

The Evolving Primary Care Landscape in Canada

Managing Innovation and Opportunity



Let's do this.



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The evolving primary care landscape

Primary care is changing – What do we do about it?

While patient care over the course of the last several decades has advanced significantly to consider technological advancements, improved treatments, more effective medications and physicians who have access to global networks at their fingertips, the Canadian model for primary care has not advanced as quickly. Primary care or the “family doctor” model has been a fixture in Canadian health systems, and for good reason – primary care is one of the most effective ways to integrate preventative medicine and early intervention into a health system¹. The benefits for maturing primary care systems are clear – it leads to better outcomes and significant impacts on the health and economic prosperity of a country². Focusing on preventative medicine, health monitoring and health education can ultimately save tax-payers millions, if not billions, of dollars and create a more healthy, vibrant and prosperous population³.

While the case for investment and modernization of primary care systems is obvious, the lack of innovation in this case across Canada is less so. Prior to the pandemic, the primary entry point into the Canadian health system is a traditional family doctor’s office, often characterized by waiting rooms, over the phone appointment booking, limited weekend or evening hours and fax machines. Innovation in healthcare delivery is a big part of the progress we’ve made over the last generation with respect to health outcomes, however the primary care system has, in many cases, remained unchanged.

¹ Starfield B, Shi L, Macinko J. Contribution of primary care to health systems and health. *Milbank Q.* 2005;83(3):457-502. doi:10.1111/j.1468-0009.2005.00409.x

² <https://www.oecd.org/health/health-systems/OECD-Policy-Brief-Primary-Health-Care-May-2019.pdf>

³ Britnell, M. (2015). *In search of the perfect health system*. Macmillan International Higher Education.



The COVID-19 pandemic has accelerated several critical trends in healthcare and primary care is no different. According to independent research conducted by KPMG, 81 percent of Canadians believe that the pandemic has permanently changed the healthcare landscape. The pandemic has exposed the gaps in our healthcare system as policy-makers and citizens look to define what is 'essential' for communities and for individuals and their families.

The reality is that these gaps both accelerated our reliance on digital technologies, but also highlighted some of the challenges in our system, including:



Access to primary care among racialized communities



Access to primary care in rural and remote communities vs. urban centers



Increasing reliance on hospitals to deliver care



Lack of health system integration

These issues are not new in our country, and the pandemic has made them more acute. These challenges are likely to grow in their impact for many years to come. In fact, KPMG research, conducted in June 2021, has found that 31 percent of Canadians had not seen their doctor at all since the pandemic began and another 35 percent had seen them less than they regularly would. The majority of the population having gone far longer than is recommended in seeing their doctor will have long-ranging consequences for Canadians and the health system.

While the pandemic highlighted significant challenges when it came to primary healthcare, it also accelerated key innovations and trends. While we expected the pace of digital adoption to accelerate over time, the pandemic forced primary care providers to rapidly accelerate the use of digital tools to deliver care. Below we have summarized four post-pandemic trends in primary care that have 'game-changing' benefit to our system if managed carefully.



Four big post-pandemic trends in primary care

1. **Care is going virtual:** Where we previously required patients to physically attend appointments, the pandemic has forced much of primary care to be conducted virtually, for better or for worse.
2. **Health hubs and integration:** When the pandemic forced governments, regulators and health system institutions to innovate, they increasingly tried to work together and partner, creating opportunities for further integration.
3. **Increased competitiveness:** Even prior to the pandemic, we have seen an increase in investment in the primary care space with large Canadian brands seeking ways to enter this market. This trend has been compounded with new methods of payment by Government, making it attractive for new entrants or those looking to evolve their model of care.
4. **Patient partnership:** The pandemic saw many parts of health system embrace community-focused approaches to care, partnering with local and cultural organizations to deliver vaccine clinics and testing to communities who needed it most. There were genuine moments and opportunities where patient engagement and partnership were at the forefront of planning and operations.

As we navigate these trends, this report aims to provide some insight on where we go from here. We have framed this problem as not a single question, but four big questions aimed at providing a blueprint for the future of Canadian primary care.

Four Big Questions for Canadians

1. What do Canadians think about their primary care experience?
2. How can these trends provide opportunities to improve primary care?
3. What is Government's responsibility?
4. How do innovators in primary care promote integrity, quality and trust?

What do Canadians think?

KPMG polled 2,000 adult Canadians to explore patient perspectives on primary care. The survey sought to better understand primary care utilization and how Canadians feel about current challenges, opportunities for improvement and how they perceive changing primary care models in Canada.

Access to primary care has its challenges

While Canadians perceive our health system to be strong, access to primary care remains a challenge across Canada. Booking a timely appointment is not always an available option, which often results in patients seeking alternatives to care such as the emergency room, a walk-in clinic or a virtual clinic. The pandemic has also changed the way people access care and, in some cases, has disincentivized patients from visiting their family physician.

