

## Physician Services Analysis

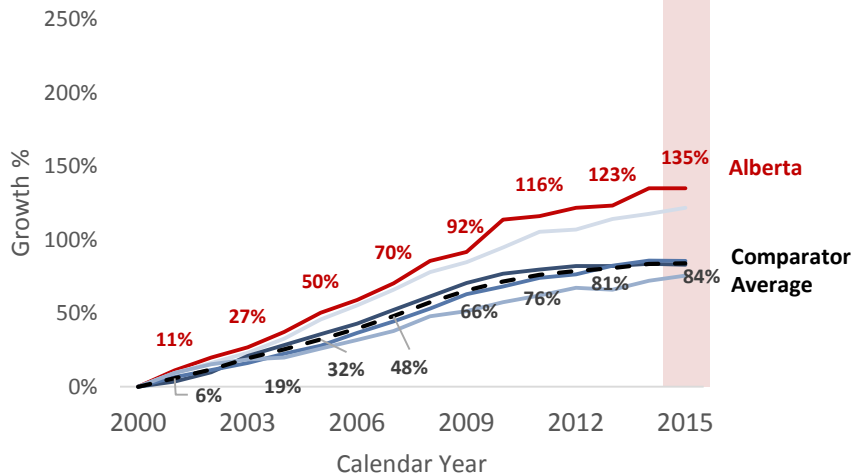
*The following slides were prepared by KPMG on behalf of Alberta Health.*

- *All inter-provincial comparisons are based on data published by the Canadian Institute for Health Information (CIHI).*
- *Analysis related to growth in Alberta's physician services budget and physician benefit programs is based on AH physician services budget data.*

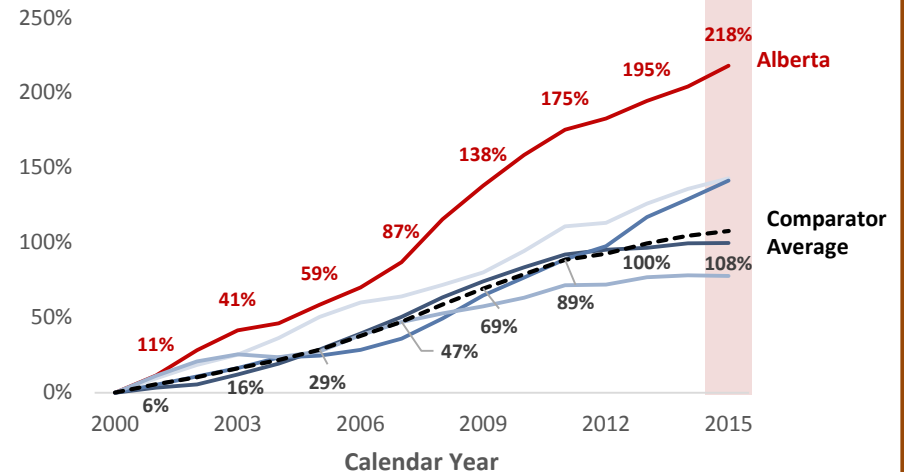
## Alberta has seen significantly higher growth of both its overall health budget and its physician services expenditures relative to comparator provinces

- The physician services expenditure growth is outpacing growth of total health budget growing 218% from 2000 to 2015. The next closest comparator province, Saskatchewan, grew 143% in the same time period.

Cumulative Provincial Health Expenditure Per Capita Growth  
(Calendar Year: 2000 to 2015)



Cumulative Provincial Physician Expenditure Per Capita Growth  
(Calendar Year: 2000 to 2015)

