



## NEWS RELEASE

### Canada is only one of six industrialized countries (out of 28) that doesn't have cost-sharing; introduction could improve Canadian health-care

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**VANCOUVER**—Among 28 industrialized countries in the world with universal health-care, Canada is only one of six that does not use any form of cost-sharing for core medical services, which can be used to incentivize more efficient use of scarce health resources and potentially reduce wait times, finds a new study published by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

Despite ranking amongst the most expensive universal health care systems in the developed world, comprehensive measures of performance indicate that Canada routinely lags behind its international peers in key metrics of health care performance, such as the availability of doctors and hospital beds, and wait times for medically necessary care.

At the same time, Canada departs from more successful universal health care countries in a number of ways, including the use of cost-sharing for patients.

The study finds that 22 of 28 universal health care countries studied require patients to share in a portion of the cost of treatment, though lower-income and/or at-risk groups are almost always exempted. Cost sharing is accomplished in a number of ways, including deductibles (an amount up to which individuals are exposed to the full cost of treatment after which insurance covers expenses), co-insurance payments (a certain percentage of the cost of each treatment is paid by the patient) and copayments (a fixed amount paid by the patient per treatment).

“Patients in Canada are not directly billed for any portion of their care. The experience for most Canadians is that using health care is free, which is at odds with our international peers and can lead to higher demand for medical services than would otherwise be the case, which results in longer wait times that have long plagued Canada’s health care system,” said Bacchus Barua, director of health policy research at the Fraser Institute and co-author of *Understanding Universal Health Care Reform Options: Cost-Sharing for Patients*.

Crucially, many of the universal health-care countries with shorter wait times than Canada for elective surgery require some form of patient cost-sharing for core services, including Australia, France, Germany, the Netherlands, New Zealand, Norway, Sweden and Switzerland. Unfortunately, the federal Canada Health Act effectively prohibits provinces from introducing any form of cost-sharing to their health-care model.

“Canada’s health-care system is in need of reform, and cost-sharing is potentially one piece of the puzzle that could lead to a better, more efficient use of our scarce health-care resources,” said Mackenzie Moir, a Fraser Institute policy analyst and study co-author.

“Of course, design matters – and such cost-sharing requirements need to be complemented by safety nets for vulnerable populations.”

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