



**NEWFOUNDLAND AND LABRADOR  
MEDICAL ASSOCIATION**

# **Fiscal Risks to the Health System: Time for a Review of Facilities and Services**

**Presentation to the**

**“Forum on Health Outcomes and Health Costs:  
What Can We Afford?”**

**by**

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**Newfoundland and Labrador Medical Association**

*AMM*



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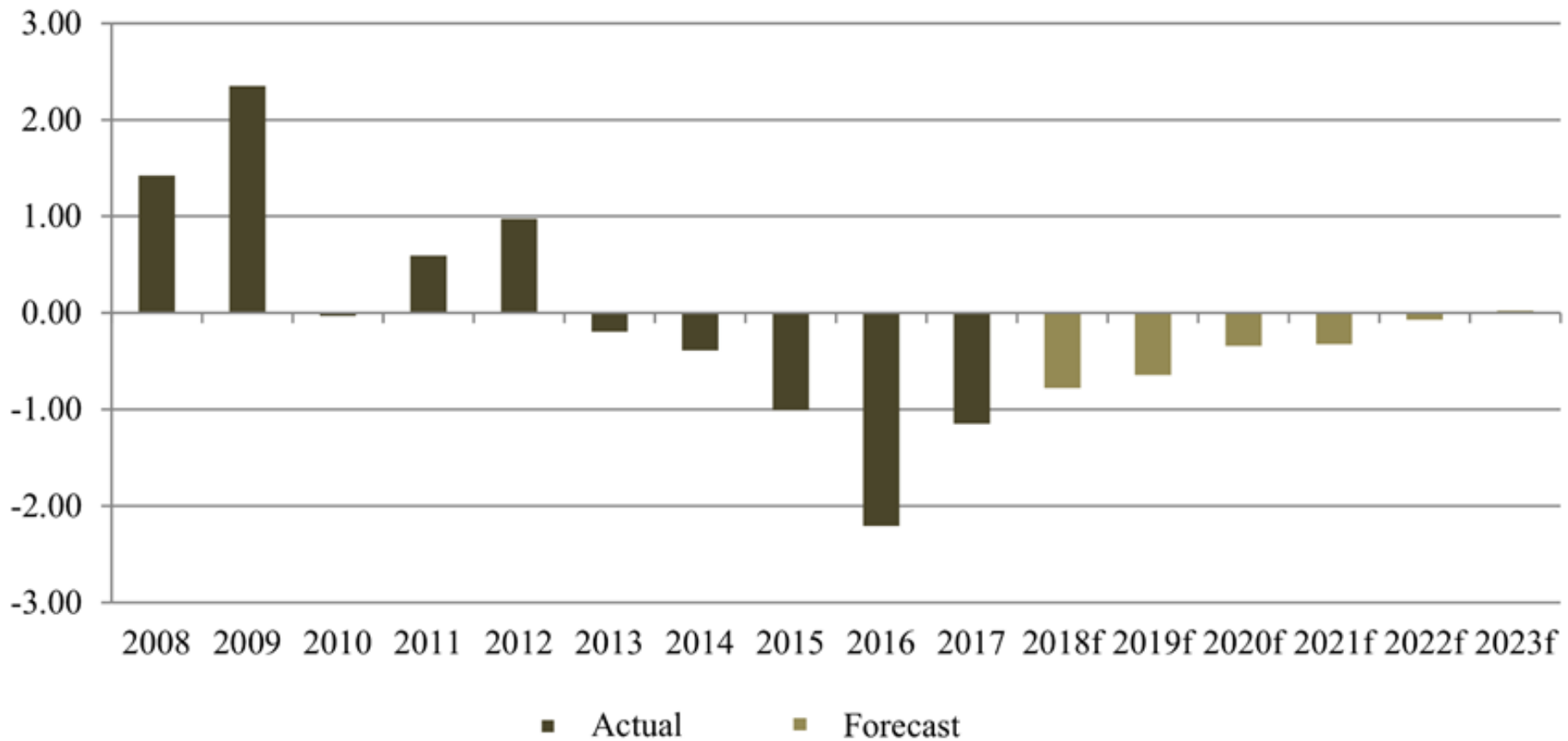