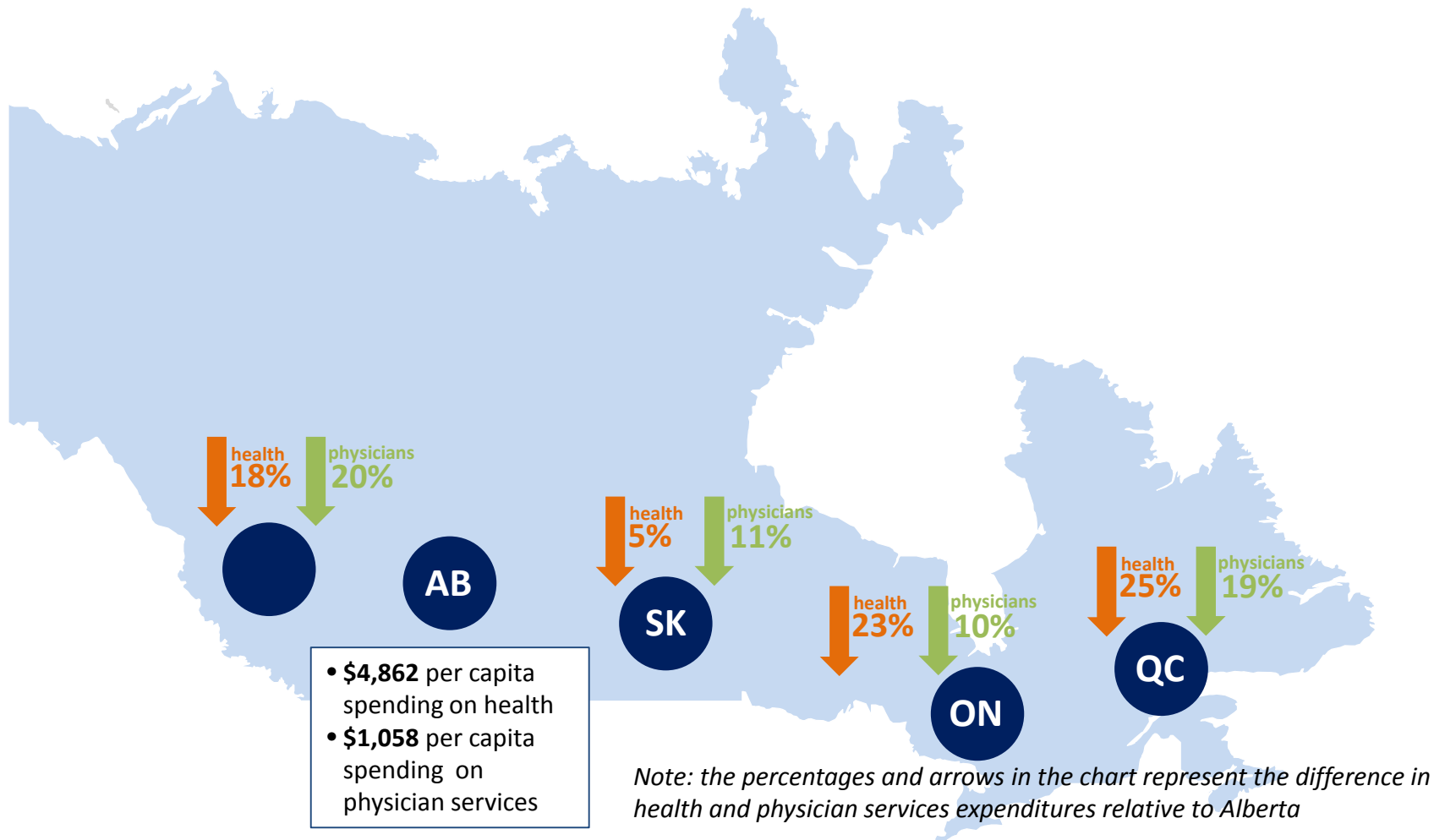


Provincial Health Expenditure (\$ per capita)			
	2000	2015	% Growth
<b>Alta.</b>	<b>\$2,068</b>	<b>\$4,862</b>	<b>135%</b>
Sask.	\$2,082	\$4,621	122%
Ont.	\$2,048	\$3,752	83%
Que.	\$1,969	\$3,656	86%
B.C.	\$2,269	\$3,983	76%
<b>Comparator Average</b>	<b>\$2,062</b>	<b>\$3,798</b>	<b>84%</b>

Provincial Physician Expenditure (\$ per capita)			
	2000	2015	% Growth
<b>Alta.</b>	<b>\$333</b>	<b>\$1,058</b>	<b>218%</b>
Sask.	\$388	\$942	143%
Ont.	\$474	\$947	99%
Que.	\$353	\$852	142%
B.C.	\$477	\$848	78%
<b>Comparator Average</b>	<b>\$434</b>	<b>\$902</b>	<b>108%</b>

— ON — QC — BC — SK — AB - - - Comparator Average Forecast

# In 2015 Alberta had the highest provincial expenditure on health per capita and physician services per capita among the comparator provinces



Per Capita Provincial Expenditure 2015	BC	AB	SK	ON	QC
Health	\$3,983	\$4,862	\$4,621	\$3,752	\$3,656
Physician Services	\$848	\$1,058	\$942	\$947	\$852

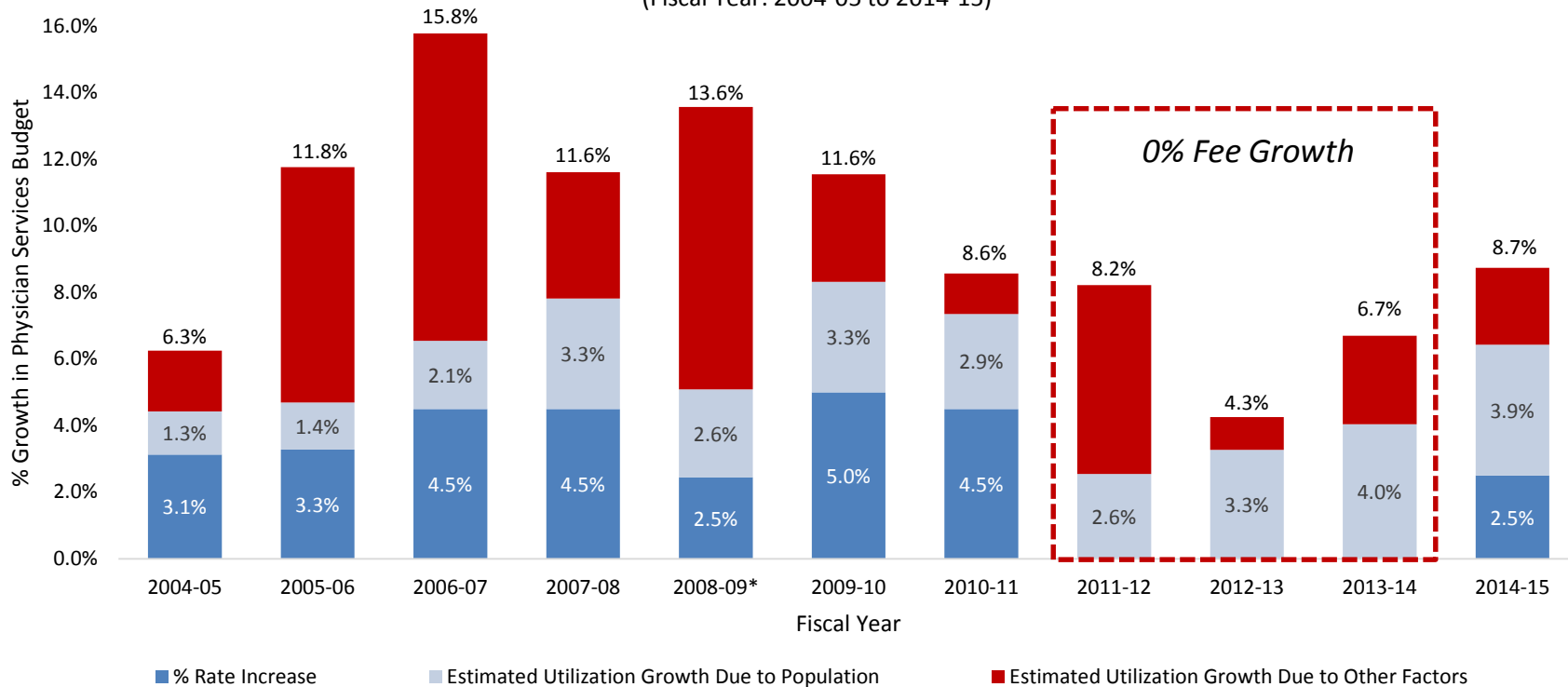
Calendar Year 2015

Source: CIHI National Health Expenditure Database, KPMG Analysis

## Rate increases, population growth and utilization growth are key drivers of the total growth in the physician services budget

- During the 7-year period from FY04-05 to FY10-11, the PSB grew at an average rate of 11.3%
- During the 3-year period of 0% rate increases (FY11-12 to FY13-14), the PSB grew at an average rate of 6.4%, driven by population growth and utilization growth

