Primary Care: The Foundation of a High Functioning Health System

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OFPN Terry O'Neil Lecture

Danyaal Raza, MD MPH CCFP
St. Michael's Hospital | University of Toronto,
Dept. of Family & Community Medicine

St. Michael's
Inspired Care.
Inspiring Science.

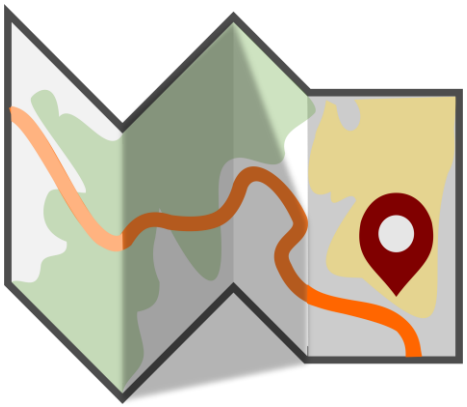
Family & Community Medicine
UNIVERSITY OF TORONTO

Disclosures

- No commercial or financial conflicts to declare
- I believe in evidence-based, equity driven health care reform and serve on the Board of Directors of Canadian Doctors for Medicare

Road Map

1. A bird's eye view of medicare
2. Why does primary care matter for health systems?
3. What are the opportunities and threats for change?



Medicare – A Bird's Eye View

The Story of Medicare

Before the 1940's: Access based on ability to pay – losing one's health meant losing the farm.

1947: Saskatchewan introduced a public insurance plan for hospital services.

1962: Public insurance was extended to physician services in Saskatchewan. "Birth of Medicare."

1968-1972: Federal Medical Care Act. All provinces and territories agreed to provide universal public coverage for hospital and physician care in exchange for federal funding.

What is Medicare?

Federal Government

- Sets (and enforces?) national standards for insured health care services;
- Provides money through fiscal transfers; and
- Delivers direct health services to specific groups of Canadians.

Provinces & Territories

- Administer healthcare plans;
- Provide a single payer for insured services; and
- Enjoy some flexibility in determining the “basket of services.”

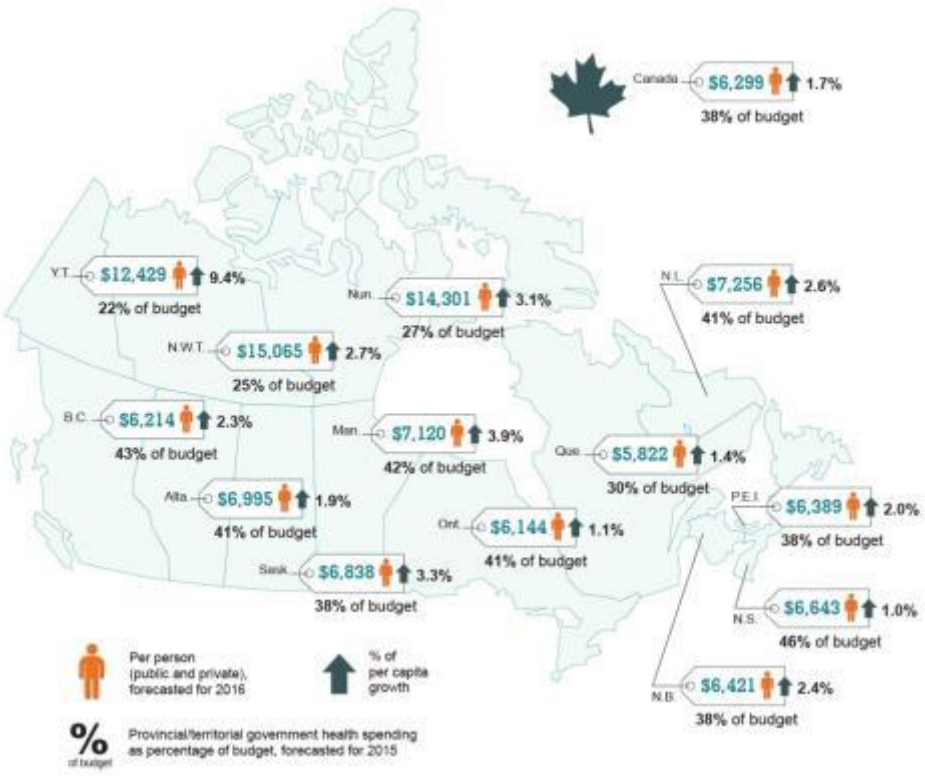
Canada Health Transfer

In order to receive federal funding through the Canada Health Transfer (CHT), each province or territory must comply with the 5 principles of the Canada Health Act:

- **Universality: Everybody in, nobody out.**
- **Accessibility: No barriers to insured care.**
- **Comprehensiveness: Doctors and Hospitals are covered.**
- **Portability: Coverage must go where you go.**
- **Public Administration: The insurance plans must be publicly accountable.**

No single health system

- 13 provincial and territorial health care systems.
- Separate federal health care system for populations designated under federal government responsibility.