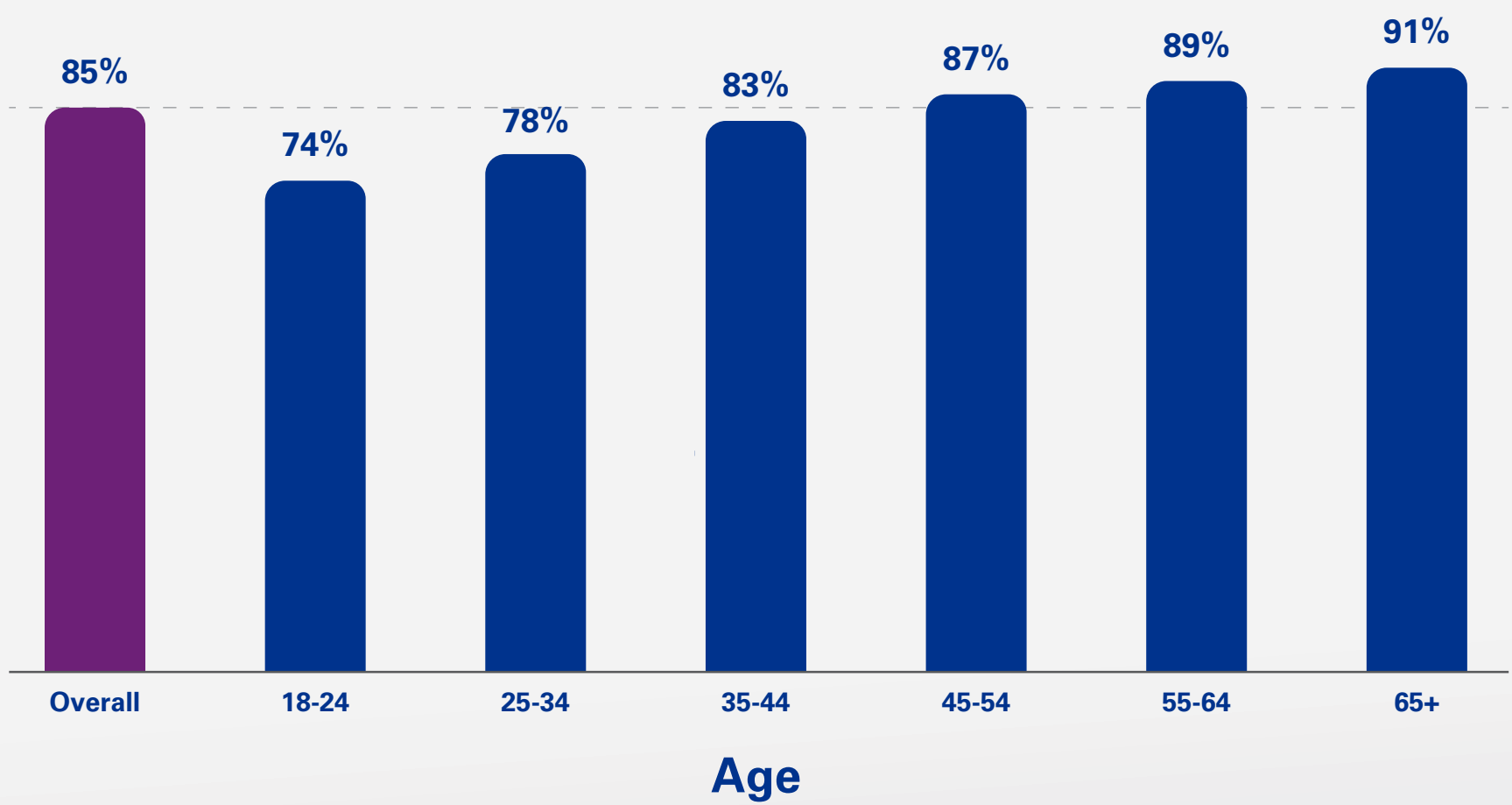
Among peer countries, Canada is close to the OECD average for access to primary care physicians⁴. Results from our poll indicate that 85 percent of Canadians have a family physician. However, this number is not uniform across the country: these numbers vary across age groups and socioeconomic status. When segmented by age, household income, and race, those under the age of 35, individuals with a household income under \$30,000, and racialized Canadians were less likely to have a family physician.



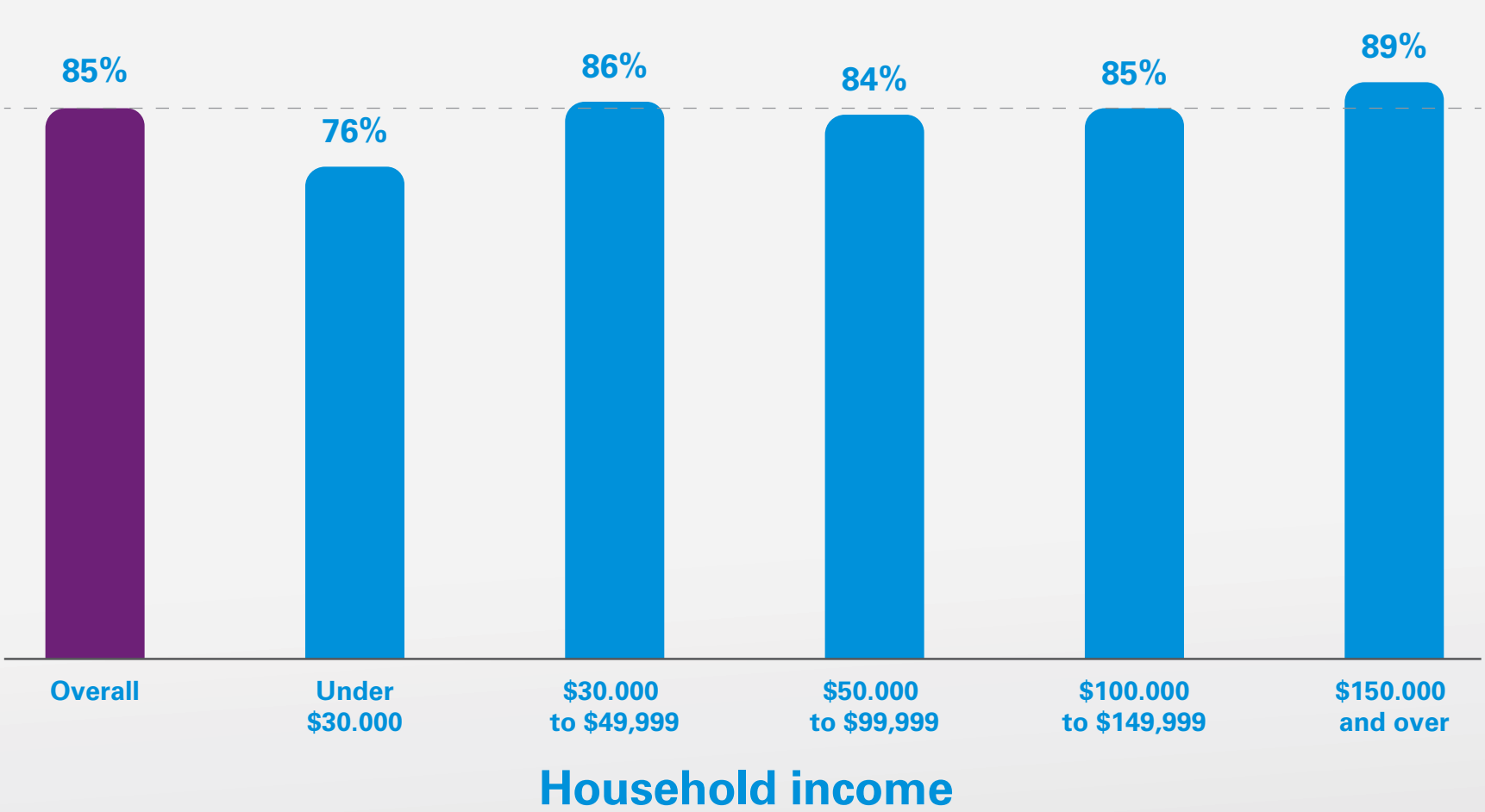
of Canadians have
a family physician.

