

Canada's Two Tier Health Care System

Hamilton Spectator and Straight Goods – June 26, 2001

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Some of my patients are under 65, and work in low-paying jobs that don't provide a prescription drug benefit plan. When their physician prescribes expensive medication, they face a difficult choice.

If their illness is chronic, such as asthma, diabetes, or heart disease, they may have to choose between treatment of their medical condition or the quality of their food or housing. If they have a young family, the choice may be between toys and recreation for their children, or their own medication. They may choose to fill their prescriptions irregularly, or not at all.

People with low incomes who are not receiving social assistance and do not have a drug benefit plan may wonder why we talk about Canada's "one tier" health care system. They have a point.

Historically, Canada has treated physician and hospital services differently from other aspects of health care. For doctors visits and hospitalizations, the Canada Health Act ensures that we all receive the same quality of health care, whatever our ability to pay. Indeed, in Ontario, a physician is breaking the law if she charges a patient for an insured service.

As a nation, we have thought it less important to ensure a single tier of care for other health services. Whenever the sick have to pay directly, we will find two tier care. Those who have difficulty affording a health service will face delays, receive inferior care, or not receive the service at all.

Because of the long list of medications that prolong life, or substantially improve the quality of life, drugs are a very important example. There are many others.

Temporarily or permanently disabled individuals living in the community must often pay for much of the home care they need, or do without. Recent Ontario provincial government decisions to freeze home care spending will make this problem worse.

Canadians who need glasses must pay for testing of their eyes if it is done by an optometrist. Whoever does the testing, they must pay out-of-pocket for the glasses they need, or the laser eye surgery that they hope may eliminate the need for glasses.

Dental care is also two tier care. Those who have a benefit plan that covers dental care, or have the income to pay the dentist, will receive high quality care. Low income individuals whose dental care is not covered at work must put off expensive dentist visits, for themselves or their children.

Other potentially important services for which the sick may need to pay directly include medical devices (when my daughter injured her knee, I had to pay cash for her crutches), chiropractic services, and psychiatric care if delivered by a psychologist or social worker rather than a psychiatrist. The list goes on.

Relative to physicians and hospitals, our reliance on these other health services and thus the money we spend on them is growing. For instance, in 1979 43% of the money Canada spent on health care was devoted to hospitals. Due to bed cuts, we now spend only 32% of our health dollars on hospitals. As a result, need for home care has increased dramatically.

Pharmaceutical products provide another example. Spending on drugs rose from 9% of total health care expenditures in 1979 to 15% in 1999.

Private sector spending on health care represents the portion that individuals must bear through their insurance, or out of pocket. Private sector spending has risen from 25.4% of health care expenditures in 1990, to over 30% today. Canada's two tier problem, as reflected in the ratio of private to public health care spending, is worse than 23 of 28 other industrialized countries.

The magnitude of the two tier problem differs from province to province. For instance, while all provinces pay part of the drug costs of those over 65, the deductible, co-payments, and drugs covered vary widely across the country.

Last year, the World Health Organization ranked health care systems.

Canada ranked 30th and the United States 37th, well below the western European countries, including England. Why? Because, relative to other countries, the WHO judged us as having excessive financial barriers to health care access. The WHO correctly concluded that the US was even worse.

How should Canada address its two tier problem? First, we should realize that the money is available. The gross domestic product represents the resources we have available for health care. As a proportion of the GDP, health care spending has declined from 10.2% in 1992 to 9.2% today. Despite what you hear from Mike Harris, Canada has done remarkably well in controlling health care expenditure.

Furthermore, we could devote a portion of the huge sum of money now going to federal and provincial tax cuts to deal with the social deficit of two tier health care.

Second, we should learn the lesson of physician and hospital services. Without the Canada Health Act, we could not have maintained a single tier of doctor and hospital care. Only strong action by the federal government will ensure national standards of health care delivery.

In 1997, the National Health Forum, a widely representative group of health care experts, held consultations with citizens across the country. Their report to the federal government recommended national home care and pharmacare (prescription drug) programs.

Such programs would provide a good start to addressing Canada's two tier health care problem.

As a wealthy industrialized country, Canada should ensure all its citizens have access to necessary medical services. Are drugs, home care, eye care, and dental care necessary medical services? They sure are.

Two tier access to these services represents Canada's biggest unresolved health care problem.