

Backgrounder: Canadian Health Coalition Press Release July 19, 2017

A note on our calculations:

Using media reports and provincial government news releases the Canadian Health Coalition has put together what has been publicly announced in each deal. Using a projected GDP growth of 4 per cent, we have calculated the perceived deficit in each province between what is needed with a 5.2 per cent escalator and what will be received with a 4 per cent escalator. Similar to the report released earlier this year by the Institute of Fiscal Studies and Democracy, we are projecting a total \$33 billion cut in public health care dollars as a result of the bilateral deals. Manitoba has been calculated at 3.5 per cent flat as the federal government publicly stated that provinces who did not sign would get 3.5 per cent and no additional money for mental health and home care.

Alberta CHT Calculations 2016/2017-2026/2027			
Years	Nominal GDP (4%)	What is needed 5.2%	Previous escalator 6%
2016-2017	4226	4226	4226
2017-2018	4376	4446	4480
2018-2019	4551	4677	4749
2019-2020	4733	4920	5034
2020-2021	4922	5176	5336
2021-2022	5189	5445	5656
2022-2023	5397	5728	5995
2023-2024	5613	6025	6355
2024-2025	5838	6338	6736
2025-2026	6072	6668	7140
2026-2027	6315	7015	7568
TOTAL (millions)	57232	60664	63275
Difference between what is needed and what is being given $60664 - 57232 = 3,432$ Difference is \$3,432,000,000			
What does \$3.43 billion buy in health care in Alberta?			
Item	Cost per unit	Over 10 years	Per year
Pacemaker implementation	\$15,731	216,130	21,613
Coronary bypass	\$49,144	69,794	6,979
Alberta Physicians	\$366,000	9,371	937 docs for 10 years
LTC beds	\$655,000	5,237	524 beds for 10 yrs
Hip and Knee replacement	\$16,790	204,288	20,429
Alberta is receiving an additional \$1.3 billion dollars for home care and mental health care. This means even with the new funds, Alberta will remain with a shortfall of \$6,358,000,000 over the next ten years to pay for their current basket of health care services.			
Cost of surgery found at: https://www.cihi.ca/en/patient-cost-estimator			
Physician salaries compiled by MacLean's using CIHI data: http://www.macleans.ca/politics/ottawa/teacher-and-doctor-pay-grades/			

British Columbia CHT Calculations 2016/2017-2026/2027 (millions)			
Years	Nominal GDP (4%)	What is needed 5.2%	Previous escalator 6%
2016-2017	4723	4723	4723
2017-2018	4911	4969	5006
2018-2019	5107	5227	5306
2019-2020	5311	5499	5624
2020-2021	5523	5785	5961
2021-2022	5744	6086	6326
2022-2023	5974	6402	6706
2023-2024	6213	6735	7108
2024-2025	6462	7085	7535
2025-2026	6720	7453	7981
2026-2027	6989	7841	8451
Total (millions)	63677	67805	70727
Difference between what is needed and what is being given			
Difference is \$4,128,000,000			
What does \$4.13 billion over 10 years buy in health care in BC?			
Item	Cost per unit	Over 10 years	Per year
BC Physicians	\$272,795*		1514
LTC beds			
Hip and Knee replacement	\$13732**	300,757	30,075
MRIs	\$308***	13,409,090	1,340,909
** https://www.cihi.ca/en/patient-cost-estimator			
*** Government of British Columbia, Office of the Premier Province launches MRI strategy, funds increased number of scans November 18, 2015. The Government announced \$20 million in annual funding for 65,000 more scans. This makes each scan \$308. (OHC)			
BC will receive an additional \$1.4 billion for home and community care and mental health. This will leave a \$2,728,000,000 deficit to pay for today's current basket of health care services.			

Manitoba CHT Calculations 2016/2017-2026/2027 (millions)			
Years	Nominal GDP (3.5%)***	What is needed 5.2%	Previous escalator 6%
2016-2017*	1310	1310	1355
2017-2018	1356	1378	1436
2018-2019	1403	1450	1511
2019-2020	1452	1525	1590
2020-2021	1503	1604	1673
2021-2022	1556	1687	1760
2022-2023	1610	1775	1866
2023-2024	1666	1867	1978
2024-2025	1724	1964	2097
2025-2026	1784	2066	2223
2026-2027	1846	2173	2356
Total (Millions)	17210	18799	19845
Difference between what is needed and what is being given 18799-17210=1589			
Difference is \$1,600,000,000			
What does \$1.6 billion buy in health care in Manitoba?			
Item	Cost per unit	Number \$1.6 billion could buy	
Physicians**	\$304,165	526	The salary of 526 per year for 10 years
Hip and Knee replacement	\$13,521	118,334	11,833 surgeries per year for 10 years
* 2016-2017 CHT number comes from the Government of Canada: https://www.fin.gc.ca/fedprov/mtp-eng.asp#Manitoba			
** Average physician salary compiled by MacLean's Magazine from CIHI data http://www.macleans.ca/politics/ottawa/teacher-and-doctor-pay-grades/			
***Manitoba has not signed a bilateral agreement with the federal government. It is our understanding that they'll receive a flat 3.5 CHT escalator. No additional money will be given for home care or mental health care.			