What does Medicare cover/insure?

Medically necessary care that is:

- Delivered in hospital
- Provided by a physician

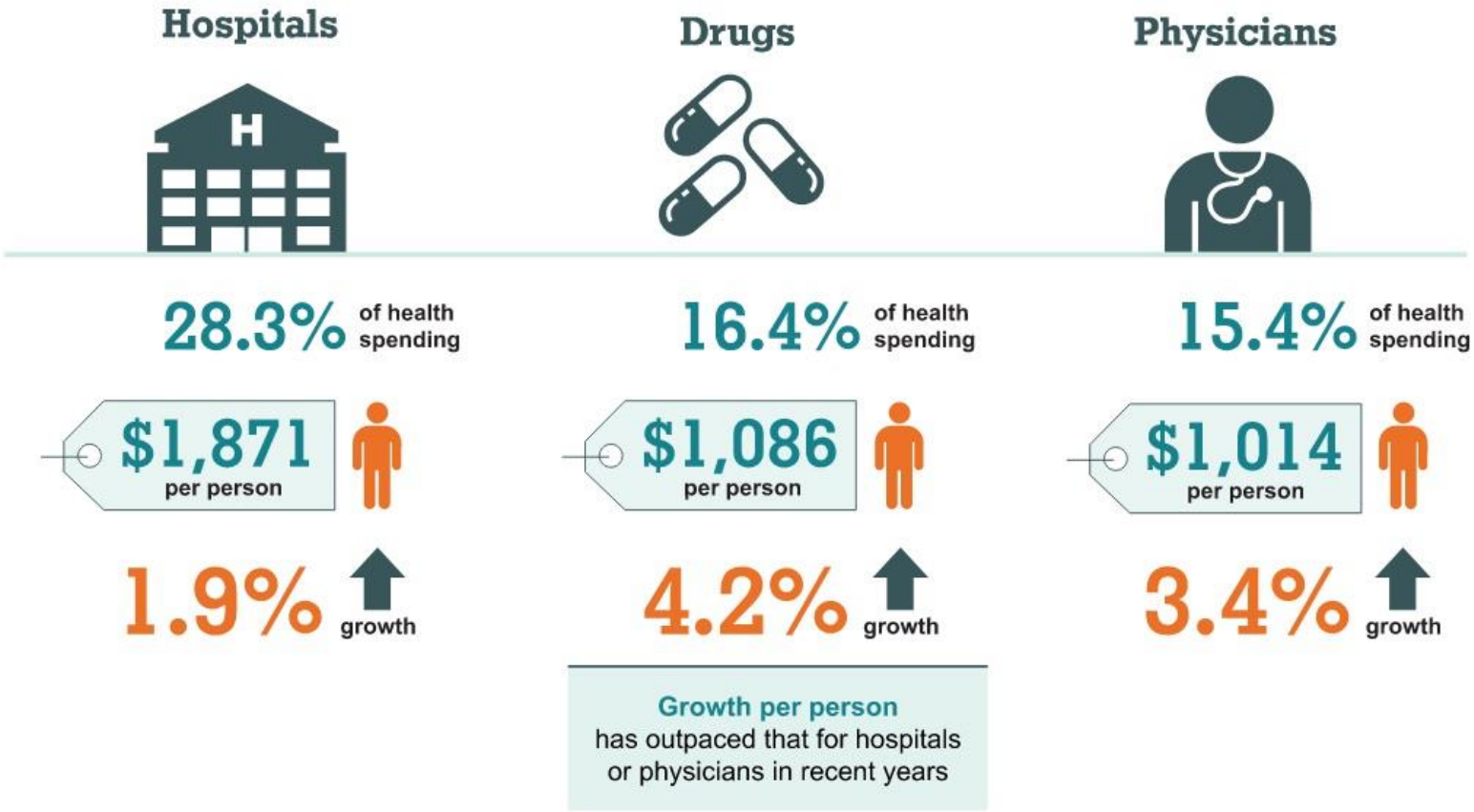
Medicare does not cover MANY outpatient services:

- Prescription drugs
- Dental care
- Physiotherapy
- Psychology
- …

No single health system

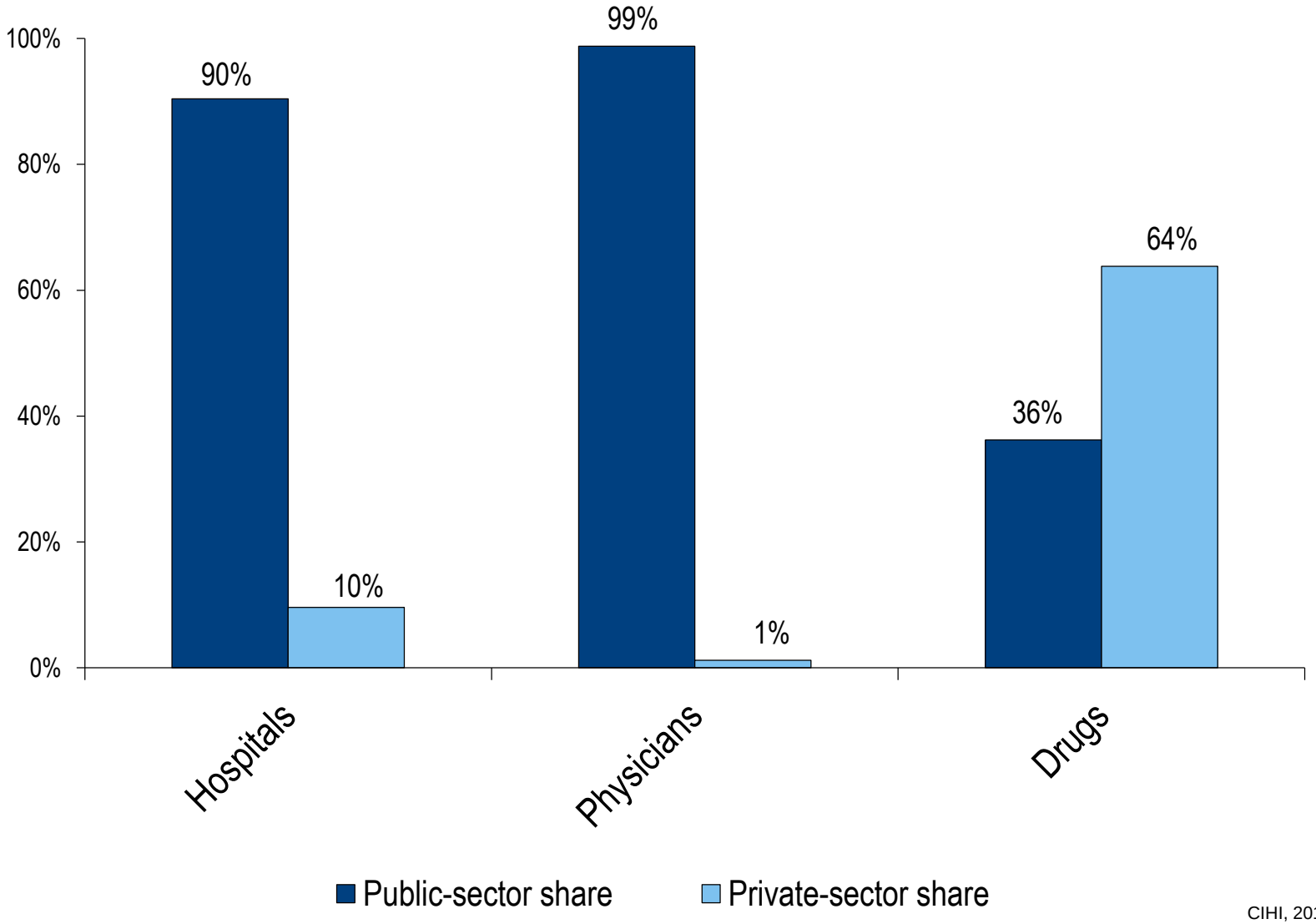
- Many special **means** or **age-tested** programs, province by province, to cover **some** care not insured my Medicare
- **e.g. Ontario**
  - Rx Drugs?
    - Old enough, young enough or poor enough?
  - Health Smiles Program for Dental care?
    - Young enough?

How we spend



Source
National Health Expenditure Database, Canadian Institute for Health Information.

Public vs. Private Share of Spending, 2014



CIHI, 2017

How we spend (% public)

PHYSICIAN SERVICES	
Canada	**98%**
Germany	**76%**
France	**75%**

HOSPITALS	
France	**94%**
Canada	**91%**
Germany	**88%**

PHARMACEUTICALS	
Germany	**74%**
France	**69%**
Canada	**39%**

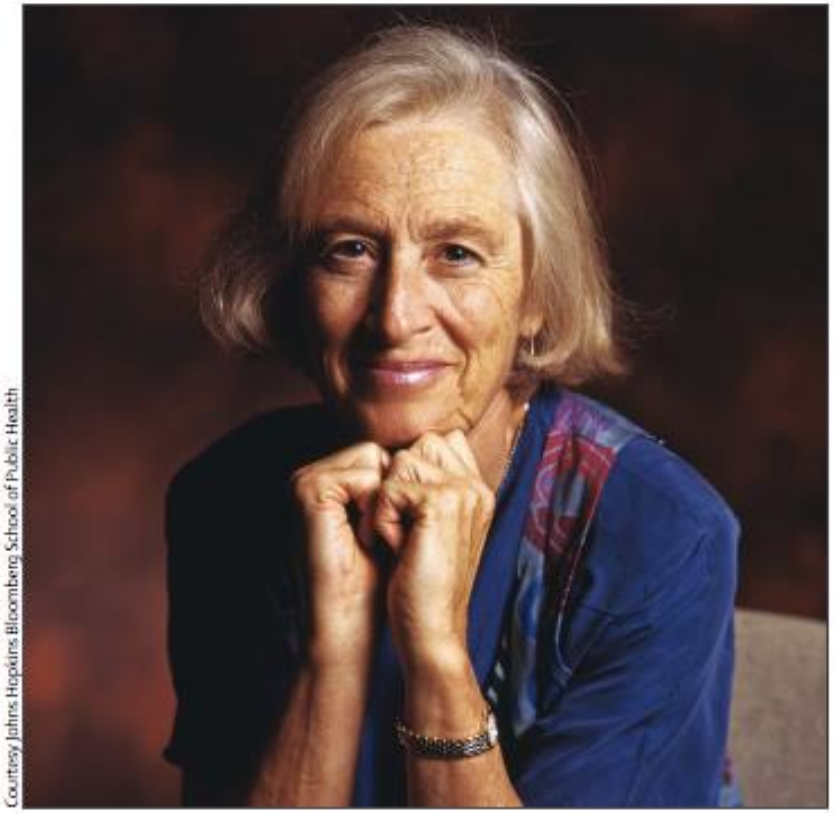
DENTISTS	
Germany	**61%**
France	**37%**
Canada	**5%**

