

# **Do Regionalization Models Matter? Home Care Resource Allocation in the Maritime Provinces**

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## **Thesis Committee:**

- Raisa Deber, Supervisor
- Paul Williams, Committee member
- Laurence Nestman, Committee member

## **Government Decision-makers:**

- Bryon Rafuse, Rick Manual, Keith Menzies, Susan Logue Burley, NS
- Cheryl Hansen, Roberte Vautier, NB
- Mary Hughes Power, Susan Maynard, George Curley, PEI

# What is the Context of the Study?

- **Purpose:**

- To compare how regional structures in the Maritimes influence resource allocation

- **Research Questions:**

- What is the effect of various regional structures on financial outcomes for home care over time?
- What is the effect of various regional structures on decision-making processes employed to allocate resources to home care?

# How will this Study Inform Policy Development?

- Describe how regional structures affect resource allocation
- Describe how regional budgetary processes affect resource allocation
- Explore advantages and disadvantages of various regional structures

# What is Regionalization?

- Organizational device to shift governance
- Centralization of power from local actors
- Decentralization of power from central government
- Variation in scope of services, size, board structure

# Rebalancing Resource Allocation

- Physician and hospital care must be insured (national conditions under *Canada Health Act*)
- Emerging sense that more resources should go to such “Cinderella Services” as home care, mental health, public health
- How to make this happen?
- Some think regionalization is the answer

# Win, Lose, or Draw?

- Why might Cinderella services benefit from regional models?
  - Integrated budget mechanism creates potential to transfer resources from hospitals to formerly marginalized services if this is seen as being more cost-effective
- Why might Cinderella services not benefit?
  - Hospitals are much more powerful
  - Hospitals experience community support
- Why might there be little impact?
  - Never underestimate the power of inertia

# Comparing Atlantic Canada's Regionalization Models

<b>Characteristic</b>	<b>NS</b>	<b>NB</b>	<b>PEI</b>
Beginning point	1996 & 2000	1992	1994-95
Number of regions	from 4 to 9	7 (8 boards)	from 5 to 4
Funding formula	historic	Mixed	historic
Funding arrangements	by program	global	global

# A Natural Experiment: What's included, What's not?

Health service/provider	Included within Regional Structure?		
	NS	NB	PEI
Hospitals	Yes	Yes	Yes
Home care	No	Yes	Yes
Mental Health	Yes	No	Yes
Public Health/health promotion	Yes	No	Yes
Residential long term care	No	No	Yes
Drugs	No	No	No
Physicians	No	No	No

# Two Phases of the Research

- Phase 1: quantitative data
  - For province, and by region
  - Interviews to clarify we are dealing with apples only (What is included within a particular budget category)
- Phase 2: qualitative data
  - Interviews to clarify how decisions are being made

# Data Sources

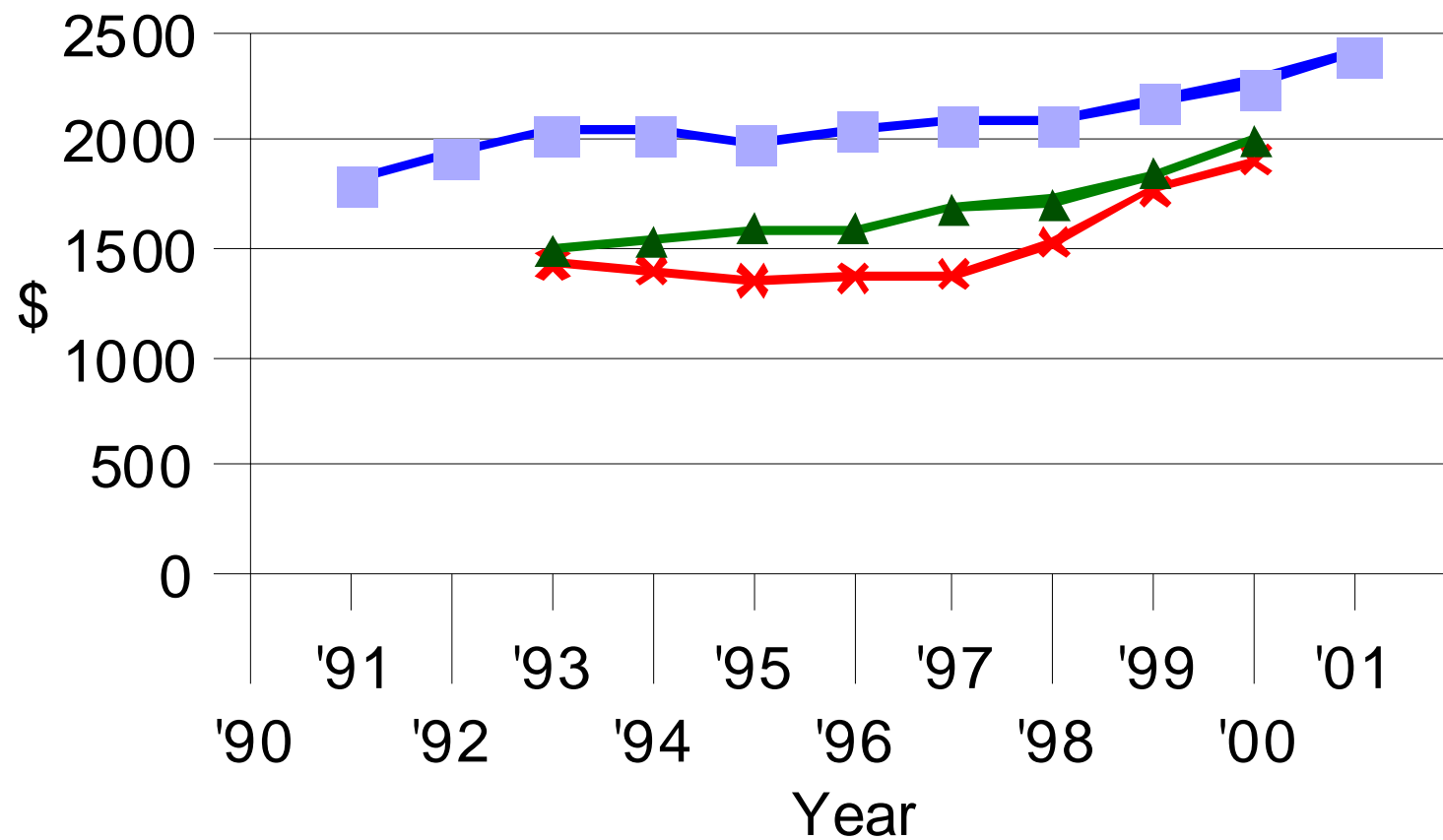
Phase 1	Phase 2	Phase 2
<b>Financial Data</b>	<b>Documents</b>	<b>People</b>
<ul style="list-style-type: none"><li>●Department of Health Expenditures &amp; Budgets</li><li>●Provincial Estimates</li><li>●Canadian Institute for Health Information</li><li>●Health Canada</li><li>●Regional Health Expenditures and Budgets</li></ul>	<ul style="list-style-type: none"><li>●Legislation</li><li>●Health Reform Reports</li><li>●Business Plans for Departments &amp; Regions</li><li>●Annual Reports of Departments &amp; Regions</li><li>●Home Care Program Reports</li></ul>	<ul style="list-style-type: none"><li>●Departments of Health Key Informants</li><li>●Regional Key Informants</li></ul>