**“I need something to relieve my stress.  
Can you prescribe some money?”**





# Province of Newfoundland and Labrador Surplus/(Deficit) Years Ended March 31 (\$ Billions)



Source: Public Accounts (actual); Department of Finance (forecast)

## Risks Identified by Auditor General, 2017

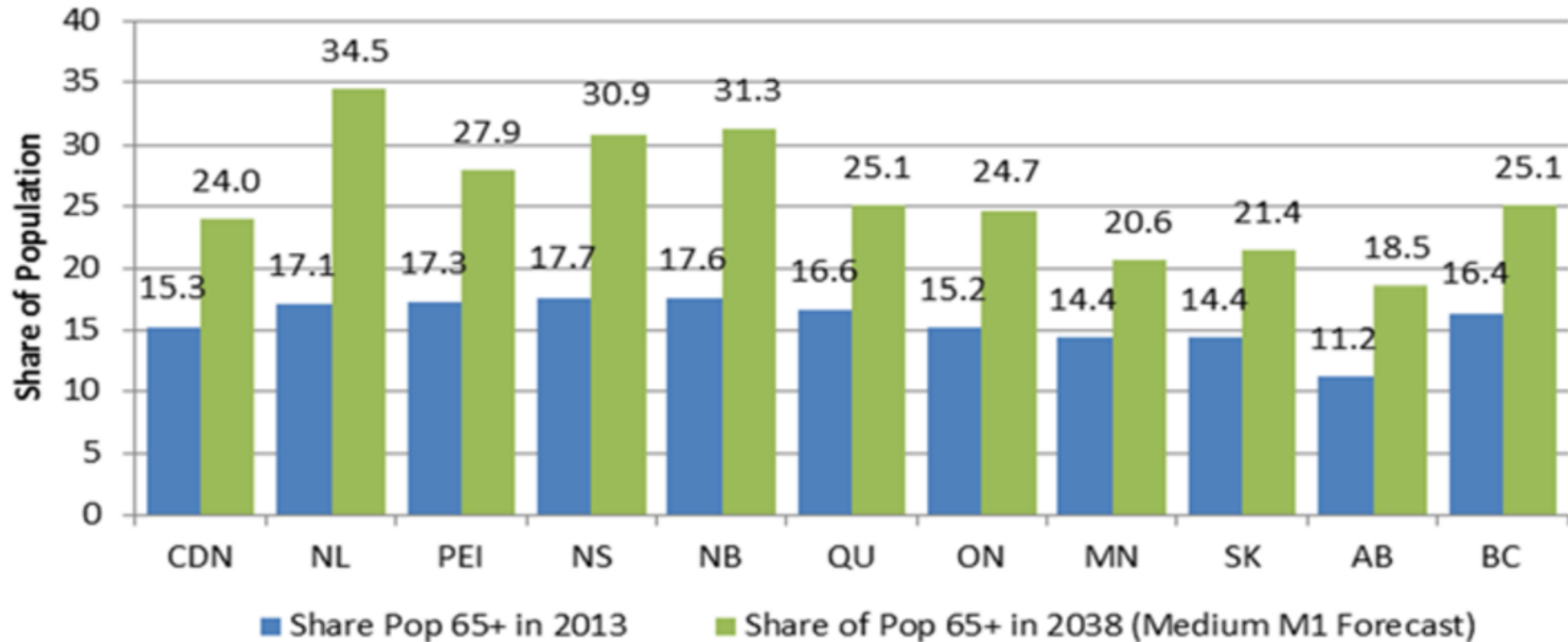
- lower than expected oil prices and production,
- difficulties achieving spending cuts,
- slower economic growth than predicted, and
- Muskrat Falls rate mitigation.

