

Health system costs not incurable but preventable — Aging population only small part of the problem

by Michel Grignon

License to Republish: Our commentaries, Infographics and videos are provided under the terms of a Creative Commons Attribution No-Derivatives license. This license allows for free redistribution, commercial and non-commercial, as long as it is passed along unchanged and in whole, with credit to the author and EvidenceNetwork.ca

The tsunami metaphor is more and more often used in commentaries about the effect of aging on health care spending in Canada. It musters up images of devastation and irresistible strength submersing any levees the system might try to mount to oppose it. It is a powerful but misleading metaphor.

There is a worrying rise in health care spending in Canada, but it doesn't have much to do with population aging. To stay with the oceanographic metaphor, aging might be, at most, a modest tidal wave. The real tsunami of health spending is the result of changes in the way all patients are treated in the system, resulting from both price inflation (drugs and doctors cost more than ever) and technical progress (new diagnostic tests, surgeries and drugs).

The yearly increases in total health care spending in Canada — approximately 10 billion dollars per year nowadays — does not result from aging per se, but the costs of treatment, including diagnostic tests, drugs and doctors, for all patients, young and old. It's not that we have too many seniors that will break the bank, but

how those seniors, and others, are treated in the health system that affects the bottom line.

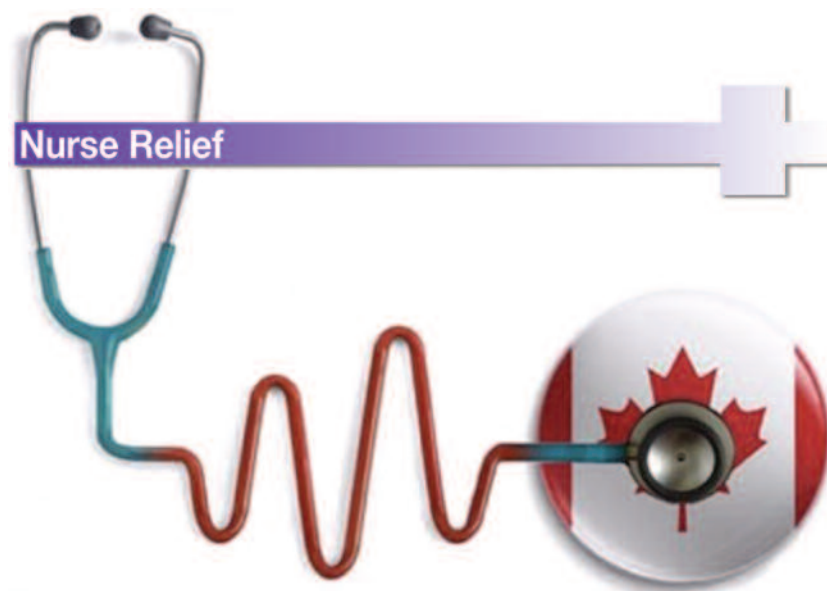
Put another way, aging on its own adds around two billion dollars to the annual health care bill while changes in the cost of treatment per average patient adds eight billion dollars.

How is it possible? To answer, let's take a closer look at the age profile of health care spending: if age is on the horizontal axis and average spending per individual of a given age on the vertical axis, the profile resembles a valley. In other words, it costs a lot to be born, because it happens most often in a hospital; then, each year of age between one and 50 does not cost the health system much on average (the profile is flat and low) — but costs start picking up again at age 50 and the slope becomes steeper with age until plateauing around 80.

Contemplating such an age profile (drawn to illustrate a single year, say 2013), one might conclude that aging will increase spending dramatically. However, looking at two such annual profiles (one for 1993 and one for 2013), it is easy to see that the really striking change has been at the ground level: we spend much more today on anyone at any age than twenty years ago, and this is what really drives our health care costs.

This increase in costs for patient care has not been sudden, but has taken place over several

See *Health System Costs* page 7



ATTENTION: CANADIAN HEALTH CARE FACILITIES
Are you experiencing a shortage of Registered Nurses
or Licensed Practical Nurses?
Are you having difficulty covering shifts?

NURSE RELIEF INCORPORATED CAN HELP YOU!

- Nurse Relief is a mobile temporary nursing staffing agency.
- We provide skilled nurses on a contract basis to assist with urgent staffing needs.
- Nurse Relief saves health care facilities on overtime costs
- Nurse Relief prices are lower than competitors' prices
- Nurse Relief has been providing nursing services in Canada since 2001
- The owner of Nurse Relief has been in nursing since 1984 and has been nominated for woman of distinction by YWCA for her nursing services
- Nurse Reliefs' activities are regulated by the College & Association of Registered Nurses of Alberta

HELP IS AVAILABLE! Now Accepting Resumes!

CALL NURSE RELIEF INCORPORATED, HEATHER PRINGLE RN / PRESIDENT
PHONE 780 477 0610 EMAIL info@nurserelefinc.ca WEBSITE www.nurserelefinc.ca



CTRI
CRISIS & TRAUMA RESOURCE INSTITUTE INC.

HELPING COMMUNITIES AND ORGANIZATIONS
WITH ISSUES OF CRISIS AND TRAUMA



WEBINARS

No matter where you live, you can easily access some of CTRI's workshops right from your desk. Our one hour webinars offer you the opportunity to hear, view and engage with our trainers. To purchase a pre-recorded webinar or to register for one of our live webinars, please visit our website.

Each month, CTRI offers a
FREE webinar.

Please visit our website for more information.

**TO REGISTER FOR A WORKSHOP
OR FOR MORE INFORMATION:**

204.452.9199

PUBLIC WORKSHOPS

We offer public workshops in major cities across Canada. Some of our most popular workshops are:

DE-ESCALATING POTENTIALLY VIOLENT SITUATIONS™

Charlottetown, March 31 ♦ Halifax, April 10 ♦ Edmonton, May 6
Calgary, May 8 ♦ Fredericton, May 12 ♦ Kamloops, May 25
Ottawa, May 25 ♦ London, May 25 ♦ Victoria, May 26
Toronto, May 27 ♦ Vancouver, May 28 ♦ Winnipeg, June 3
St. John's, June 3 ♦ Saskatoon, June 24 ♦ Regina, June 25

ANXIETY - Practical Intervention Strategies

Calgary, February 10 ♦ Edmonton, February 12
Saskatoon, March 3 ♦ Regina, March 5
Halifax, March 11 ♦ Saint John, March 20
Victoria, April 27 ♦ Vancouver, April 30
Whitehorse, May 7

MINDFULNESS COUNSELLING STRATEGIES - Activating Compassion and Regulation

Winnipeg, February 12-13 ♦ Ottawa, March 2-3
Mississauga, March 5-6 ♦ St. John's, April 8-9
Moncton, April 16-17 ♦ Vancouver, June 17-18



Check out our website to learn more about the above workshops
as well as others offered near you throughout the year.

www.ctrinstitute.com

info@ctrinstitute.com