# Data to be Examined

- Total expenditures, by category:
  - Expenditures as proportion of total
  - Per capita expenditures
- Provincial and regional by each province
- For fiscal years 1990-91 to 2000-01

# Provincial Health Expenditures

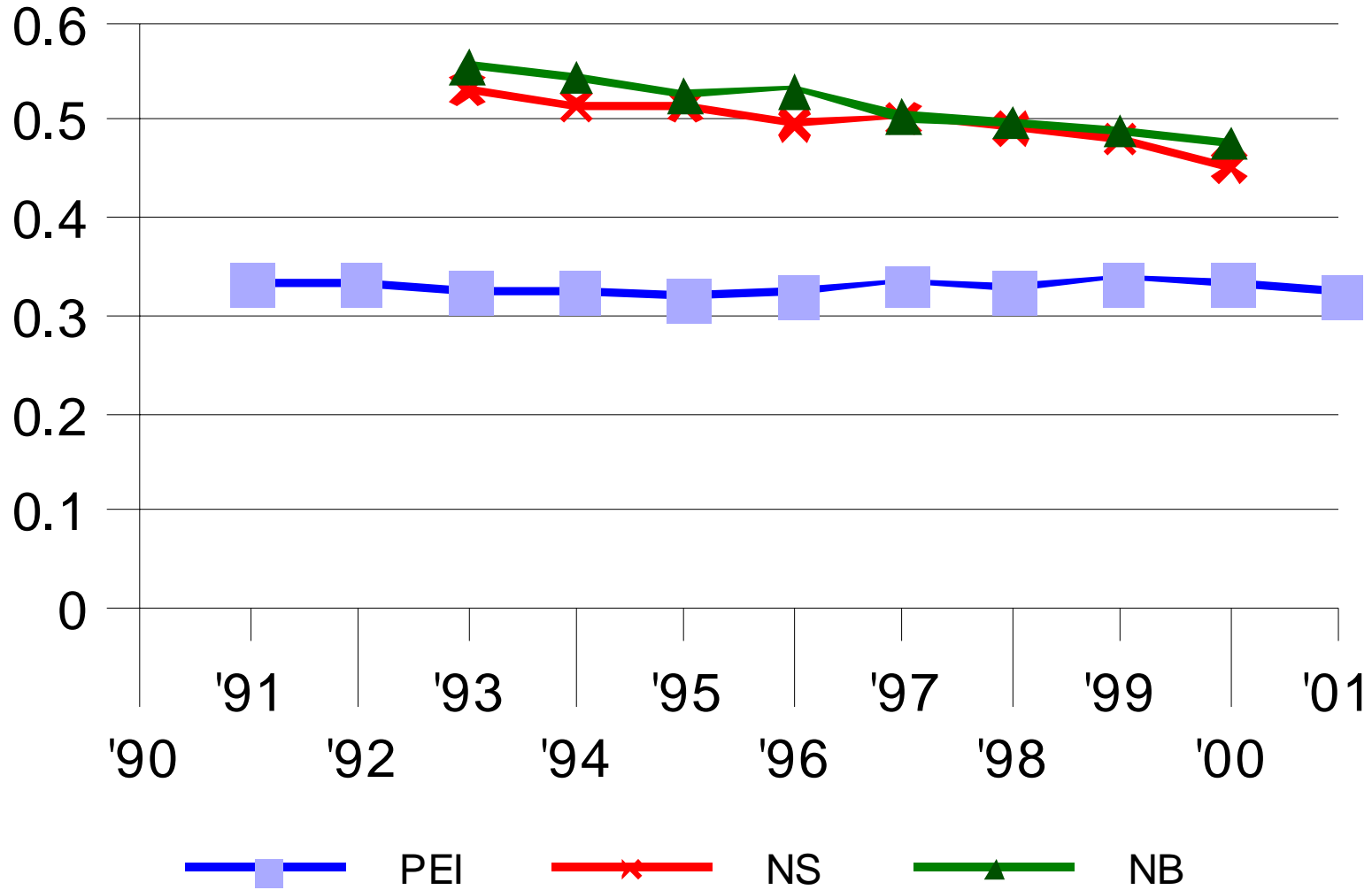
Total, per capita, by province



—■— PEI      —x— NS      —▲— NB

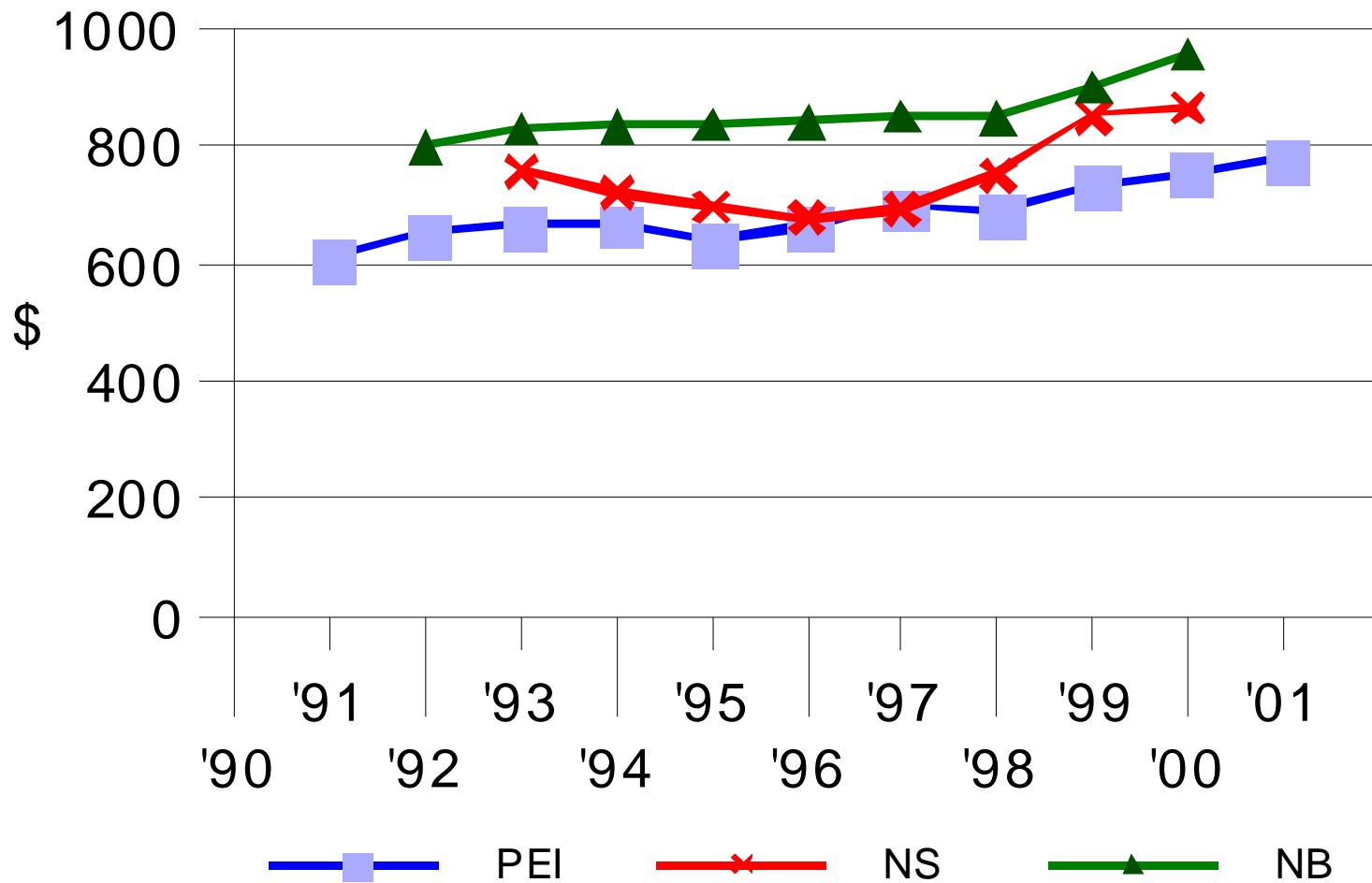