⁴ Health at a Glance 2019 – OECD Indicators – https://www.oecd-ilibrary.org/social-issues-migration-health/health-at-a-glance-2019_5101558b-en

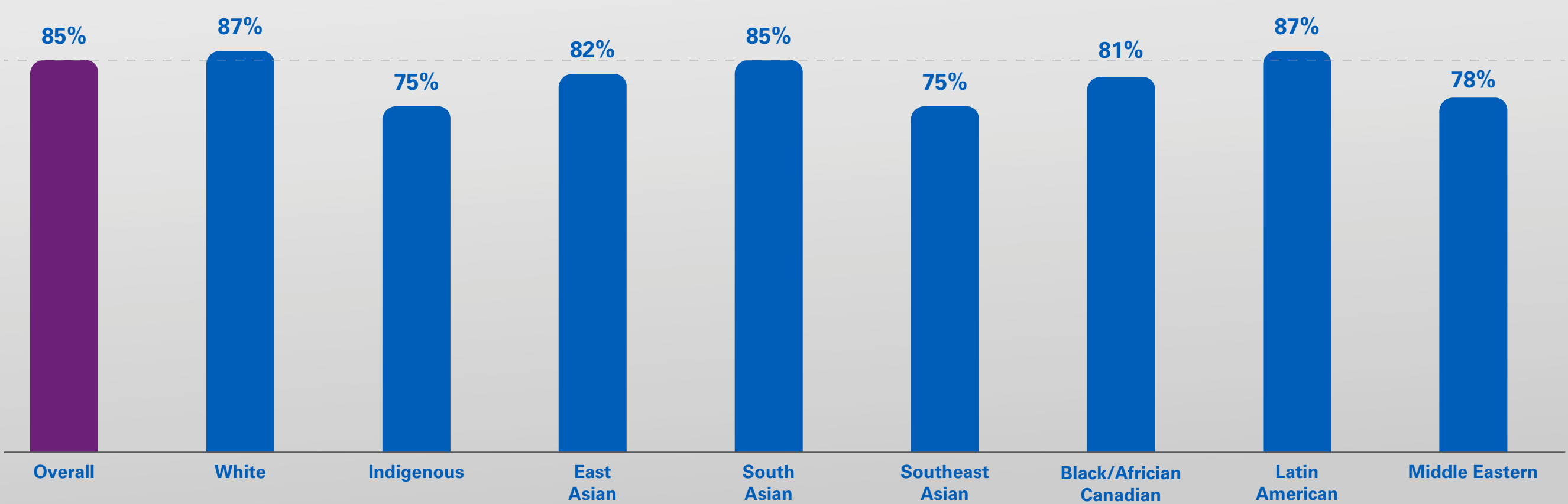
Percentage with a family doctor by age



Percentage with a family doctor by household income



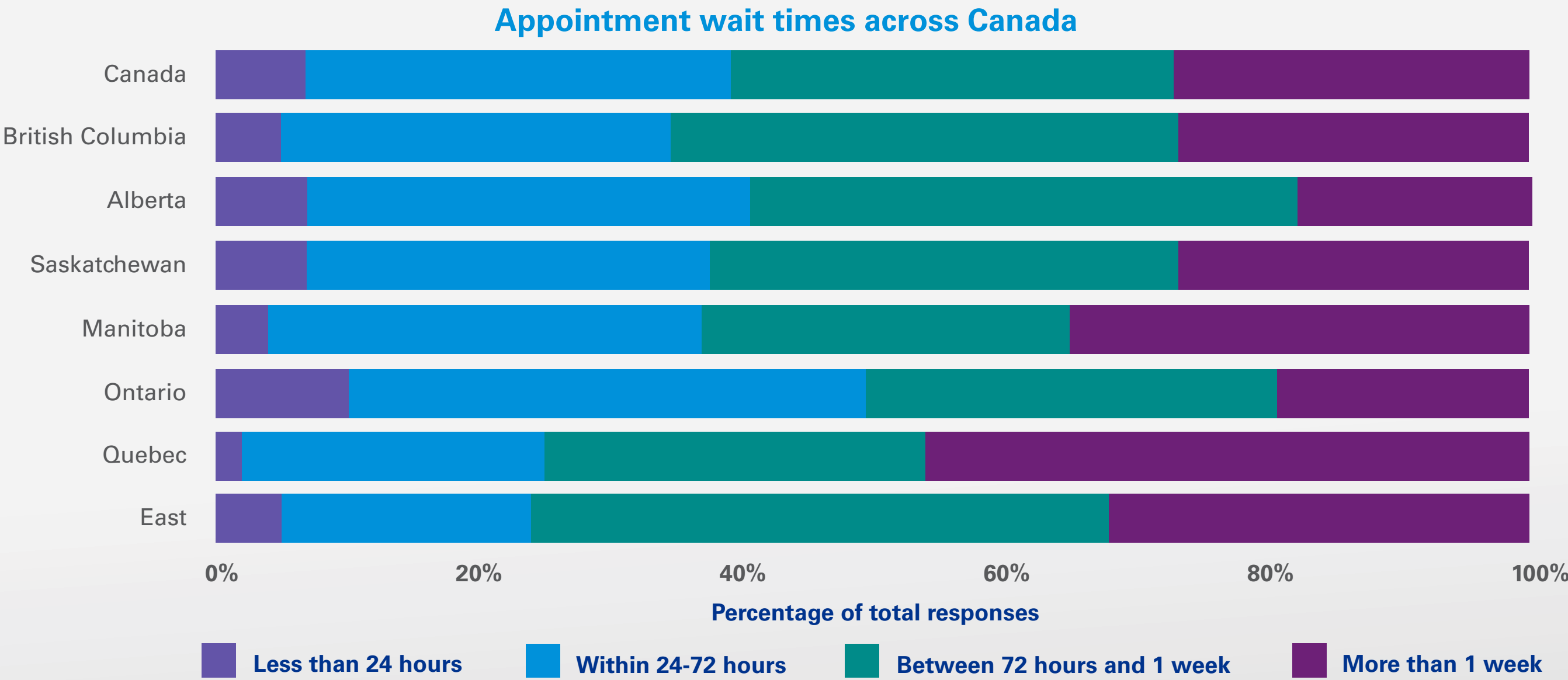
Percentage with a family doctor by ethnicity



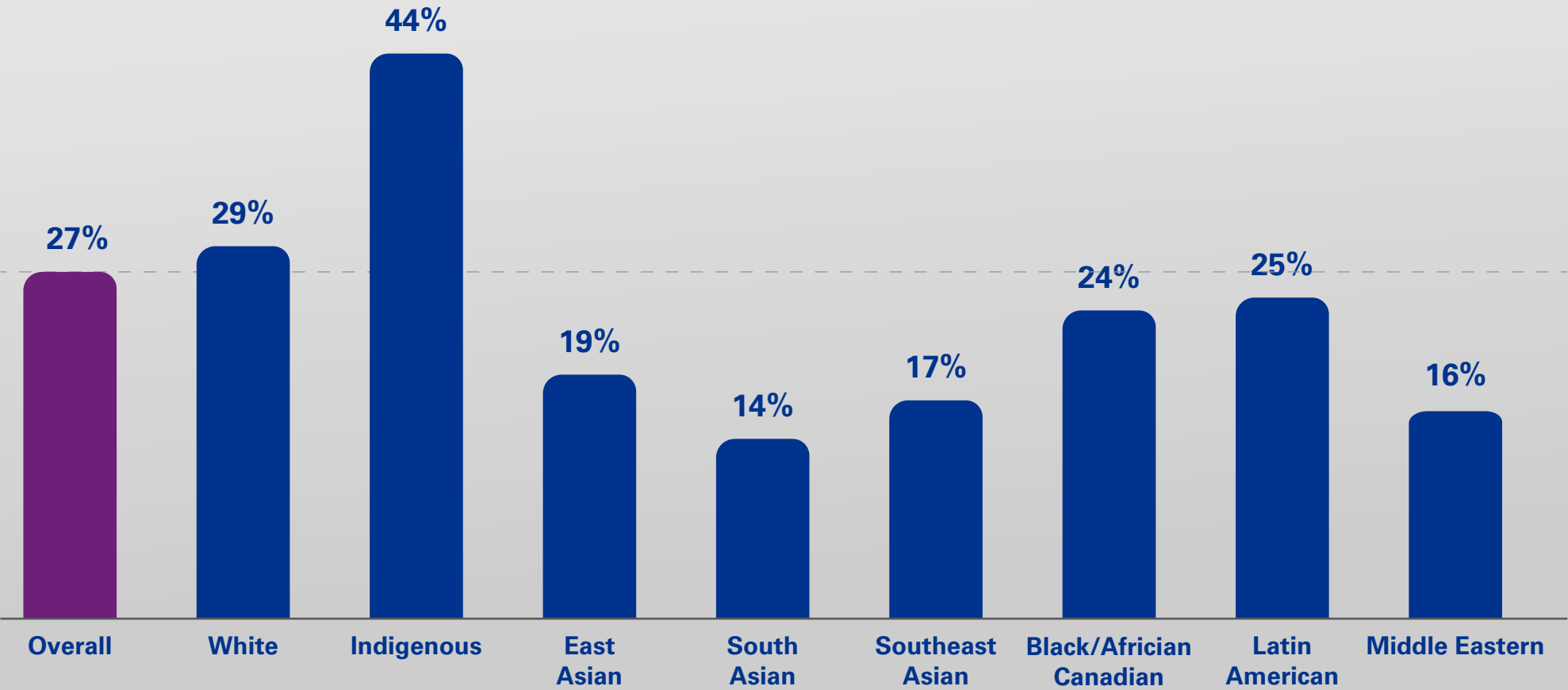
Wait times drive patients to alternative channels

Wait times drive significant dissatisfaction within our system with two thirds of poll respondents waiting between 24-hours and one week for an appointment with their family physician and with more than a third waiting over 72 hours. Twenty-seven percent of Canadians waited more than a week. Those who identify as Indigenous were much more likely to wait more than a week to see their physician, more than any other community. Despite these realities, 71 percent of all patients expressed that seeing a doctor they knew and had a relationship with was a higher priority to them than being able to see a doctor quickly.