OECD Health Data (2007)

Follow the money

- **Core funding and delivery for:**
  - Acute Care,
  - Provided in hospitals by all health providers,
  - Provided in community by physicians
- **‘Add on’ funding and delivery for:**
  - Chronic Care,
  - Provided in community/primary care,
  - Provided by community-based non-MD health providers

Why Primary Care Matters



Courtesy Johns Hopkins Bloomberg School of Public Health

Barbara Starfield

Paediatrician and advocate for primary health care. She was born on Dec 18, 1932, in Brooklyn, NY, USA, and died on June 10, 2011, in Menlo Park, CA, USA, aged 78 years.

EVIDENCE OF VALUE

The Starfield model: Measuring comprehensive primary care for system benefit

JULY 1, 2014

AFHTO's approach to primary care measurement focuses on the relationship with our patients and our ability to deliver the care patients value. Its objective is to optimize quality, access and total health system cost of care for patients, using indicators from Health Quality Ontario's Primary Care Performance Measurement Framework. An article describing the model and a case study of its implementation was published in ***Healthcare Management Forum*** – **The Starfield model: Measuring comprehensive primary care for system benefit.**

"The key components of primary care at the clinical level include access to and use of first-contact care, patient-focused (rather than disease-focused) care over time for defined populations, services that are comprehensive and timely, and coordination of care when patients need services elsewhere."

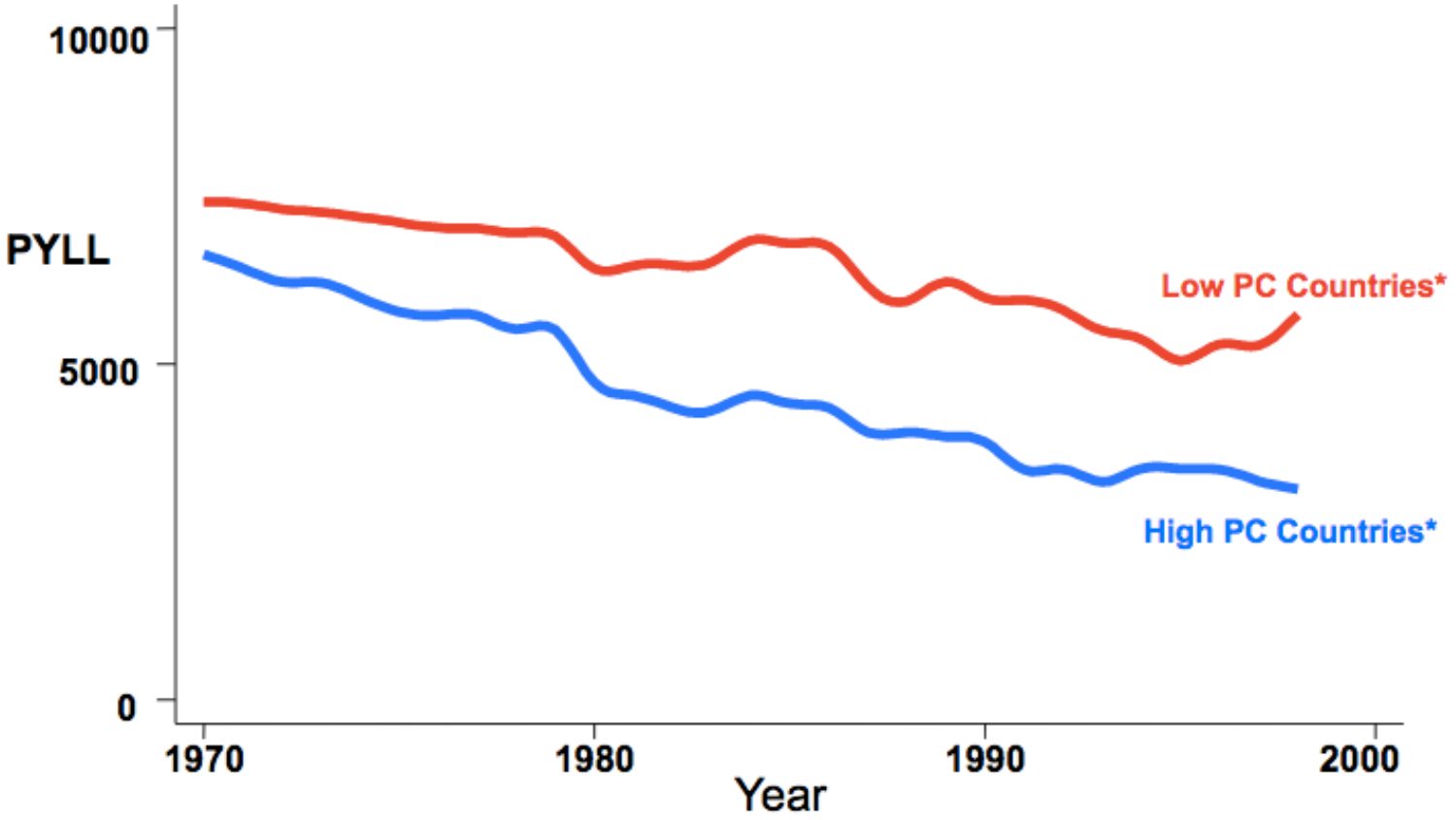
Toward international primary care reform, Starfield, CMAJ. MAY 26, 2009. 180(11)