Ontario CHT Calculations 2016/2017-2026/2027 (millions)			
Years	Nominal GDP (4%)	What is needed 5.2%	Previous escalator 6%
2016-2017	13,897	13897	13897
2017-2018	14,331	14620	14731
2018-2019	14,904	15380	15615
2019-2020	15,500	16180	16552
2020-2021	16,120	17021	17545
2021-2022	16,765	17906	18598
2022-2023	17,436	18837	19714
2023-2024	18,133	19817	20896
2024-2025	18,858	20847	22150
2025-2026	19,612	21931	23479
2026-2027	20396	23071	24888
TOTAL (millions)	185,952	199507	208065
Difference between what is needed and what is being given			
Difference is \$13,555,000,000			
What does \$13.5 billion buy in health care in Ontario?			
Item	Cost per unit	Over 10 years	Per year
Physicians	\$340,019	39,704	3,870
Hip and Knee replacement	\$11,959	1,128,857	112,886
Basic MRI **	\$300	45,000,000	450,000
* Average physician salary compiled by MacLean's Magazine from CIHI data http://www.macleans.ca/politics/ottawa/teacher-and-doctor-pay-grades/			
** Using the Ontario Health Coalition's calculations from the Private Clinics Report			
Ontario will receive an \$4.2 billion to provide additional homecare and mental health.			

New Brunswick CHT Calculations 2016/2017-2026/2027			
Years	Nominal GDP (4%)/pp	What is needed 5.2%/pp	Previous escalator 6%/pp
2016-2017	753	753	753
2017-2018	768	792	798
2018-2019	799	833	846
2019-2020	831	876	897
2020-2021	864	922	951
2021-2022	899	970	1008
2022-2023	935	1020	1068
2023-2024	972	1073	1132
2024-2025	1,011	1129	1200
2025-2026	1,051	1188	1272
2026-2027	1093	1250	1348
Total Millions	9976	10806	11273
Difference between what is needed and what is being given			
10806-9976= 830,000,000 Difference is \$830,000,000			
What does \$830 million buy in health care in New Brunswick?			
Item	Cost per unit	Number \$830 mil could buy	
Physicians	\$264,299	3,140	314
Hip and Knee replacement	\$10,799	76,859	7686
* Average physician salary compiled by MacLean's Magazine from CIHI data http://www.macleans.ca/politics/ottawa/teacher-and-doctor-pay-grades/			

Newfoundland and Labrador CHT Calculations 2016/2017-2026/2027			
Years	Nominal GDP (4%)/pp	What is needed 5.2%/pp	Previous escalator 6%/pp
2016-2017	528	528	528
2017-2018	539	555	560
2018-2019	561	584	594
2019-2020	583	614	630
2020-2021	606	646	668
2021-2022	630	680	708
2022-2023	655	715	750
2023-2024	681	752	795
2024-2025	708	791	843
2025-2026	736	832	894
2026-2027	765	875	948
TOTAL (millions)	6992	7572	7918
Difference between what is needed and what is being given			
Difference is \$580,000,000			
What does \$580 million buy in health care in Newfoundland and Labrador?			
Item	Cost per unit	Number \$580 mil could buy	
Physicians	\$260,166*	223 physicians per year for 10 yrs	
Hip and Knee replacement	\$13,610	42615 surgeries over 10 years or 4,262 surgeries per year for 10 years	
* Average physician salary compiled by MacLean's Magazine from CIHI data http://www.macleans.ca/politics/ottawa/teacher-and-doctor-pay-grades/			
Newfoundland will receive \$160million for homecare and mental health care. This will still leave a deficit of \$420 million to pay for the current basket of health care services.			

