Ontario Hospitals — Leaders in Efficiency

Third Edition

July 2025

Ontario Hospital Association

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About this Document

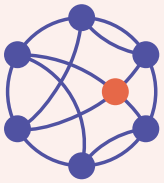
This report provides key information and context regarding Ontario hospitals' long track record of efficiency as well as the significant pressures they are facing today.

Through a brief narrative, together with supporting evidence in the form of a series of descriptive charts, the report offers a wider lens view of the hospital sector's past and present state.

Hospital Efficiency in Context

This report marks the third release of *Ontario Hospitals - Leaders in Efficiency*, providing updated charts and context since its second publication in August 2024. Ontario's hospital sector continues to demonstrate high efficiencies as reflected in the annual "efficiency dividend". In 2024, had Ontario funded hospitals at the average rate per capita of all other provinces, the additional cost to the province would have been $4.4 billion.[1] Ontario's efficiency dividend continues to free up resources for the province to invest in other health and non-health sector priorities.

Ontario hospitals have long operated under a lean model, with persistent capacity pressures — characterized by frequent bed shortages and hallway health care — continuing to strain the system. The vulnerabilities of a system highly focused on efficiency but with insufficient planning and resources to handle unexpected surges in demand were sharply revealed by the COVID-19 pandemic. Despite these constraints, hospitals are resilient organizations and, with government support, stepped up during the pandemic to anchor the provincial COVID response, support other sectors such as long-term care, and provide critical services.



A Legacy of Efficiency

Ontario hospitals' lean operations trace back to over 20 years ago. The then-implemented hospital funding formula successfully controlled costs while promoting fair resource distribution. This approach incentivized hospitals to innovate, leading to more day surgeries, alternative staffing models, and practices reducing admissions. Consequently, Ontario hospitals operate efficiently with fewer beds compared to most other provinces and other developed countries tracked by the Organization for Economic Co-operation and Development (OECD). This has allowed Ontario hospitals to effectively "bend the cost curve" while maintaining quality.

However, throughout this period, while population growth and aging continued, there was a great unmet need for capacity planning at the provincial level. By 2018, hospitals faced severe capacity issues due to systemic shortages, leading to hallway health care and inequitable service access. The allocations provided under the present funding model are insufficient to address modern hospital needs. While hospitals maximized efficiency, this left little room for growth or sudden demand increases, as evidenced during the pandemic.

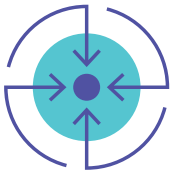
Rising demand plus cost pressures - Transitioning through pandemic recovery, hospitals confronted new challenges in addressing the backlog of care while facing staffing challenges, unforeseen labour cost pressures, general price inflation at rates not seen in decades, and higher COVID-19-related operating costs. Capacity was further strained in fall 2022 with a sharp surge in respiratory illness in combination with intensified reliance on hospitals as primary care and home care sectors remained focused on pandemic recovery.

During this time, hospitals saw a return to high occupancy rates, record long emergency department (ED) wait times, record high numbers of Alternate Level of Care (ALC) patients and worsening hallway health care. This occurred even with the government's commitment to make permanent 3,500 beds that were added during the pandemic.

The 2023/24 and 2024/25 fiscal years brought heightened challenges once again as hospitals faced tremendous financial uncertainty that limited their ability to plan for the long term. The overturning of Bill 124—*Protecting a Sustainable Public Sector for Future Generations Act*, *2019*—resulted in unanticipated retroactive staff payments covering many years, in 2023/24, with financial implications carrying over into 2024/25. In response, the government provided additional in-year funding support in 2024/25.

As of early 2025/26, hospitals of all types and sizes face structural deficits that have accumulated due to staffing growth and compensation, demographics, aging infrastructure, and increased operating costs. Most recently they are facing the added uncertainty of the impacts of the current tariff situation. These ongoing challenges underscore the critical need to maintain financial stability in an environment where COVID-19 and its aftermath have reshaped health care practices, establishing a new normal. Even amid these hurdles, having absorbed considerable cost increases, hospitals remain steadfast in their commitment to maintaining access to care for a growing and aging population.

Demographic Pressures and Future Capacity Needs



A recent report quantifies the burden of illness in the future of Ontario's population.[2] By 2040, 3.1 million people will live with one or more chronic illnesses, such as diabetes, cancer, renal failure and other conditions, up from 1.8 million in 2020. The older adult population, aged 65+, will continue to grow and reach unprecedented highs in the next 15 years. These realities will lead to significant challenges for the province's health system and our communities. The need for a continual process of evidence-based capacity planning including essential staffing has never been greater. Capacity planning is necessary to ensure an appropriate mix of services across sectors — namely home and community care, rehabilitation, long-term care and primary care — to help alleviate pressure on hospitals and to provide patients with the most appropriate care.

The additional funding provided to hospitals throughout the pandemic and beyond due to increased demand and cost pressures has been substantial, but critically necessary. In fact, since 2019, Ontario's population has grown by 13% or approximately 1.8 million. While managing these extraordinary costs, Ontario's hospitals have been fiscally prudent, maintaining their long-standing collective position of having the lowest per capita expenditure by a provincial government.

Controlling costs - Most hospital cost pressures are very difficult to control, especially given that staffing accounts for nearly 70% of all hospital expenditures. To meet increased demand, in the last five years hospitals have added 40,000 net new staffing positions, creating a necessary but unavoidable added expense. Traditionally, hospitals have managed labour cost pressures using finely tuned staffing models to safely respond to patient demands. Current strategies involve maximizing the full scope of regulated health care professionals, introducing teams with a varied skill mix that includes both registered nurses and registered practical nurses, and increasing the use of nurse practitioners and physician assistants, where possible.

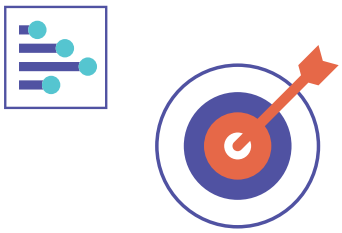
Ontario's hospitals have also optimized collective bargaining to manage costs efficiently. A province-wide central bargaining process avoids the need for nearly 400 separate negotiations, saving approximately $33 million for every bargaining cycle. Ontario's highly efficient process for hospitals has reduced duplication and also managed risk. The overall hospital bargaining outcomes, including those from the Bill 124 reopener arbitration decisions, are lower than the major Broader Public Sector (BPS) average by 0.05% over the last 10 years.

There are countless instances of hospitals improving and streamlining services in various ways. Hospitals are increasingly adopting the latest technology to provide virtual care, using artificial intelligence (AI) to improve wait times and continuing to integrate services with community partners.[3] At the macro level, there has been continued consolidation of hospital corporations as well as sharing of senior staff across organizations to achieve greater efficiency. As of 2025, Ontario has 126 CEOs leading 135 hospital corporations – a consistent reduction in corporations from 141 in 2019 and 225 in 1995.

Achieving a lean financial position is not an end in itself. Given the current demographic pressures, without substantial investment in innovation, productivity-improving technology and higher service volumes, quality will begin to suffer, and access to care will be further challenged. Performance measures need to account for factors beyond efficiency and consider the functionality and structure of the overall health system.

Achieving results - While there is room for improvement and a clear need for reinvestment, Ontario's health system overall performs well in comparison to other provinces. Out of 39 provincially comparable indicators tracked by the Canadian Institute for Health Information (CIHI) that are designated as "more desirable" (above average performance), same as average or, "less desirable" (below average performance), Ontario performs above average on 17, the same as average on 12 and below average on 10.[4] Moreover, provincial government expenditure on hospitals is lower in Ontario than in any other province (at $1,935 per capita for 2024).