Why is Primary Care Important?

- **Better Health Outcomes**
- **Lower Costs**
- **Better Equity**

Starfield B et al., Milbank Q. 2005 Sep; 83(3): 457–50

Primary Care Strength and Premature Mortality in 18 OECD Countries



*Predicted PYLL (both genders) estimated by fixed effects, using pooled cross-sectional time series design. Analysis controlled for GDP, percent elderly, doctors/capita, average income (ppp), alcohol and tobacco use. R^2(within)=0.77.

Source: Macinko et al, Health Serv Res 2003; 38:831-65.

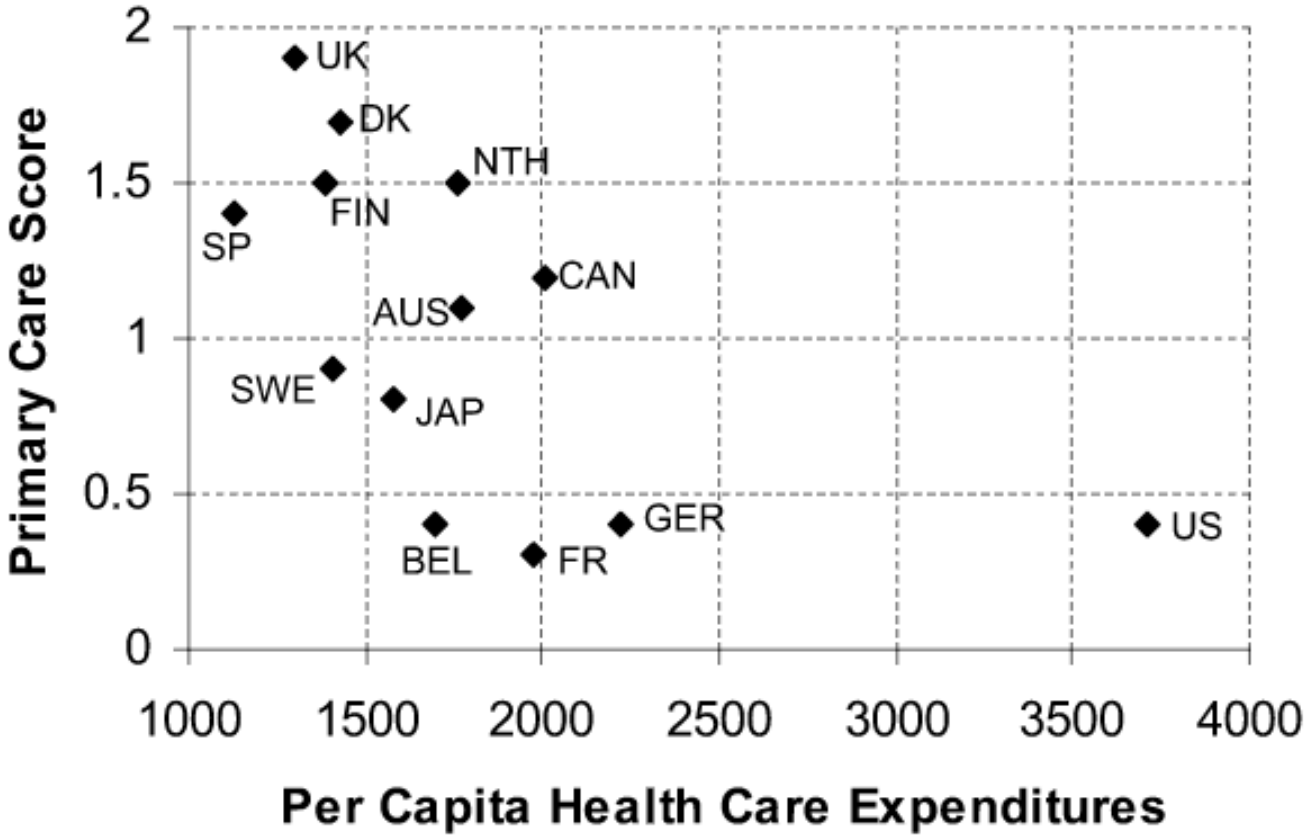
Starfield 09/04
IC 2953

Primary Care Oriented Countries Have:

- **Fewer low birth weight infants**
- **Lower infant mortality**
- **Fewer years of life lost due to suicide**
- **Higher life expectancy**

Sources: Starfield. Primary Care: Balancing Health Needs, Services, and Technology. Oxford U. Press, 1998. Starfield & Shi, Health Policy 2002; 60:201-18.

Per Capita Spending



B.Starfield, L.Shi. Health Policy. 60 (2002). 201–218.

Mechanisms of Primary Care

1. **Greater access to needed services**
2. **Better person-focused quality of care**
3. **Greater focus on prevention**
4. **Early management of health problems**
5. **Reducing unnecessary & potentially harmful specialist care**

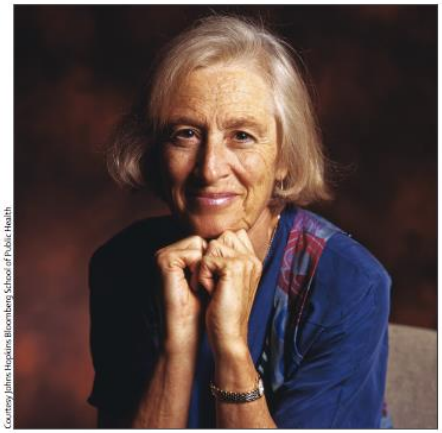
+ + + *Positive impacts of primary care most notable in areas that are socially inequitable*

Starfield B et al., Milbank Q. 2005 Sep; 83(3): 457–50

Disease vs Person-Centered

“Any country that is serious about primary care would eschew a sole focus on disease-oriented quality goals. Yet Canada has adopted lock, stock and barrel the ‘micro’, biomedically oriented approaches to quality, and payment for performance focused narrowly on diagnosis and management of specific diseases.”

- Barbara Starfield, 2008



Courtesy Johns Hopkins Bloomberg School of Public Health

Starfield B, Primary Care in Canada: Coming or Going? Healthcare Papers, 2008

Acute vs Chronic Centered

“There were two phases to Medicare. The first was to remove the financial barrier between those who provide health care services and those who need them. Phase number two would be much more difficult…to alter our delivery system to reduce costs and put an emphasis on preventative medicine.”

- Tommy Douglas, 1982

AOHC Conference Report 2007. The Second Stage of Medicare.

Opportunities & Threats

Opportunities & Threats

Opportunities

1. Expand coverage for community based services (i.e. Pharmacare)
2. SDOH & Population Health thinking

Threats

3. ‘Concierge’ Clinics
4. Cambie Corp’s legal challenge to Medicare

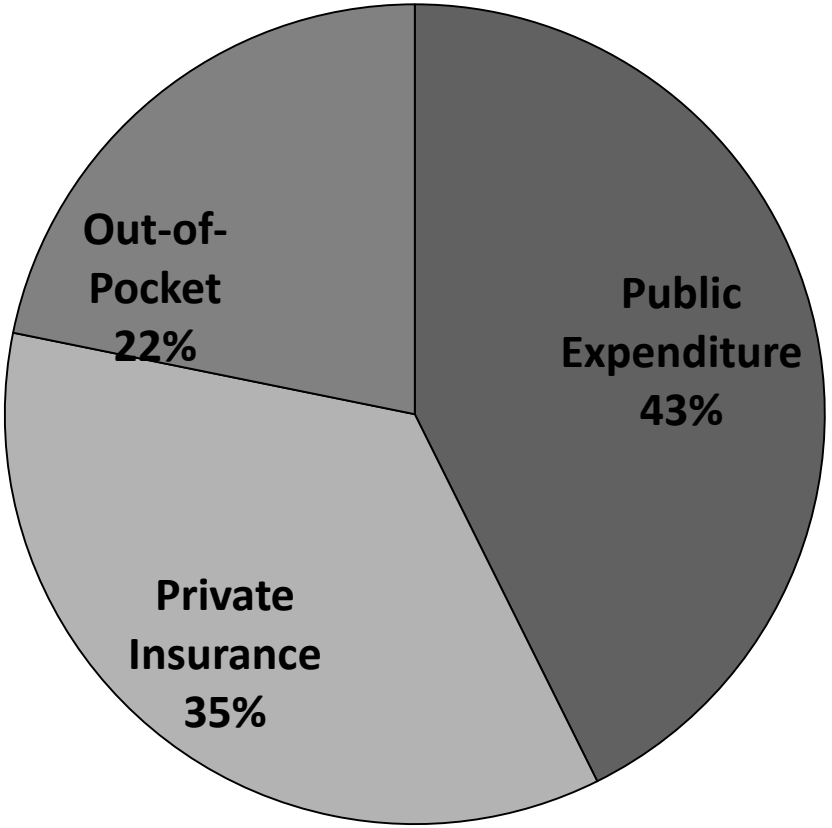
Opportunities

Opportunity:

Pharmacare

Drugs as a Cost Driver

$33.9 Billion



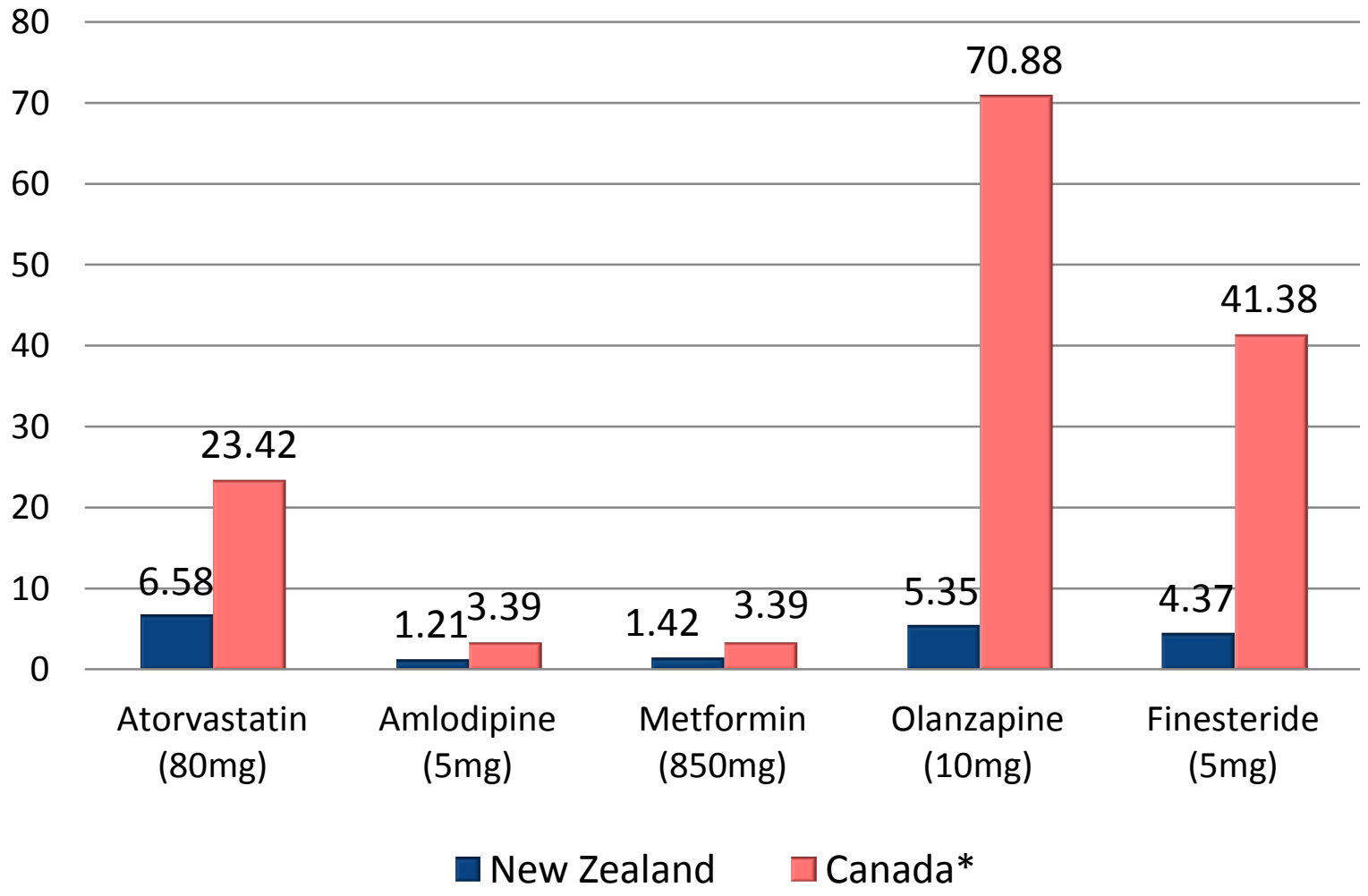
Drug Spending At a Glance, CIHI 2017

Drugs as a Cost Driver

- Drug expenditure **increasing** since mid-1980s
- Annual growth from 2000-2010 was 7%; more than double OECD average
- **We pay 30% more** for drugs than other OECD countries - only the U.S. pays more than Canada
- **2nd largest share** after hospital spending since 1997

