



Ontario's Health Care Transformation Journey

CHLNet – December 10, 2013

Saad Rafi,
Deputy Minister
Ministry of Health and Long Term Care



We're Transforming The Way Care is Delivered in Ontario



Snapshot of Health Transformation

What is transformation about?

Transformation is about providing better care for patients while ensuring better value for taxpayers.



Why are we doing it?

Transformation will improve health outcomes and work towards creating a healthier population. Results of transformation will enable Government to contain growth in health spending to 2% without reducing services.

A small percentage of the population use a large percentage of health resources while not realizing the benefits. There is a better way of caring for these patients by focusing on the patients as opposed to siloed providers.



What does it entail?

Transformation reforms how we fund our delivery partners, better integrates the work of providers, better leverages our resources and will ultimately refocus the system on wellness and prevention.

These initiatives work together with an initial focus on complex patients, where we know we can improve their experience and reduce wasteful interactions with the system.

A 10% reduction in the costs of the top 5% highest users would yield a savings of \$2B.

3

Key Transformation Challenges



We need to reduce the historical growth of health care spending



We're living longer and baby boomers are reaching the age where they'll need more health



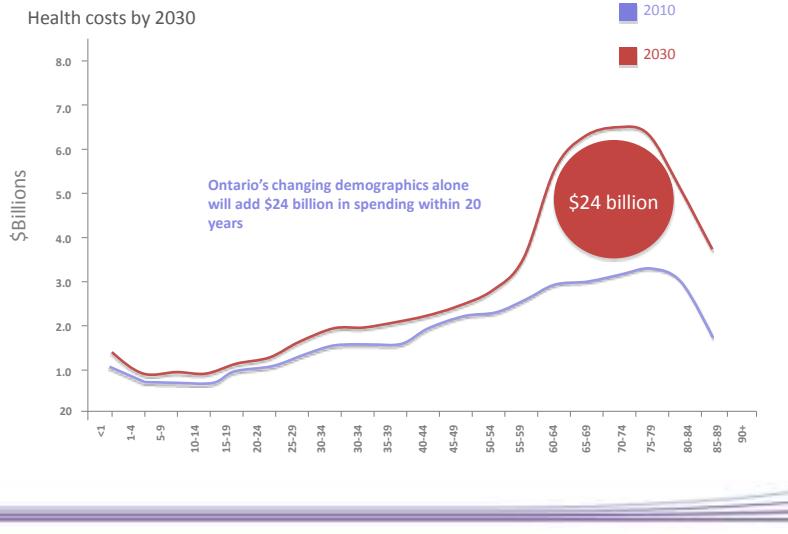
The relatively few people with complex health problems are falling through the cracks



