

# Comparative Analysis of Public Health Care Systems and Call of Reform in Canada

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This comparative literature review critically examines the challenges facing Canada's public healthcare system, with a focus on primary care accessibility, workforce distribution, and administrative efficiency. Drawing upon peer-reviewed articles, policy documents, and global health databases, this study analyzes the healthcare systems of Brazil, China, and Germany to extract lessons for Canadian reform. Sources were retrieved from PubMed, WHO databases, and national health portals, with inclusion criteria emphasizing recency (post-2018), national-scale impact, and system-wide evaluations. Key findings highlight Brazil's Family Health Strategy as a successful model of decentralized, community-based care that increased primary access by 23% in underserved regions. China's dual public-private system, with over 95% population coverage and a 20% reduction in drug prices through volume-based procurement, demonstrates effective administrative reform. Germany's statutory insurance model exemplifies integrated, cost-efficient care with only 11.7% of GDP spent on healthcare compared to Canada's 12.9% with worse wait times. In contrast, Canada's limited preventative funding (9%), uneven physician distribution, and siloed service delivery impede healthcare equity and efficiency. This study proposes targeted reforms: increasing primary care spending to 20%, integrating dental and pharmaceutical coverage, and piloting decentralized funding models. Limitations include reliance on secondary data and absence of longitudinal analysis. Future research should involve natural experiments and time-series evaluations of policy interventions.

## 1 Introduction

Canada's Medicare system has long been a source of national pride. However, its increasingly evident inefficiencies – from rising wait times to poor integration of care – raise pressing questions about its sustainability. A 2023 WHO report ranked Canada 29th in administrative efficiency, despite its position as one of the top 10 global spenders on healthcare. This paradox prompts a critical question: why does Canada spend so much for relatively average outcomes?

This study seeks to answer that question by conducting a comparative literature review of Canada's healthcare system alongside those of Brazil, China, and Germany. These countries were chosen for their diverse models: Brazil's decentralized, community-driven care; China's hybrid insurance structure with massive coverage; and Germany's social health insurance scheme known for high efficiency. Each system offers distinct strategies for delivering equitable, cost-effective primary care.

Research Questions:

1. What structural and policy-level factors enable Brazil, China, and Germany to achieve better health outcomes with equal or fewer resources compared to Canada?
2. What reform strategies can Canada adopt to improve primary care access, reduce inefficiencies, and expand cover-

age for essential non-medical services?

### 1.1 Theoretical Framework

This study is grounded in the Health Systems Performance Assessment (HSPA) framework, focusing on three comparative dimensions: (1) Coverage & Inclusivity, (2) Administrative Efficiency, and (3) Equity for Vulnerable Populations. These pillars are used to analyze how institutional design influences care outcomes and systemic equity.

### 1.2 Literature Review and Need for Study

Recent literature on Canadian healthcare underscores fragmented service delivery, long specialist wait times (up to 27.4 weeks in 2023), and poor integration of mental health services. Smith et al. (2021) critique Canada's over-centralized funding and lack of interprovincial coherence, while the Canadian Institute for Health Information (CIHI) reports that only 14% of total health spending goes to primary care. In contrast, Germany allocates 25%, Brazil 22%, and China 18%, reflecting a stronger focus on early intervention.

Brazil's Family Health Strategy (FHS) has been widely studied as a model of successful decentralized care. Muratore et al. (2023) documented that regions with high FHS penetration saw

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a 13% decrease in hospitalizations for preventable conditions. China's volume-based procurement policies and digital health platforms have curbed costs while extending access to rural populations, according to Eversana (2023). Germany's SHI model consistently ranks among the most efficient globally due to its emphasis on integrated care, negotiated drug pricing, and strong preventive services.

Yet, few studies synthesize these models comparatively with Canada. This gap highlights the necessity of this review: by identifying actionable reforms through structured international comparison, we can offer Canada evidence-based policy direction.

