

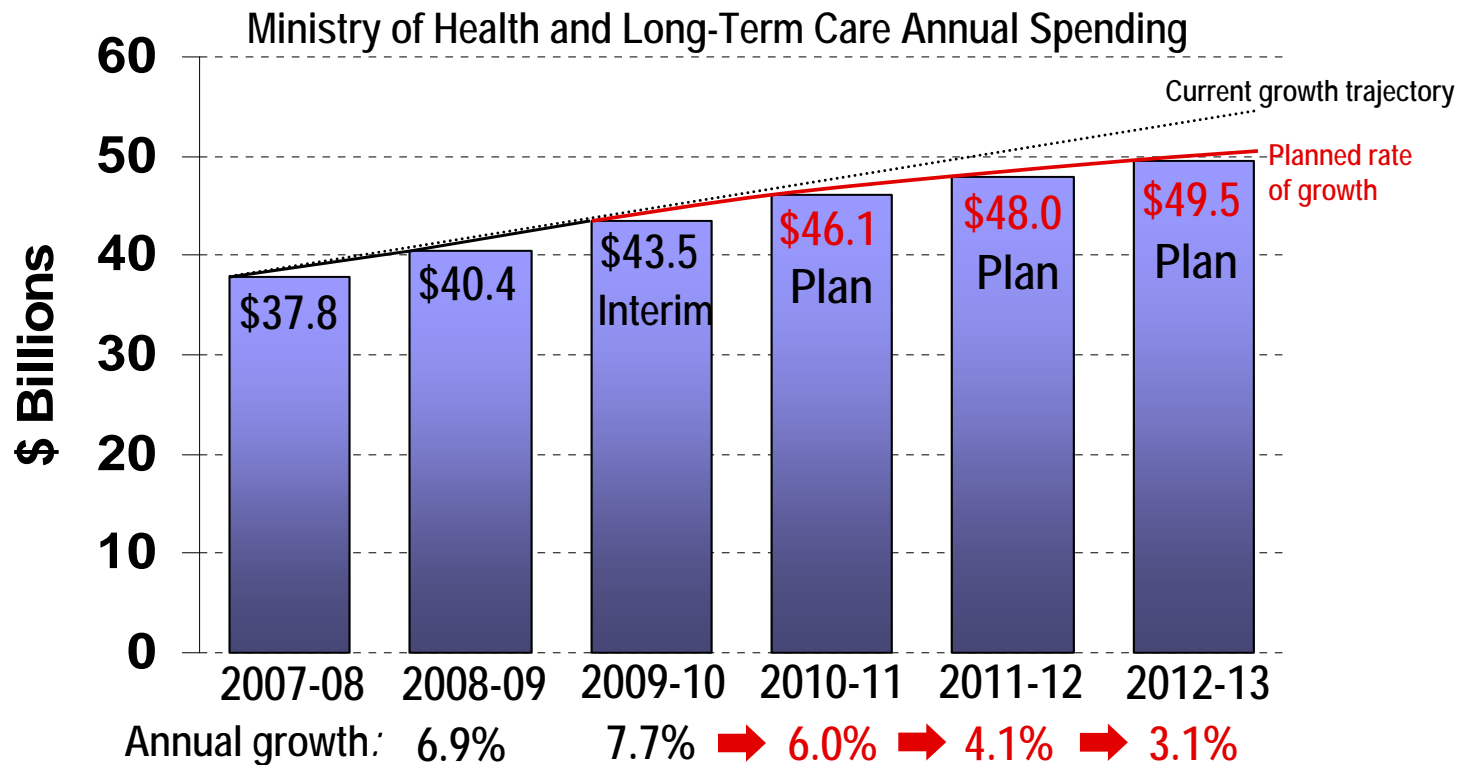


Examining Future Funding Directions for Ontario

Change Foundation
Tools for Change **Symposium**

April 26, 2010

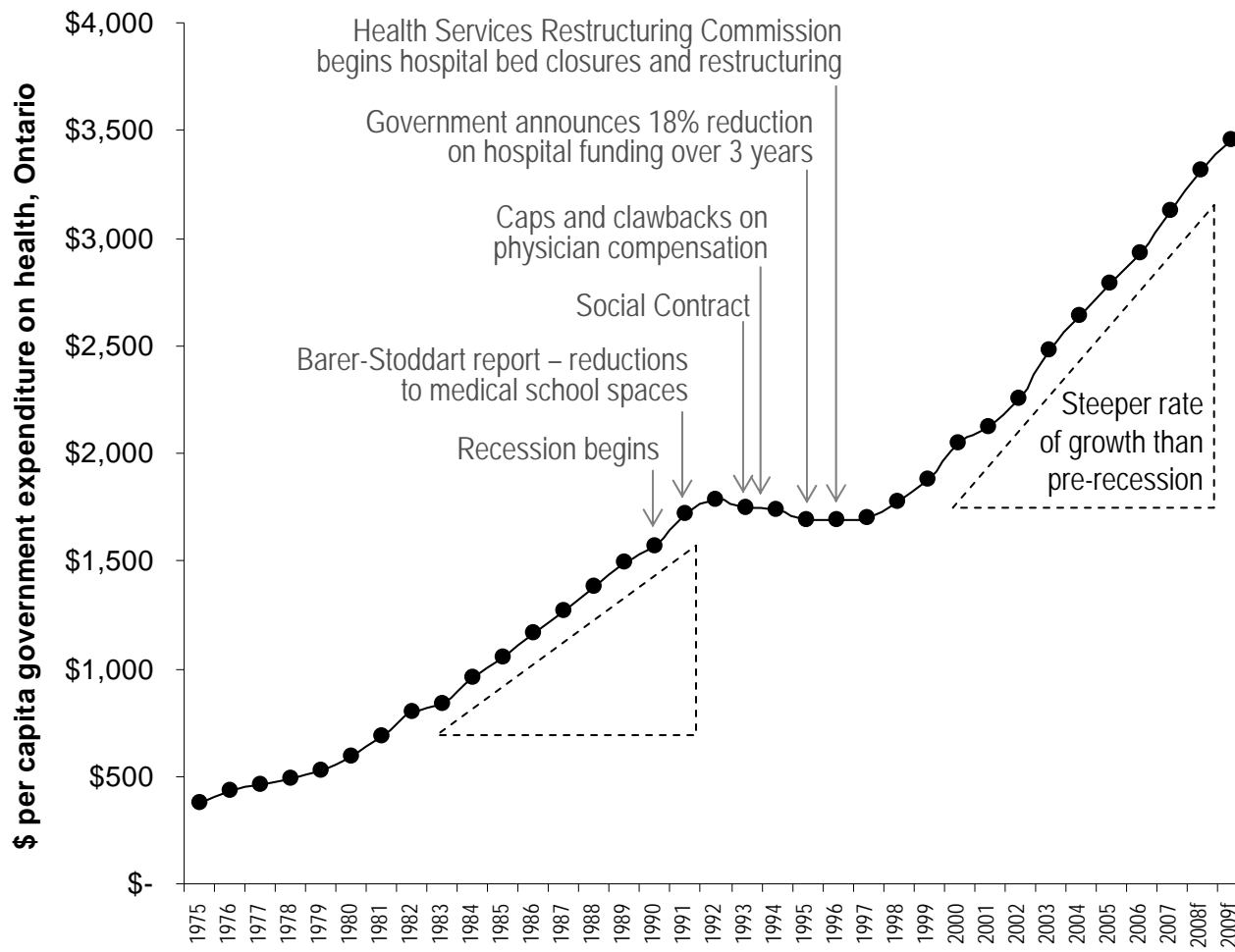
This year's Ontario budget outlined a multi-year plan to decrease growth in health spending from the current ~6% annual rate to 3.1% by 2012-13



The policy challenge:

How do we ensure appropriate access to high quality health services while containing growth in expenditures?

Past cost containment efforts in Ontario focused on blunt supply-side constraints and were followed by steep 'rebound' effects in spending



Source: CIHI data 2009. In current dollars.

Experience suggests that this time around, a new approach more focused on long-term health system sustainability is required

"...Any attempts to restrain the unsustainable annual cost increases within the Canadian health care system over the past decade have proved fleeting. So, carrying out structural reforms that will ensure sustained savings needs to be the over-riding objective."

- Don Drummond, TD Bank, 'The Coming Age of Fiscal Restraint'