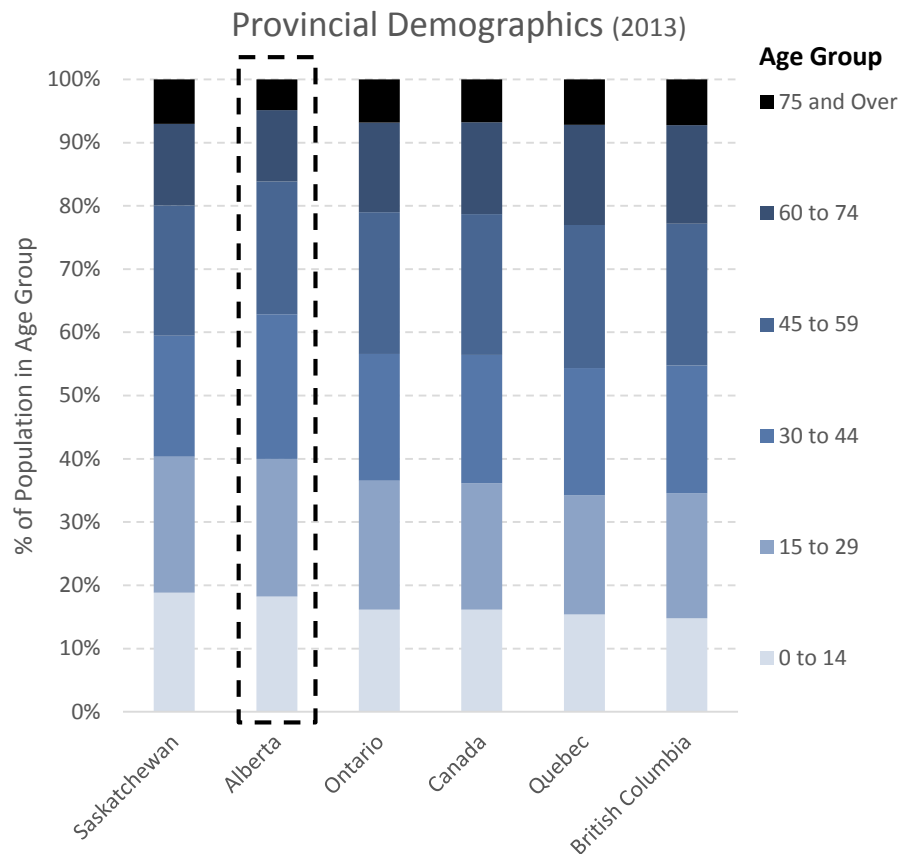
Key Variables Driving Growth of Alberta's Physician Services Budget  
(Fiscal Year: 2004-05 to 2014-15)



## In 2013 Alberta has a relatively young population, with the smallest share of individuals over the age of 60 among comparator provinces

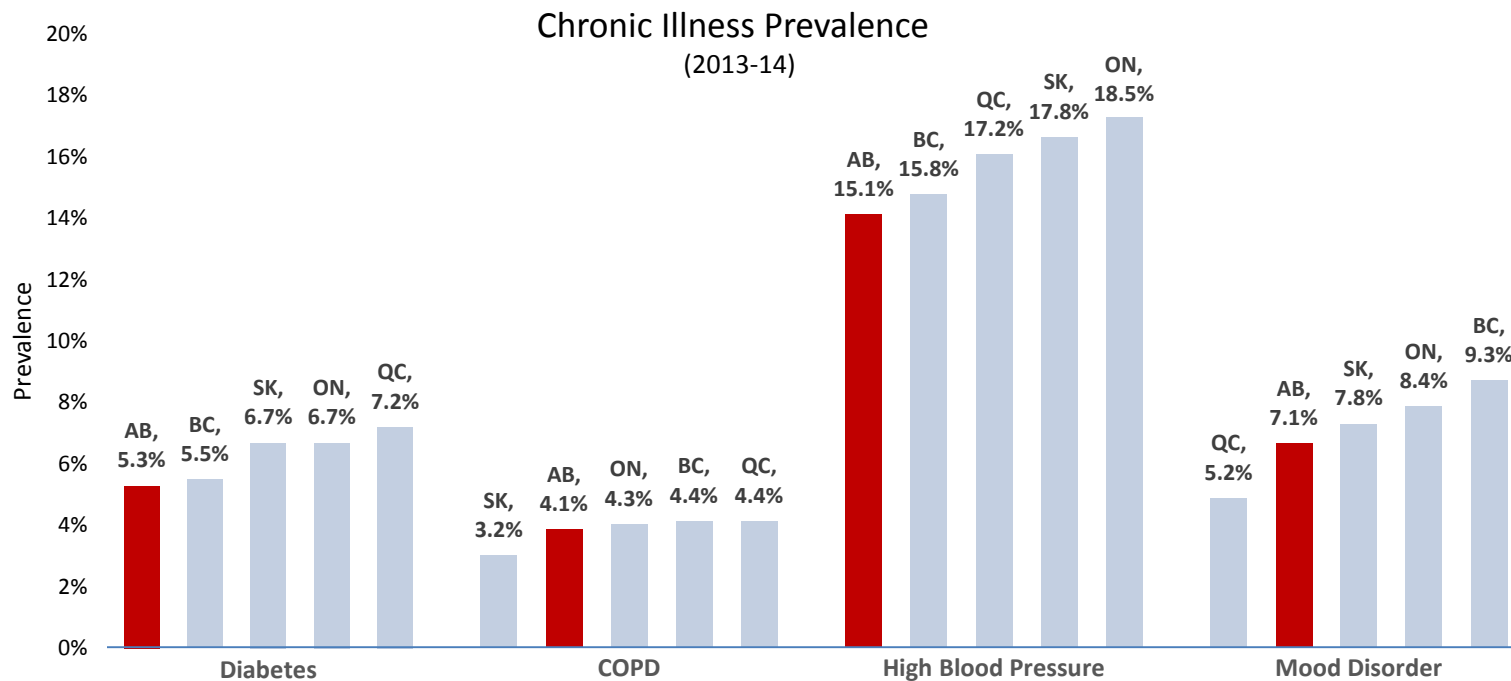
- In 2013, Alberta had a median age of 36.0 years, lowest in Canada

- 59% in Saskatchewan
- 57% in Ontario
- 56% in Canada
- 55% in British Columbia
- 54% in Quebec
  
- 7.3% in British Columbia
- 7.2% in Quebec
- 7.1% in Saskatchewan
- 6.8% in Ontario
- 6.8% in Canada



Source: Statistics Canada CANSIM Table 051-0001: Estimates of Population by Age Group and Sex 2013

