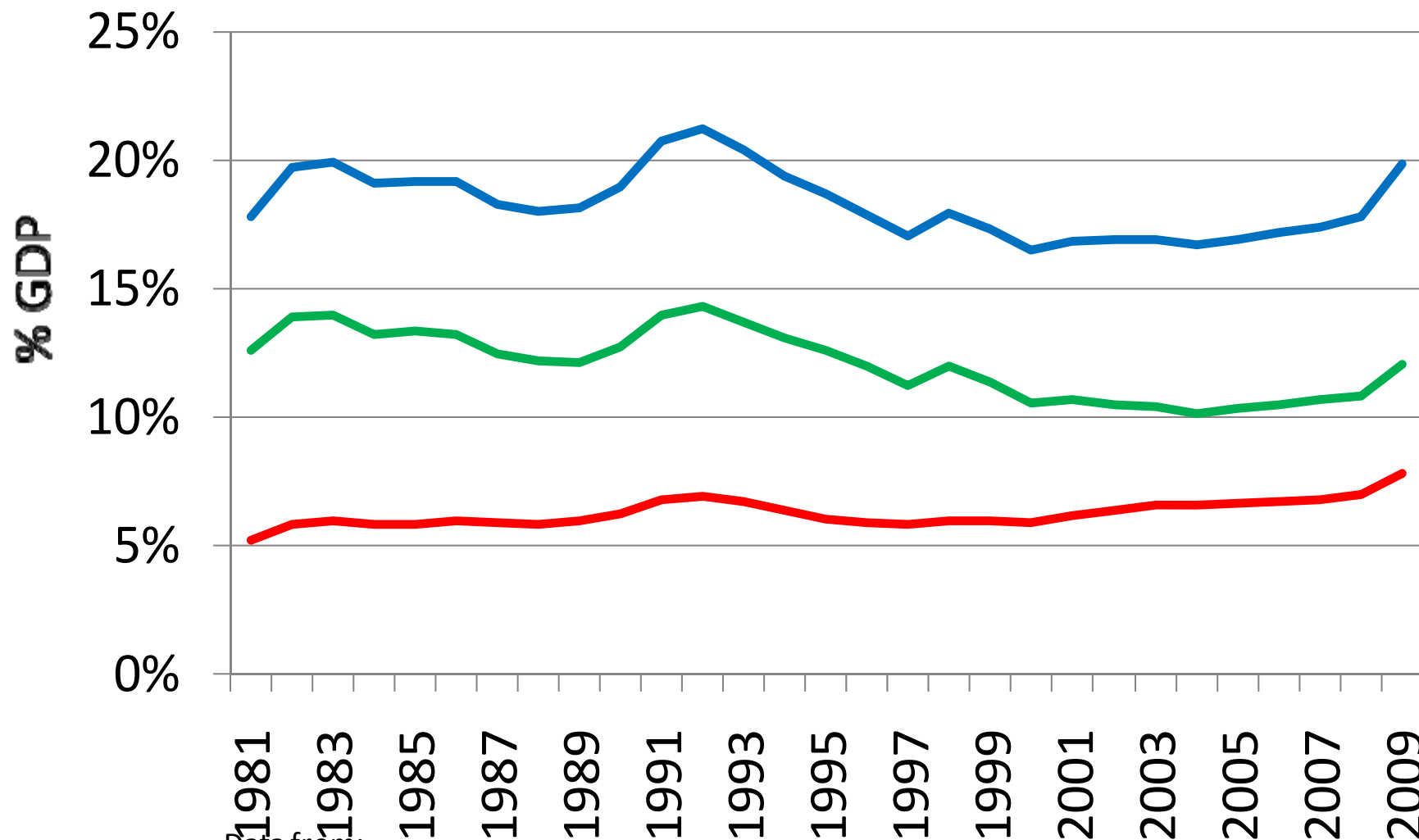
From Mackenzie and Rachlis 2010

Medicare and poverty

- Overall Canadian government spending as a share of GDP has fallen sharply since the mid-1990s
- Health expenditures are not responsible for provincial budget problems
- Taxes have been cut by 5.3% of GDP since 2000, the equivalent of \$85 Billion in lost government revenue
- Canada's health costs are similar to other wealthy countries and substantially less than those in the US