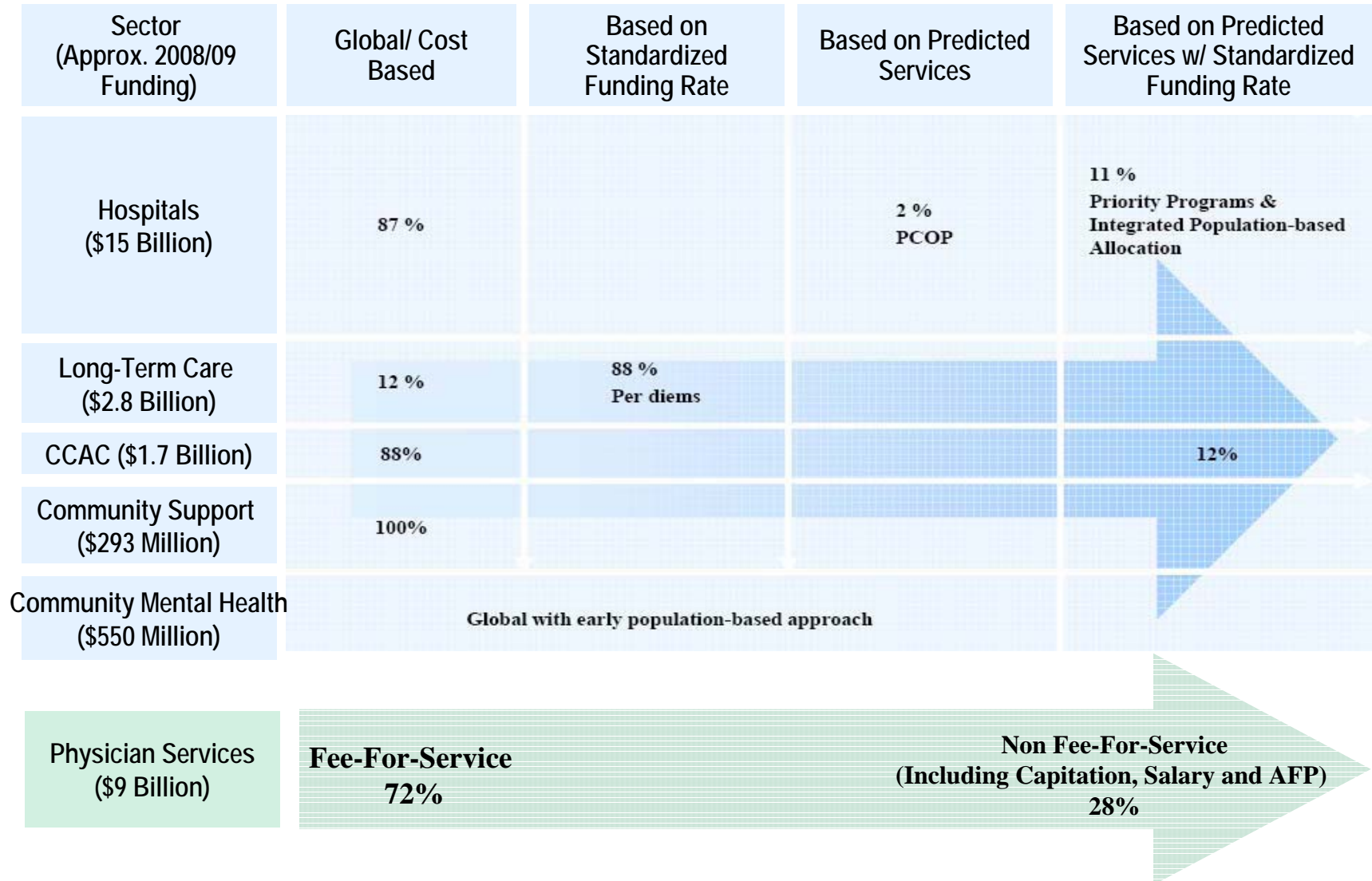
"Ontario will lead by pursuing a path of constant reform to ensure that the health system — and all our vital public services — are there for our children and grandchildren."

- Speech from Throne, March 8, 2010

Examining the way we pay our providers is a critical step in moving forward with system-wide reform



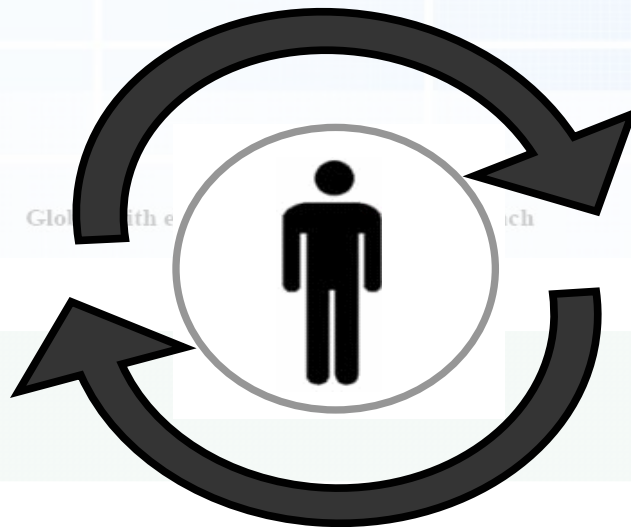
Larger health sectors in Ontario have steadily shifted towards increasingly person-oriented forms of reimbursement



Figures based on Ministry of Finance, Public Accounts of Ontario 2008-2009.

The adoption of patient-centric funding approaches across sectors in Ontario suggests future opportunities for integrating person-centred funding across the continuum of care

- > The Health Based Allocation Model (HBAM) provides an opportunity to develop a cross-sectoral integrated funding methodology
- > Potential future directions in LHIN funding: opportunities to move from funding based on provider budgets to population-based funding



Thank you.