National Health Expenditure Trends, 1975 to 2015, CIHI 2015

Generic Drug Price Comparison per 100 pills: $CDN, 2018



*After January 2018 PCPA-CGPA negotiated price concession of 25% to 40%

Access & Equity

- 1 in 10 of all Canadians did not take prescription medication as directed **because of cost**
- As a result of drug costs, forgone basic needs:
  - Food (~730 000), heat (~238 000), other healthcare expenses (~239 000)
- Most common: female, age 18-44 years, poorer health status, lower income status, lack of prescription drug insurance

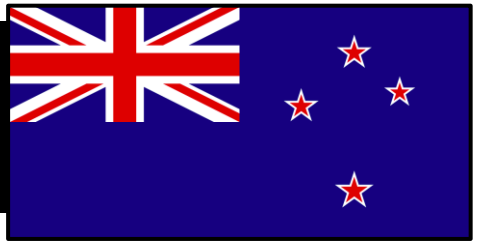
Law M, Cheng L, et. al. The consequences of patient charges for prescription drugs in Canada: a cross-sectional survey. February 13, 2018.
Law, Michael. The effect of cost on adherence to prescription medications in Canada. CMAJ January 16, 2012
Gagnon, M., & Hébert, G. The Economic Case for Universal Pharmacare. 2010 Canadian Centre for Policy Alternatives and the Institute de recherché et d'informations socio-economiques.

Access & Equity

- **Public coverage**
  - Ontario: Old enough, young or poor enough
- **Private employment-based coverage**
  - 94% of those earning more than $100,000
  - 17% of those earning less than $10,000.

Low Wages, No Benefits. Wellesley Institute. February 2015. http://www.wellesleyinstitute.com/wp-content/uploads/2015/02/Low-Wages-No-Benefits-Wellesley-Institute-Feb-2015.pdf

New Zealand Model



Public Plan

1. Rigorous Drug Assessment
2. Systemic Tendering
3. Bulk Buying

CMAJ RESEARCH

Estimated cost of universal public coverage of prescription drugs in Canada

Steven G. Morgan PhD, Michael Law PhD, Jamie R. Daw BHSc MSc, Liza Abraham BSc, Danielle Martin MD MPubPol

- **Universal & Public**
- **Reduce total Rx drug spending by $7.3 billion**
  - Reduce private spending by $8.2 billion
  - Increase public investment by about $0.9 billion (best-case scenario $2.9 billion net savings)

RESEARCH

Estimated effects of adding universal public coverage of an essential medicines list to existing public drug plans in Canada

Steven G. Morgan PhD, Winny Li MSc, Brandon Yau BSc, Nav Persaud MD MSc

Cite as: *CMAJ* 2017 February 27;189:E295-302. doi: 10.1503/cmaj.161082

- **125 essential medicines**
  - Covers over 90% of prescriptions in primary care
- **Reduce total prescription drug spending by $3.04 billion**
  - Reduce private spending by $4.27 billion
  - Increase public investment by $1.23 billion

Opportunity:

Social Determinants of Health

GARY BLOCH

As a doctor, here's why I'm prescribing tax returns. Seriously

GARY BLOCH
Contributed to The Globe and Mail
Published Wednesday, Mar. 20 2013, 7:10 AM EDT
Last updated Wednesday, Mar. 20 2013, 7:13 AM EDT

Threats

Threat:

‘Concierge’ Clinics

Should the wealthy be allowed to buy their way to faster health care at private clinics?

By **ROBERT CRIBB** Foreign
VJOSA ISAI
MAHAM SHAKEEL Ryerson School of Journalism
Sat., March 18, 2017

thestar.com

‘Concierge’ Clinics

- Primary care clinics that charge ‘membership’ fees, up to $4500/year
- Legal justification ≠ actual practice

‘Concierge’ Clinics

- Access based on ability to pay
- Diversion of health care workers
- Over & unnecessary testing
- Public system ‘dumping’

Threat:

Cambie Corporation

Private medicine crusader operated, then left medicare system to fix complications, X-Men stuntman says

TOM BLACKWELL | September 12, 2016 2:23 AM ET

More from Tom Blackwell | @tomblackwellNP

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Cambie Corporation

- Cambie Surgical Centre is a Vancouver surgical centre operated by Dr. Brian Day
- Brian Day is an orthopedic surgeon,
  - President of the CMA from 2007-08
  - Advocate for private, for-profit medicine
- Openly violated the law on extra billing, allowing patients to pay a “facility fee” to jump to the front of the line

Cambie Corporation

- Audited in 2012 by the BC government
- Nearly $500,000 in extra billing found – in 30 days

B.C. government warns private clinics about overcharging

By Tyler Orton, 24 Hours Vancouver
Wednesday, July 18, 2012 7:19:40 PDT PM

Cambie & BC Supreme Court

- In 2008, launched Charter challenge claiming extra-billing restriction deprives patients of Charter rights
- Section 7: “Everyone has the right to life, liberty and security of the person”
- As of September 2016, BC Supreme Court has started hearing the case

Cambie Corporation

Backgrounder: A primer on the legal challenge between Dr. Brian Day and British Columbia – and how it may affect our healthcare system

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