We're not as healthy as we could be

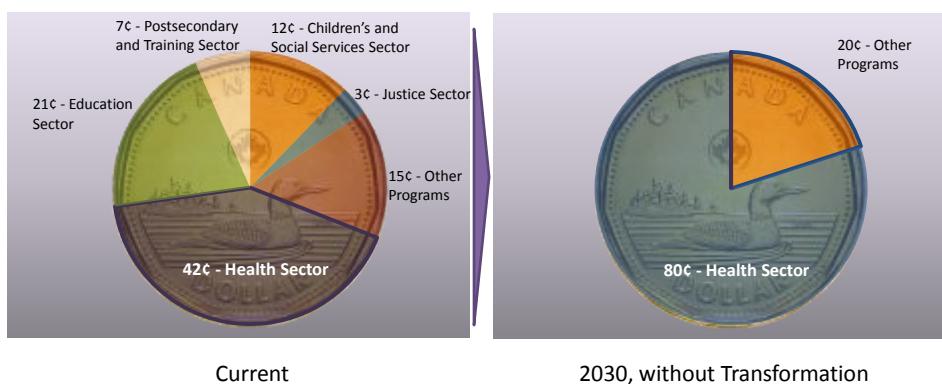
4

The Demographic Challenge



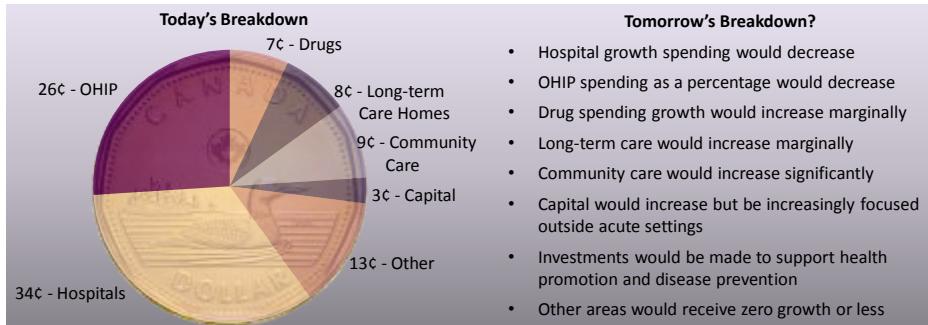
Ontario Fiscal Context

- Going forward, health spending will need to be managed to 2% growth to leave room to fund other sectors and priorities. Transformation efforts are essential for this to be successful.

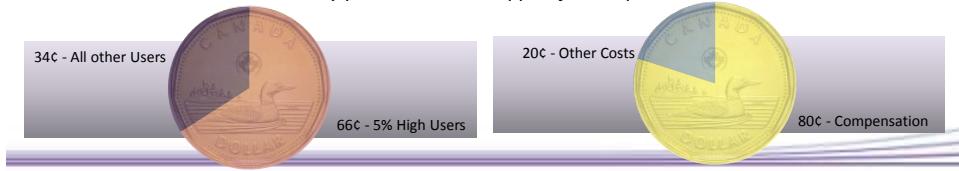


How a Health Care Dollar is Spent in Ontario

A dollar in health care is spent in several ways – from its distribution among sectors ...



...to its use by patients, and its support for compensation.



7

Our “Health” Status

We have been investing in health care but not maximizing the full value:

- Health care can be an economic engine, however investments need to produce a return, result in better value, and improve productivity.
 - To really improve productivity and provide a better return for investment, the system needs redesign the delivery model and engage in a higher value set of activities (New England Journal of Medicine, 2011)
- Canada is ranked 5th highest by OECD for health spending yet has mixed results on patient & health services outcomes.
 - A survey of "sicker adults" found that **40%** of Canadian respondents experienced **coordination gaps** such as doctors ordering tests that had already been done. (Commonwealth Fund)

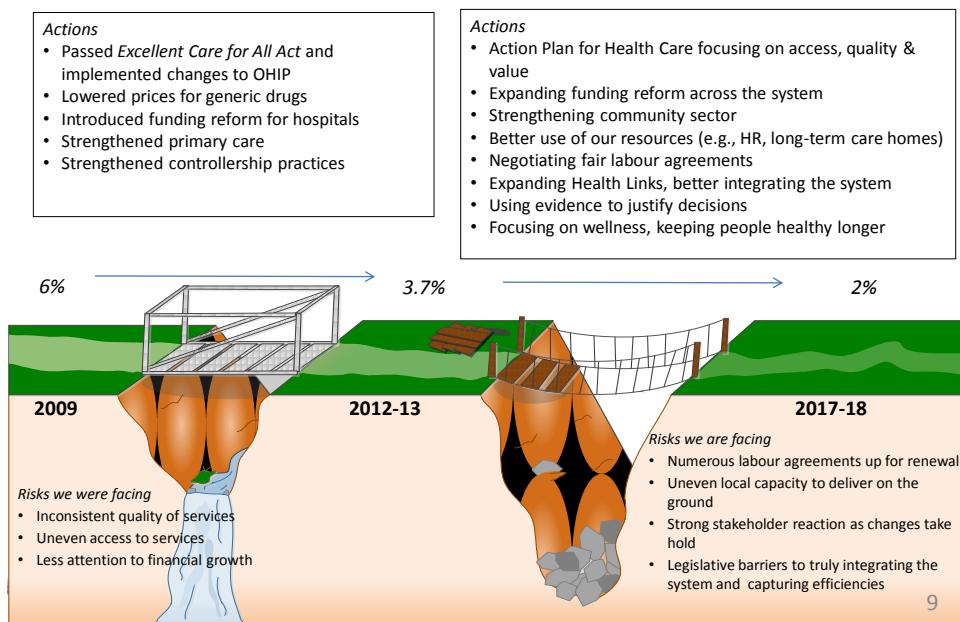
- Total health expenditure in Canada has increased from 7% to **11.6% of GDP** between 1975 and 2011 (Canadian Institute for Health Information)
- **1%** of Ontarians use 34% of health care spending and **5% use 66%** (ICES, 2012)