## Alberta has a relatively healthier population, as measured by prevalence of key chronic illnesses



**Source:** Statistics Canada. Table 105-0502 Health Indicator Profile 2013-14

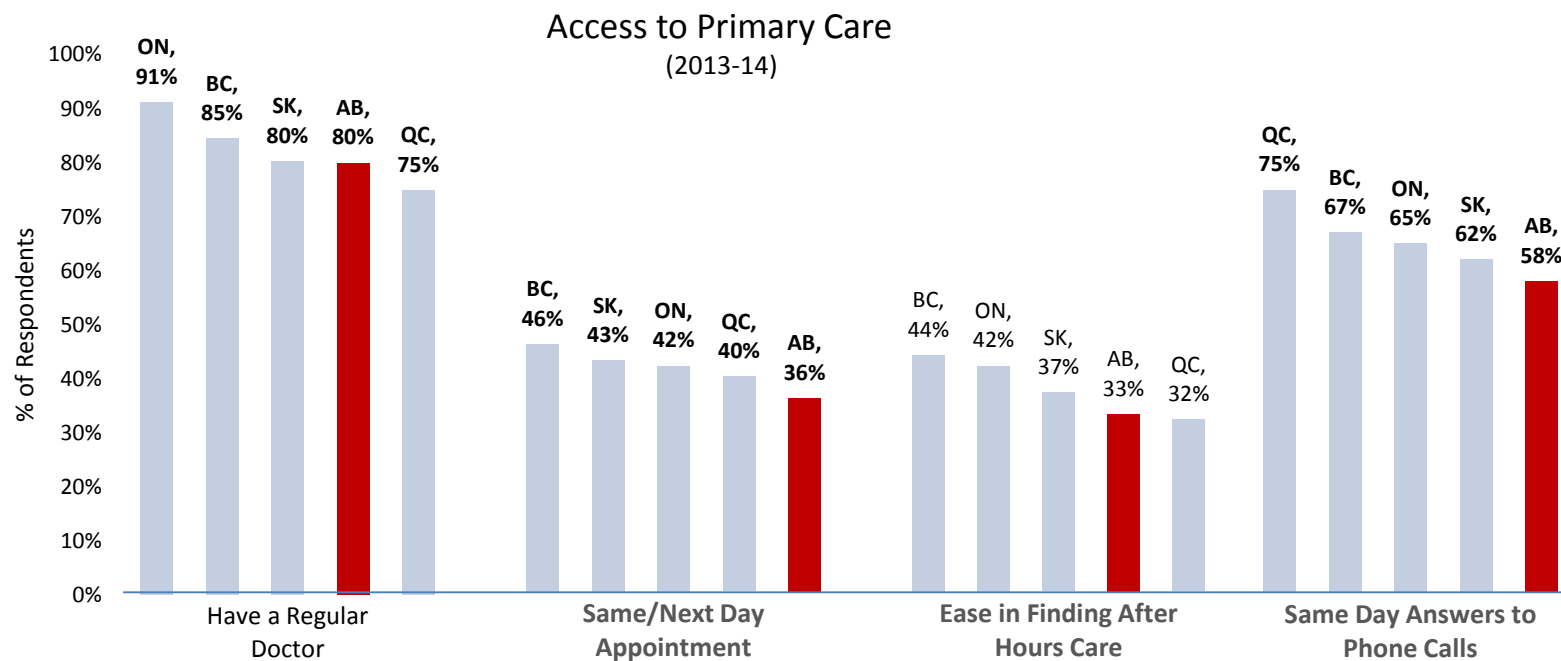
*Diabetes:* Population aged 12 and over who reported that they have been diagnosed by a health professional as having diabetes. Diabetes includes females 15 and over who reported that they have been diagnosed with gestational diabetes.

*COPD:* Population aged 35 and over who reported being diagnosed by a health professional with chronic bronchitis, emphysema or chronic obstructive pulmonary disease

*High Blood Pressure:* Population aged 12 and over who reported that they have been diagnosed by a health professional as having high blood pressure.

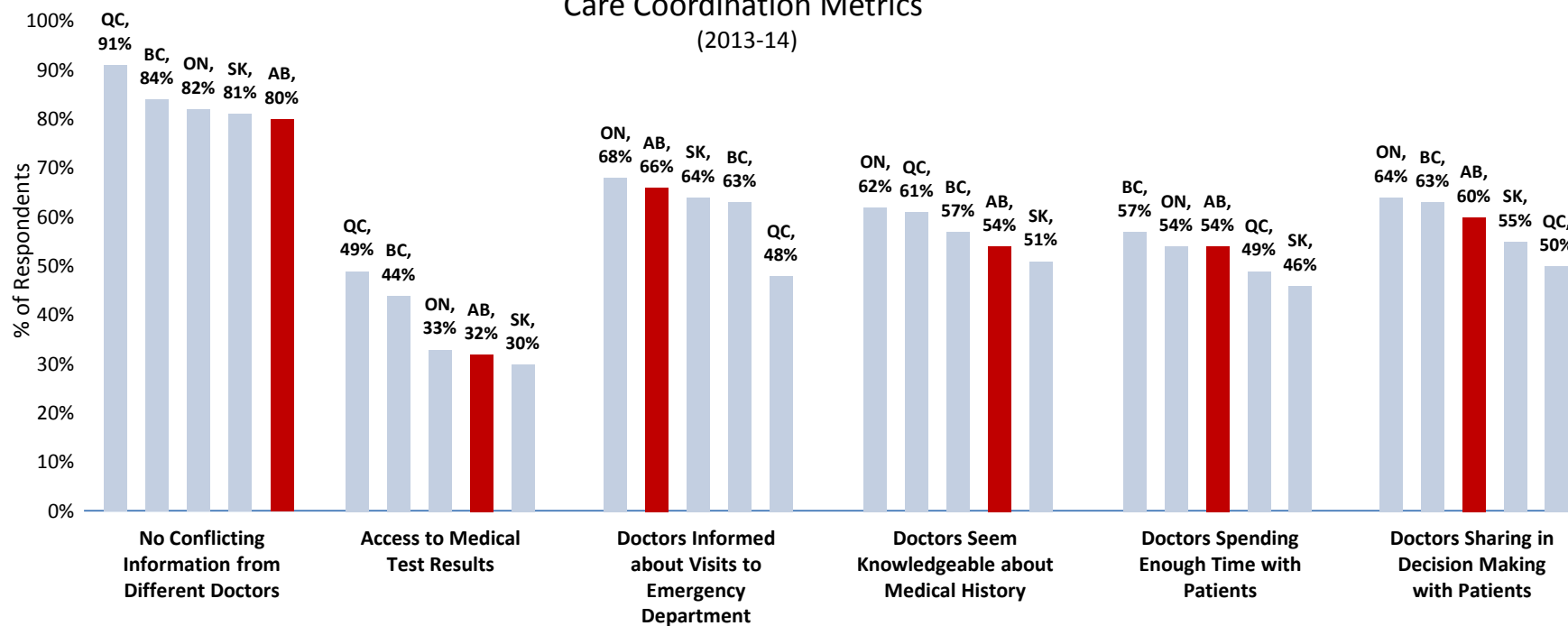
*Mood Disorder:* Population aged 12 and over who reported that they have been diagnosed by a health professional as having a mood disorder, such as depression, bipolar disorder, mania or dysthymia

## Relative to comparator provinces, Alberta ranks last or second to last in access to primary care as measured by 4 key indicators



Among the comparator provinces, Alberta was ranked middle of the pack or worse across five of the six care coordination metrics