# Hospitals

Proportion of health expenditures, by province



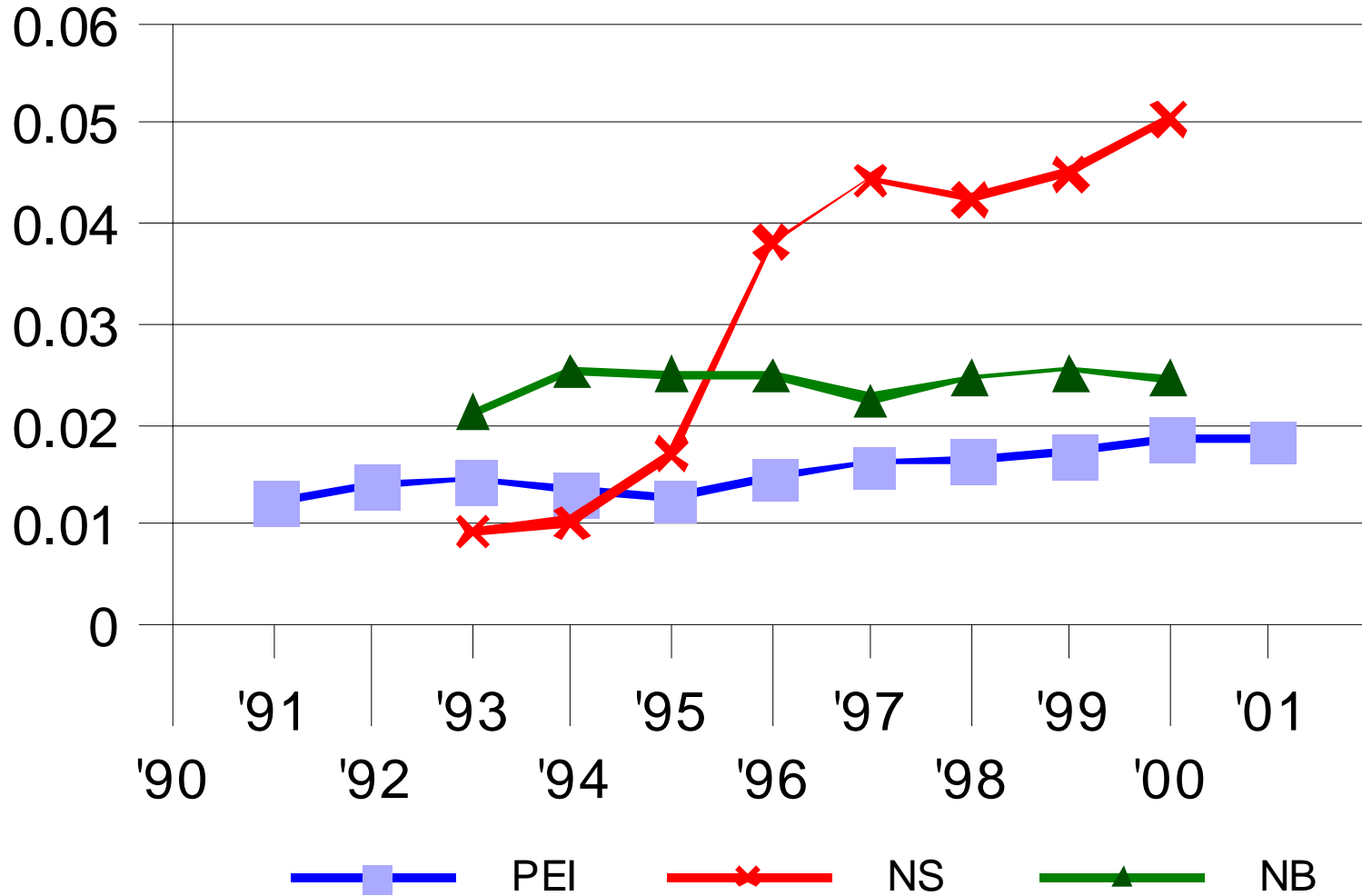
# Hospitals

Per capita, by province



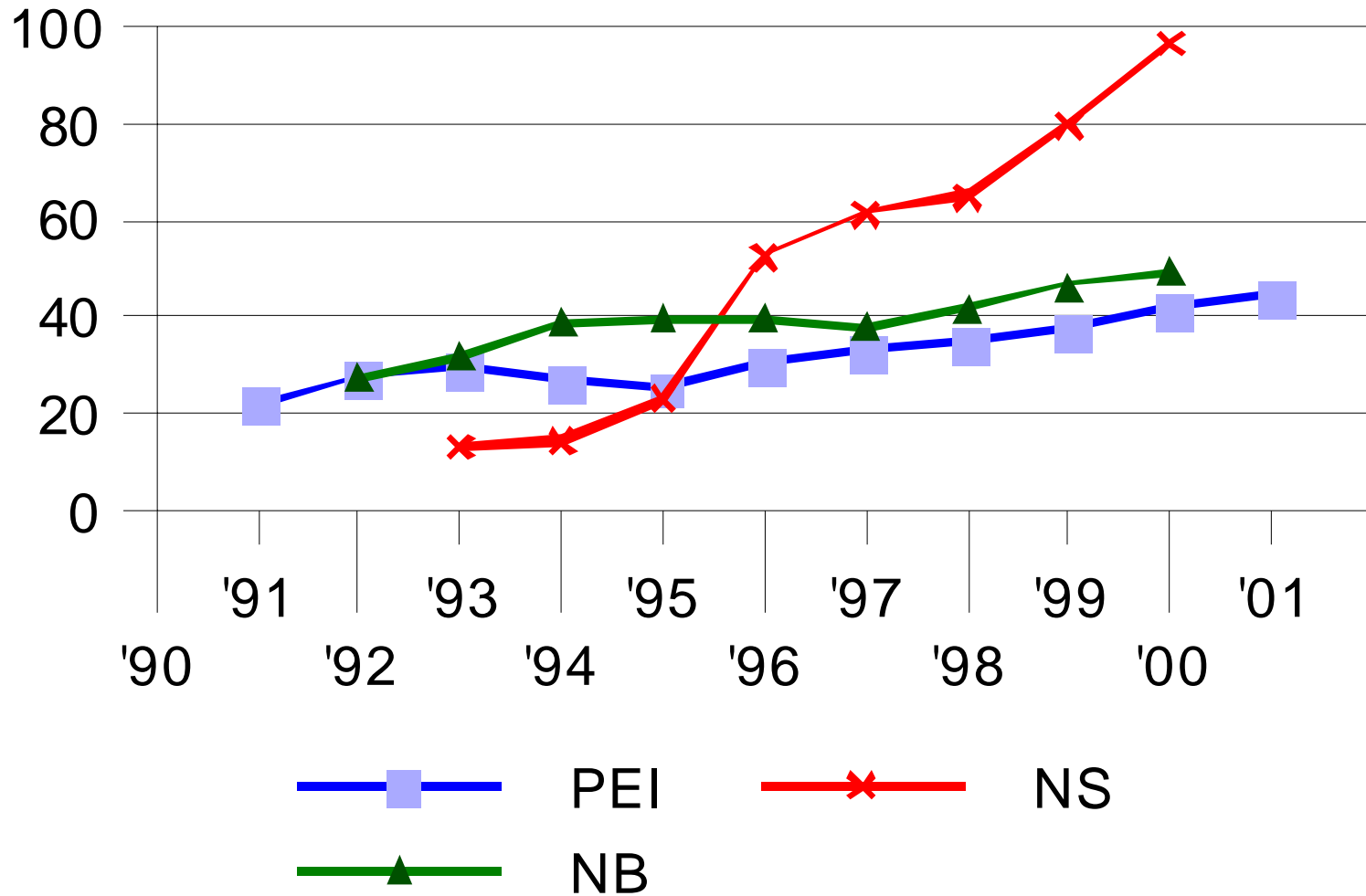
# Home care

Proportion of health expenditures, by province



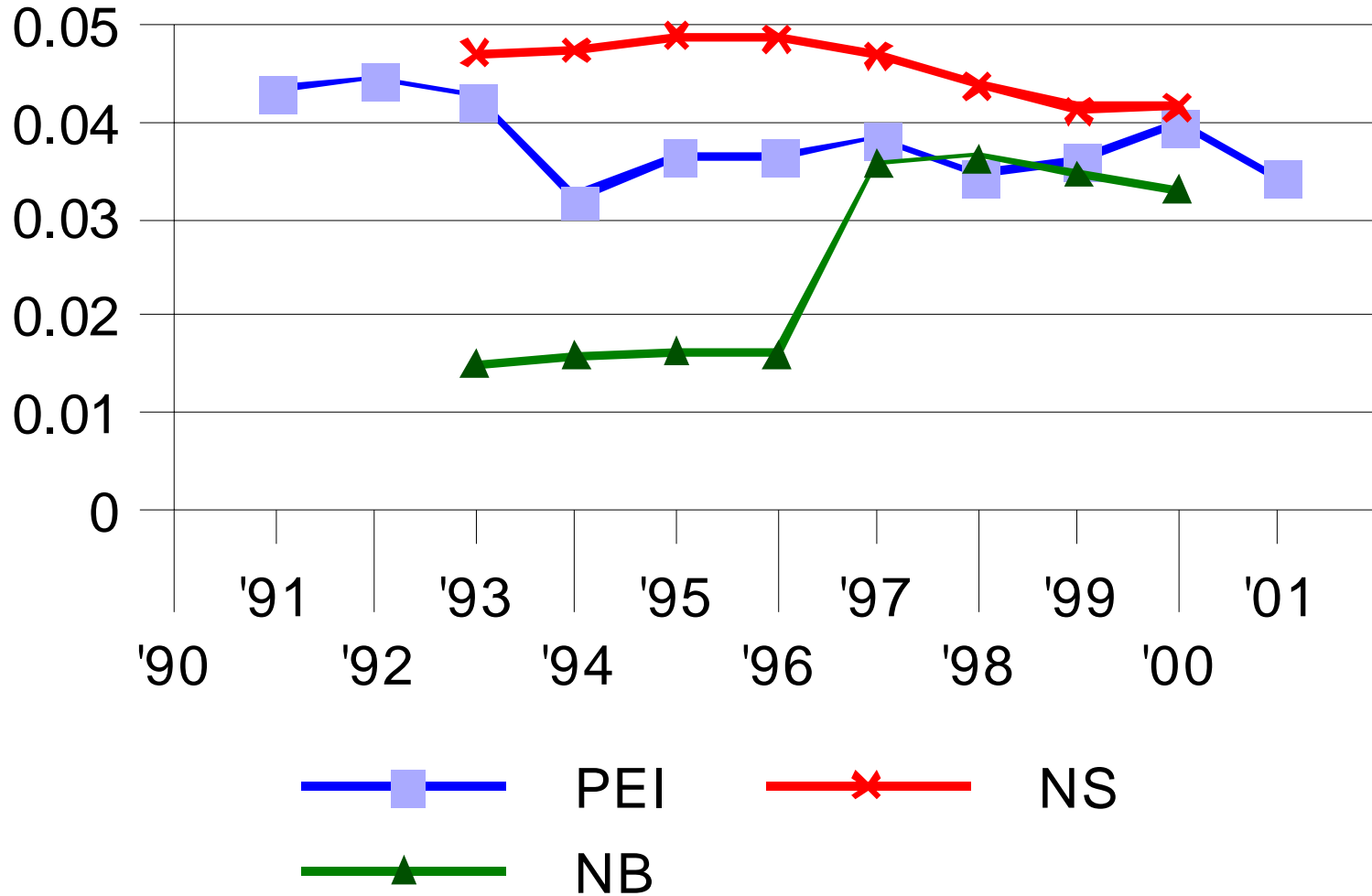
# Home Care

Per capita, by province



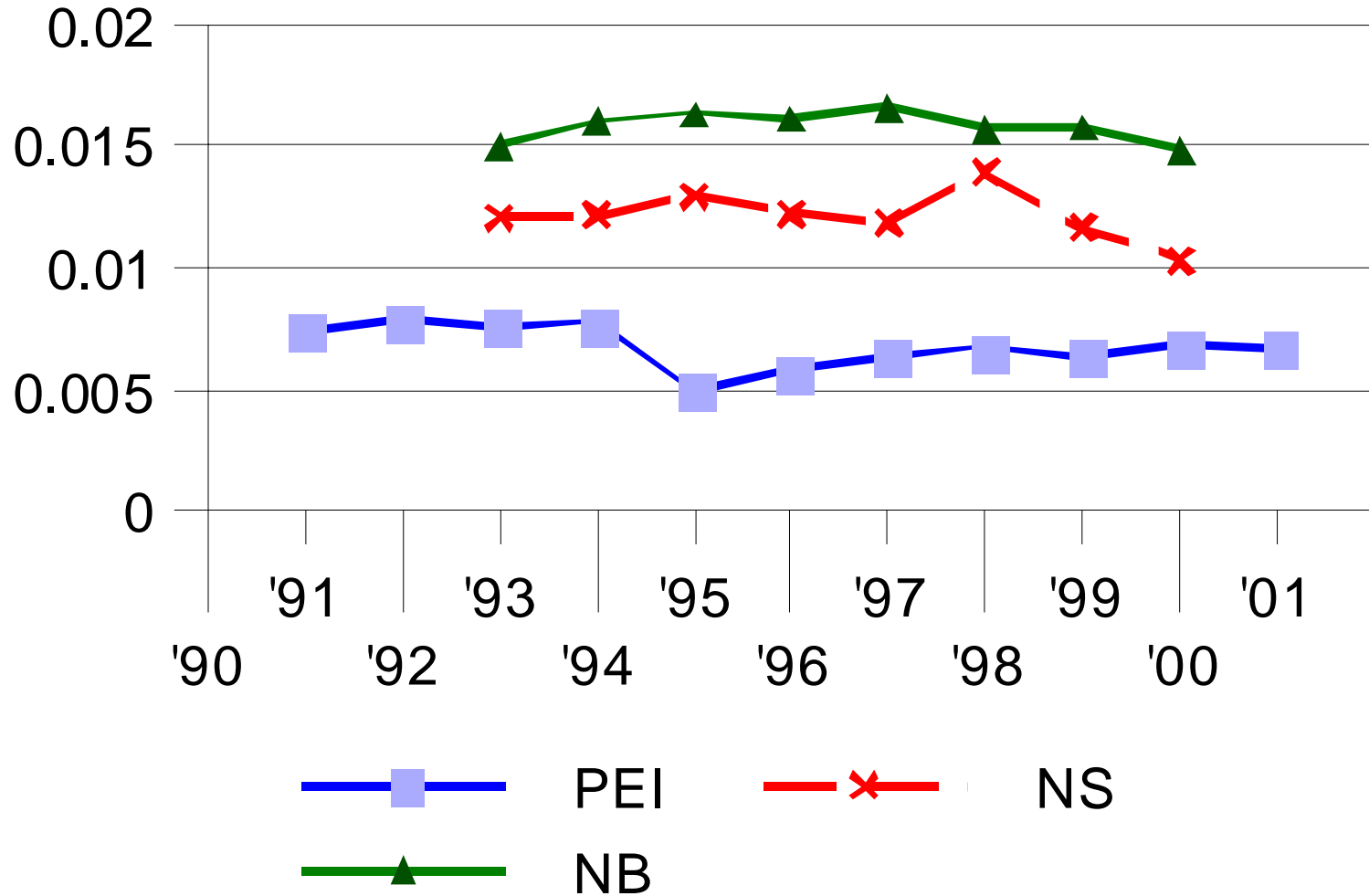
# Mental Health

Proportion of health expenditures, by province