- In 2006, health care ranked 3rd in industry employment in Canada (9.6%) and was one of the fastest growing labour sectors. In 2011 health care was **2nd in employment (11.4%)** (National Household Survey, 2013)
- **62%** of Canadians are **overweight** or obese and **31%** of Canadians between the ages of five to seventeen are obese or overweight. (Conference Board of Canada, 2012)

- In 2006, health care ranked 3rd in industry employment in Canada (9.6%) and was one of the fastest growing labour sectors. In 2011 health care was **2nd in employment (11.4%)** (National Household Survey, 2013)

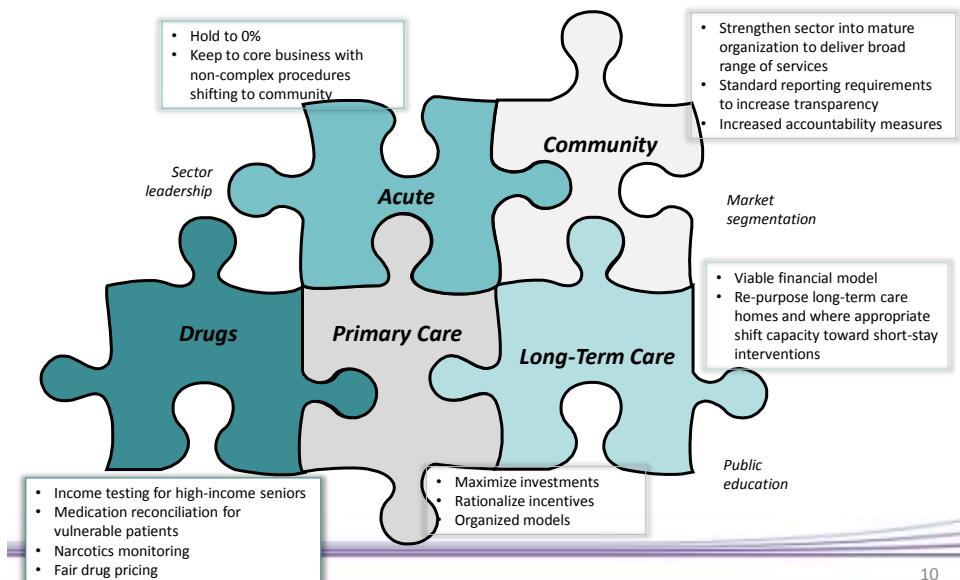
8

We've Started the Journey...