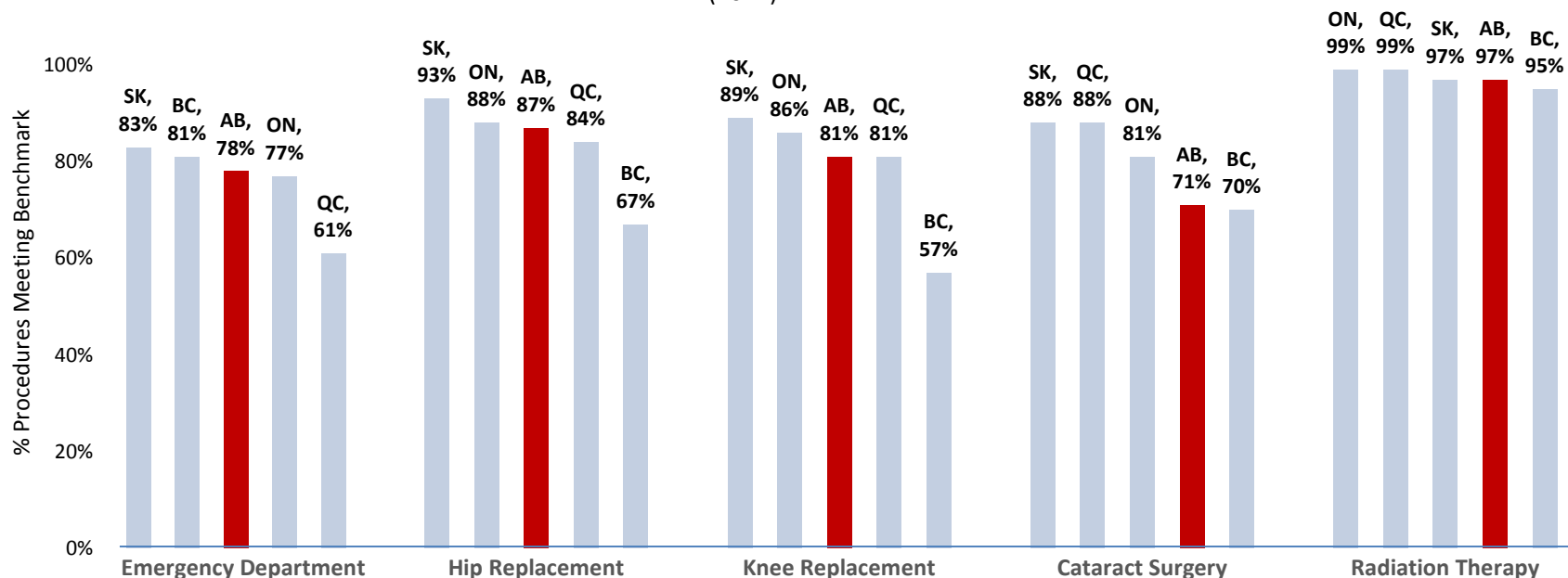
Care Coordination Metrics  
(2013-14)





# Alberta is ranked third or fourth among comparator provinces across each of the 5 key wait time indicators

Procedures Meeting Benchmark Wait Times  
(2014)



**Benchmark Wait Time**

**4 hours**

**182 days**

**182 days**

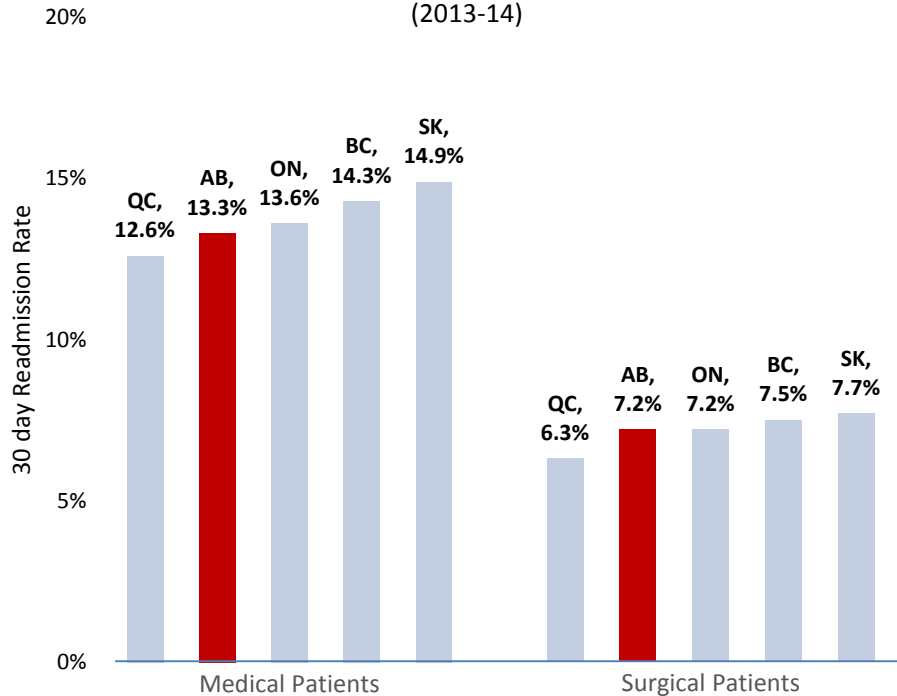
**112 days**

**28 days**

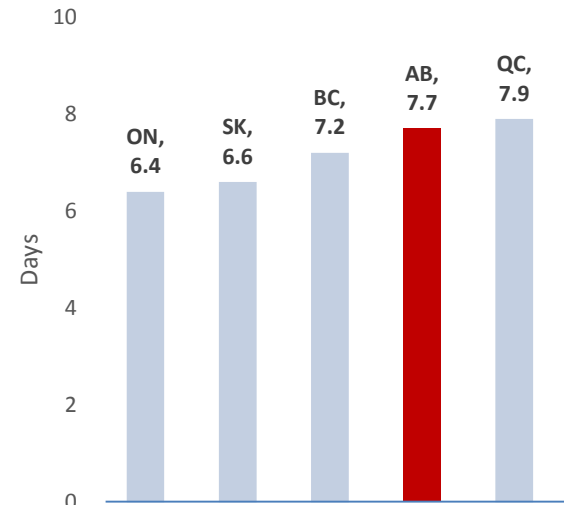
<http://waittimes.cihi.ca> (CIHI). CIHI National Health Expenditure Database.

