



2010-2011 BUDGET PRESS RELEASE No. 3

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A MORE EFFICIENT AND BETTER FUNDED HEALTH-CARE SYSTEM

Québec, March 30, 2010 – “Today, we are providing a fair and realistic response to the issue of health-care performance and funding,” announced the Minister of Finance, Raymond Bachand, in tabling the 2010-2011 Budget. With this budget, the government is proposing to ensure overall health spending growth of 5% a year while maintaining the government’s other missions.

Time to move on to a new stage

“The health system’s share of program spending rose from 31% in 1980 to 45% in 2010. At that rate, the budget of the Ministère de la Santé et des Services sociaux will account for two thirds of program spending in 2030. If nothing is done, for each dollar invested in public services, \$0.67 will be devoted to health spending, jeopardizing the government’s other missions,” the Minister noted.

“The Clair report in 2000, the Ménard report in 2005 and the Castonguay report in 2008 all proposed concrete solutions for improving the funding of our health services. More recently, the Advisory Committee on the Economy and Public Finances made suggestions. The time has come to move on to a new stage.”

Government policy directions

At the same time as his 2010-2011 Budget, the Minister tabled a document presenting the government’s policy directions for the performance and funding of the health system. The measures it proposes are based on shared responsibility by the government and Quebecers.

The government will undertake a global effort to optimize work processes in each institution. It will also undertake the rationalization of technological and computer infrastructures and the implementation of promising new technologies. Lastly, it will review governance in the health-care network.

“People on the ground in the health system often have concrete ideas for increasing work productivity and efficiency at their institution. To facilitate such initiatives, we are proposing the creation of a fund to finance promising projects from the health community,” the Minister mentioned.

Health accounts

“Quebecers want to know how their hard-earned money is being spent. Henceforward, we will file health accounts annually so that Quebecers can see how health-care funding is being used. This financial report will give full particulars of health spending, spending changes, funding sources and health system performance indicators. The health accounts will be made public each fall by the Minister of Health and Social Services. They will be used to make more enlightened choices and assess the impact of resource allocation on the system’s performance and results,” the Minister announced. The side paper entitled “For a More Efficient and Better Funded Health-Care System” contains the health accounts for the years 2007-2008 to 2009-2010.

Lasting financing

The 2010-2011 Budget proposes a lasting solution for funding Québec’s health-care system. “Efficiency gains in the network will not be enough to meet health-care needs, which keep increasing year after year. New sources of funding must be found,” Mr. Bachand noted.

To that end, the Minister announced the introduction of a general health contribution as of July 1, 2010. The health contribution will apply to all adults in Québec, with the exception of low incomers. It will be \$25 per adult in 2010, \$100 in 2011 and \$200 in 2012. “The revenues from the health contribution will be paid into a dedicated fund that will provide direct financing to health-care institutions on the basis of their productivity and results. The health contribution will stimulate efficiency.”

The government is also considering a health deductible, calculated on the basis of the number of medical visits during the year. This form of funding with an orienting effect is used successfully in several European countries. Such a deductible was proposed in the Castonguay report on health funding. The deductible could be adjustable so as to encourage people to use front-line services. In the coming months, the government will work with its health partners to study the matter.

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