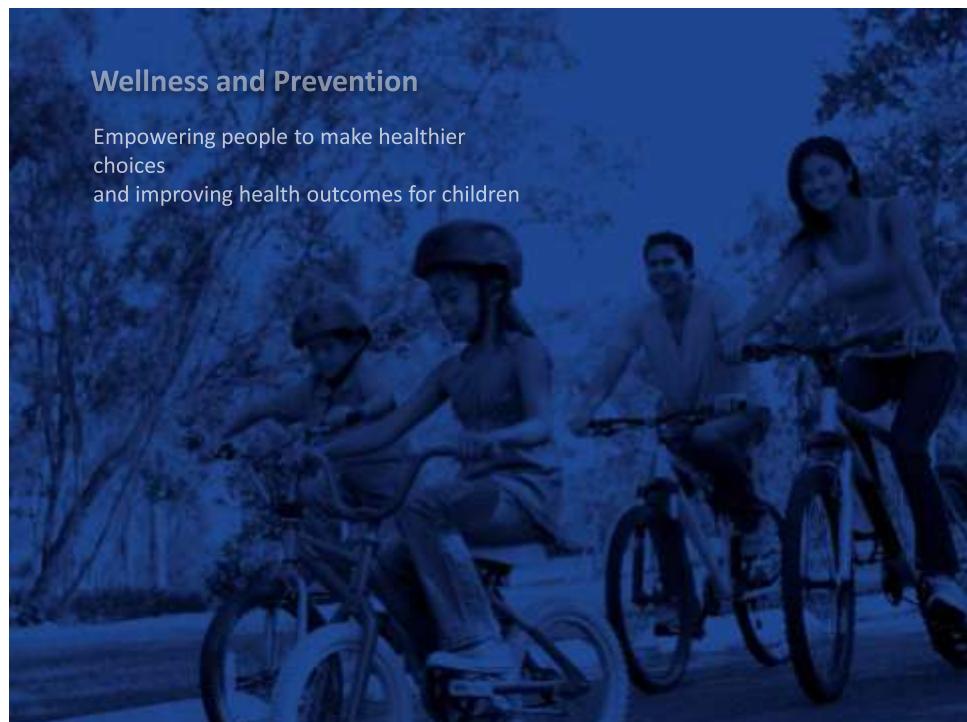
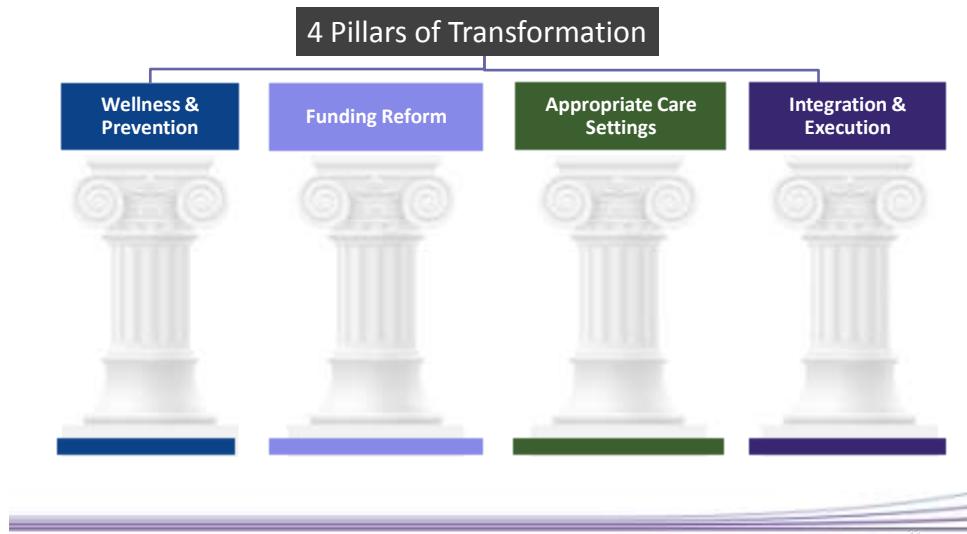
... With Strong Sector Involvement

All the pieces are coming together to create a balanced and sustainable system. Any gaps between sectors translates into lost value and must be minimized. Improvements in continuity of care for patients, especially those who use the system the most, provide opportunities to increase quality, access and value.



10

Our Strategy



Wellness and Prevention



- Helping people stay healthy
- Supporting Ontarians with information and tools to make healthy choices
- Encouraging Ontarians to be more proactive in protecting their health
- Focusing on preventing and better managing the chronic conditions that contribute to serious health issues for people of all ages

13

Funding Reform

Paying for health care services based on the needs of the patient and on performance to drive quality, efficiency and effectiveness in the system



14

We're Moving to a Funding Model That Revolves Around the Person

Global Funding



A historical approach where health service providers received lump sum funding

Health System Funding Reform



An evidence-based approach with incentives to deliver quality care based on:

- Number of patients
- Services delivered
- Best available evidence and best practices
- Needs of the population served

Health System Funding Reform

By April 2015, HSFR for health service providers will account For approximately 70% of funding