Canadian Provincial Program spending as % GDP

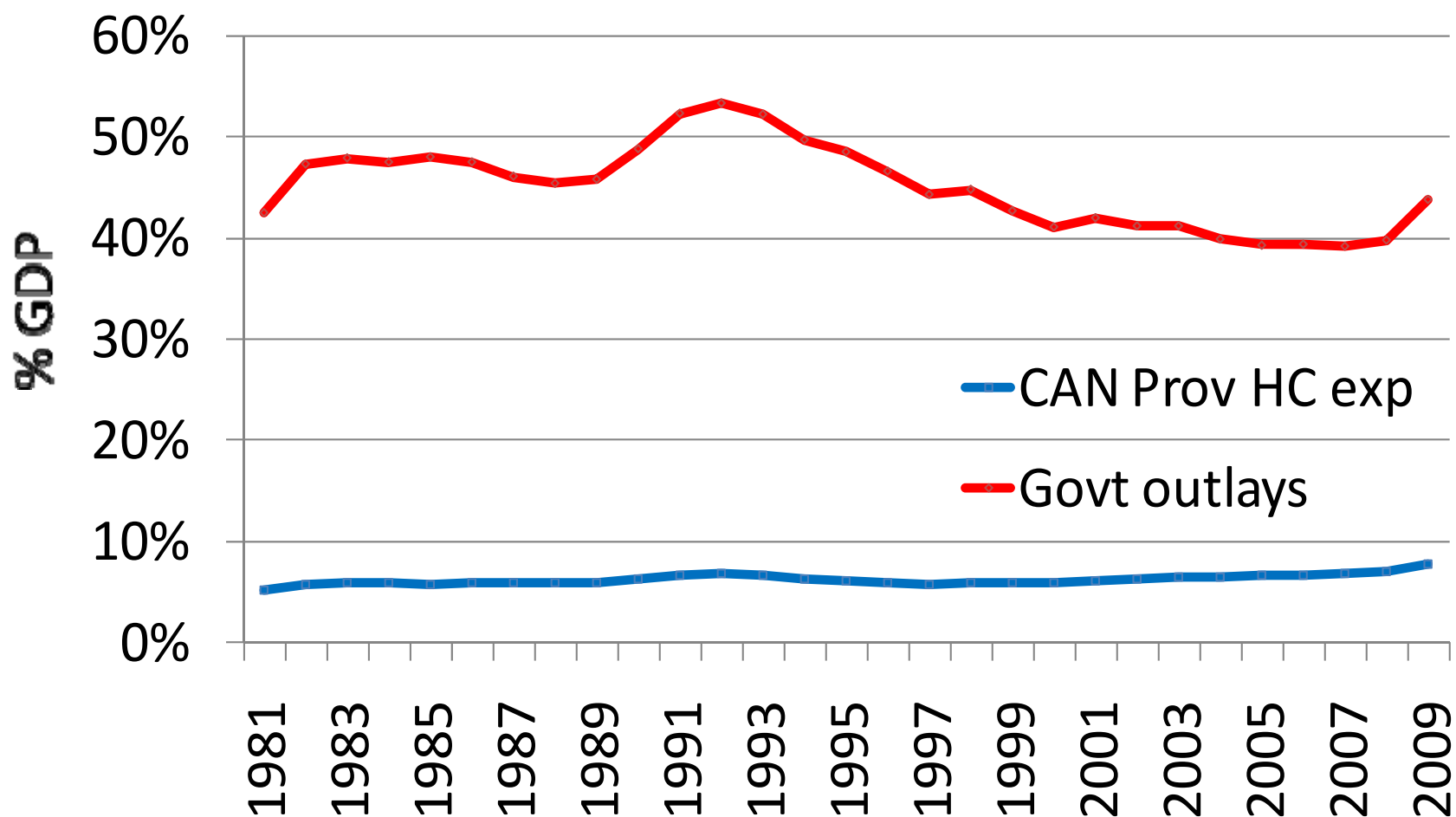
- Program Exp
- HC Exp
- Non HC Exp



Data from:

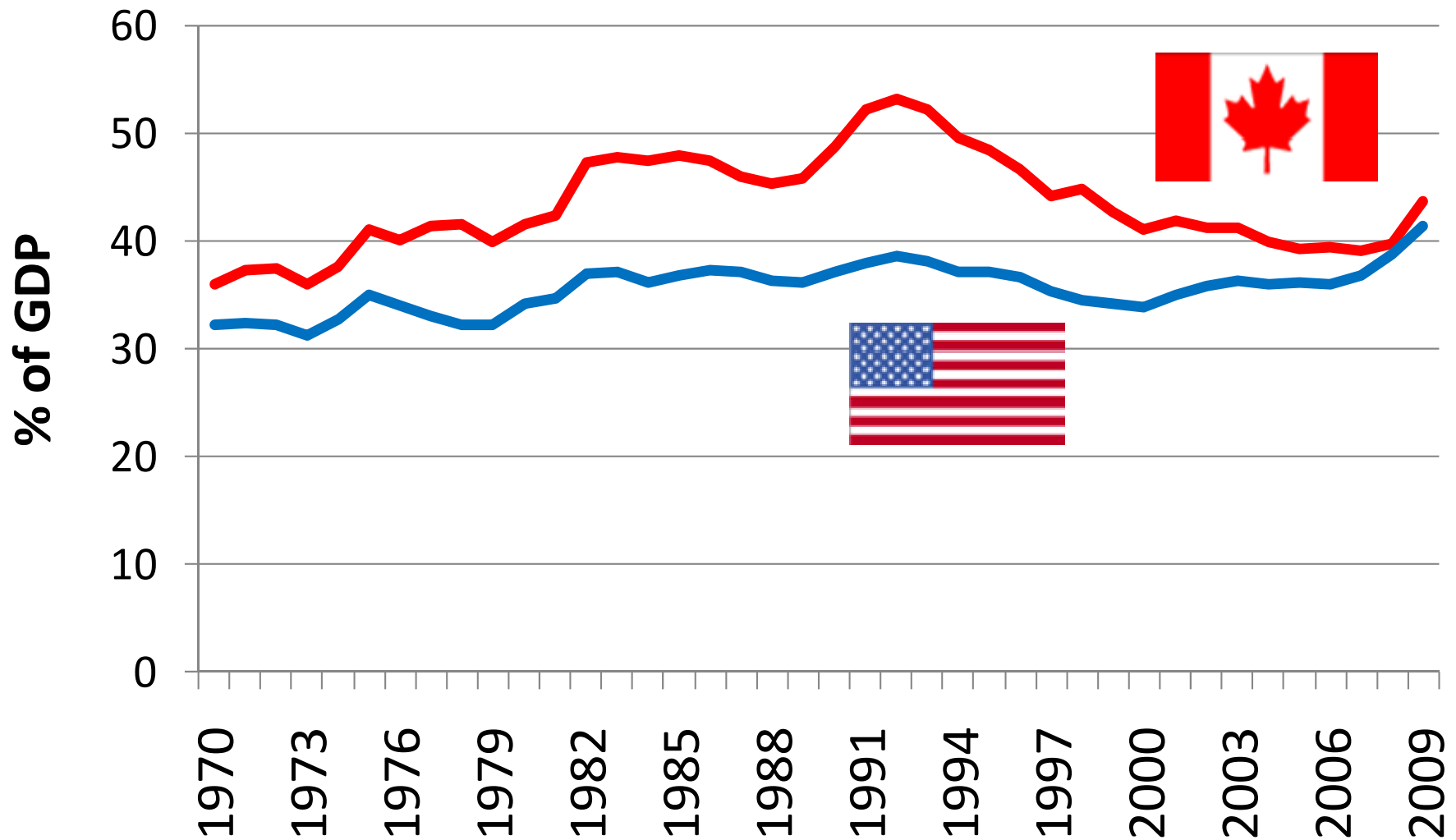
http://secure.cihi.ca/cihiweb/products/National_health_expenditure_trends_1975_to_2009_en.pdf