## Health Budget \$3 billion – constant dollars

Ongoing Cuts will still be necessary for:

- Inflation
  - Pharmaceuticals
  - hospital supplies,
  - professional services,
  - Other procurement
  - Replacement of technology, machinery and equipment,
  - maintenance that cannot be deferred.
- New Priorities
  - Mental Health and Addictions
  - Primary Health Care
  - Chronic Disease Management

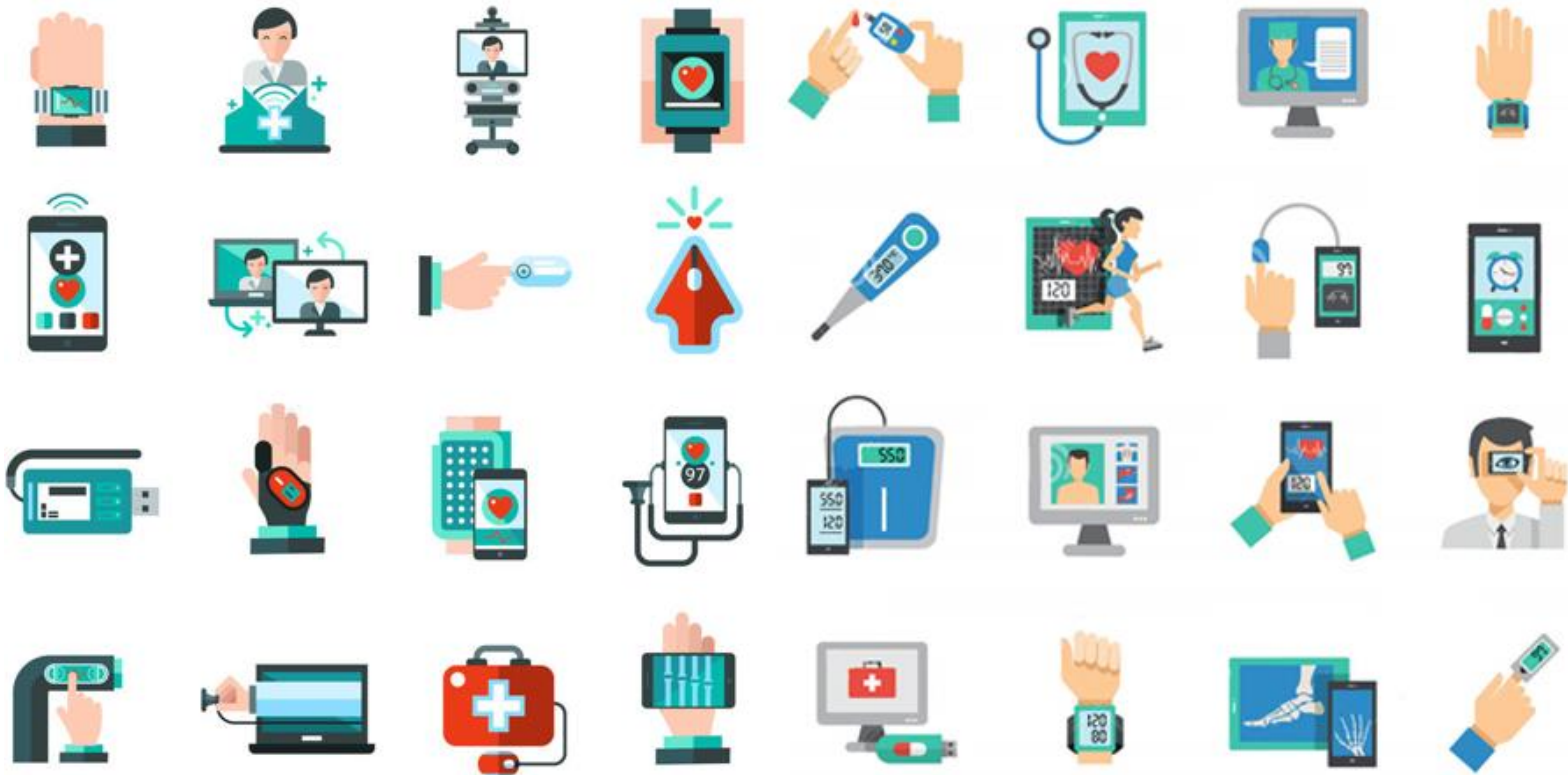
## Share of Population 65 Year and Older in 2013 and 2038 (Stats Canada Medium M1 Growth Forecast - Modified: May 26, 2015)