Pre-Reform



In Transition



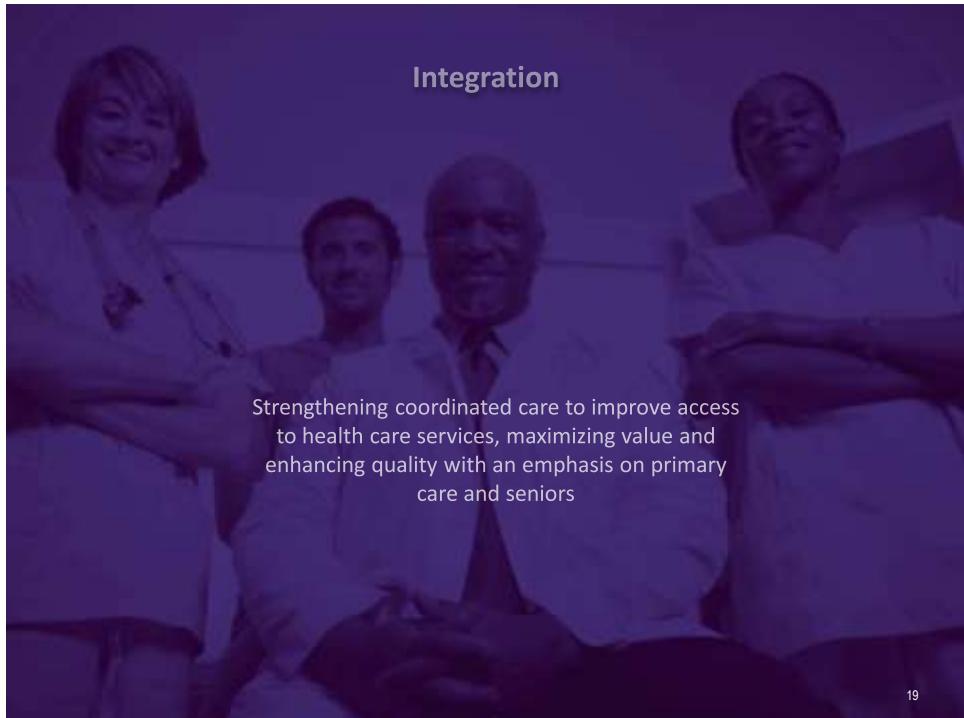
Full Implementation



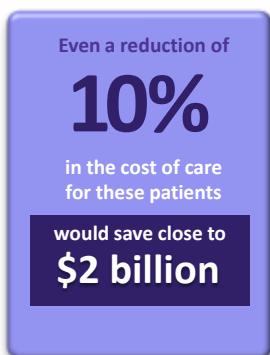


17

The slide has a purple header bar with the text "Appropriate Care Settings". Below the header is a large image of a surgeon's hands performing a procedure on a patient's eye. To the right of the image is a bulleted list of five items: "Higher quality based on evidence", "Specialized supports for seniors", "Shifting services to the community", "Expanding and using full scope of practice", and "Making better use of our health care resources so people get the right care at the right time in the right place".

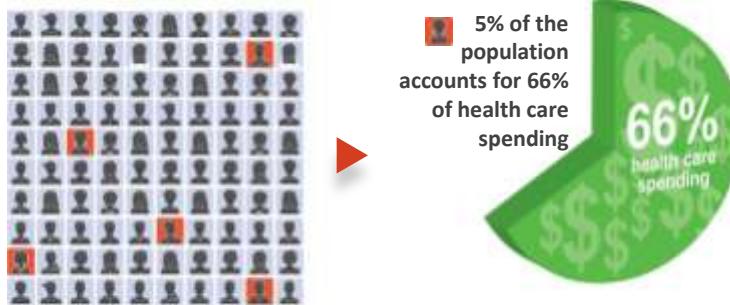


Many Seniors and Those with Mental Health Conditions have Complex, Expensive Health Care Needs



- Too many people receive care in a hospital when they can be better cared for in the community
- Many people do not get the benefit of a coordinated care plan
- Wait times for specialty services and long-term care homes are too long

A Few People with Complex Health Problems Account for the Majority of our Health Expenditures