Hospital leaders recognize the challenges ahead and are working tirelessly in partnership with government and other health system partners to transform the health care system, while being highly accountable for their operations. Despite significant government investments in health care, these challenges are structural and years in the making. A system-wide approach is essential, as hospitals acting alone cannot manage the ripple effects of service changes on patient flow, staffing, or financial sustainability. Ongoing collaboration with government to advance and modernize hospitals and the broader system is crucial to meeting Ontario's intense demographic demands and continuing to deliver quality care in a highly efficient manner.



The Evidence

The following sections offer key evidence of Ontario hospitals' current and past record of high-performance, as well as the pressures building over the past few years.

Ontario Hospitals Are Fiscally Responsible

Ontario hospital budgets reflect the **lowest hospital expenditure per capita by a provincial government**. If Ontario were to fund hospitals at the average rate per capita of all other provinces it would cost the province an **additional $4.4 billion**.

SAVINGS

Ontario hospitals contribute to:

- **The lowest** health care expenditure per capita by a province
- **The lowest** provincial program expenditure per capita by a province

How Ontario Hospitals Have Done This

CLINICAL INNOVATION

Continuous improvement has led to Ontario having:

- **The second lowest** provincial hospitalization rate
- **The lowest** provincial average length of stay in acute care hospitals

Which results in:

- **The lowest** cost of a hospital inpatient stay in Canada
- **A low rate** of hospital beds per 1,000 population in comparison to most other provinces and other developed countries tracked by the Organisation for Economic Co-operation and Development (OECD)

LEADERS

Hospitals have achieved these results while:

- **Maintaining** quality of care over time
- **Ensuring** a responsible approach to compensation

System Capacity Issues

EVEN IN DIFFICULT TIMES

Hospitals face **record setting**:

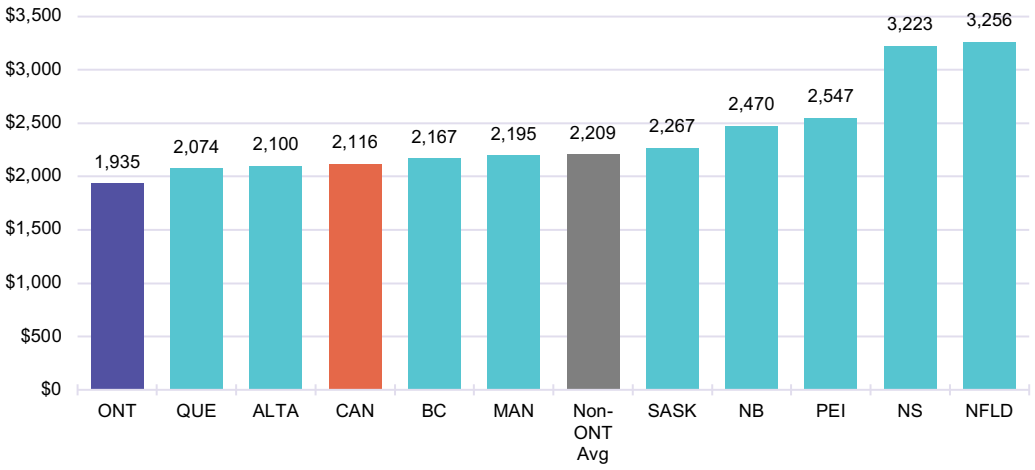
- Emergency department wait times
- Number of patients waiting in emergency to be admitted
- Number of patients designated as Alternate Level of Care (ALC), waiting in hospital for more appropriate services elsewhere
- Population growth and aging

Ontario Government Hospital and Health Spending in Context

Hospital Expenditure

Provincial government expenditure on hospitals is lower in Ontario than in any other province, at $1,935 per capita for 2024. If Ontario were to fund hospitals at the average rate per capita of all other provinces ($2,209) it would cost the province an additional $4.4 billion. This is the **Ontario hospital efficiency dividend**.

Figure 1a
Hospital Expenditure, $ per Capita by Provincial Governments, 2024

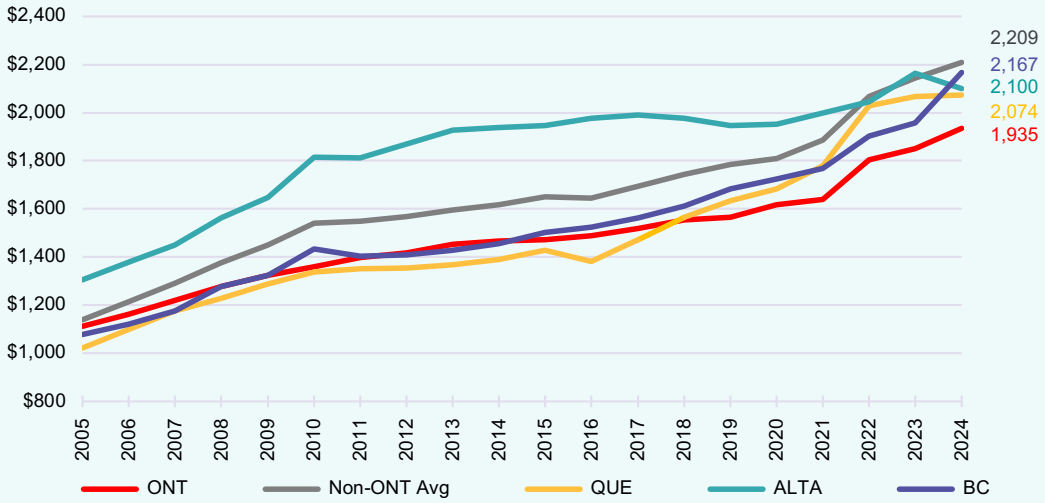


Source: CIHI National Health Expenditure Database, 2024 forecast, Canada includes Territories. Next annual update November 2025.

Per capita hospital expenditure by provincial governments is lowest in Ontario

For two decades, Ontario's hospital expenditure has remained at some of the lowest levels in Canada. Since 2018, Ontario has had the lowest per capita expenditure in Canada.

Figure 1b
Hospital Expenditure, $ per Capita by Provincial Governments, 2005-2024
Four Largest Provinces and Non-Ontario Average



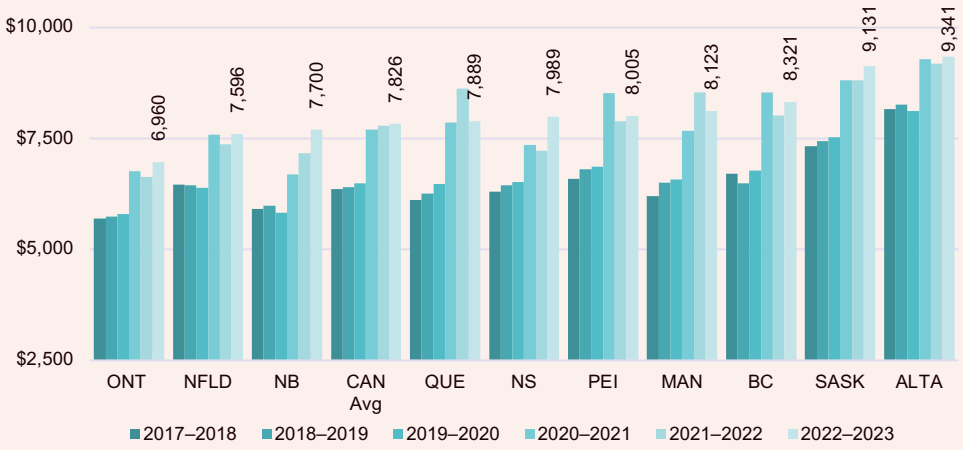
Source: CIHI National Health Expenditure Database, 2023 & 24 are forecast. Next annual update November 2025.

Hospital Unit Cost

Ontario has had the lowest cost of a hospital inpatient stay in five of the last six years. Ontario was 11% lower than the Canadian average in 2022-23, (the most recent year of available data).

In all provinces, hospital unit costs rose significantly with the onset of the pandemic. Fluctuating unit costs from 2020-21 to 2022-23 reflect pandemic costs, more lasting post-pandemic changes to hospital cost structures, demographic pressures and pandemic recovery efforts such as addressing the backlog of surgical and diagnostic services.

