

# Acute Care Expenditures in Newfoundland and Labrador and Canada

## Objective

To examine costs and utilization of acute care facilities in NL compared to other Canadian provinces.

## Practice Points

1. The 2021 provincial budget was \$9.3 billion. Health was the largest component of the budget accounting for more than a third of expenditures.
2. Provincial government spending on health in Newfoundland and Labrador (NL) was \$3.7 billion in 2021, with 36% of that spending being for acute care hospitals.

## Data

Data on health system metrics and expenditures were obtained from Canadian Institute for Health Information (CIHI).

## Results

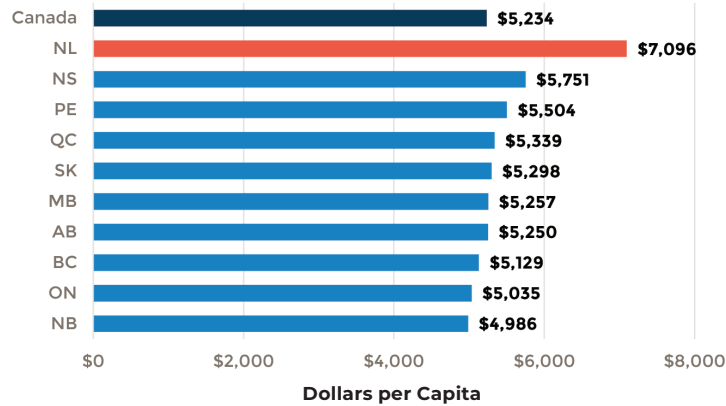


Figure 1. Provincial Government Per Capita Health Expenditure, 2021-22

- Per capita provincial government health spending is by far the highest in the country, at over \$7,000, and is 36% higher than the Canadian average.

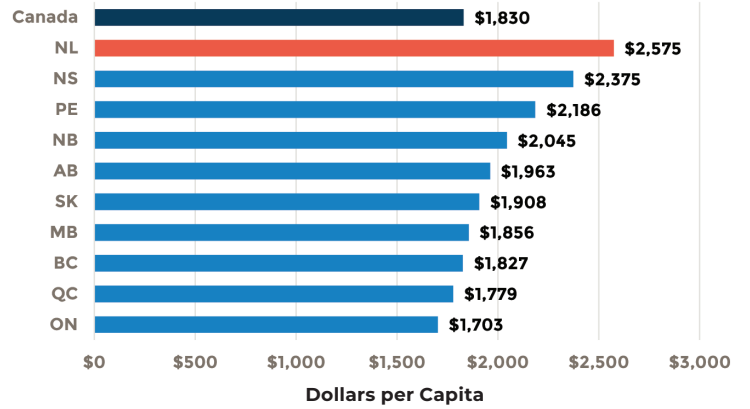


Figure 2. Provincial Government Per Capita Hospital Expenditure, 2021-22

- Hospital spending in NL is the highest in the country, and is 41% higher than the Canadian average.

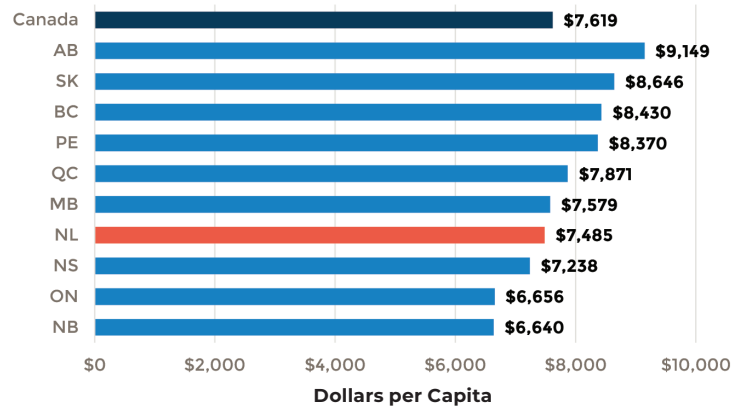


Figure 3. Cost of a Standard Hospital Stay, 2020-21

- The cost of a standard hospital stay in NL is 2% lower than the Canadian average.