### 1.3 Summary of Comparative Studies

In Table 1, while Canada shares demographic and income traits with Germany, it lags significantly in access equity and administrative performance. Likewise, it can learn from China's digitalization strategies and Brazil's community-oriented models that effectively serve rural populations.

### 1.4 Significance and Purpose of the Study

This paper contributes a multi-country policy comparison tailored to address Canada's structural healthcare gaps. The findings are timely, aligning with recent policy debates over expanding mental health services and the Canadian Dental Care Plan. By mapping systemic strengths from Brazil, China, and Germany onto Canadian needs, this paper provides a data-driven foundation for reform advocacy.

### 1.5 Scope and Limitations

This study focuses exclusively on primary care systems and policy-level structures; it does not examine clinical outcomes or tertiary care performance. Limitations include reliance on secondary data and the exclusion of low-income countries for better comparability. Bias may also arise from language barriers in some primary documents.

The next section will present detailed findings structured by the three comparative pillars, followed by actionable reform proposals tailored to Canada's policy landscape.

## 2 Methodology

### 2.1 Search Strategy

A systematic search was conducted between January and March 2024 across the following databases: PubMed, JSTOR, Scopus, Google Scholar, WHO Global Health Observatory, and national health ministry websites. Keywords included combinations of:

("primary healthcare" OR "public health system") AND ("Canada" OR "Brazil" OR "Germany" OR "China") AND

("reform" OR "policy" OR "coverage" OR "efficiency" OR "equity").

Boolean operators were applied to refine results. Filters were applied for language (English only), publication type (peer-reviewed or government/policy report), and publication year (2018–2024).

### 2.2 Inclusion Criteria

Studies were included if they:

- Evaluated national healthcare policy or system design
- Were published between 2018–2024
- Focused on primary care, funding models, or administrative reform
- Were from credible academic or governmental sources (e.g., WHO, OECD, CIHI)

Exclusion criteria included:

- Clinical trials or tertiary-care case studies
- Commentaries/editorials without empirical evidence
- Sub-national studies not applicable to national systems

### 2.3 Data Extraction

For each selected document, the following were extracted into a comparison matrix:

- Country and system type
- Publication date and authorship
- Research design (e.g., policy review, statistical report, meta-analysis)
- Key outcomes (e.g., access rates, cost trends, mortality reduction)
- Implementation mechanisms and health equity indicators

### 2.4 Synthesis Method

Data was synthesized using narrative comparative analysis, structured around the three dimensions noted above. Each country's performance was analyzed within these dimensions to identify strengths, limitations, and potential applicability to Canada. A comparative table was developed to summarize similarities and differences, and statistical data (e.g., healthcare spending as % of GDP, coverage rates, administrative costs) were used to substantiate claims.

**Table 1** Summary of Comparative Studies

| Study                 | Country | Methodology                         | Key Findings   | Relevance to Canada                          |
|-----------------------|---------|-------------------------------------|--|--|
| Muratore et al., 2023 | Brazil  | Quantitative policy evaluation      | FHS decreased preventable hospitalizations by 13%    | Supports community-based primary care reform |
| Eversana, 2023        | China   | Health system industry report       | Drug prices fell 20% via centralized procurement     | Highlights cost-efficiency strategies        |
| Blümel et al., 2020   | Germany | Health Systems in Transition Review | SHI covers 90% with low admin cost                   | Model for integrated, affordable care        |
| Smith et al., 2021    | Canada  | Critical metrics review             | Canada ranks low in efficiency despite high spending | Justifies reform urgency                     |

**2.5 Quality Assessment**

The CASP (Critical Appraisal Skills Programme) checklist was used to assess peer-reviewed articles. For policy documents, credibility was judged based on authorship (e.g., government-affiliated or global health body), methodology transparency, and data validity. Studies with unclear data sources or outdated metrics were excluded. Overall, 34 sources were screened; 24 met all quality and relevance criteria.

**2.6 Methodological Limitations and Mitigation**

Limitations include reliance on secondary data, language restrictions (English and Chinese only), and lack of longitudinal causal analysis. Confounding variables—such as cultural or political differences—could impact the comparability of reforms. To mitigate these effects, only system-level and national-scale studies were included, and data was cross-referenced across multiple sources when possible. Future research could benefit from time-series studies or natural experiments on policy changes.