Figure 2
Cost of a Hospital Inpatient Stay in $, by Province, 2017-18 to 2021-22



Source: CIHI Your Health System - In Depth. Canada Average includes Northwest Territories and Yukon. Next annual update November 2024.

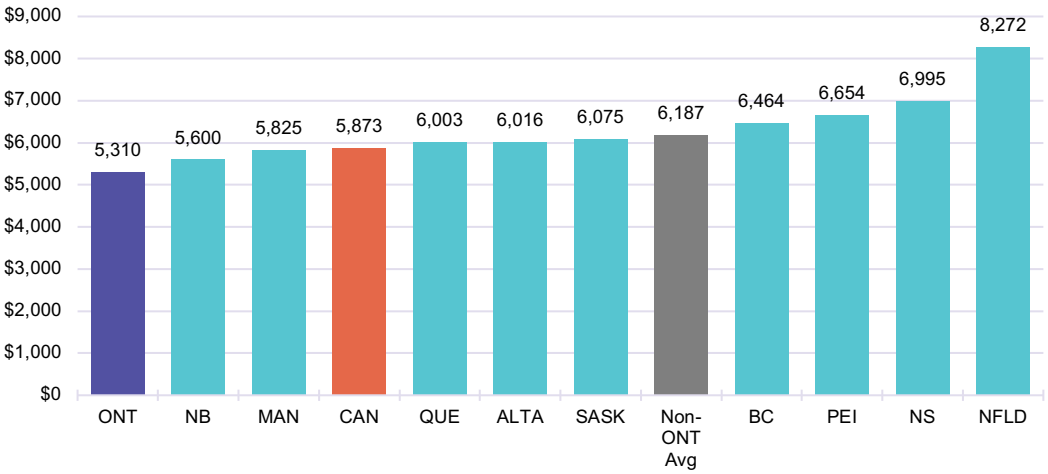
Ontario has the lowest cost of a hospital inpatient stay of all the provinces

Ontario hospitals have continued maintaining lean operations for many years. During a decade of restraint prior to 2016-17, Ontario hospitals faced four consecutive years of 0% increases in base operating funding – the main funding envelope supporting basic requirements and excluding specialized programs or specific targeted funding – from 2012-13 to 2015-16. As a result, hospitals have absorbed a significant portion of costs related to population growth pressures and annual inflationary costs.

Health Care Expenditure

Ontario's provincial government total health care expenditure for all sectors is the lowest of all the provinces at $5,310 per capita for 2024. If Ontario were to fund health care at the average per capita rate of all the other provinces ($6,187) it would cost the province an additional $14 billion. This is the **Ontario health care efficiency dividend**.

Figure 3a
Health Care Expenditure, $ per Capita by Provincial Governments, 2024
All Health Care Sectors* excluding COVID-19 Response Funding



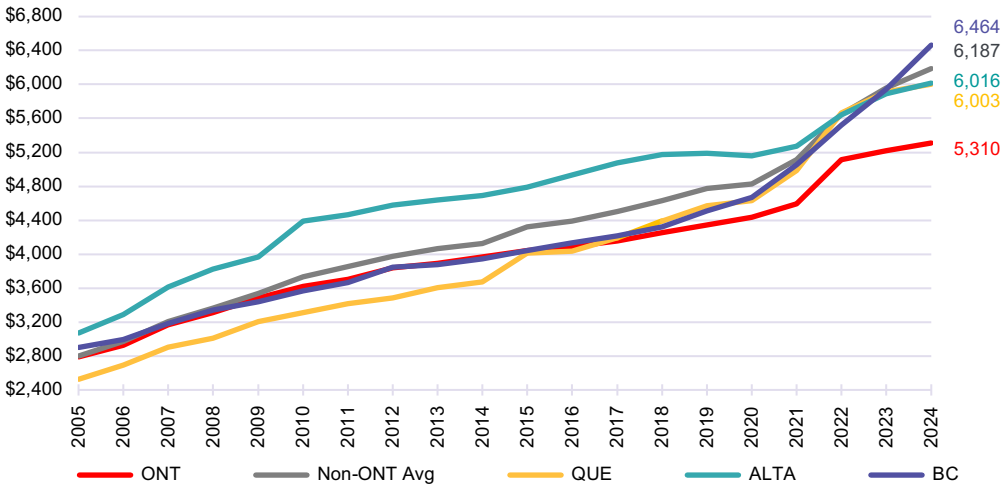
*** Health care sectors include**: hospitals, physicians, drugs, public health, other institutions, other professionals, home and community care, capital, research, health system administration and other. COVID-19 response funding (tracked by CIHI under "Health Care Expenditures" and not under "Hospital Expenditures") was provided in 2020, 2021 and 2022.

Source: CIHI National Health Expenditure Database, 2024 forecast, Canada includes Territories. Next annual update November 2025.

Per capita health care expenditure by provincial governments is lowest in Ontario

Ontario is the lowest and has been below the average for all other provinces for two decades, for all health sector expenditures.

Figure 3b
Health Care Expenditure, $ per Capita by Provincial Governments, 2005-2024
All Health Care Sectors, excluding COVID-19 Response Funding
Four Largest Provinces and Non-Ontario Average



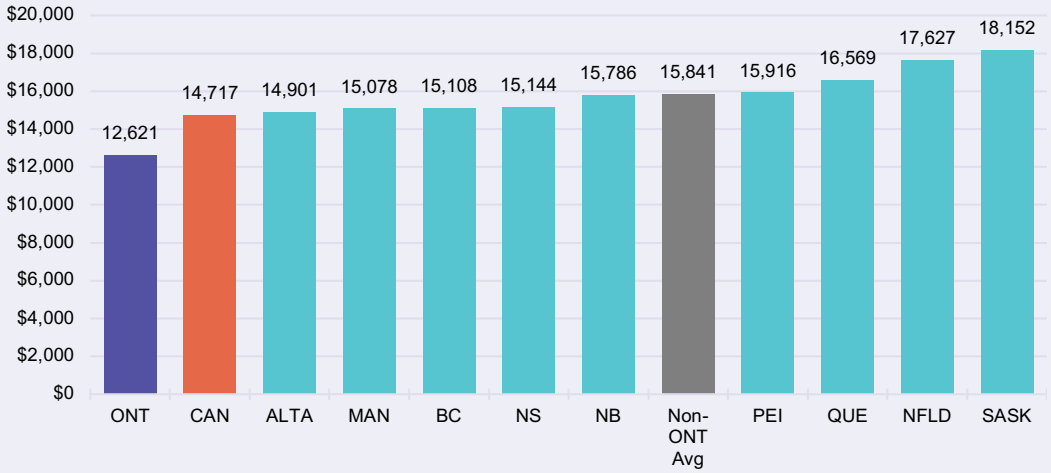
Source: CIHI National Health Expenditure Database, 2023 & 24 are forecast. Next annual update November 2025.

Per capita health care expenditure in Ontario has been in the lowest range in Canada for many years

Provincial Government Program Expenditure

Provincial government expenditure for all programs combined (e.g., health, education, transportation, social services, justice, and others) is lower in Ontario than in any other province at $12,621 per capita for 2022 (latest year available). If Ontario were to fund provincial programs at the average per capita rate for all the other provinces ($15,841) it would cost the province an additional $48.8 billion.

