

Will COVID-19 spending data finally force us to take home care seriously?

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For health policy nerds, one of the most anticipated events of the year is the release of the annual National Health Expenditure Trends snapshot by the Canadian Institute for Health Information.

The data-heavy report provides updates on the usual big-picture stuff such as total health spending (\$308-billion), per capita spending (\$8,019), and the share of Canada's gross domestic product consumed by health (12.7 per cent).

These numbers increase steadily year after year. In current dollars, every decade we are adding about \$100-billion to the bottom line; it was roughly \$100-billion a year in 2000, \$200-billion in 2010, and \$300-billion in 2020.

In 2019-20, "normal" health spending increased relatively modestly, 2.2 per cent. But, when you include COVID-19's effect, that jumps to 12 per cent, the largest year-to-year increase since the days of hyper-inflation three decades ago.

The CIHI report also provides annual reminders of how we spend our health dollars: principally on hospital care (25 per cent of the total), drugs (14 per cent) and physician care (13 per cent).

Lest we forget: We need a Remembrance Day for COVID's fallen

As a doctor promoting vaccination, I live in fear

If you picture this on a pie chart, slightly more than half the pie goes to the Big Three categories, and then there are a whole bunch of much smaller slices that account for

everything else, including long-term care, dental care, administration and capital spending.

The report also chronically neglects important information such as how much of our health spending goes to labour (best guess about 60 per cent, making it, by far, the biggest expenditure).

Still, this year, there were two significant and noteworthy changes to what is usually a pretty static report.

COVID-19 has such a dramatic effect on the health system that it warranted its own spending category. According to CIHI, the pandemic health spending was 7 per cent of the total, or \$21.6-billion.

If anything, that's probably an underestimate. In the federal budget in April, 2021, we learned that federal pandemic spending to date was \$512.6-billion overall (and an estimated \$111.6-billion by the provinces), and that spending hasn't stopped.

The budget figure included \$60-billion for health and safety measures (such as vaccines, personal protective equipment), and bolstering beleaguered public-health units, but it was not all funnelled through the health system.

COVID-19 has not only had an economic effect, it has focused attention on the system's shortcomings and, let us hope, forced us to rethink priorities.

The most notable shift has been a long-overdue interest in the state of eldercare, driven largely by the carnage in long-term care homes.

Of the more than 29,150 COVID-19 deaths in Canada so far, more than 18,500 occurred in these congregate settings.

This debacle has, among other things, sparked questions about our utter neglect of the home-care sector.

The new CIHI report sheds some light – or at least some financial light – on our investment in eldercare.

Canada-wide, we spend roughly \$34-billion on long-term care, or 11 per cent of our total health spending. (Technically, in the CIHI report, the category is “other institutions,” not

long-term care per se because the nomenclature varies between provinces.)

For the first time, the report also includes a separate category for home-care spending. It's approximately \$15.4-billion, or 5 per cent of the total.

These numbers are important because they confirm what we know anecdotally: that **Canada grossly underspends on home care even though elders overwhelmingly desire to stay in the community as they age.**

Whether we need to spend more on long-term care is also debatable. There are, after all, almost 40,000 people on wait lists for admission to long-term care.

The Parliamentary Budget Officer, in a recent report, estimated that to meet current demand, an additional \$13.7-billion a year was required. That calculation assumes that we keep doing things as we are now.

While more money is no doubt necessary to meet the needs of the growing population of elders, a recalibration and commitment to keeping people in the community is just as important.

In an analysis of the new CIHI numbers, Colin Busby, research director for the Institute for Research on Public Policy, notes that provinces spend between 22 per cent (Quebec) and 42 per cent (Newfoundland) of their eldercare dollars on home care. By contrast, countries such as Denmark, with superb eldercare, spend 60 per cent.

COVID-19 delivered a brutal message: We practise elder apartheid in Canada, shunting far too many older people to institutional care.

Now that we have data demonstrating this, the problem will be more difficult to ignore and, one hopes, become a political and societal priority.

As CIHI's slogan says: "Better data. Better decisions."

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