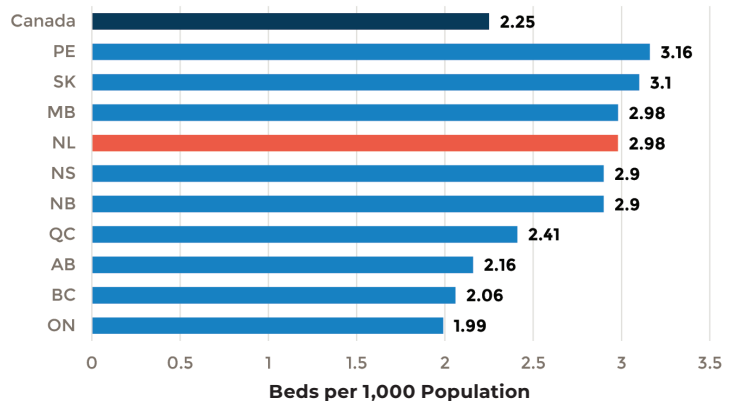
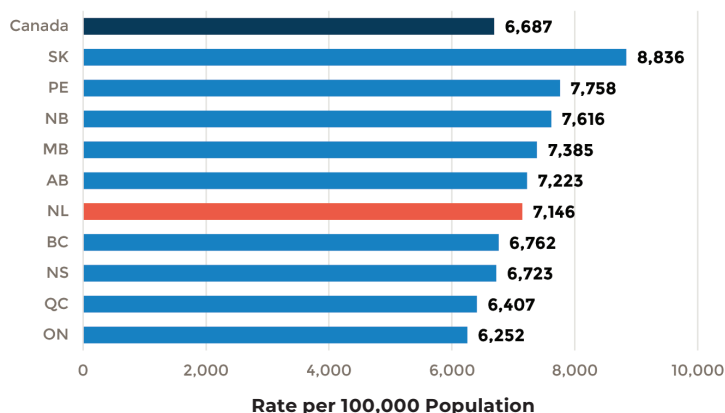


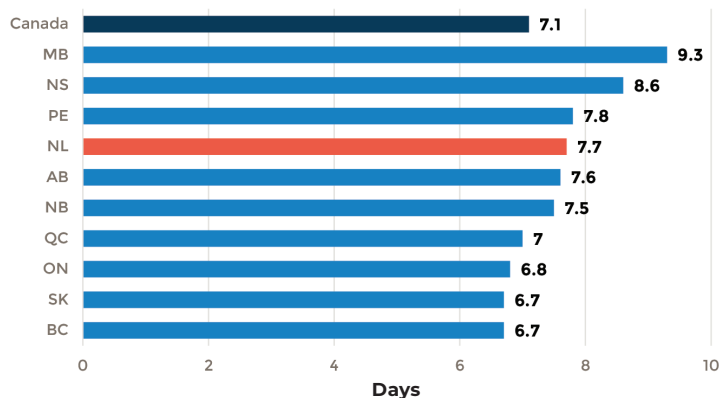
Figure 4. Acute Beds Per 1,000 Population, 2020-21

- There are 32% more beds per 1,000 population in NL than the Canadian average.



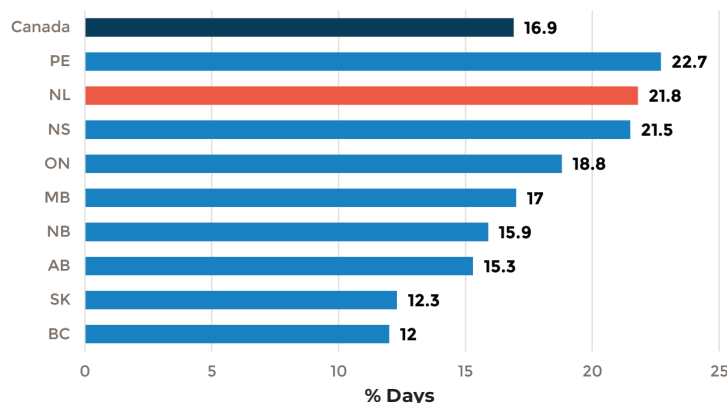
**Figure 5. Age-Sex Standardized Hospitalization Rate Per 100,000 Population, 2020-21**

- The standardized hospitalization rate per 100,000 population is 7% higher than the Canadian average.



**Figure 6. Age Standardized Average Length of Stay, 2020-21**

- The standardized length of stay in NL is 8% longer than the Canadian average.
- Length of stay includes both acute and alternate level of care days.



**Figure 7. Percent Patient Days in Alternate Level of Care (ALC), 2020-21**

- The percent ALC days is 30% higher in NL compared to the Canadian average.

## Conclusions

1. In NL, health spending, including hospital spending specifically, is much higher than the Canadian average. This is primarily due to the high number of acute beds and high ALC. The somewhat higher number of hospitalizations and length of stay also contribute to higher spending on hospitals.
2. In order to reduce use of ALC, hospitalizations, and length of stay, as well as the resulting high number of acute beds, investments will be required for community care, primary care, and long-term care.