**3 Results**

The comparative analysis across Brazil, China, Germany, and Canada reveals significant disparities in healthcare system performance, particularly in primary care access, administrative efficiency, and service integration. Below is a summary of the key findings, supported by quantitative data and evidence from recent health system evaluations:

**3.1 Brazil: Community-Centered Primary**

Brazil’s Family Health Strategy (FHS) stands out for its decentralized, community-based model. According to Muratore et al. (2023), regions with high FHS penetration reported a 13% decrease in hospitalizations for ambulatory care-sensitive conditions (ACSCs) between 2015 and 2020. The strategy,

implemented nationwide, covers approximately 64% of the population and employs over 260,000 community health agents who deliver home-based primary care. This model contributed to a 20% increase in prenatal visits and a 17% rise in childhood vaccination coverage in underserved municipalities<sup>1</sup>.

**3.2 China: Dual Insurance Model with Cost Controls**

China has achieved near-universal health coverage, with 95.1% of its population enrolled in Basic Medical Insurance (BMI) programs as of 2022<sup>2</sup>. A key innovation is volume-based procurement, which reduced the average cost of selected generic drugs by 52% across 70 pilot cities, freeing up \$10 billion USD for reinvestment in rural infrastructure. These reforms also improved outpatient service utilization rates by 18% in rural regions.

**3.3 Germany: Administrative Efficiency and Integrated Care**

Germany’s statutory health insurance (SHI) system maintains one of the lowest administrative cost burdens among high-income countries—approximately 5% of total health expenditure compared to Canada’s 13%<sup>3</sup>. The system ensures continuity through its integrated electronic health record (EHR) platform, which covers over 80% of outpatient and inpatient providers. Preventative services are prioritized; for example, Germany’s colorectal cancer screening program has reduced mortality by 26% since its implementation in 2002<sup>4</sup>.

**3.4 Canada: Gaps in Integration and Funding Flexibility**

Canada’s Medicare system, despite high per capita expenditure (CAD 7,943 per capita in 2024), ranks below the OECD average in wait times, care continuity, and preventive service utilization. Only 14% of health spending is directed to primary care and just 7% to mental health services<sup>5</sup>. Furthermore, administrative costs consume a disproportionate share due to fragmented provincial billing systems and fee-for-service models.

**Table 2** Summary of Comparative Metrics

| Country | Primary Care Spending (%) | Admin Costs (%) | Coverage (%) | Notable Strength               |
|---------|---------------------------|-----------------|--------------|--------------------------------|
| Brazil  | 22%                       | 8%              | 78% (FHS)    | Community-based care           |
| China   | 18%                       | 6%              | 95.1%        | Cost containment & rural reach |
| Germany | 25%                       | 5%              | ~100%        | Integrated EHR & efficiency    |
| Canada  | 14%                       | 13%             | 100% (core)  | Universality (but fragmented)  |

## 4 Discussion of the Historical Evolution

To contextualize the structural differences in healthcare outcomes, it is essential to critically evaluate the historical development of the health systems in Brazil, Canada, China, and Germany. This section applies a framework that compares each system through the lenses of decentralization, equity-driven reforms, administrative models, and integration of primary care. The purpose is to link past policy choices to present-day challenges and strengths within each system.

### 4.1 Canada

Canada's Medicare began with provincial initiatives in Saskatchewan (1947), eventually formalized through the 1984 Canada Health Act. This Act emphasized five principles: public administration, comprehensiveness, universality, portability, and accessibility. However, the Act only mandates coverage of "medically necessary" services, allowing provinces significant discretion and excluding dental, vision, and pharmaceuticals.