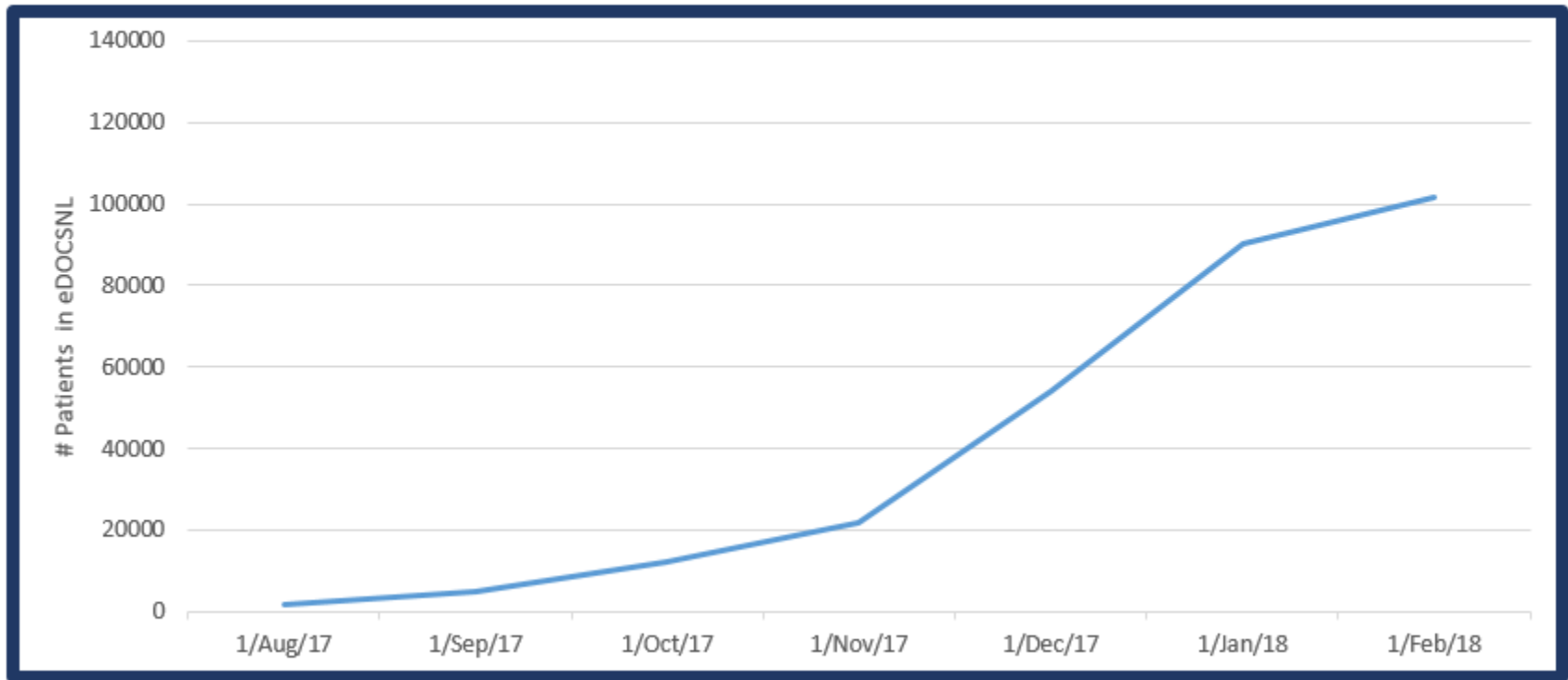
Source: <http://www.statcan.gc.ca/pub/91-520-x/2014001/tbl/tbl3.5-eng.htm>



# Technology



# eDOCSNL Patients of Doctors with EMR



## Risks that Create Need for Health Sector Plan

- Deficit Targets Not Met
- Constant Dollar Health Budgeting
- Demographic Change
- Technological Disruption

## Possible Budget Envelopes for Health

1. National Average per capita – cut \$605 million
2. Manitoba-Saskatchewan Average per capita – cut \$402 million
3. Government's Current Stance - \$3 billion constant dollars until 2022-23