Figure 4a
Provincial Government Program Expenditure, $ per Capita, 2022

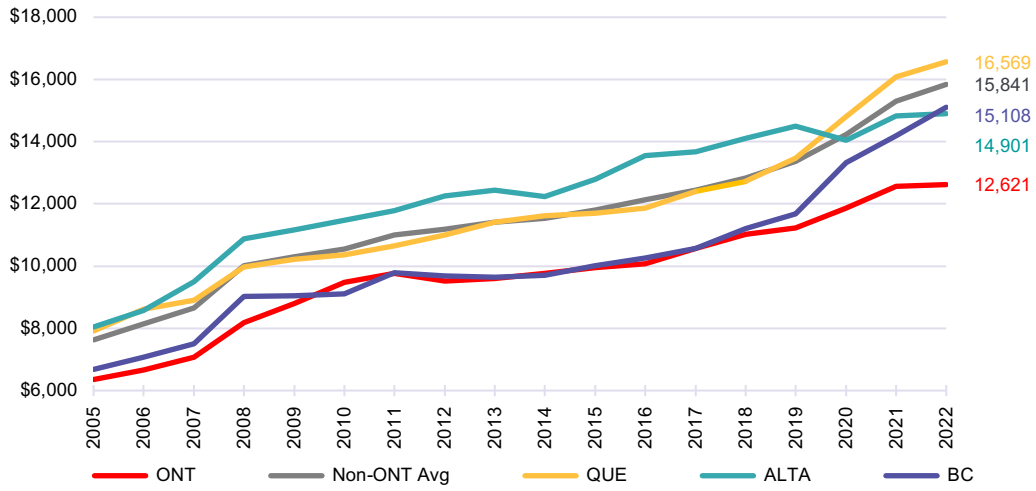


Source: CIHI National Health Expenditure Database, 2022 (latest year available) Canada includes Territories. Next annual update November 2025.

Per capita provincial government program expenditure is lowest in Ontario

From 2005 to 2022 (latest year available), provincial government expenditure on all programs combined has been the lowest in Ontario in all but three years (including provinces not shown).

Figure 4b
Provincial Government Program Expenditure, $ per Capita, 2005 to 2022
Four Largest Provinces and Non-Ontario Average



Source: CIHI National Health Expenditure Database, 2022 (latest year available). Next annual update November 2025.

Per capita provincial government program expenditure in Ontario has been the lowest in Canada over many years

Hospital Wage Settlements

Recent Collective Bargaining Outcomes

Health care is a labour-intensive sector. With approximately 70% of hospital costs attributed to staffing, collective bargaining outcomes have a significant impact on future hospital cost pressures.

The highly efficient central bargaining process for Ontario hospitals has reduced duplication and managed risk.

The overall hospital outcomes, including those from the Bill 124 reopener arbitration decisions, are lower than the major Broader Public Sector (BPS) average by 0.05% over the last 10 years as shown in Figure 5.

Ontario hospitals have taken a responsible approach to compensation

Figure 5
Trend of Collective Bargaining Outcomes (Hospitals) Compared to Relevant Average Outcomes of Other Major Ontario Broader Public Sector (BPS) Employers

Year	Hospital Average Outcomes	Major BPS Average Outcomes	Hospital vs. Major BPS (Negative: hospital outcomes are lower)
2016	1.05%	1.04%	0.01%
2017	1.05%	1.33%	-0.28%
2018	1.40%	1.80%	-0.40%
2019	1.58%	1.80%	-0.22%
2020	1.68%	1.79%	-0.11%
2021	1.76%	2.51%	-0.74%
2022	4.31%	3.01%	1.30%
2023	3.50%	3.09%	0.41%
2024	3.00%	3.35%	-0.35%
2025	3.00%	3.13%	-0.13%
Average/year	2.23%	2.28%	-0.05%

Source: Ontario Hospital Association.

Ontario Hospital Bed Capacity and Usage

Beds vs. Population

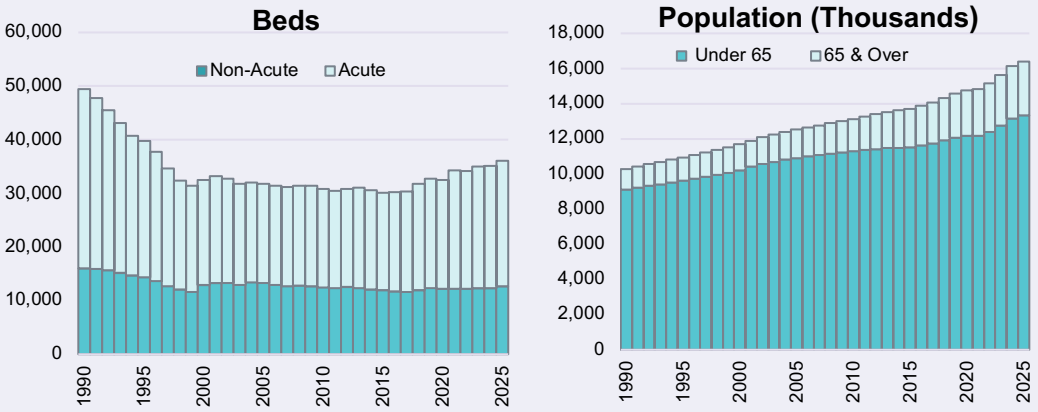
An overall per capita bed reduction occurred worldwide beginning in the early 1990s. In Ontario, bed supply declined sharply in response to fiscal restraint, hospital restructuring and technological change.

From 1999 to 2018, overall bed capacity remained virtually constant while the population increased by 25%. In 2018 and 2019 — prior to the pandemic — additional beds were added to relieve extreme occupancy pressures. Additionally, to better manage strained capacity, hospitals were implementing ground-breaking strategies to improve patient flow and surgical scheduling processes.

The pandemic exacerbated the bed situation, however. To accommodate demand surge and physical distancing protocols, the government announced the further creation of more than 3,500 new hospital beds which have now been made permanent. These beds are essential to managing additional demand due to the high population growth experienced in recent years. Since 2019, Ontario's population has grown by 13% or approximately 1.8 million.

As of March 2025, the total number of hospital beds is approximately 36,000 of which 65% are acute care beds.

Figure 6
Ontario Hospital Bed Capacity vs. Population, 1990 to 2025



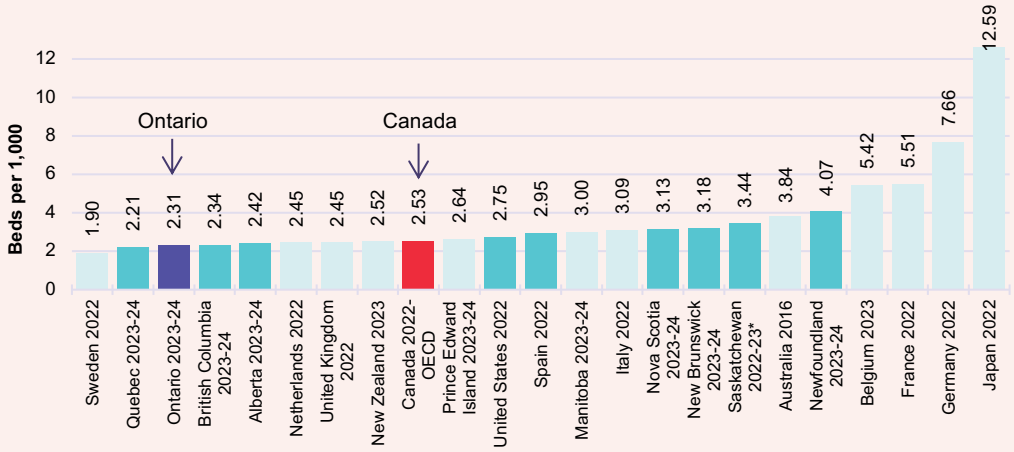
Sources: Ontario Ministry of Health and Ontario Health Bed Data; Statistics Canada Population Data.

Ontario hospital beds have increased in the past several years after almost two decades of virtually no change

Ontario has the second lowest number of total hospital beds (all types) per 1,000 population in Canada, at 2.31. When comparing the province of Ontario with developed countries that are tracked by the OECD, only Sweden has fewer beds.