A key benefit of primary healthcare to the health system is that it drives care away from expensive options such as the emergency room, to a more appropriate and efficient care setting. For this approach to be effective, Canadians need to be able to quickly see their family physician who they have built a relationship with. Without timely access to care with their primary care provider, patients will seek out alternative care methods.



Percentage of respondents who waited more than a week for an appointment by ethnicity

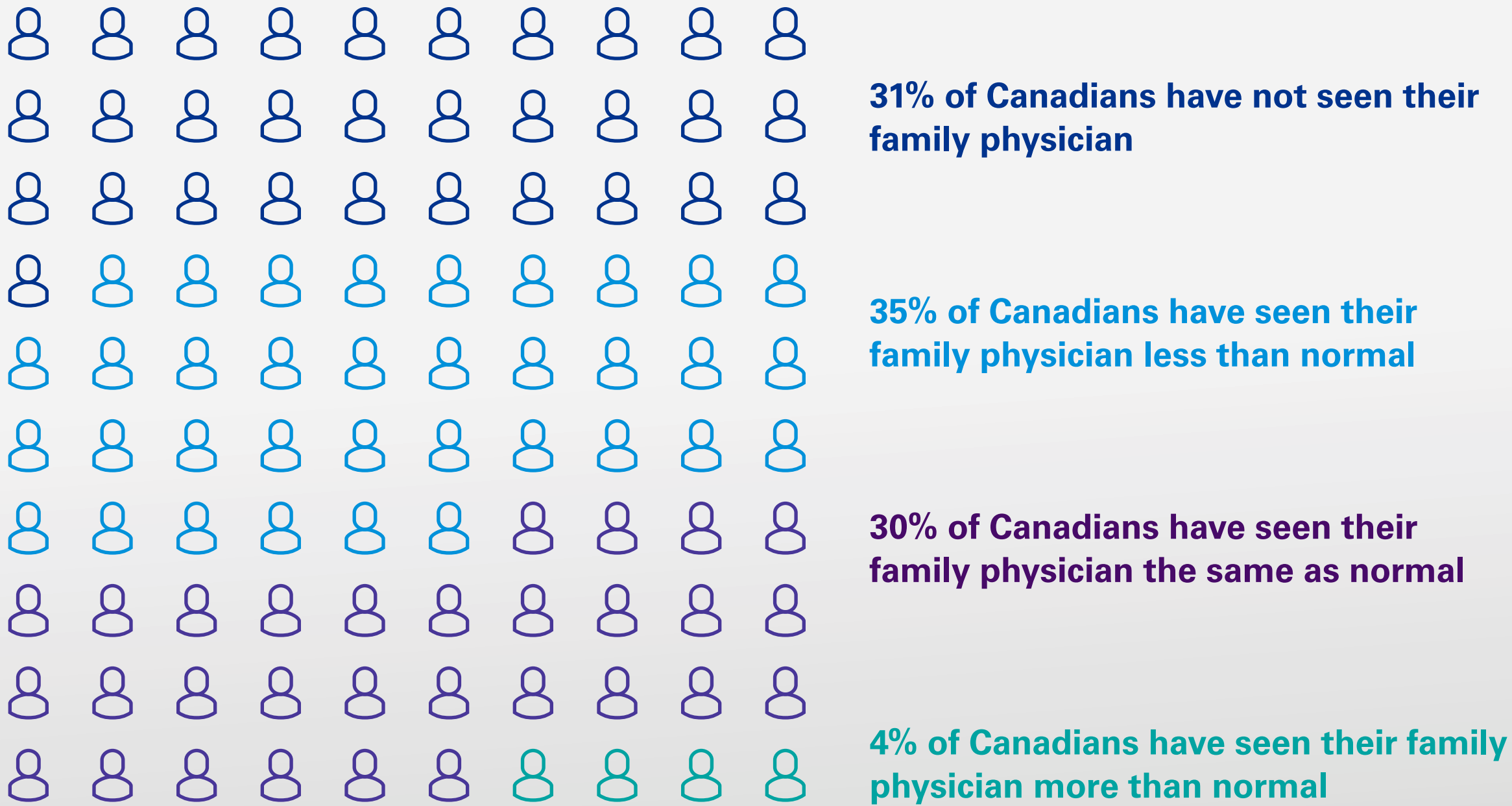


Alternative access to care

The pandemic has dramatically impacted the way Canadians access care. Throughout the pandemic, 31 percent of Canadians have not seen their family doctor at all. An additional 35 percent have seen their doctor less often than they normally would. This means Canadians accessed care elsewhere or **did not seek care at all**.

Nearly 73 percent of those who don’t have a family doctor have used a walk-in clinic as an alternative. Even for those with family doctors, **almost half** used walk-in clinics as an alternative, and 22 percent have used the emergency room as an alternative. Notably, individuals aged 18-24 with family doctors were less likely to use their family doctor, and more likely to use a walk-in clinic, emergency room, or an online doctor than any other age group.

While these models of care have their role to play in the health system, they are – in most cases – ineffective as wholesale replacements for primary care at the system level in their current form. Julie Drury, a leading patient partnership and engagement advisor⁵, noted that “the one-off piece, while attractive, may be dangerous from a continuity of care point of view”. Not only do emergency or “on-demand” models have issues related to continuity, having patients spend time in an emergency room for a minor issue means less resources and attention dedicated to acute health issues for people that need it. This leads us to question – how do new models of primary care address the gaps in our system and provide a better patient experience?



⁵ Julie Drury is the former Strategic Lead for Patient Partnership at the Canadian Foundation for Healthcare Improvement and former Chair of the Minister’s Patient Advisory Council for Ontario.