# While Alberta ranks second across all readmission metrics relative to comparator provinces, it has the second highest age-standardized average hospital length of stay

Readmissions to Hospital within 30 Days  
(2013-14)



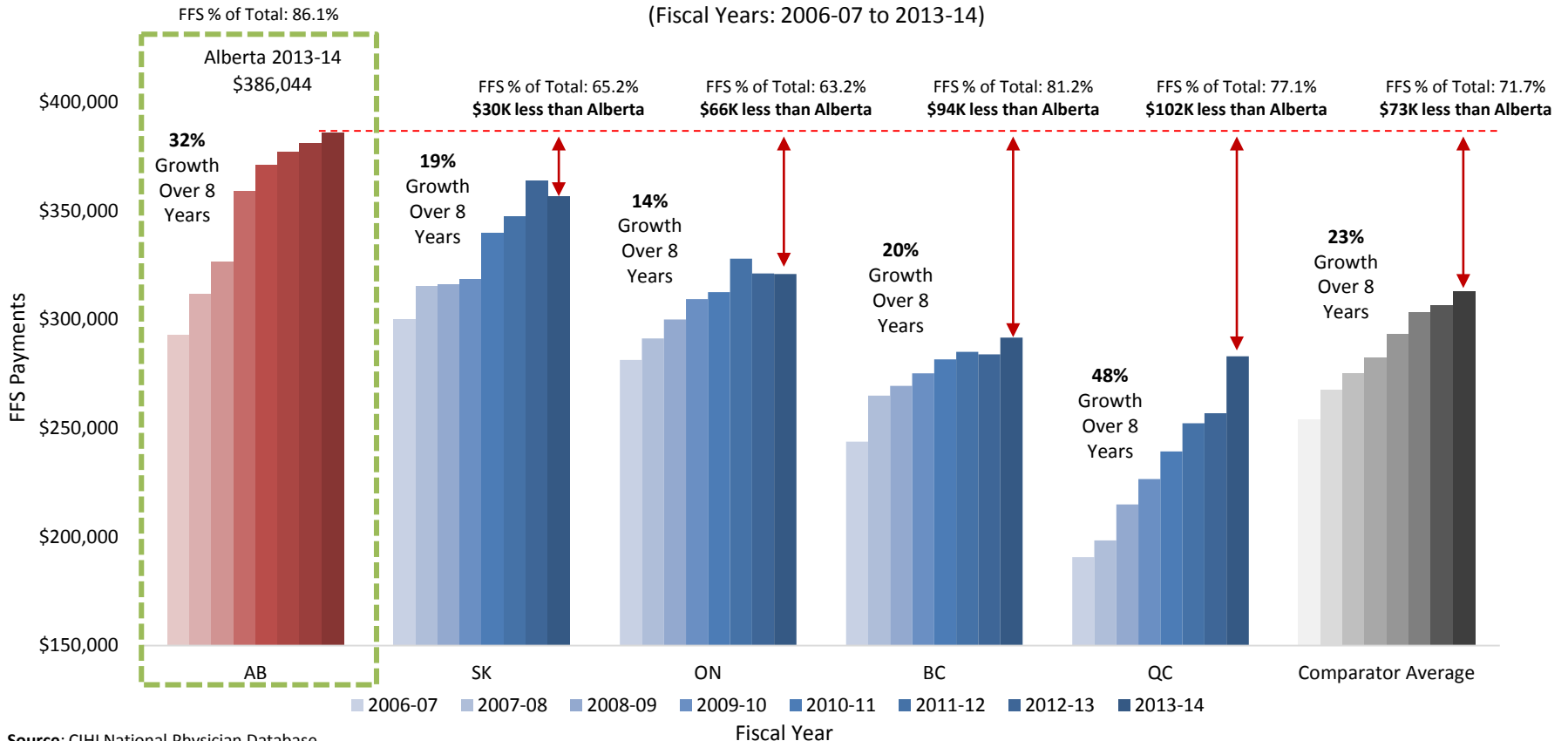
Age Standardized Avg. Length of Stay for Acute Inpatient Hospitalizations  
(2011-12)



# Average FFS earnings in Alberta (All Physicians) total \$386K and are \$73K higher (23%) than the average of the comparator provinces

- ARP payments and benefits
- Alberta Health Services contributions

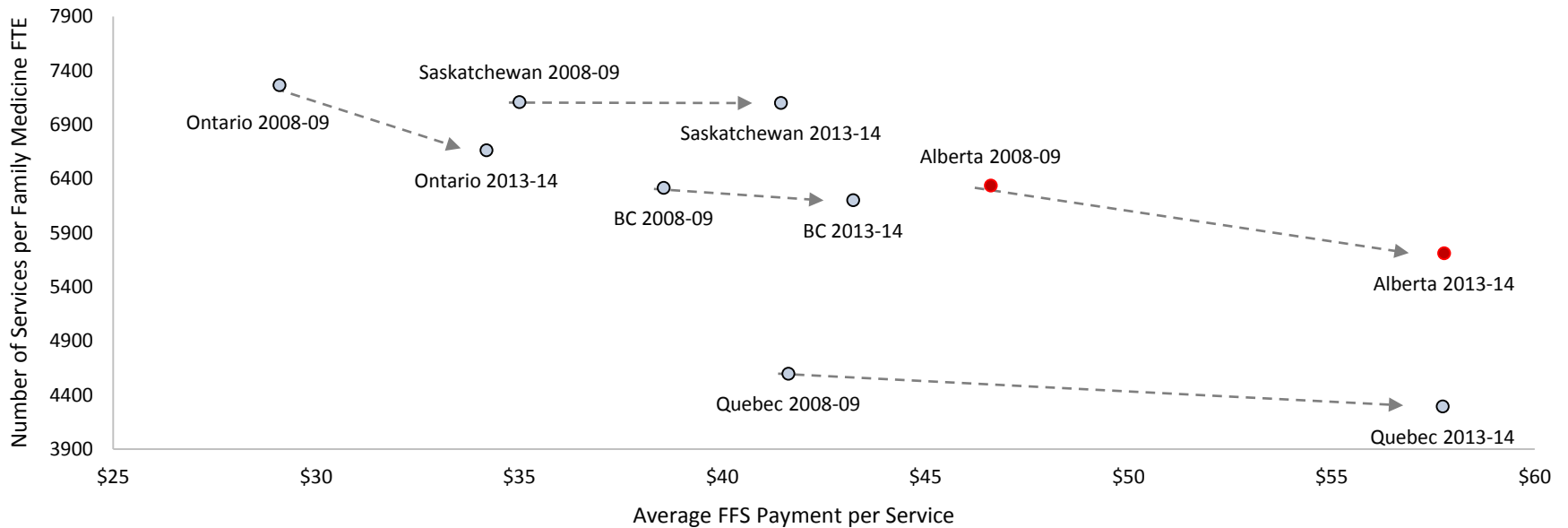
## Average Gross FFS Payment > \$60,000 for All Physicians (Fiscal Years: 2006-07 to 2013-14)



Source: CIHI National Physician Database

## Across all comparator jurisdictions, fees have increased while services per FTE has declined or remained flat for Family Medicine Practitioners

- Alberta has seen a 10% decrease in services provided by a Family Medicine Practitioner FTE from 2008-09 to 2013-14
- Alberta continues to be the leading jurisdiction in FFS payment rate per service with an average FFS Payment of \$57.77. Note: Quebec is a close second at \$57.73