Ontario continues to have low numbers of total hospital beds per 1,000 population

Figure 7
Total Hospital Beds per 1,000 Population, 2016 to 2023-24
Ontario vs. Other Provinces and Selected Countries

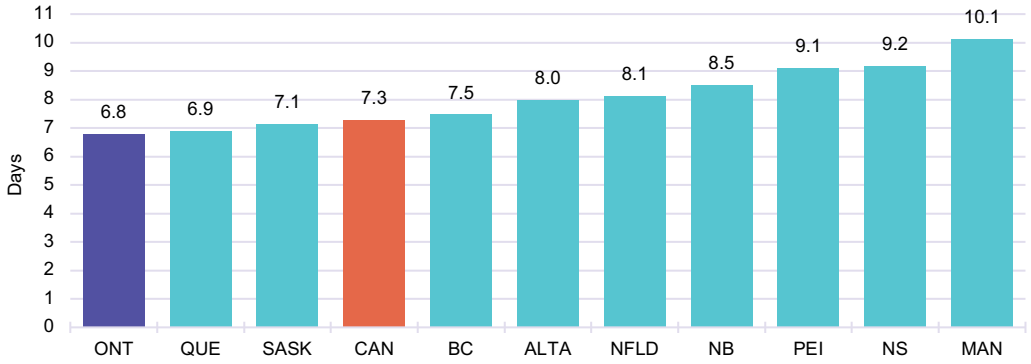


Sources: OECD Health Statistics as of May 2025; CIHI Hospital Beds Staffed and In Operation 2023-24. Most recent year available for each jurisdiction shown. CIHI notes that 2022-23 bed counts for Saskatchewan hospitals may be overstated due to data quality issues; no Saskatchewan update available for 2023-24.

How Hospitals Have Managed – Shorter Stays, Fewer Hospitalizations

To accommodate Ontario's growing and aging population while facing a shortage of beds, hospitals continue working to shorten stays, reduce the need for hospitalizations (through greater use of same-day procedures and outpatient services) and a host of other innovative quality and operational improvement efforts.

Figure 8a
Inpatient Average Length of Stay in Days, by Province, 2023-24
Acute Care Hospitals, Age Standardized

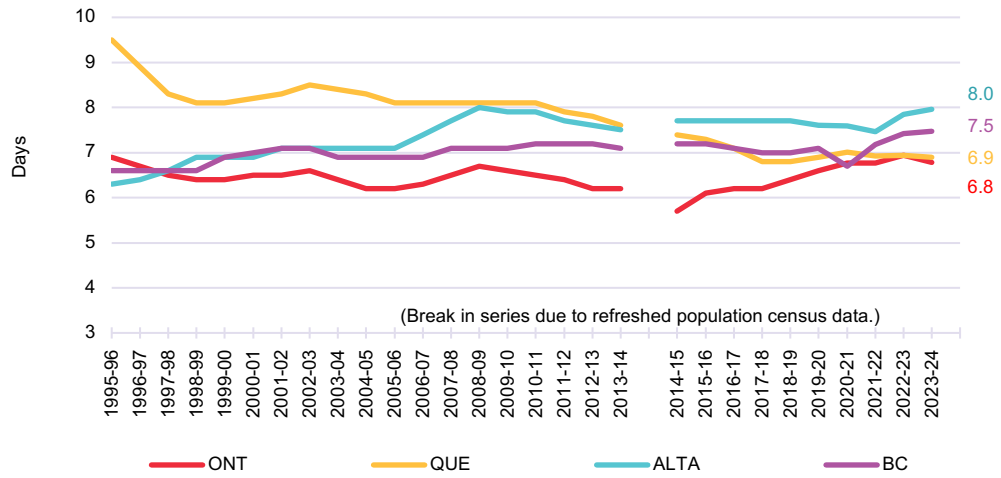


Source: CIHI Hospital Stays in Canada. Next annual update expected February 2026.

Ontario has the lowest average length of stay

There are limits to how much and how fast lengths of stay can be reduced. For some types of patients, the average length of stay (ALOS) may be longer today than it was in the past. If preventative care or outpatient care is readily available, only the most acutely ill will need hospitalization. Similarly, a shortage of home and community care for those discharged from hospital may contribute to a longer stay. Among the four largest provinces, Ontario had the shortest ALOS in all years but one since 1997-98. Compared to all other provinces (not shown), Ontario has had the lowest rate since 2011-12 apart from 2020-21. To achieve even lower lengths of stay, while avoiding a rise in readmissions, Ontario requires increased coordinated home care, rehabilitation services, long-term care and primary care.

Figure 8b
Inpatient Average Length of Stay in Days, by Province, 1995-96 to 2023-24
Acute Care Hospitals, Age Standardized, Four Largest Provinces

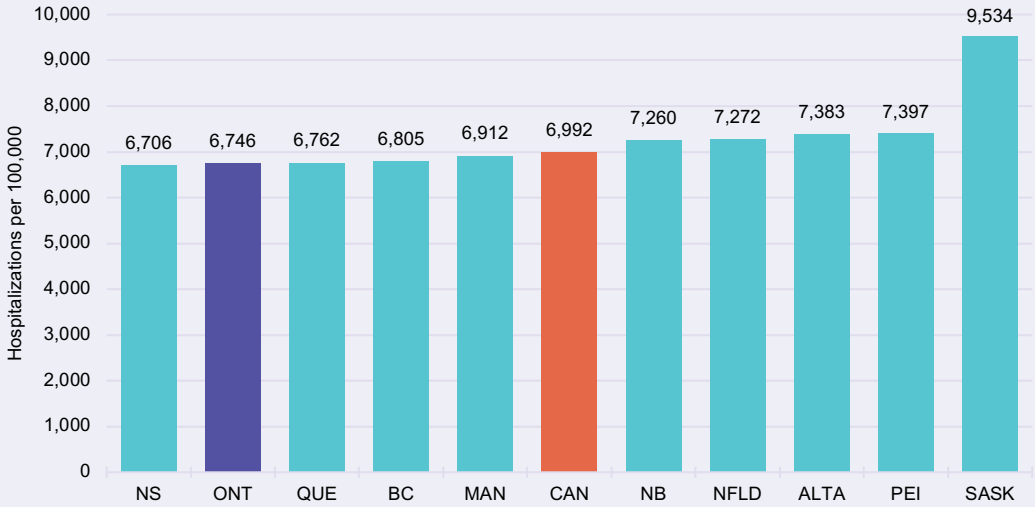


Source: CIHI Hospital Stays in Canada. Next annual update expected February 2026.

For many years, Ontario acute care hospitals have had the shortest average length of stay

Ontario has had the lowest hospitalization rate among the provinces in all but two years since 1995. As of 2023-24 Ontario has the second lowest rate.

Figure 9a
Inpatient Hospitalization Rate per 100,000, by Province, 2023-24
Acute Care Hospitals, Age-Sex Standardized

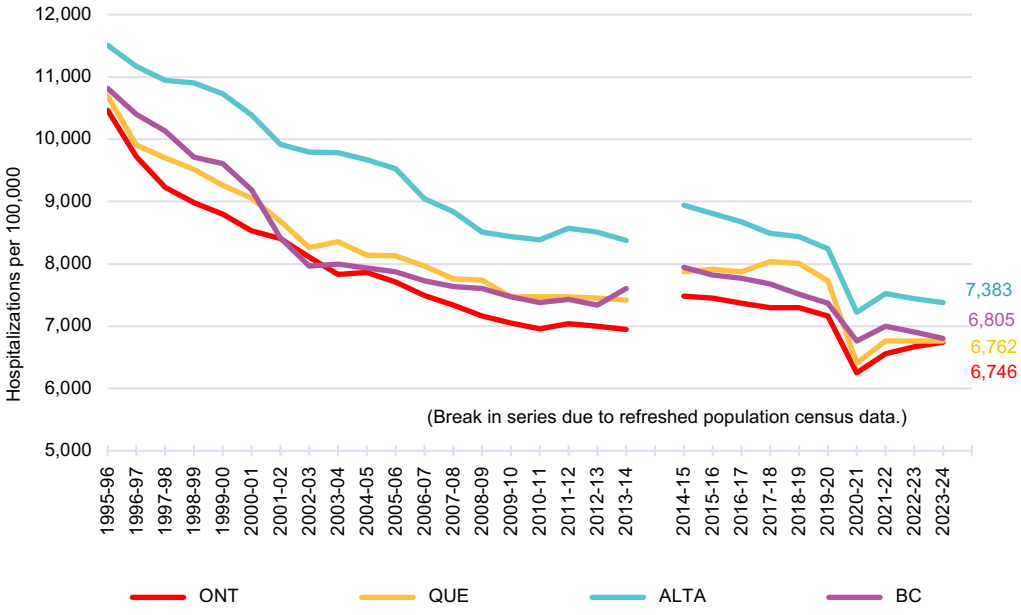


Source: CIHI Hospital Stays in Canada. Next annual update expected February 2026.

