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Health care “unsustainability” a myth, report finds

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Public sector care stable, though problems loom in private health care sector

Canadian Doctors for Medicare

Press release, Feb 28, 2011

Toronto - A new report on health care financing demonstrates that the widely repeated concern about the sustainability of public health care is unsubstantiated. Despite comments by Prime Ministers, Premiers, bank presidents and newspaper reporters suggesting that we are in a public health care financing crisis, the facts show that Medicare and public sector health care spending in general has grown little over the last 30 years and shows no signs of rapid future growth. The report, “Neat, Plausible and Wrong”, was released today by Canadian Doctors for Medicare (CDM) and draws on the full range of health care statistics to put the myth to rest.

“It’s a classic case of Chicken Little,” said Dr. Danielle Martin, Board Chair of Canadian Doctors for Medicare. “Once people started saying it, and put bit of spin on the numbers, no one stopped to question the facts.”

The report shows that, contrary to some claims, core Medicare costs have grown little over the years, staying between 4% and 5% of GDP. Other public health care costs have grown slightly more but not markedly, keeping public spending on health care between 5% and 7% of GDP for over three decades.

However, the report shows reason for concern about growth in private sector costs. Canadians are paying more and more for health care, up from 7% of GDP in 1975 to 12% in 2009. But it’s the private sector, where governments aren’t managing costs, that was primarily responsible for that growth. Statistics show that expenditures on drugs are more than 3 times what they were 20 years ago and that private health insurance costs have increased sharply.

“It’s ironic that some politicians are calling for a larger private sector role to help sustain our health care system, when it is the private sector that has been

completely unable to control costs” said Dr. Irfan Dhalla, Board Treasurer of CDM.

The report, issued just days before the Canadian Medical Association’s town hall meeting in Toronto on Health Care Transformation and on the brink of a federal election, calls for changes to how we manage health care to address the rising private sector costs and improve our health care system, but cautions policy makers not to undermine the part of our system that is working: Medicare.

[Click here for a copy of the report](#)

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<http://www.canadiandoctorsformedicare.ca>

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