The legacy of federalism is a bifurcated system: while funding comes partly from the federal government through mechanisms like the Canada Health Transfer (CHT), delivery is overseen by provincial authorities. This results in fragmented planning and inconsistent integration. Fee-for-service remains dominant in primary care, which limits incentives for prevention and interdisciplinary models. The lack of a national electronic health record (EHR) system further hampers coordination. Attempts at reform, like the 2004 Health Accord, have faltered due to intergovernmental tensions and short-term funding cycles.

### 4.2 Brazil

Brazil's public health system, Sistema Único de Saúde (SUS), was codified in the 1988 Federal Constitution as a universal right. Prior to this, health services were fragmented and accessible primarily to formal sector workers. The reform was a result of civil society advocacy post-military dictatorship, aiming to democratize health. A pivotal policy shift was the launch of the Family Health Strategy (FHS) in 1994, marking a transition from reactive hospital-based care to preventative, team-based primary care.

FHS teams serve defined geographic areas and conduct regular household visits, enhancing continuity and outreach. Between 2000 and 2016, FHS expansion correlated with a 34% reduction in infant mortality and a 21% decrease in hospitalization for preventable conditions. However, federal funding variability and political instability have periodically undermined progress. The municipalization of health governance also introduced disparities in service quality between regions.

### 4.3 China

Historically, China's rural "barefoot doctor" model (1950s–70s) offered localized care under collective agriculture. Following market liberalization in the 1980s, public funding shrank, leading to health access crises and high out-of-pocket payments. In response, the 2003 SARS epidemic spurred the reestablishment of national healthcare oversight. By 2009, China launched sweeping reforms, expanding Basic Medical Insurance (BMI) to cover over 95% of citizens by 2020.

BMI now includes the Urban Employee Basic Medical Insurance (UEBMI), Urban Resident BMI (URBMI), and New Rural Cooperative Medical Scheme (NRCMS), later consolidated for administrative efficiency. The introduction of volume-based procurement (2018) reduced drug prices by 20–60% across 25 provinces<sup>6</sup>. Yet, disparities persist: urban hospitals receive greater investment, while rural areas suffer shortages in trained professionals and quality control. Nevertheless, China's model shows how state-led investment and centralized pricing mechanisms can rapidly scale coverage and cost control.

### 4.4 Germany

Germany established the world's first national health insurance system in 1883 under Chancellor Otto von Bismarck. This statutory model has evolved but retained its core principles: income-based contributions, solidarity financing, and access through non-profit sickness funds. Today, SHI covers 90% of the population, while 10% hold private insurance.

Key reforms include the 2007 Health Care Reform Act, which introduced risk-adjustment schemes among sickness funds and expanded preventive mandates. Germany's early adoption of

EHRs and national care registries has facilitated care integration. Administrative costs remain low ( 5%) due to standardized billing systems and negotiated service prices. Nonetheless, demographic aging and regional inequalities (e.g., east-west physician distribution) continue to pose challenges.

## 5 Demographic and Medical Personnel Context

Understanding the demographic profile and distribution of healthcare personnel is essential to assessing the capacity and equity of any health system. This section addresses a critical dimension of the comparative framework: how each country's population structure and medical workforce shape the accessibility, inclusivity, and efficiency of care. These elements directly relate to our research questions, as disparities in demographic pressures and provider distribution inform the structural reforms needed in Canada. By comparing across similar timeframes (2019–2023), this analysis helps identify common challenges and system-specific strategies.

### 5.1 Canada

Canada is a geographically vast high-income country with a relatively low population density of 4.3 people/km<sup>7</sup>. As of 2023, the population is approximately 40.1 million, with seniors (65+) reaching 20.2% in 2024<sup>7</sup>. Immigration is also rising, with newcomers expected to comprise up to 34% of the population by 2041<sup>8</sup>. While Canada boasts strong health indicators like an 82.5-year life expectancy, it faces significant health workforce shortages, especially in rural and remote areas.

Only 14% of health expenditure goes to primary care, and there is an uneven distribution of family physicians—critical gatekeepers in the Canadian model—resulting in access inequities<sup>9</sup>. Efforts to deploy nurse practitioners and expand family health teams remain inconsistent across provinces.