Ontario has the second lowest hospitalization rate

Over the years, provincial hospitalization rates have declined with a sharp drop occurring during the pandemic. In recent years, rates have been converging with several provinces more closely aligned than in the past.

Figure 9b
Inpatient Hospitalization Rate per 100,000, by Province, 1995-96 to 2023-24
Acute Care Hospitals, Age-Sex Standardized, Four Largest Provinces



Source: CIHI Hospital Stays in Canada. Next annual update expected February 2026.

Signs of Capacity Pressure

Alternate Level of Care

ALC is a major, long-standing challenge resulting from a lack of system capacity and access to services outside the hospital. The largest single group of patients designated as ALC are waiting for a place in a long-term care facility, while others are waiting for home and community care support services, supervised or assisted living, rehabilitation, complex continuing care, palliative care, mental health supports or other services.

As system capacity pressures rise, timely access to care becomes more difficult

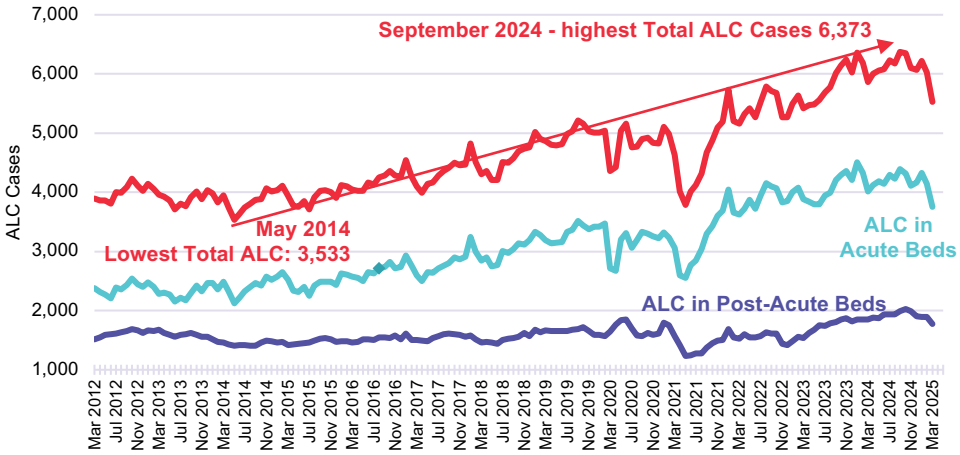
ALC is linked to increased adverse events such as infections and triggers a ripple effect in the health care system, straining EDs and contributing to long ED waits and surgical delays. When there is a lack of physical space in an ED, patients wait in a hallway bed or in another "unconventional" location. This situation became particularly severe prior to the pandemic. In some instances, bed shortages have led to cancelled elective surgeries.

Throughout the pandemic the need for physical distancing, along with overall health system disruption, reduced the number of available inpatient beds, worsening the ALC situation. In fall 2022, a severe surge of respiratory illness brought a return of hallway health care. In response, additional dedicated ALC beds were opened in reactivation care centres and alternate health facilities which has allowed the ALC count to rise. While this has mitigated the pressure on hospitals, these additional dedicated ALC beds must be resourced, and ultimately mean even more patients designated as ALC are waiting for appropriate alternate placement.

ALC cases reached record highs during September 2024

In September 2024, the number of ALC patients reached a record high. Since then, ALC volumes have remained consistently higher than in previous years.

Figure 10
Ontario ALC Cases (Total, Acute and Post-Acute), March 2012-March 2025



Source: Ontario Health.

High ALC rates have a ripple effect leading to long ED wait times and high numbers of patients in the ED waiting for a regular bed

Emergency Department

While Ontario hospitals have reported significantly higher than normal ED wait times for the past few years, hospitals will always be there to care for the communities they serve, no matter the circumstance.

Wait times normally vary due to seasonal illnesses such as the flu. During the pandemic, wait times were impacted with the postponement of scheduled surgical procedures and diagnostics as well as implementation of infection prevention and control protocols.

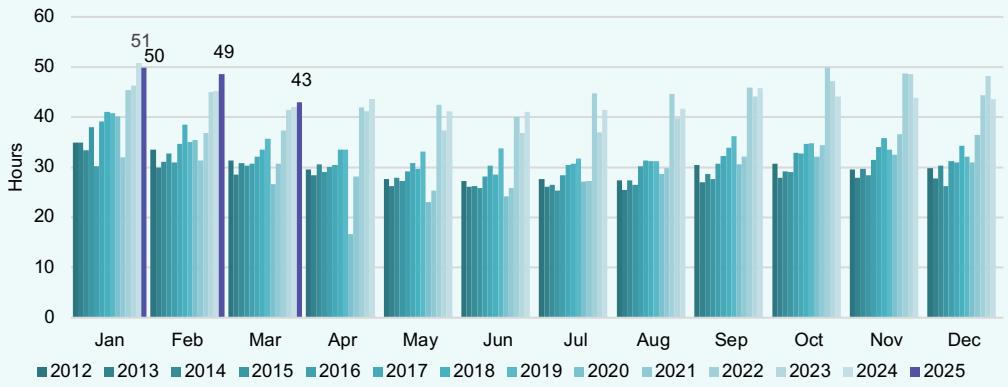
The steep rise in wait times that occurred in 2022 was attributed to a surge in demand due to respiratory illness and patients who had delayed visiting hospitals due to COVID-19 restrictions. This created challenging staffing conditions, compounded by increased sick time and higher staff vacancy rates at the time. Fall 2022 was exceptionally difficult due to the triple threat of COVID-19, influenza and RSV, a virus primarily affecting children.

At the provincial level, key staffing metrics have since improved and the hospital workforce has grown by 40,000 net new positions attributed to concerted hospital efforts as well as supportive government funding and policy initiatives. However, this growth is not even across all parts of the province, and service delivery in smaller, rural and northern hospitals is more sensitive to variances in staffing levels.

The longest-ever ED wait times were reached in January 2024, when 10% of patients to be admitted as an inpatient waited over 51 hours, while 90% waited under 51 hours. This is called the "90th percentile" wait time.

Long ED wait times have been worsening for the past few years

Figure 11
Ontario ED Wait Times in Hours for Admitted Patients, by Month, 90th percentile (90% of patients waited fewer hours, 10% waited more hours), 2012 to 2025



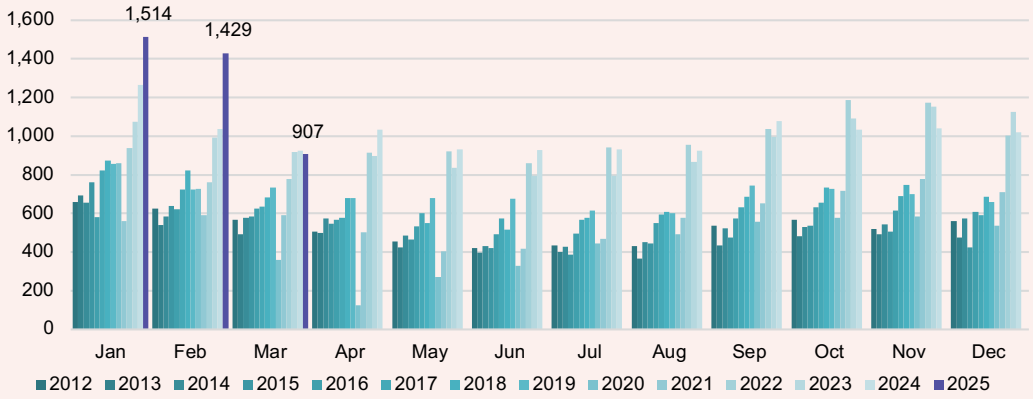
Source: Ontario Health.