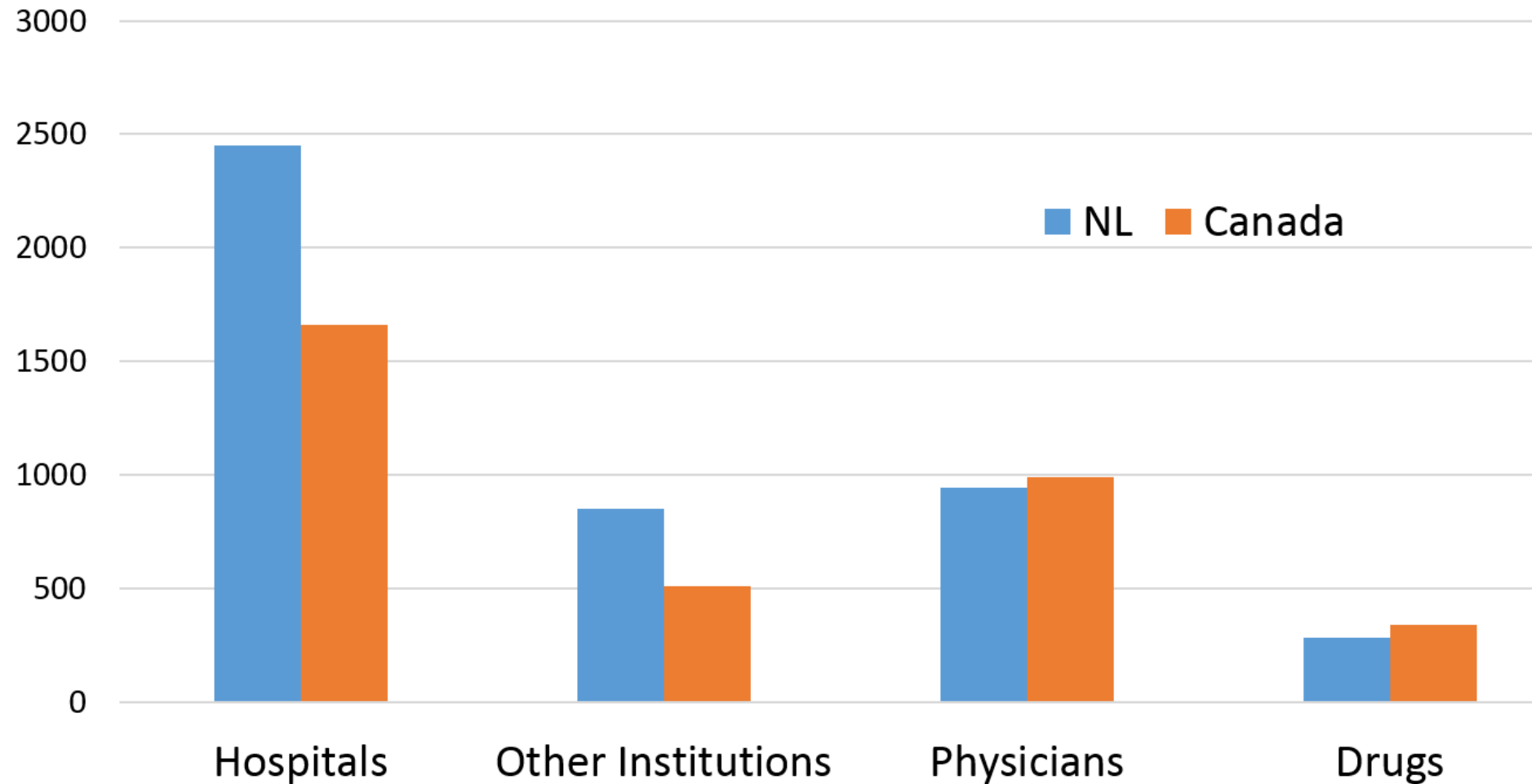
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***REBUILDING NL HEALTH:***

**PROPOSAL BY THE NLMA TO THE MINISTER OF HEALTH AND  
COMMUNITY SERVICES**

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# Per Capita Provincial/Territorial Health Spending, NL and Canada, 2017-18 (prelim)



DELIVERING SAFE AND  
SUSTAINABLE CLINICAL SERVICES

WHITE PAPER – EXPOSURE DRAFT  
MARCH 2015



## Tasmanian Role Delineation Framework:

- Identifies the levels of complexity of clinical services, and the interdependencies between clinical services.
- Allows for identification of resource requirements for each level of service.

# **A Review of Health Facilities and Services In Newfoundland and Labrador**





**Questions?**