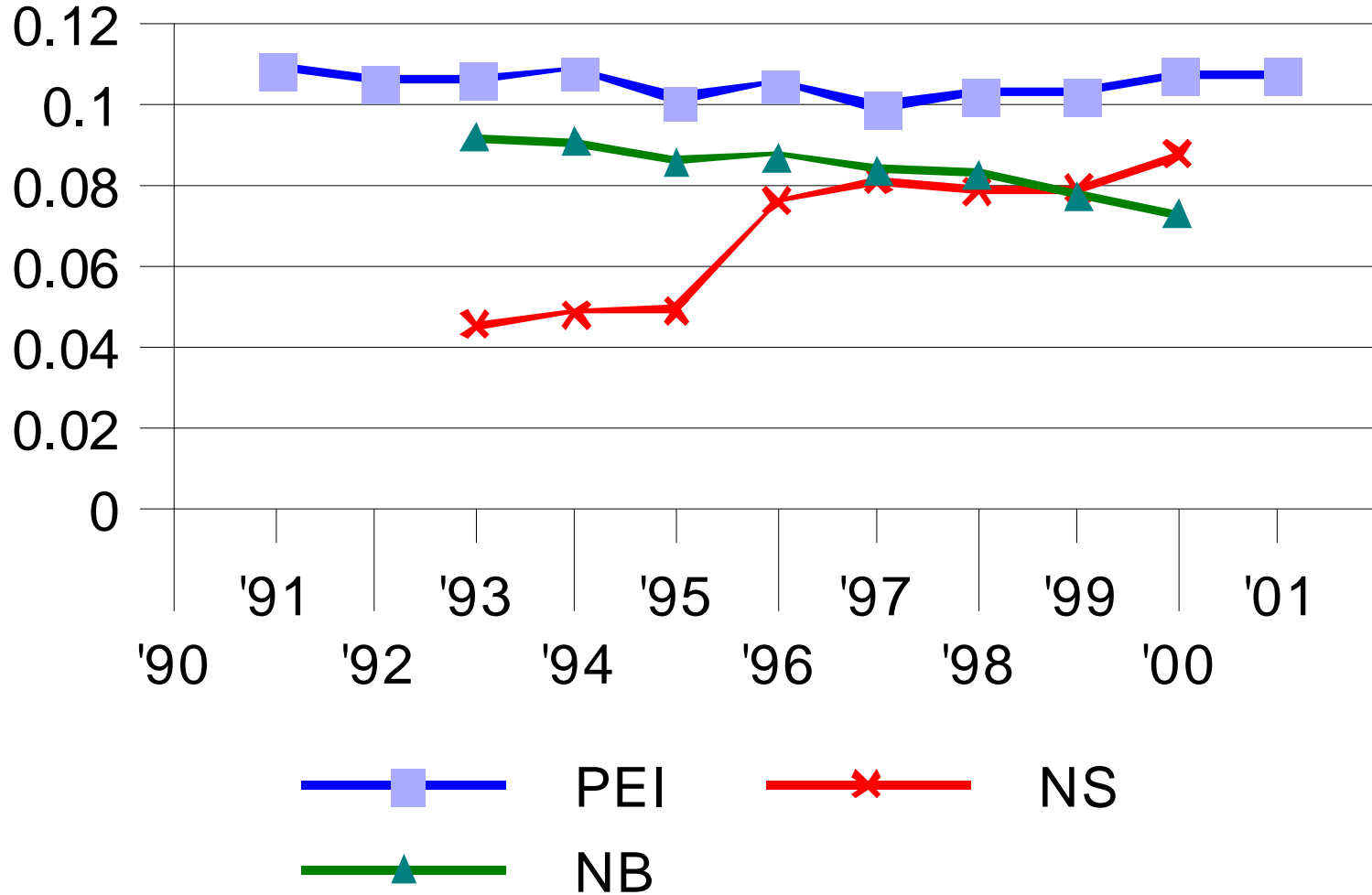
# Public Health

Proportion of health expenditures, by province



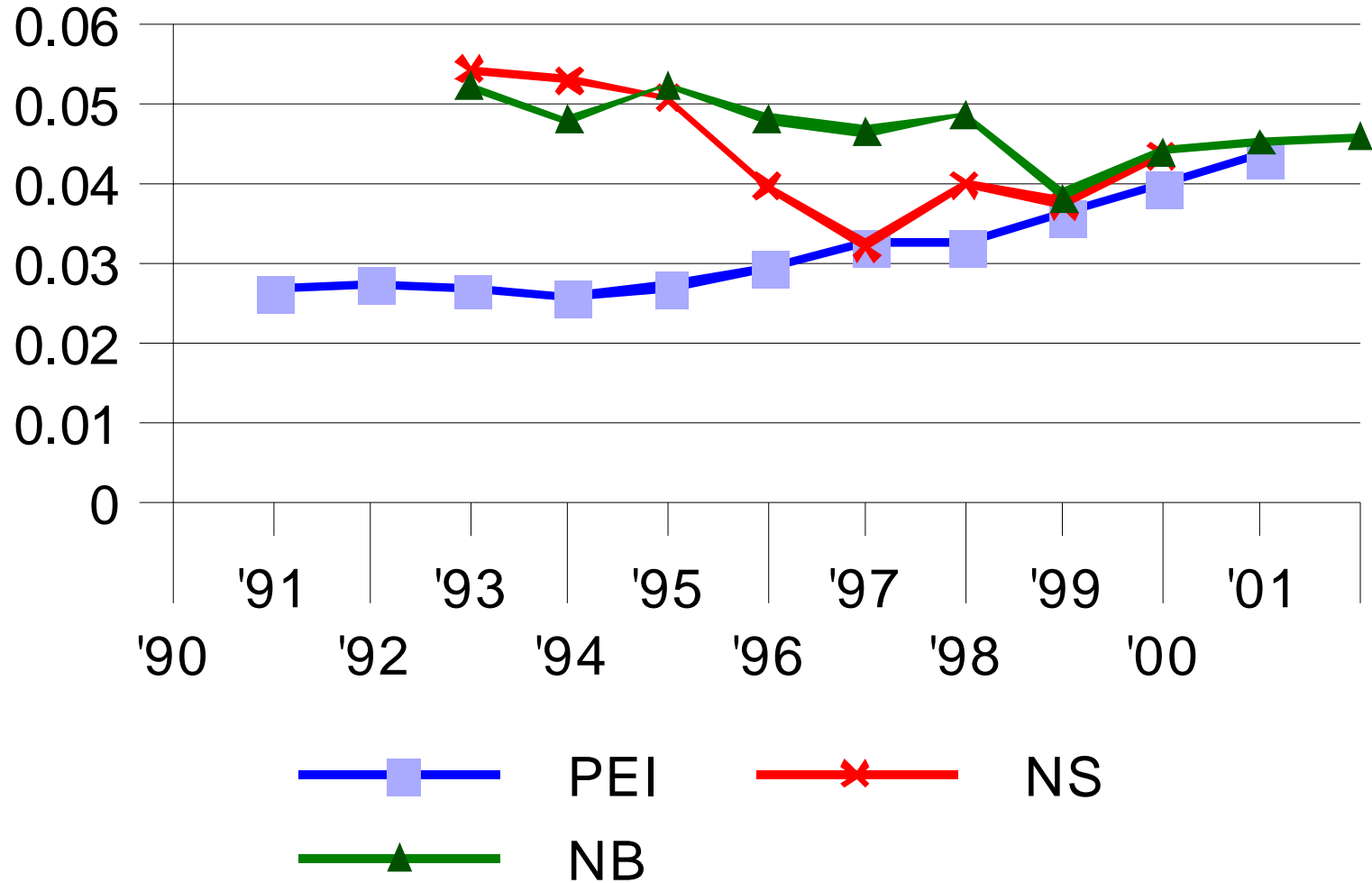
# Long Term Care

Proportion of health expenditures, by province



# Drugs

Proportion of health expenditures, by province



# **Preliminary Results – Draw wins! At least at the Provincial Level**

- Overall expenditures have increased in all provinces
- Hospital expenditures have remained relatively stable
- Indeed, most categories have remained a relatively stable proportion of provincial health budgets

# What about Home Care?

- Nova Scotia showed a sizeable increase
  - This was the only province which retained it at the provincial level
- Within the provinces where home care was part of the regional budgets, home care did not gain a larger share of health budgets

# What about the other Cinderella Services?

- Public health, mental health, and long term care also did not gain resources as a share of health budgets
- In many cases, they lost some
- The integration logic does not seem to be influencing resource reallocation, at least in aggregate terms
- In phase 2, we will test whether these findings hold at the 'micro' level, and what differences (if any) decision-makers think regionalization has made

# Considerations

- We are still examining regional expenditures – it is possible that the overall pattern of little change conceals larger (and offsetting) changes within regions
- Decision-makers may have attempted to enforce inertia?
- Data may not be accurate
  - We are working with decision-makers to clarify this

# What are the Implications of Regional Structures?

- Hard to say
- Aggregate expenditure data suggests that no particular regional structure has resulted in much change in how resources are allocated
- In Phase 2 we will attempt to see whether any other mechanisms have been put in place to encourage rebalancing of resource allocation



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