

Summary

National Health Expenditure Trends, 1975 to 2013 is the 17th edition of this annual publication. It provides an overview of how much is spent on health care every year, what and whom that money is used for, and where it comes from. It features comparative expenditure data at the provincial/territorial and international levels, as well as Canadian health spending trends from 1975 to the present.

In 2013, total health spending is expected to reach an all-time high of \$211 billion, or \$5,988 per person. The rate of growth in health spending, however, is slowing and has not kept pace with inflation and population growth for the first time in nearly 15 years.

- Health spending is expected to increase by 2.6% this year, after rising at an average of 7% per year from 2000 to 2010.
- After accounting for inflation and for population changes, health spending will actually decrease by 0.1% in 2012 and by 0.2% in 2013.
- The recent trend may indicate the start of a “bending of the spending curve.”
- Since 2010, health spending growth has been less than growth in the overall economy. As a result, the health expenditure-to-GDP ratio declined from 11.6% in 2009 to 11.2% in 2013.

In 2013, total spending on drugs will grow to an estimated \$34.5 billion. This growth (2.4%) comes mostly from the private sector, with no growth in drug spending reported by the public sector.

- Drugs account for a declining share of total health dollars. The share has edged down from its peak of 16.8% of total health spending in 2010 to 16.3% in 2013.
- The growth in spending on hospitals and physicians is also slowing, but physician compensation remains the fastest-growing category of health spending.
 - In 2013, spending on hospitals is expected to reach \$62.6 billion (2.6% growth).
 - In 2013, spending on physicians is expected to reach \$31.4 billion (3.6% growth).

Health spending per person varies among provinces and ranges from a high of \$7,132 (Newfoundland and Labrador) to a low of \$5,531 (Quebec). On average, spending is highest for the youngest and eldest Canadians.

- In 2013, total health spending per person is expected to be highest in Newfoundland and Labrador (\$7,132) and Alberta (\$6,787) and lowest in Quebec (\$5,531) and British Columbia (\$5,775).
- Health spending by provincial and territorial governments in 2011 was higher for infants younger than 1 (\$9,632 average per person) and seniors age 65 and older (\$11,794), than for Canadians between the ages of 1 and 64 (\$2,341).
 - Spending for older seniors (age 80 and older) was more than three times that for younger seniors (age 65 to 69): \$20,387 versus \$6,431.