Ontario EDs have become busier, with higher numbers of patients waiting for inpatient beds

While the pandemic led to fewer people coming to the ED, the numbers eventually rebounded. The increasing number of ED patients waiting at 8:00 am for an inpatient bed rose sharply in 2022 and has remained high. This measure reflects the fact that patients are not being cleared out of the ED fast enough due to bed availability and overall increased service demand.

A new record high was reached in January 2025 with an average of 1,514 people waiting at 8:00 am for an inpatient bed.

Figure 12
Ontario Daily Average Number of Patients Waiting for a Bed at 8:00 am, 2012 to 2025



Source: Ontario Health.

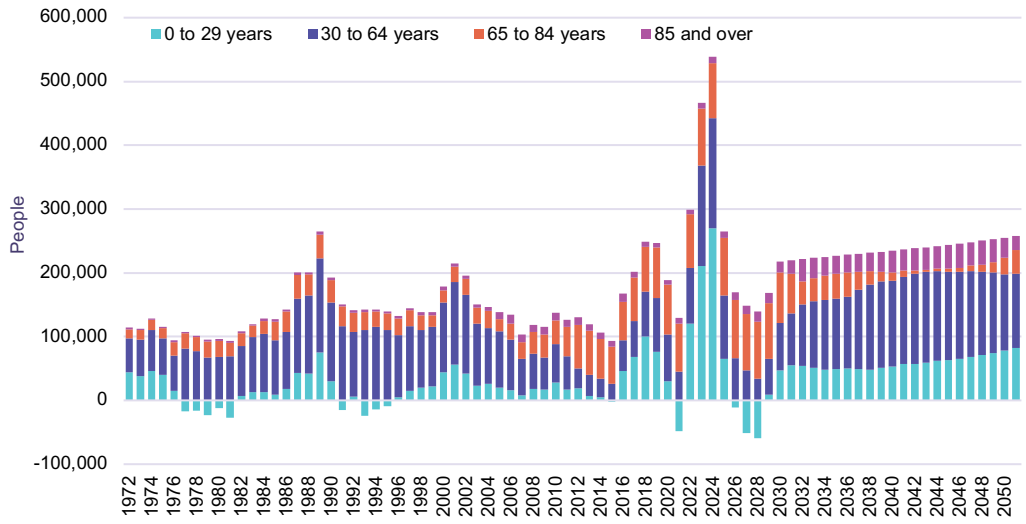
Future Outlook: Continuing Demographic Pressures

Ontario's long-standing capacity pressures intensified with the recent population spike in addition to ongoing population aging. After decades of steady growth rates, in 2016, the population increased much faster (with a decline during the early pandemic). From 1972 to 2015, the average annual population increase was approximately 1.3%. Since 2016, Ontario has grown by 2.3 million with some regions seeing 5% to 6% growth in a single year.

In 1990, one in nine people were over age 65; in 2024, the figure was one in five. Continued population growth and aging means there will be more people with chronic illness which presents greater capacity pressures across the health system.

According to a recent study on the projected patterns of illness in Ontario, by 2040, it is anticipated that 3.1 million people will live with one or more chronic illnesses such as diabetes, cancer, renal failure and other conditions, up from 1.8 million in 2020.[5]

Figure 13
Year-to-Year Change in Population, Actuals 1972 to 2022, Projections 2023 to 2051



Sources: Statistics Canada for actuals from 1972 to 2022. Projections for 2023 onward: Ontario Ministry of Finance Projections Fall 2024.

Ontario's population grew by 2.3 million since 2016

In 2024, one in five people were over 65

By 2040, 3.1 million people are projected to live with one or more chronic illnesses

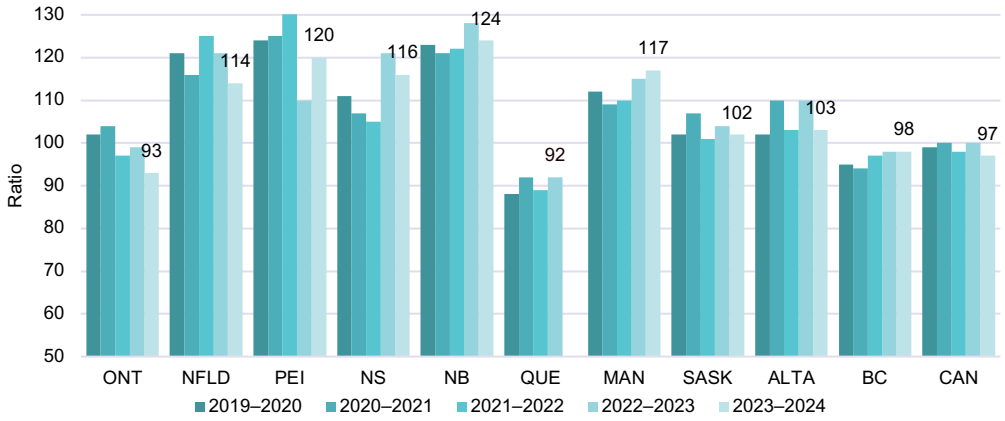
Quality of Care – Broad Measures

Hospital Standardized Mortality Ratio

One important hospital quality indicator is the Hospital Standardized Mortality Ratio (HSMR). CIHI states: "This indicator of health care quality measures whether the number of deaths at a hospital is higher or lower than you would expect, based on the average experience of Canadian hospitals. When tracked over time, this measure can indicate whether hospitals have been successful in reducing patient deaths and improving care."[6] The current indicator calculation includes COVID-19 cases.[7] Ontario's HSMR has been declining (improving) over time and according to CIHI, is above the average performance for Canada for 2023-24.

Three broad quality measures demonstrate Ontario's performance over the past few years

Figure 14
Hospital Standardized Mortality Ratio (HSMR), by Province, 2019-20 to 2023-24 (Lower is better)



Source: CIHI Your Health System - In Depth. Quebec data are for 2019-20 to 2022-23. Next annual update expected November 2025.

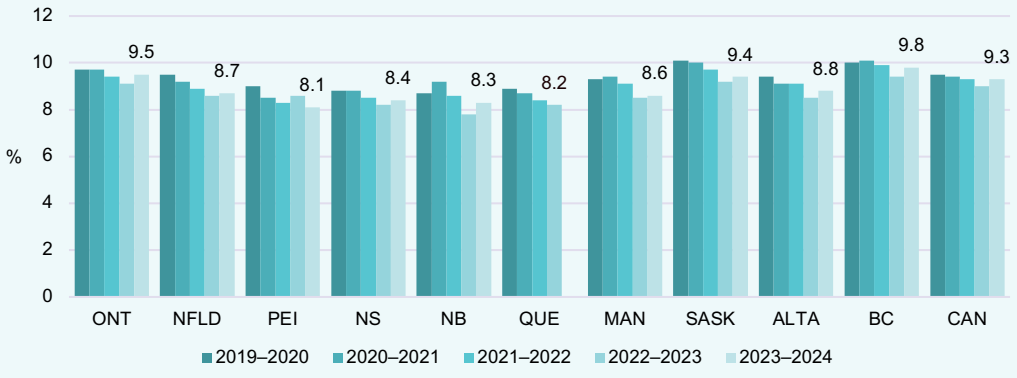
Ontario's HSMR performance in 2023-24 is above the average for Canada (lower ratio) with a favourable downward trend over several years

Hospital Readmission Rate

Another key quality indicator is the Hospital Readmission Rate (risk-adjusted to account for the range of severity of illness across patient types). Ontario's rate had been improving (reducing) up until 2022-23 although an increase in 2023-24 saw Ontario below the average performance for Canada, according to CIHI.

