Health system efficiency in Canada: A closer look

Measuring the Level and Determinants of Health System Efficiency in Canada

Canadians recognize that their health system would benefit from being more efficient. But what does an efficient health system mean exactly, why does efficiency vary across Canada and what can we do to improve it?

The Canadian Institute for Health Information (CIHI) takes a closer look at these questions and more in its new study Measuring the Level and Determinants of Health System Efficiency in Canada.

Key findings

• What makes a health system efficient?
  – Efficiency is not only about working hard and effectively. Two important factors that are linked to efficiency include
    • Clinical factors, such as prevention efforts and hospital readmissions; and
    • Operational factors, such as the supply of general physicians and patients’ length of stay.

• Why does efficiency vary across Canada?
  – Health system efficiency varies across Canada because efficiency is influenced by several factors. Efficiency varies even when regional health authorities operate in similar environments.

• What steps could regional health authorities take to improve efficiency?
  – Increase prevention efforts to reduce smoking, physical inactivity and multiple chronic conditions
  – Reduce the number of hospital readmissions and use hospitals more appropriately

• What would happen if all of Canada’s health regions maximized their efficiency?
  – Up to 24,500 premature deaths could be prevented every year—without additional spending.