Opportunities and considerations for innovation in primary care

As primary care delivery evolves, providers need to clearly define their value proposition, offerings and the mediums they will use to engage patients. Primary care providers will need to be dynamic to meet the evolving needs of patients along with broader system reforms towards integrated care or risk being left behind.

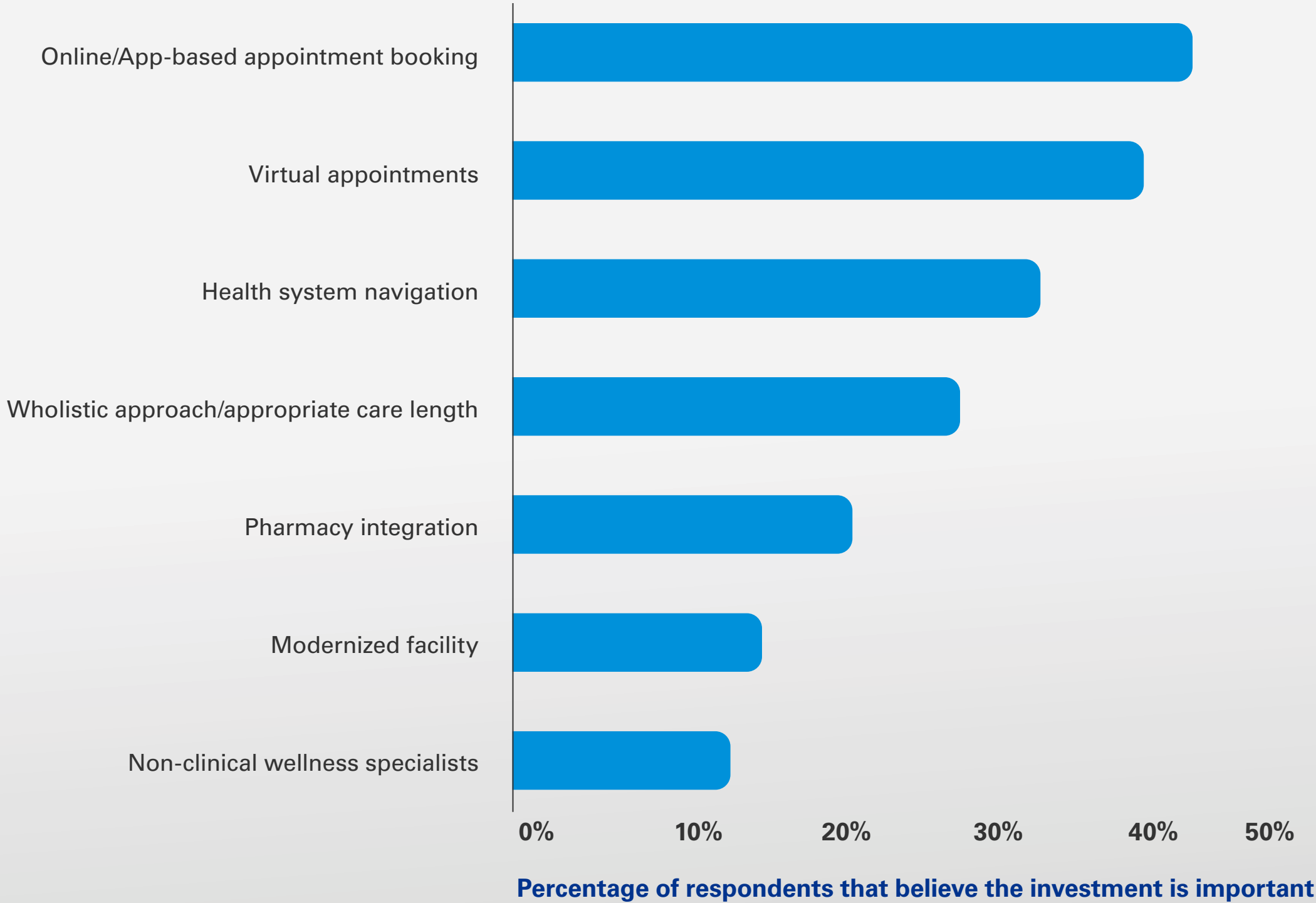
The pandemic has seen a number of new entrants into the primary care space in a variety of new ways including virtual health providers, new clinic models and hybrid models. Existing primary care providers also need to take note as their model of care will need to adapt to meet changing patient preferences. While there is no shortage of opportunity, there is a real risk to providers who do not adapt to the changing care landscape.

KPMG has identified 3 key opportunities and considerations for providers as they look to address gaps and advance care across the primary care system.

1. Enabling new models of care through innovation and opening the digital front door

The opportunity: Though many Canadians remain proud of our Universal Healthcare model, the current system must plan for the adoption of technology-based innovations. In KPMG's recent national survey, Canadians ranked the ability **to utilize virtual care and online booking systems** as their **top priority** of where they hope to see their doctors' offices invest to improve their patient experience. Additionally, 88 percent of respondents felt that doctors' offices in Canada must be innovative in the way they operate and strive to provide a better patient experience to meet today's expectations. Innovators in primary care and new entrants are uniquely placed to design new models of care that address these gaps and open a digital front door to convenient options that place patient priorities at the forefront of primary care.

Where should primary care providers invest to improve patient experience?



Considerations moving forward: Given time and effort, patients will find the most efficient path for them in the healthcare system. As new sector entrants and primary care innovators explore the sector, they should consider their role in ensuring that their service is safe and inclusive.

What this means for primary care innovators: Primary care innovators can directly influence patient and physician experience by providing service through a dedicated brand or institution or, indirectly, by focusing on optimizing back-office technology, developing enhanced communication channels, or analyzing patient behavioural insights. Alternatively, innovators may enter the physical space, laying foundations for innovative healthcare clinics or partnering to create healthcare hubs. There are several ways innovators can address current needs for more patient-centric care delivery models.