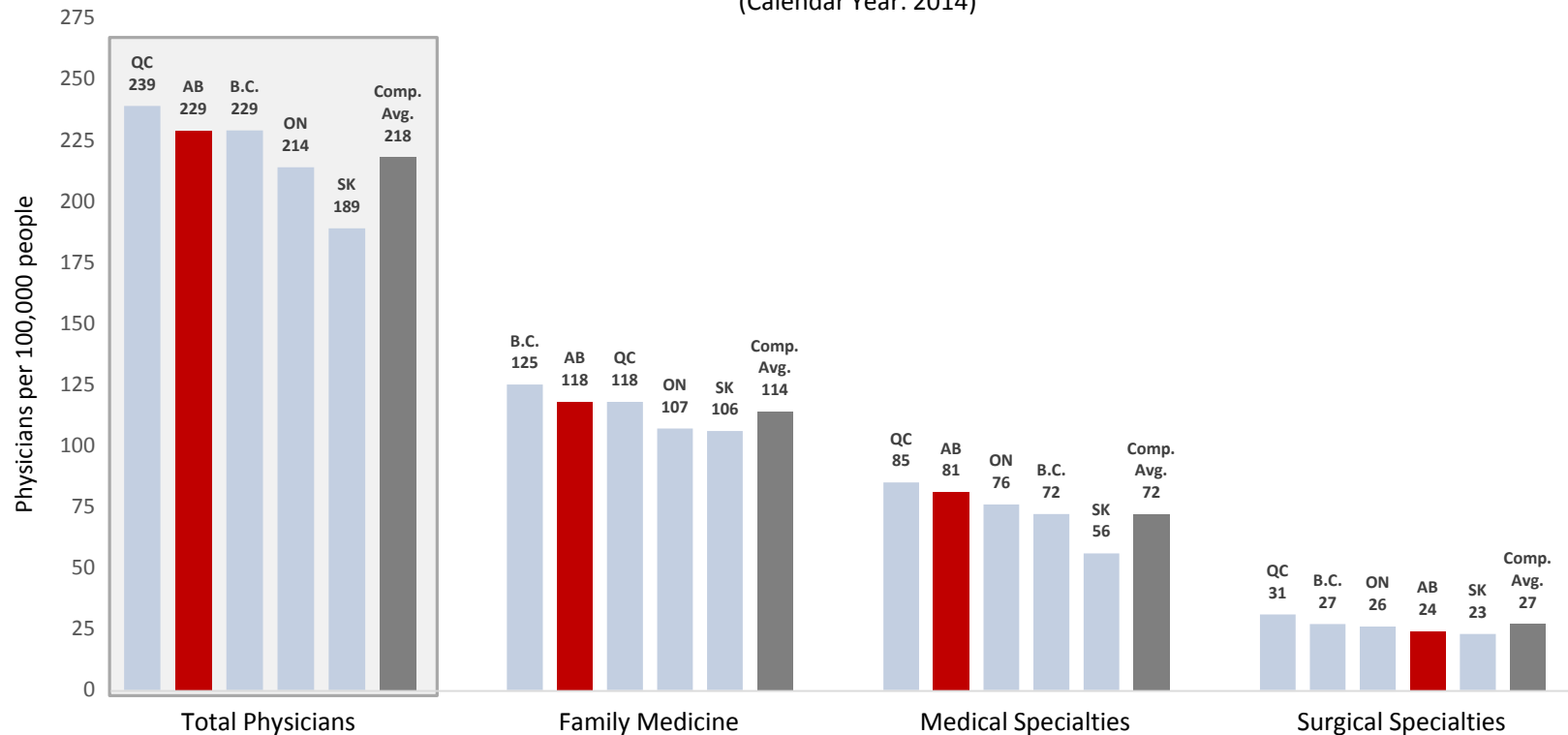


Source: CIHI National Physician Database

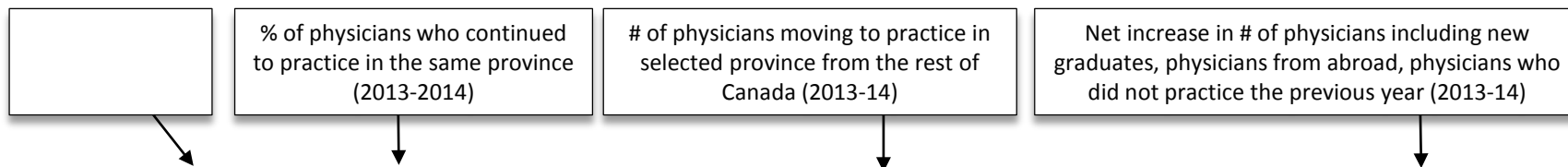
## Relative to other provinces in the study, Alberta has the second most physicians per 100,000 population

- Alberta ranks 2<sup>nd</sup>, 2<sup>nd</sup>, and 4<sup>th</sup> in the total number of family medicine, medical specialists, and surgical specialists per 100,000 population

Physicians per 100,000 population by Specialty and Province  
(Calendar Year: 2014)



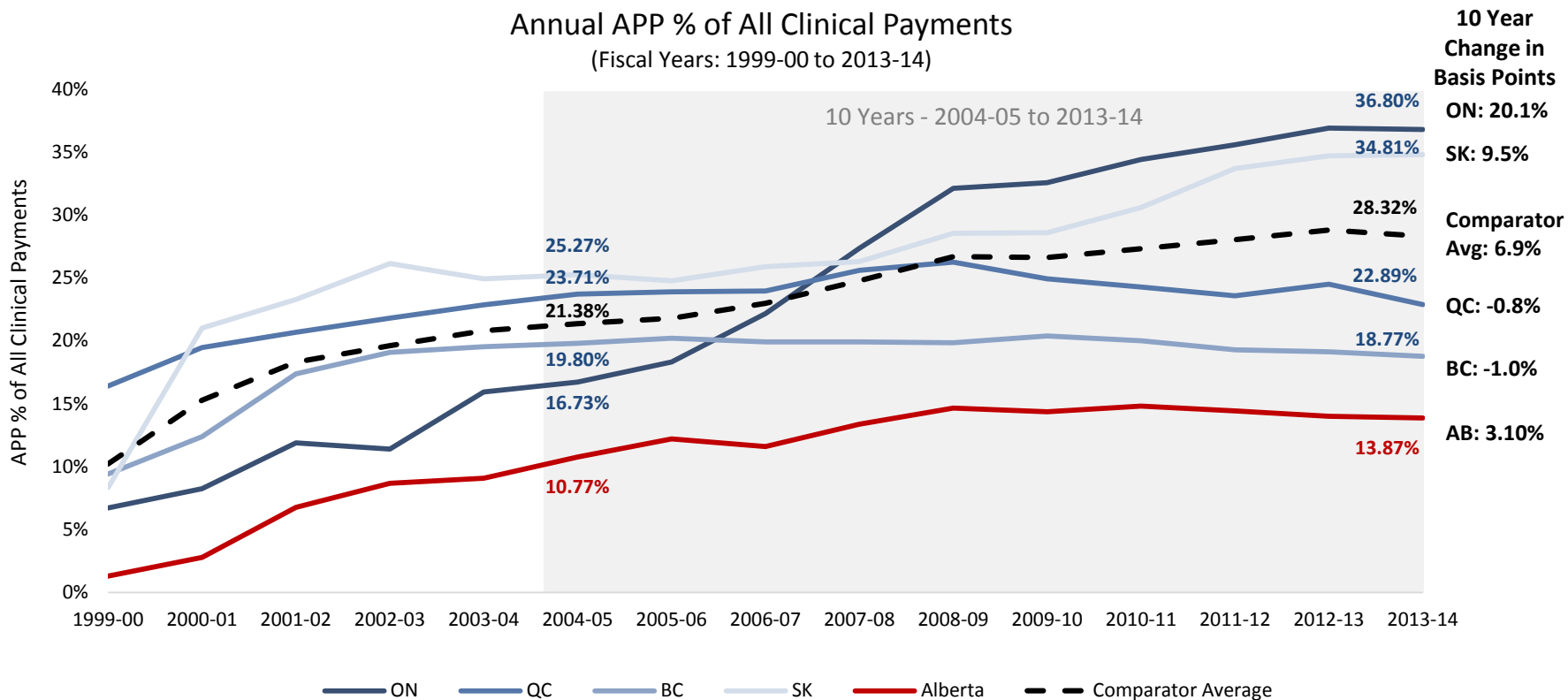
Alberta performs well at attracting and retaining physicians as demonstrated by interprovincial migration, net in migration, and a physician retention rate of nearly 99%