22

Better Integration: Health Links



22

A Broad Coalition of Partners



- 37 Health Links providing care to serving a catchment area of more than three million people through the co-operation of hospitals, more than 50 primary care groups and more than 60 community service providers
- Diverse leadership
- Partnerships that go beyond the traditional

23

What it Will Mean For Patients



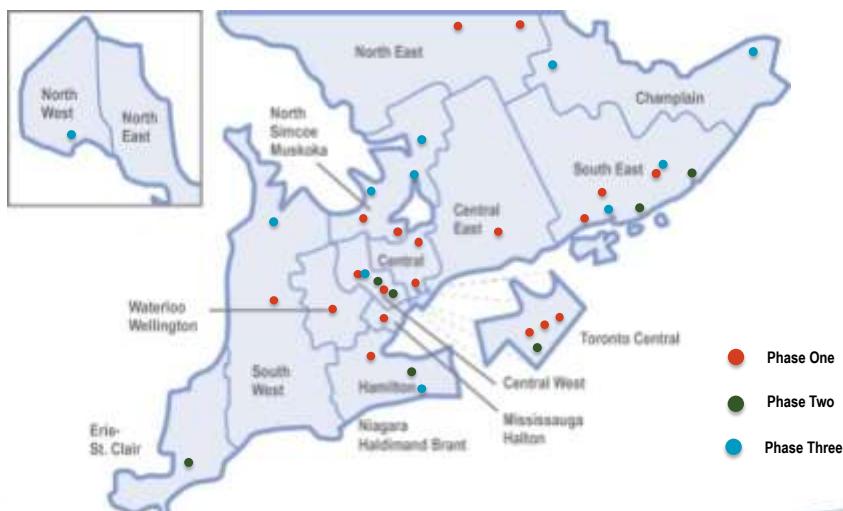
- Common principles for coordinated care plans so all complex patients will have the same experience
- Help navigating the system
- Listening to and involving the patients, families and caregivers in all stages of the care design process
- Coordinated and integrated care across providers

24

The Health Links Journey



Remarkable Response From Health Providers



How Are We Doing This?



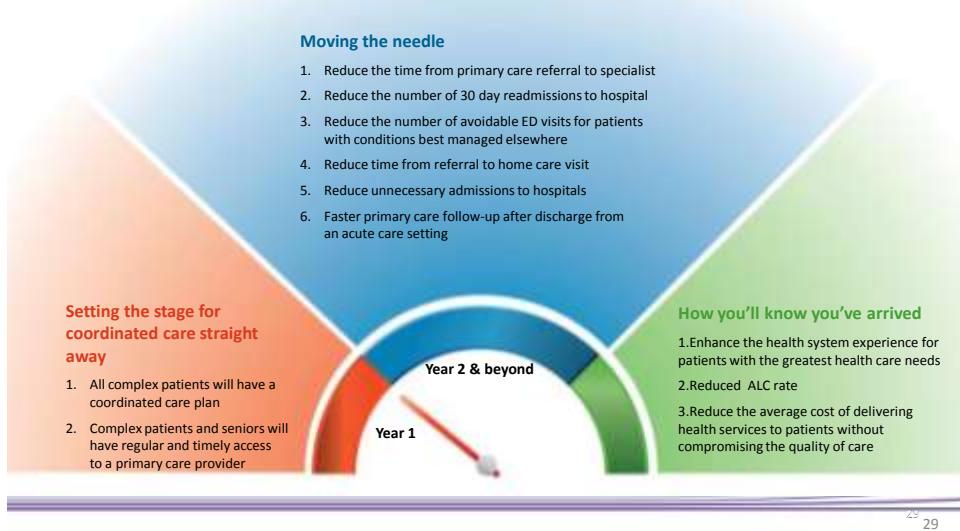
- Ministry provides strategic direction and support
- Flexible approach
- Created and led by those on the ground
- Advisory committees with local leaders and providers
- Sharing ideas

Initial Milestones

- The response to Health Links in year one has exceeded expectations
- There is at least one Health Link in every LHIN and some LHINs have already submitted proposals to ensure full coverage within their boundaries.
- Many of the 22 early adopters have begun care coordination, drafting care plans and developing processes with their partners.