Nova Scotia CHT Calculations 2016/2017-2026/2027			
Years	Nominal GDP (4%)	What is needed 5.2%	Previous escalator 6%
2016-2017	944	944	944
2017-2018	967	993	1001
2018-2019	1006	1045	1061
2019-2020	1046	1099	1125
2020-2021	1088	1156	1193
2021-2022	1132	1216	1265
2022-2023	1177	1279	1341
2023-2024	1224	1346	1421
2024-2025	1273	1416	1506
2025-2026	1324	1490	1596
2026-2027	1377	1567	1692
TOTAL (millions)	12558	13551	14145
Difference between what is needed and what is being given			
Difference is \$993,000,000			
What does \$993 million buy in health care in Nova Scotia?			
Item	Cost per unit	over 10 years	per year
Physicians	\$250,486		396
Hip and Knee replacement	\$13,158	75,467	7,547
LTC cuts	\$5.7 mil/yr		174 years of no cuts
* Average physician salary compiled by MacLean's Magazine from CIHI data http://www.macleans.ca/politics/ottawa/teacher-and-doctor-pay-grades/			
Hip and knee surgery costs from CIHI: https://www.cihi.ca/en/patient-cost-estimator			
Nova Scotia is receiving \$287.8 million in homecare and mental health care funding. This will leave a deficit of \$705.2 million to pay for the current basket of health care services.			

PEI CHT Calculations 2016/2017-2026/2027			
Years	Nominal GDP (4%)	What is needed 5.2%	Previous escalator 6%
2016-2017	148	148	148
2017-2018	152	156	157
2018-2019	158	164	166
2019-2020	164	173	176
2020-2021	171	182	187
2021-2022	178	191	198
2022-2023	185	201	210
2023-2024	192	211	223
2024-2025	200	222	236
2025-2026	208	234	250
2026-2027	216	246	265
TOTAL (millions)	1972	2128	2216
Difference between what is needed and what is being given			
Difference is \$156,000,000			
What does \$156 million buy in health care in PEI?			
Item	Cost per unit	over 10 years	per year
Physicians	\$235,767	662	66
Hip replacement with trauma	\$36,439	4,281	428
Rehabilitation	\$26,596	5866	587
Treatment for Depression	\$24,183	6451	645
Cost of surgery found at: https://www.cihi.ca/en/patient-cost-estimator			
PEI is receiving \$45.1 million for home care and mental health care. With this additional money there will still be a \$111 million shortfall to pay for PEI's current basket of services.			

Quebec CHT Calculations 2016/2017-2026/2027			
Years	Nominal GDP (4%)	What is needed 5.2%	Previous escalator 6%
2016-2017	8,278	8,278	8,278
2017-2018	8609	8708	8775
2018-2019	8953	9161	9301
2019-2020	9311	9637	9859
2020-2021	9683	10138	10451
2021-2022	10,070	10665	11078
2022-2023	10473	11220	11743
2023-2024	10892	11803	12448
2024-2025	11328	12417	13195
2025-2026	11781	13063	13987
2026-2027	12252	13742	14826
TOTAL (millions)	111,630	118,832	123,941
Difference between what is needed and what is being given			
118832-111630= 7,202,000,000 Difference is \$7.2 billion			
What does \$7.2 billion buy in health care in Quebec?			
Item	Cost per unit	Over 10 years	Per year
Quebec Physicians	\$253, 539		2,841
LTC beds (semi private)	18428.4•		39,082
Hip replacement (unilateral)	\$7,549		95,403
Quebec is receiving an additional \$2.5 billion dollars over 10 years. This funding was not earmarked for specific services. Even with this additional money, Quebec will remain with a shortfall of over \$4.7 billion over the next ten years to pay for their current basket of health care services.			
Cost of surgery found at: https://www.cihi.ca/en/patient-cost-estimator			
Physician salaries compiled by MacLean's using CIHI data: http://www.macleans.ca/politics/ottawa/teacher-and-doctor-pay-grades/			

Saskatchewan CHT Calculations 2016/2017-2026/2027 (millions)			
Years	Nominal GDP (4%)	What is needed 5.2%	Previous escalator 6%
2016-2017	1,143	1143	1143
2017-2018	1182	1202	1212
2018-2019	1229	1265	1285
2019-2020	1278	1331	1362
2020-2021	1329	1400	1444
2021-2022	1382	1473	1531
2022-2023	1437	1550	1623
2023-2024	1494	1631	1720
2024-2025	1554	1716	1823
2025-2026	1616	1805	1932
2026-2027	1681	1899	2048
TOTAL (millions)	15,325	16415	17123
Difference between what is needed and what is being given			
Difference is \$1,090,000,000			
What does \$1.1 billion buy in health care in SK?			
Item	Cost per unit	Over 10 years	Per year
Physicians	\$324,342		336
Hip replacement with trauma	\$15,082	72,272	7,227
Cost of surgery found at: https://www.cihi.ca/en/patient-cost-estimator			
Saskatchewan is receiving an additional \$348.8 million dollars for home care and mental health care. This means even with the new funds, Alberta will remain with a shortfall of \$741,200,000 over the next ten years to pay for their current basket of health care services.			