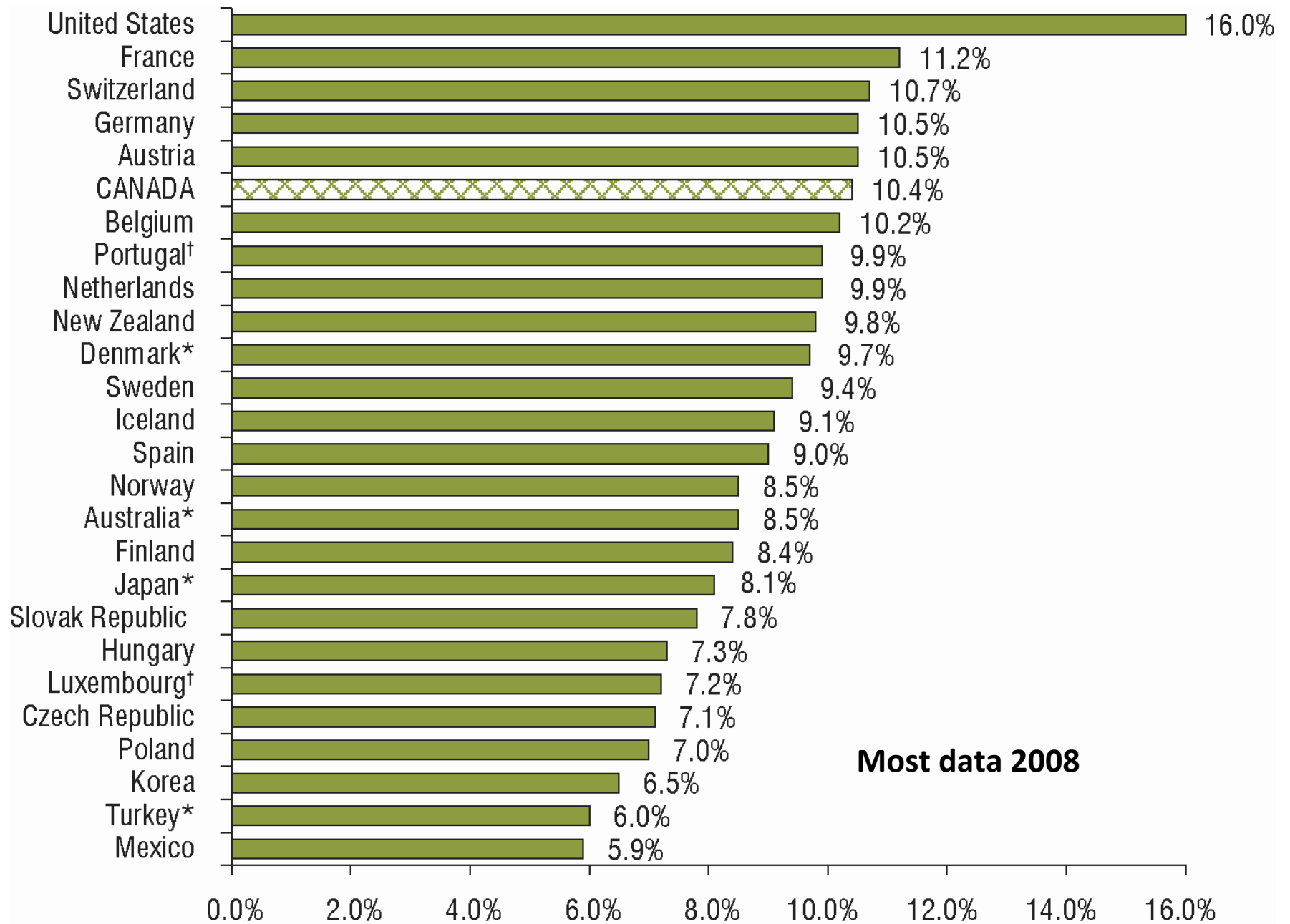
Canadian Gov't Outlays and Provincial HC exp as % of GDP



Data from: Canadian Institute of Health Information. National Health Expenditures Trends 2010 and Federal Dept of Finance fiscal Reference Tables 2010

Government Outlays as a share of GDP





Notes * Data for 2007. † Data for 2006. **Source** Organisation for Economic Co-operation and Development, *OECD Health Data 2010 (June edition)* (Paris, France: OECD, 2010).

Medicare and poverty

- We can remedy Medicare's problems without raising costs
- We can remedy childhood poverty by listening to Campaign 2000's recommendations!

High performing health systems can hold costs and enhance quality

“Many attribute the quality problems to a lack of money. Evidence and analysis have convincingly refuted this claim. In health care, good quality often costs considerably less than poor quality.”

Fyke Report 2001 (Saskatchewan)

Quality provides sustainability

- An Alberta aftercare program for congestive heart failure patients leaving hospital reduced future hospital use by 60% with \$2500 in overall net cost savings per participant.
- New Westminster's Royal Columbian Hospital reduced post heart surgery pain complications by 80% and length of stay by 33%.

We could have much better access without a lot more money or a lot more doctors or nurses

- Canadians deserve:
 - Same day access to a regular primary care providers
 - Within one week elective specialty care
 - Within two month access to elective surgery
- The challenge: Better public sector management

Are government finances so bad that...

- We must make parents choose between food and rent?
- We must let children live in unsafe housing?
- We must continue to offer the most miserly pre-school programs of any wealthy country?

**Then it's time to ask
wealthy Canadians to
pay slightly higher
taxes for five years so
we can balance our
books AND raise the
living standards of the
poorest Canadians!**