Indicators of Success

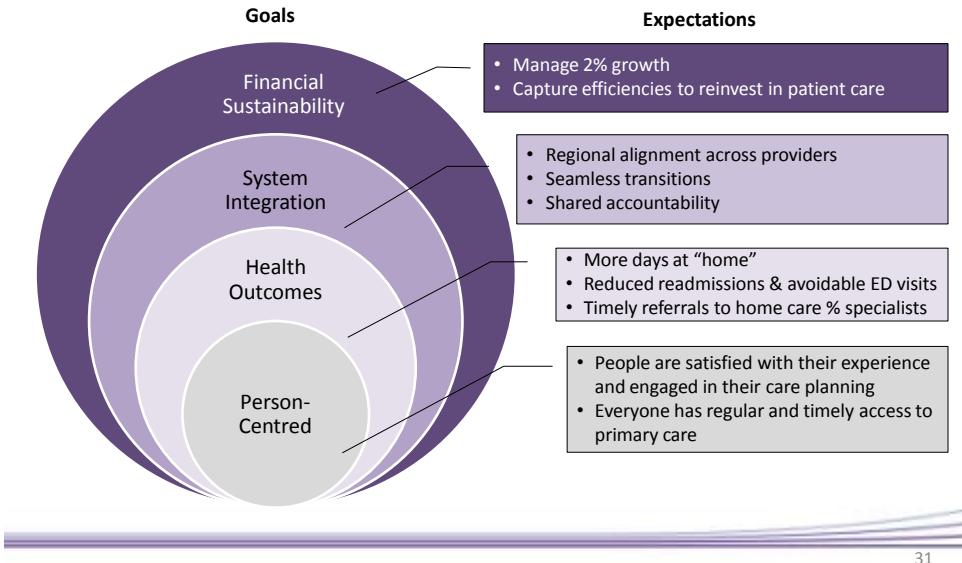


29



30

The End Game



Appendix

What Will Transformation Mean For The System

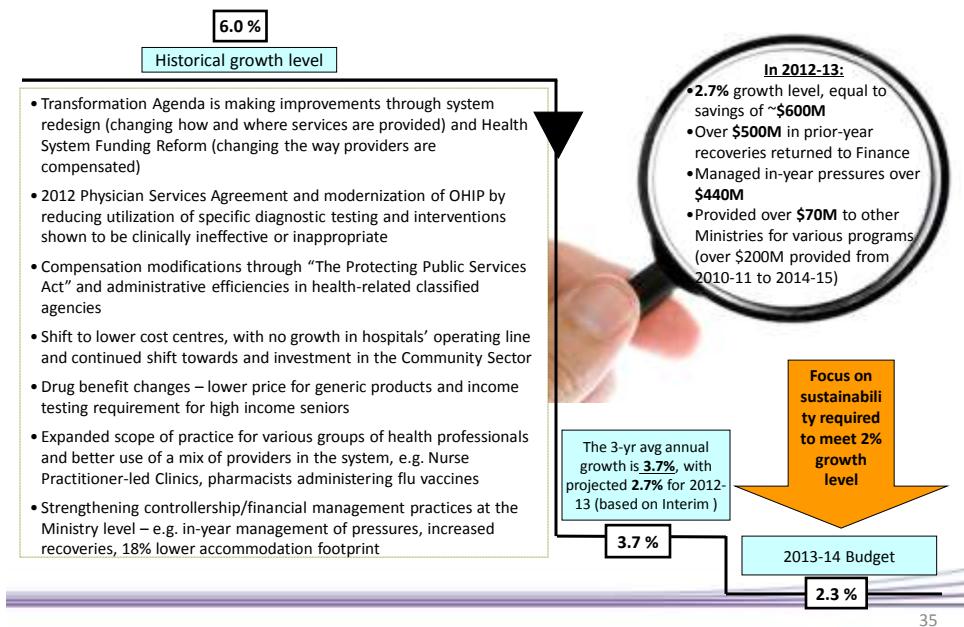


Change Management Model

Energizing and mobilizing the health care sector to drive local solutions to achieve goals



Select Examples of Results Thus Far



35