

# NEWS RELEASE

## Canada's approach to long-term care markedly different than other successful countries

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**VANCOUVER**—As Canadians and policymakers consider changes to long-term care, it's important to recognize and learn lessons from more successful long-term care systems in other countries with universal health care, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“The difficulties in meeting the care needs of the elderly in nursing homes or at home in Canada long precede the arrival of the COVID-19 pandemic,” explained Yanick Labrie, senior fellow at the Fraser Institute and author of *Rethinking Long-Term Care in Canada*.

“However, calls for the integration of long-term care into Canada's public health systems ignore the experiences of other countries that have successfully reformed their long-term care system by adopting a collaborative approach between government and the private sector.”

The study compares Canada to other high-income countries—Germany, Japan, the Netherlands, and Sweden—with older populations that have integrated long-term care into their health systems while spending about the same as Canada on health care as a share of their economy. These countries leverage collaboration between the public and private sectors to better meet the needs of their elderly population while allowing them more autonomy and freedom to organize their own care as they see fit.

Those long-term care systems include:

- **Universality:** While patients in all four countries have universal access to the long-term care regardless of income or pre-existing conditions, such care is not fully financed by government. Patients are generally required to share in the cost of their care (with support for low-income seniors).
- **Private sector involvement:** The private sector is embraced as a key partner in the provision of care. In Germany, the private sector makes up 96 per cent of long-term care providers, while it makes up 93 per cent in the Netherlands. In Canada, the private sector makes up just 52 per cent of long-term care providers.
- **Competition:** Choice and competition among care providers is encouraged to improve the quality of services. Unlike Canada, where providers are often guaranteed that they will operate at near 100 per cent capacity, there are no such guarantees in the other four countries. In these countries, quality is rewarded through user choices.
- **Institutional vs home care:** Most long-term care options in Canada centre around institutional care in facilities or “long-term care homes” even though about one in nine newly admitted residents in a long-term care institution in Canada could have been better cared for at home (2018/19). By contrast, arrangements and funding for care provided in the patient's own home is much more prominent in the other four countries.

“Calls for increased government spending on institutional care in Canada will likely result in an outdated and expensive system that does not necessarily serve patients well,” Labrie said.

“Instead, policymakers should familiarize themselves with other successful models around the world that have opted for a more collaborative approach with the private

sector in combination with ‘aging-in-place policies’ that allow seniors to receive care in their homes at potentially lower cost,” Labrie said.

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