2. Enhancing patient engagement and access to care

The opportunity: Innovators have an opportunity to enhance access to care and create a seamless healthcare experience for patients. In KPMG’s survey, 49 percent of Canadians surveyed prioritized building a relationship with their healthcare provider over simply seeing any healthcare professional in a more efficient manner, highlighting patients’ desire for trust and empathy in their healthcare journey and stronger connections with their providers. Innovators can support this need by optimizing patient engagement, providing seamless, omnichannel communication wherever, whenever, and to whomever the patient wishes.

Considerations moving forward: As new entrants enter the primary care space and create additional points of contact for the patient, they should consider how they ensure patient engagement remains intact at all levels. The one-off, convenient, and quick access visit is attractive, but may threaten continuity of care. Additionally, providing on-demand care for some people may create a further divide among the population of people who already struggle to navigate the current healthcare system.

What this means for primary care innovators: Moving forward, solutions need to enhance patient engagement and access to care while also striving for continuity of care and inclusivity. Innovators should consider how they may further enhance access by integrating cultural preferences and equity, diversity and inclusivity training, accountability measures for both patients and physicians, and portals to assimilate caregivers into the patient’s end-to-end journey. Ultimately, innovators who are uniquely placed to help reconstruct the patient’s primary healthcare experience from an annual chore to an integral, personalized, and positive part of a patient’s daily life have a higher chance at success.

Who has done this well?

When looking for ways to engage and lead with patients, innovators in primary care should look for exemplars of both private sector peers and other leading Canadian healthcare organizations who have adopted standards that empower, integrate, and partner with patients in a meaningful way.

- Université de Montréal’s Institute for Patient and Family Centred Care houses a Centre of Excellence on Partnership with patients and the public⁶. This Institute acts as an example of patient partnership, co-designing the curriculum at the Medical School with patients, but also as a critical resource for the larger healthcare community looking to enhance patient partnership in their own spaces. While effective governance models are critical for patient engagement and partnership, technology can play a critical role as well.
- University Health Network in Toronto has provided patients unfettered access to their patient portals, limiting gatekeeping and accepting the role of the patient as a critical part of the care team.

⁶ <https://www.ipfcc.org/bestpractices/ipe/ipe-programs-students-montreal.html>

3. Supporting providers to work at the top of their game

The opportunity: The COVID-19 pandemic has exacerbated health workforce challenges where providers across Canada, and internationally, are looking for innovative solutions to address burnout, mitigate shortages, and improve health human resource planning. Innovators can support the system to optimize the use of health resources by utilizing technology platforms to provide care.

Considerations moving forward: Across the health system, providers are revisiting staffing models, roles, and responsibilities of clinicians to ensure the providers are doing the right type of work for their scope of practice, and patients are receiving care from right types of provider given their needs. As innovators look to evolve care models and elevate our use of technology, it will be important that team-based care comprised of physicians, nurses, allied health staff, and others are working together. It will be important to support clinicians in possessing the right data, analytics and technology skills and accessing the right tools. Innovators can also help remove administrative barriers for providers allowing them to focus their time on providing care appropriate to their skill level.

What this means for primary care innovators: Optimizing the way health human resources are organized and used across the system is a critical need that innovators can address. As we see clinic models scaled to larger sizes and in multiple locations, operators have looked at compensation and operating models that enable success in this type of setup, leveraging leading technologies, removing geographic and physical barriers to care, and enabling health providers to use their time on more patient-facing work.

Who has done this well?

The McMaster Family Health Team offers a turn-key operation for physicians to come in and leverage their skills to deliver quality patient care without the burden of administrative complexity. Additionally, interdisciplinary care teams provide access to a broader range of clinical resources to appropriately support patients, especially those with non-communicable diseases, and helps optimize physician capacity to focus on those with highest need.

The role of government

Eighty-five percent of Canadians believe that government should be playing a more active role in regulating private entrants in the primary care space. In responding to this trend, governments must walk a policy tightrope. Sticking with the status quo will allow ambiguity around privacy and oversight to persist and may cause concerns about privatization to intensify.

However, responding with heavy-handed regulation risks stifling innovation and disincentivizing new models of patient care. The right policy response is one which recognizes these realities – creating clarity on how new private sector delivery entities fit into the public healthcare system and how they will be overseen without creating unnecessary barriers to health system improvement. For clarity, this should not be misinterpreted as commentary on any move towards a two-tiered healthcare system. Rather we must recognize the reality that the majority of our primary care system is made up of private medical corporations owned and managed by family physicians. In charting the path forward, governments should examine the following considerations.

Upholding the values of the Canada health act

The aim of the Canada Health Act is to ensure that all eligible residents of Canada have reasonable access to insured health services on a prepaid basis, without direct charges when they receive services. Each provincial government facilitates the Canada Health Act by enforcing appropriate health levers to ensure access to care, make decisions about which medical services are covered and to fund medically necessary services. The government is tasked with continuously improving the quality, access and sustainability of the health system.



Private sector delivery care is within the realm of the Canada Health Act and already takes place across Canada with family doctors' offices playing the most notable role. Still, there are concerns that increased commercialization of healthcare could threaten the core Canadian value of universal healthcare. In fact, 53 percent of Canadians identified the threat to universal healthcare as a reason why they might be hesitant to seek care at a doctor's office that is owned by a large corporation. Moving forward, government should be clear-eyed about the aim to ensure trust and confidence in the health system.

Data collection and informed consent

Patient data is a rich information source. It allows physicians to make better decisions about patient care, and at the aggregate level, it allows governments to make better health policy decisions. The arrival of new private entrants with a variety of commercial interests into the system complicates how data can, and should, be collected and used. It is also an issue that is top of mind for the public – 96 percent of Canadians stated that data privacy in healthcare is an absolute must.

