

B.C. fell to last-place in 2017 in per capita Health expenditures

Headlines were made late last year with the news that British Columbia had fallen to 10th place among Canada's provinces in terms of total health-care spending per capita.

According to the Canadian Institute for Health Information (CIHI), the province's per capita expenditures on health-care in 2017 totaled \$6,320.79 – a number which put B.C. last when compared to the other 10 provinces across the country.

Slightly ahead of B.C. in terms of per-capita Health spending were Ontario at \$6,367.34 (good for 9th place), and Quebec at \$6,433.81 (8th).

At the other end of the spectrum were Newfoundland and Labrador (1st), and Alberta (2nd) with per capita expenditures of \$7,377.78 and \$7,329.32, respectively.

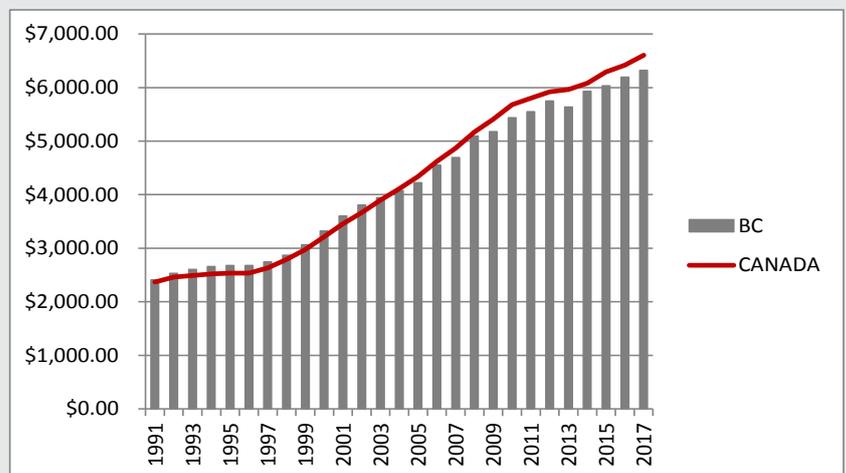
The average for per-capita Health spending across Canada in 2017 was calculated by CIHI at \$6,603.70.

Viewed in this light, B.C.'s per capita health-care expenditures last year were about \$293.00 *below* the Canadian average.

Remarkably, total Health spending in our province was a whopping \$1,009.00 *under* the per capita average in next-door Alberta.

The CIHI calculations were newsworthy insofar as 2017 marked the first time since 1975 – when the data series was inaugurated – that B.C.'s per capita health-care spending came in last among the country's 10 provinces.

B.C. slipping further behind Canada's average health-care outlays



SOURCE - Canadian Institute for Health Information.

Indeed, over the three-decade period from 1975 to 2004, British Columbians regularly spent more than the Canadian average on Health services. That occurred in 25 of the 30 years – in just five years (1986 to 1989, and again in 2004) did the province spend less than the national average.

Since 2004, however, B.C. consistently – year after year, in every year – has spent less than the Canadian per capita average on Health.

It is important to note that the CIHI analysis is of 'total' Health outlays, which includes expenditures by both the public and private sectors.

The public share of health-care spending is by far the largest portion,

representing about 70.0 percent of the total, while private expenditures compose the remaining 30.0 per cent.

In British Columbia last year, public-sector per capita Health outlays were calculated by CIHI at \$4,440.36, compared to the private-sector average of \$1,880.43.

Private spending on health-care includes items such as health professionals other than physicians (including chiropractors, physiotherapists and psychiatrists), prescription and non-prescription drugs, and hospitals and non-hospital institutions.

Last year, total private-sector expenditures on Health in B.C. added up to \$9.1 billion.

continued on page 2

By comparison, British Columbia’s public-sector expenditures on Health in 2017 were computed by CIHI at \$21.4 billion – or almost two-and-a-half times health-care spending by the private sector.

Hospitals receive the lions’ share of public-sector Health funding – the total in B.C. last year was \$9.1 billion, or nearly identical to the total for all private health-care outlays.

Next were Physicians – both family doctors and specialists – at \$4.6 billion, followed by Public Health at \$2.5 billion and Drugs at \$1.9 billion.

It is the public-sector component of Health spending that usually gets the most attention – often because of crowded emergency wards and hospital hallways, and growing wait-times for surgeries or other specialist care.

Nearly all public health-care spending in B.C. is the responsibility of the Province of British Columbia, which last year – according to CIHI’s analysis – spent an estimated \$19.9 billion (about 93 per cent) of total public-sector outlays of \$21.4 billion.

On a per capita basis, public-sector Health spending in B.C. in 2017 was calculated at \$4,440.36, ahead only of Ontario.

Newfoundland and Labrador led the way with per capita public health-

care outlays of \$5,639.09, followed by Manitoba and Alberta at \$5,394.80 and \$5,332.57 respectively.

The rankings of Canada’s provinces in terms of public spending on Health show that B.C.’s position has plunged from third-place in 2001, to ninth in 2017.

Looked at another way, our province at the beginning of the new millennium annually spent nearly \$236 *more* on health-care on a per capita basis than the average across all of Canada’s provinces.

By 2017, however, our province was spending nearly \$172 *less* than the Canadian average on public-sector Health.

British Columbia’s transformation between 2001 and 2017 from being a higher-than-average public health-care spending province, to one that was lower-than-average, largely was due to changes in governments.

Through the 1990s successive New Democratic Party governments boasted of allocating additional monies to Health, while between 2001 and 2017 BC Liberal administrations boasted of reducing both tax rates and provincial spending.

The BC Liberals, moreover, claimed their brake on Health expenditures had no impact on the well-being of the province’s residents.

“The BC government’s ongoing efforts to contain growth in health care costs have not diminished the health of British Columbians,” the government declared in its 2010/11 Budget and Fiscal Plan.

“Recent comparative figures ... suggest that British Columbians are amongst the most healthy citizens in Canada.”

The change in government following the May 2017 general election – with the New Democrats replacing the BC Liberals – likely will bring a change in policy regarding Health funding.

“Everywhere I go in B.C., I hear from people who are concerned that they don’t have a family doctor and that they are waiting too long for the care they need,” said John Horgan, B.C.’s new Premier, in his party’s 2017 election platform.

“More access to care, when and where you need it, better prevention and less expensive medicine. These are my health care priorities.”

How much of an increase will the Horgan New Democrats allocate to the province’s Health spending?

British Columbians likely will learn the answer when Finance minister Carole James unveils the NDP’s three-year Budget and Fiscal Plan on February 20. 

Public-sector per capita Health spending in Canada’s provinces

	<u>2001</u>		<u>2017</u>
Manitoba	\$2,766.22	Newfoundland & Labrador	\$5,639.09
Newfoundland & Labrador	2,711.82	Manitoba	5,394.80
<u>British Columbia</u>	2,652.91	Alberta	5,332.57
Saskatchewan	2,594.93	Saskatchewan	5,251.74
Alberta	2,533.41	Nova Scotia	4,903.30
CANADIAN AVERAGE	2,417.20	Prince Edward Island	4,858.00
Prince Edward Island	2,403.43	CANADIAN AVERAGE	4,611.90
New Brunswick	2,320.35	Quebec	4,599.32
Ontario	2,320.31	New Brunswick	4,596.93
Quebec	2,293.54	<u>British Columbia</u>	4,440.36
Nova Scotia	2,233.73	Ontario	4,200.99

SOURCE - Canadian Institute for Health Information.