

OECD HEALTH POLICY OVERVIEW

Health policies in Canada

The growth rate in health spending per capita in Canada has slowed down markedly in recent years, being close to zero in real terms since 2011. Nevertheless, health spending as a share of GDP remains above 10%, higher than the OECD average (8.9% in 2013). Life expectancy in Canada is one year higher than the OECD average, but rising alcohol consumption and obesity rates are growing risk factors to health. Canada could further improve the quality of care in order to cope better with rising prevalence of chronic diseases.

## Health expenditure in Canada continues to grow very slowly

## The growth rate in health spending in Canada slowed down markedly in recent years, compared with the growth rate before the economic crisis

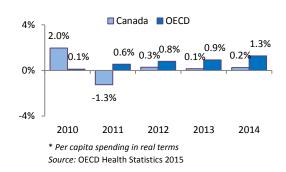
Between 2011 and 2014, the growth in per capita health spending in real terms in Canada was closed to zero. The marked slowdown in health spending growth in Canada in recent years was driven mainly by a slowdown in hospital spending and a decline in pharmaceutical spending.

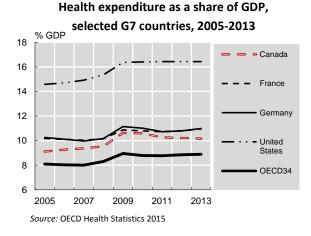
## Health spending as a share of GDP remains above the **OECD** average

Health spending in Canada (excluding investment expenditure in the health sector) was 10.2% of GDP in 2013, above the OECD average of 8.9%, but down from the peak of 10.6% in 2010. The share of the economy allocated to health spending in Canada is well below that in the United States (over 16%) and below the level in several European countries (about 11.0% in Germany and France).

To read more about our work: OECD Health Statistics 2015 and A System of Health Accounts

### Annual health spending growth\*, 2010-2014



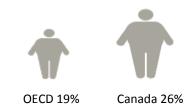


# Rise in modifiable risk factors threatens further progress in population health

Life expectancy has increased steadily in Canada over the past few decades, thanks to a reduction in some risk factors to health and improvements in health care. But rising alcohol consumption and obesity rates threaten the progress that has been achieved in reducing cardiovascular diseases and other important causes of death.

Although it remains below the OECD average, alcohol consumption in Canada has increased since 2000. As is the case in many other countries, alcohol consumption in Canada tends to be concentrated among a certain segment of the population: the heaviest-drinking 20% of the population drink almost 70% of all alcohol in Canada, while in France they only consume 50% of all alcohol.

#### Prevalence of obesity (% of adult population), 2013



Note: The data in Canada are based on measured rates of obesity. while the data for several other OECD countries are based on selfreports.

Source: OECD Health Statistics 2015

The obesity rate among children and adults in Canada is higher than in most other OECD countries. More than onefourth of Canadian adults (26%) were obese in 2013. Obesity in Canada, as in other OECD countries, tends to be higher in low educated groups. Women with less education are 1.6 times as likely as more educated women to be obese. Similarly, men with less education are almost 1.5 times as likely as the more educated to be obese.

To read more about our work: <u>OECD Health Statistics 2015</u>, <u>Obesity and</u> <u>Economics of Prevention: Fit not Fat</u> and <u>Tackling Harmful Alcohol Use</u>

## What can be done?

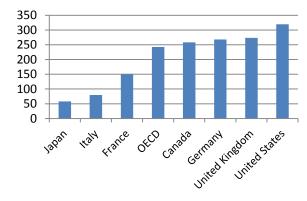
- A range of measures may reduce obesity rates in Canada, including strengthening food labelling regulations, promoting greater counselling by doctors and dieticians and raising prices of unhealthy food or beverages through taxation.
- Other measures may also be taken to tackle harmful alcohol use, such as tightening regulations on the marketing of alcohol drinks.

# Further progress could be achieved to improve quality of care for the chronically ill

## ► The quality of care in Canada is generally good, but further progress could be achieved to prevent avoidable hospital admissions for people with chronic conditions

As in many other countries, Canada could do better in filling gaps in the provision of care outside hospital for people with chronic conditions in order to avoid unnecessary hospital emergency department visits and admissions. While hospital admission for people with diabetes have been reduced significantly in Canada in recent years, admission rates for people with other chronic conditions such as asthma and chronic obstructive pulmonary disease remain too high.

Hospital admissions for ambulatory care sensitive conditions tend to be much higher in rural and remote regions because the population has more limited access to primary care services.

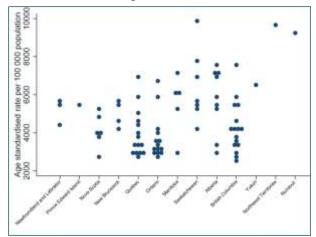


Asthma and COPD hospital admission in adults in G7

countries and OECD average, 2013 (or nearest year)

Source: OECD Health Statistics 2015

## Hospital medical admission rate, by province and by health region, Canada, 2010



Source: OECD (2014), Geographic Variations in Health Care, chapter 4

### What can be done?

- Greater efforts are needed to improve the continuity of care for the growing number of people living with one or more chronic diseases to reduce unnecessary hospital use in Canada.
- There is a need to make sure that all Canadians have proper access to a general practitioner (family doctor) or other primary care providers when needed.

To read more about our work: <u>Health at a Glance 2015</u> and <u>Geographic</u> <u>Variations in Health Care</u>