Data use and monetization poses opportunities across sectors, and healthcare is no exception. Particularly for organizations with service offerings outside of healthcare, the detailed patient data they collect may become a revenue-generating asset, allowing them to better market and target their services.

Providers should also ensure patients provide informed consent and fully understand how their data will be used. Policymakers need to find a way to incentivize innovation to provide better experiences for patients and maximize social utility while not allowing access to data in a way which could be exploited.

Levelling the playing field for all providers

Governments can help level the playing field to ensure traditional primary care providers can deliver care in new and innovative ways as easily as their private sector counterparts.

During the COVID-19 pandemic, most provinces introduced new billing codes to enable physicians to deliver virtual care to their patients. Without this policy decision, traditional primary care providers would have been constrained by a reimbursement framework that did not recognize or enable new care delivery pathways. In some provinces, these new billing codes are only temporary. Governments should examine the structure of their compensation and oversight relationships with providers and determine if they are fit-for-purpose for 2021, 2022 and beyond. Ultimately, creating a level playing field will ensure that patients truly have choice in where they seek care. The goal of governments should be to create policy and regulatory frameworks that guide innovators to become integrators or visionaries in our health system.

Driving value-based care to ensure a high quality, financially sustainable health system

Innovators will best serve the health system if their operating models are designed in alignment with - and in pursuit of - health system objectives. Ultimately, government and society are concerned with value; defined as the health outcomes achieved relative to the dollars that are spent. As new entrants seek to provide care, they must demonstrate value and balance their commercial interests with broader health system goals in order to create a long-term sustainable operating model.

Governments will need to ensure that the infrastructure supporting new entrants and innovators will balance and promote better access to high-quality and financially sustainable care, while holding them accountable and protecting a fair, patient-centred health ecosystem.

Striking the right regulatory balance

The frameworks that most governments have in place to regulate and govern primary care today does not extend to digital-first and non-traditional actors. These actors have emerged in recent years, and as a result have been largely operating in regulatory grey areas. These actors include those operating in virtual care delivery, as well as those that offer physical locations for primary care but have new models and incentives such as co-location in large retail facilities.

As governments move forward there are several strategic questions that must be answered to develop the right regulatory infrastructure, including:

- How should the organizations be classified?
- What is their accountability relationship to government?
- How will this change the relationship between physicians and the government?
- What would a regulatory framework look like that creates accountability while promoting access and competition?
- What performance and quality measures need to be in place?

Governments could explore a range of responses, including bringing these actors under the umbrella of existing legislation and regulations, or creating net new regulations which recognize their unique role in the sector. Regardless of the approach taken, governments must take a proactive and anticipatory approach to crafting the regulatory framework. Ignoring this issue could create friction and disintegration in care delivery and lead to broader downstream challenges and higher costs.

Alberta's Bill 30

Alberta's Bill 30 allows for private corporations to make agreements directly with Alberta Health for publicly funded medical services and operate as an administrator for sub-contracted physicians.

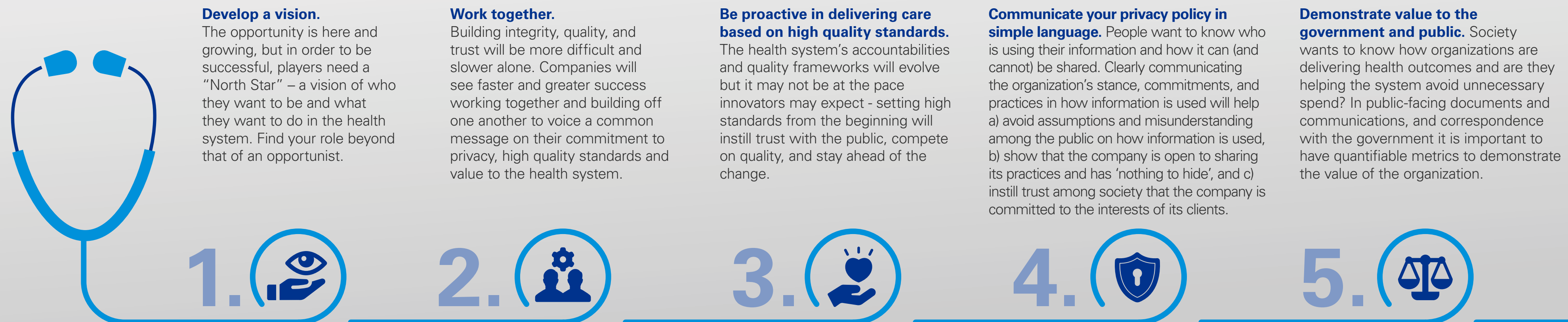
Private corporations can now make agreements to directly bill Alberta Health for publicly funded medical services and operate primary or community care clinics, essentially acting as an administrator that would sub-contract physicians. This means instead of having a collective agreement with Alberta Health, doctors would be bound to employee contracts with these private corporations.

Integrity quality and trust:

A roadmap for primary care providers

The movement of innovators and new entrants in primary care is coming at a time of several other health system transformations and propelled by the impacts of the COVID-19 pandemic. In many ways, this poses opportunities for current players and new entrants to capitalize on the burning platforms for change and meet growing demands in primary care.

In order to do so, innovators need to ensure high quality, integrity, and trust in how care is delivered, governed, and transformed. Key considerations for private players to focus on in their journey to enter the public health system in Canada include:



Methodology

KPMG surveyed 2,000 Canadians aged 18+ from June 14–17, 2021 on Delvinia’s AskingCanadians panel using its Methodify online research platform. The margin of error is \pm 2 percentage points. The survey is a nationally representative sample of the population by age, gender, and region. About a quarter of the respondents identified as BIPOC. Fifty-two percent have annual household income under \$99,999, including 30 percent between \$50,000 and \$99,999; 21 percent earn between \$100,000 to \$149,999 in annual household income; 14 percent said it was over \$150,000; and, 13 percent did not disclose their annual household income.



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