Ontario's readmission rate performance is below the national average

Figure 15
Percentage of Patients Re-Admitted within 30 Days, by Province, 2019-20 to 2023-24 (Lower is better)



Source: CIHI Your Health System - In Depth. Next annual update expected November 2024.

Timeliness of Hip Fracture Surgery

ED patients are not only waiting for inpatient beds, but some are also waiting for emergency surgery. One indicator of a system under stress and the level of quality of care, is the timeliness of hip fracture surgery.

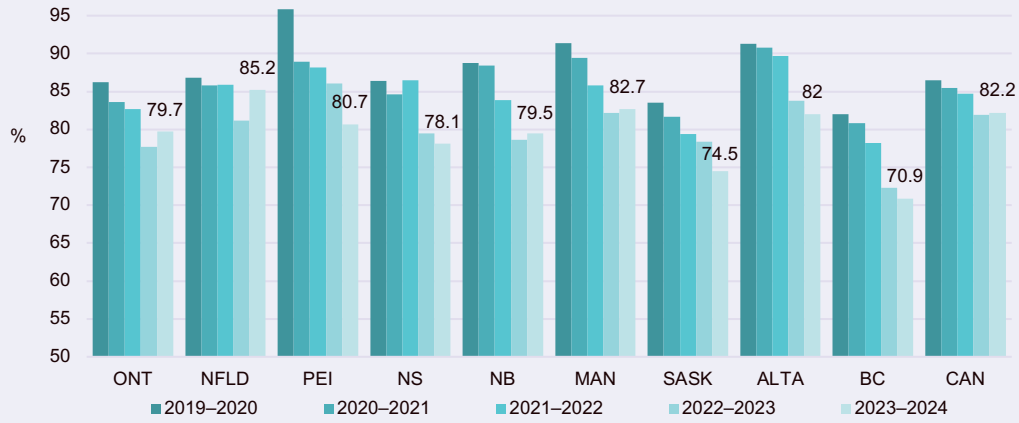
Timely access to emergency hip fracture surgery is a key access and quality indicator

According to the Canadian Medical Association, delays in hip fracture surgery increase a person's risk of death.[8] This is due to several factors, including blood clots (due to being bed-bound) or fasting before surgery (worsened if surgery is cancelled and rescheduled).[9]

A 48-hour benchmark for receiving hip fracture surgery was set by a national committee of Health Ministers in 2005.[10] The rate has been declining in recent years across Canada. The percentage of Ontario hip-fracture patients receiving surgery within the 48-hour benchmark was 79.7% in 2023-24, which is an improvement over the previous year. According to CIHI, Ontario's rate is below the average performance for Canada in 2023-24.

Figure 16
Percentage of Hip Fracture Surgeries Performed Within 48-Hours, by Province, 2019-20 to 2023-24
(Higher is better)

Ontario, as well as all other provinces, has seen this indicator worsen in recent years which is reflective of hospitals under stress

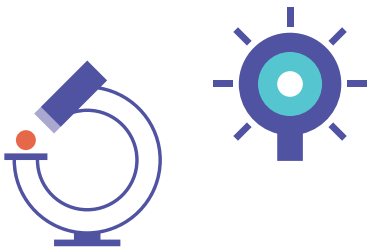


Source: CIHI Your Health System - In Depth. Quebec data not available. Next annual update expected November 2025.

Conclusion

The evidence in this report demonstrates how efficient Ontario hospitals have been for many years. It also lays bare the limitations of efficiency as an end-goal in itself, as has been the case in the health system for two decades. While Ontario's health care system has demonstrated resiliency in rising to a crisis and urgent-level demands, we now know that the status quo and funding models of the past are no longer sufficient. We need system level thinking and planning — to respond to the unprecedented challenges of today, and tomorrow.

Over time, the strain on the sector has left hospitals with little ability to expand to manage surges in demand — be it the increasing needs of the population, or the next pandemic. Additional beds and increased staffing support will help. However, what will shape the health system to meet future needs is further investment in research and innovation to change the way hospitals work. It's a necessary next step toward adaptability, and to ensure the delivery of both efficient and high-quality care to Ontario's growing and aging communities.



Sources and Notes

1 Ontario Hospital Association calculation using data from the Canadian Institute for Health Information (CIHI) National Health Expenditure (NHEX) Database 2024. https://www.cihi.ca/en/national-health-expenditure-trends

2 Rosella LC, Buajitti E, Daniel I, Alexander M, Brown A. *Projected patterns of illness in Ontario*. Toronto, ON: Dalla Lana School of Public Health; 2024.

3 A few examples include:

Virtual Stepped-Care Mental Health Program at Montfort Hospital: https://www.oha.com/news/virtual-mental-health-program-with-a-stepped-care-approach

AI-assisted mental health and addiction care triage at Kingston Health Sciences Centre: https://www.oha.com/news/using-ai-to-cut-wait-times-for-patients-in-need-of-mental-health-care

Rural Nurse Practitioner Led Clinic at West Parry Sound Health Centre: https://www.wpshc.com/programs-and-services/nurse-practitioner-led-clinic/

Social Medicine Program at University Health Network: https://www.uhn.ca/corporate/AboutUHN/SocialMedicine/Pages/default.aspx

Shared electronic health records system among hospitals in Eastern Ontario: https://www.ottawahospital.on.ca/en/newsroom/one-patient-one-chart-more-hospitals-join-epic-digital-health-records-system-in-eastern-ontario/

Advanced AI Wound Care Network at Brightshores Health System: https://www.oha.com/news/ai-wound-care-will-shape-the-delivery-of-care-in-rural-communities

Telepsychiatry Service for under-served regions of Ontario at Baycrest: https://www.oha.com/news/telepsychiatry-goes-the-distance-for-aging-adults-in-rural-ontario

4 Canadian Institute for Health Information. (2024). "*Your Health System-In Depth*". https://www.cihi.ca/en

Note: CIHI's Your Health System-in Depth website provides 44 health system indicator results for Ontario. For 39 of these indicators, CIHI conducts a statistical assessment to determine whether an indicator is above, below or at the average and has further designated "above" or "below" average as "more desirable" or "less desirable". For the remaining five of the 44 indicators, there is no designation made as to whether the indicator result is "more desirable" or "less desirable".

5 Rosella LC, Buajitti E, Daniel I, Alexander M, Brown A. *Projected patterns of illness in Ontario*. Toronto, ON: Dalla Lana School of Public Health; 2024.

6 Canadian Institute for Health Information. (2023). Your Health System. https://www.cihi.ca/en

7 Canadian Institute for Health Information. (2023). Hospital Standardized Mortality Ratio (HSMR): Frequently asked questions. https://www.cihi.ca/en/hospital-standardized-mortality-ratio-hsmr-frequently-asked-questions#_faq3

8 Sobolev, B. et al. (2018, August 7). Mortality effects of timing alternatives for hip fracture surgery. CMAJ 190 (31) E923-E932. https://www.cmaj.ca/content/190/31/E923

9 Leung, W. (2018, August 6). Delayed surgery for hip fractures cause of preventable deaths, study finds. Globe and Mail. https://www.theglobeandmail.com/canada/article-delayed-surgery-for-hip-fractures-cause-of-preventable-deaths-study/

10 Canadian Institute for Health Information. (2019). Wait Times for Priority Procedures in Canada, 2019: Technical Notes. https://www.cihi.ca/sites/default/files/document/pdf-hfr-tech-notes-en-web.pdf