<b>2013-14</b>						
Province	Total Physicians	Retention Rate	Retention Rate Rank	Net Interprov. Migration Rank	Change in Physician-100,000 from Prior Year	Total In Migration Rank
<b>Alberta</b>	8,851	98.70%	4	<b>2</b>	<b>8</b>	<b>1</b>
<b>N.L.</b>	1,211	96.80%	10	6	7	2
<b>Sask.</b>	1,988	96.90%	9	8	5	3
<b>Ontario</b>	28,144	99.30%	2	4	5	4
<b>B.C.</b>	10,178	98.80%	3	1	4	5
<b>N.B.</b>	1,687	97.60%	5	7	2	6
<b>Quebec</b>	18,952	99.80%	1	3	2	7
<b>N.S.</b>	2,361	97.60%	6	5	-1	8
<b>Man.</b>	2,538	97.30%	8	10	-3	9
<b>P.E.I.</b>	264	97.30%	7	9	-11	10

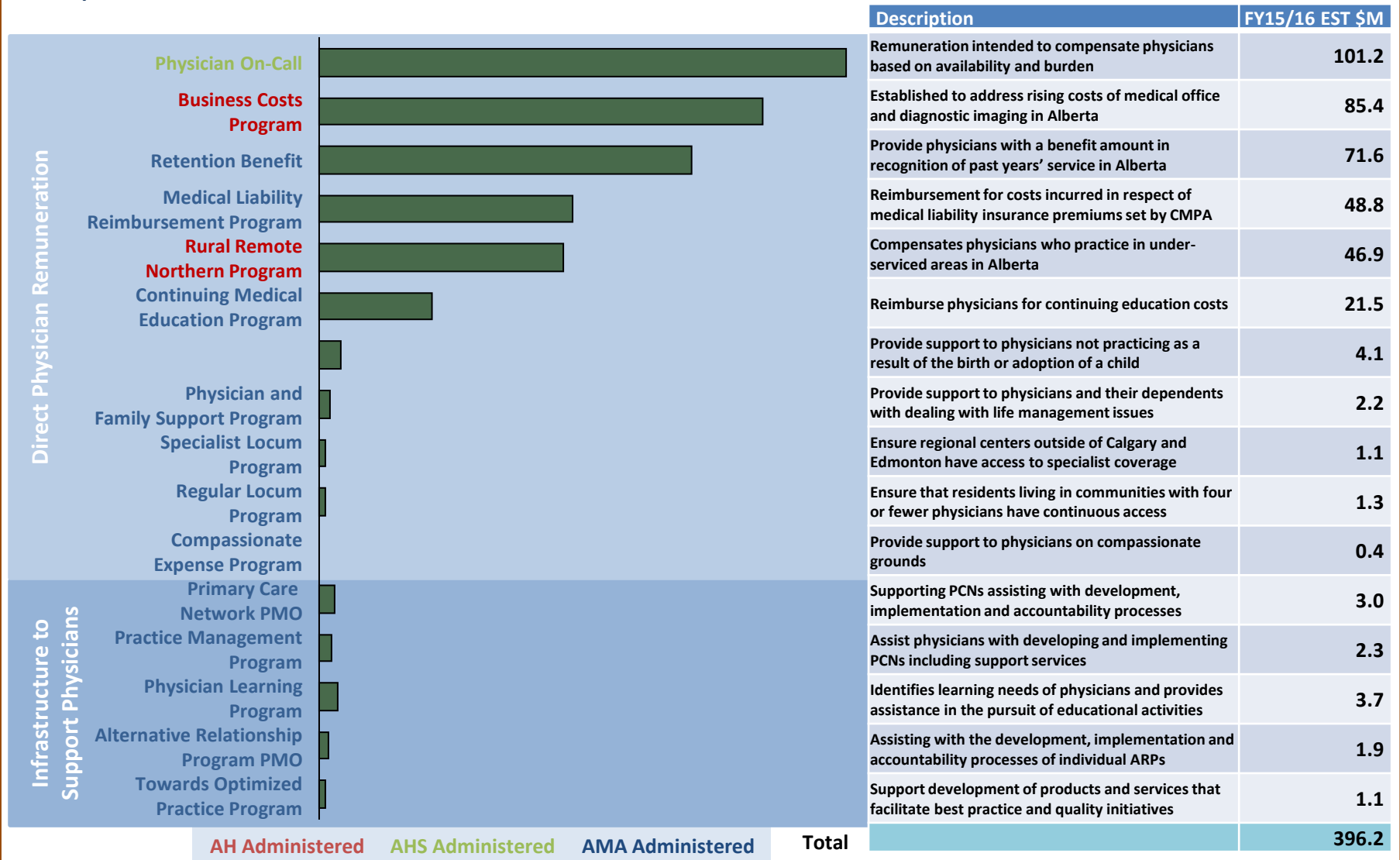
Source: Scott's Medical Database, KPMG Analysis

# Alternate compensation platforms in Canada have been on the rise since 1999-00, but adoption in Alberta has been the lowest



Source: CIHI National Physician Database, KPMG Analysis

# 16 AH-funded physician benefit programs total \$396M in FY15-16 forecasted expenditures



Note that there is an additional \$13.7M in benefits (outside of AMAA) for physicians practicing in rural communities (Rural Physician Action Plan, Rural Locum Service Program, Rural Community Clerkship)

Sources: AHS Contracts & POC Program, Benefit Programs Financial Results & Forecasts, KPMG Analysis