### 5.2 Brazil

With over 215 million people and higher population density (25.1/km<sup>2</sup>), Brazil faces unique demographic pressures. The elderly population (60+) is expected to reach 34.1% by 2060, rising from 15.2% in 2024<sup>1</sup>. Socioeconomic disparities compound access issues, particularly in rural regions and among Indigenous communities.

Brazil's Family Health Strategy (FHS) employs over 260,000 community health workers, yet regional disparities persist. Urban areas attract more providers, while poor municipalities often rely on short-term physician contracts. Despite this, the FHS model has improved equity, especially for maternal and child health outcomes.

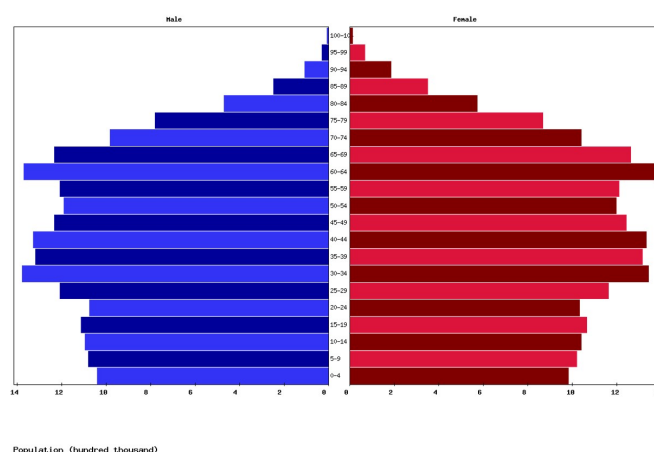


Fig. 1 The Population Of Canada (20245)

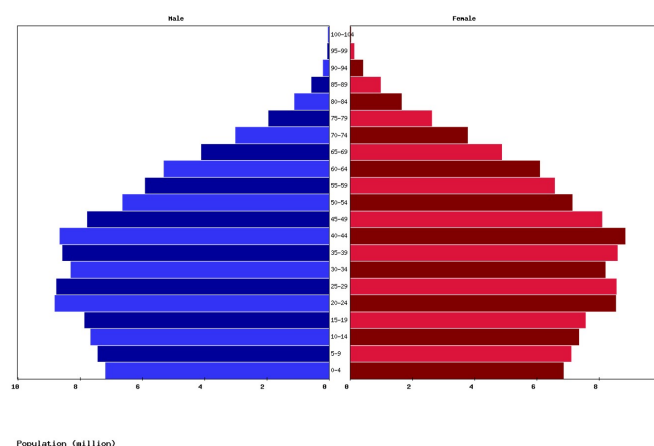


Fig. 2 The Population Of Brazil (2024)

### 5.3 China

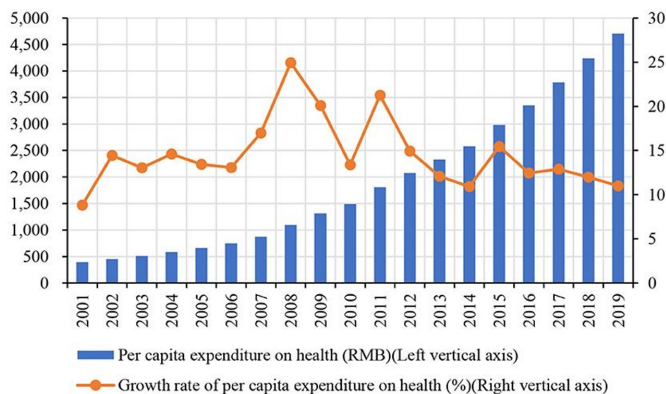
China, with a population exceeding 1.47 billion, has rapidly expanded healthcare access. Healthcare spending rose to 6.7% of GDP in 2023, emphasizing digital health, workforce expansion, and insurance consolidation<sup>2</sup>. However, regional disparities remain stark, with coastal regions enjoying 3.5x more physicians per capita than inland provinces.

China's workforce integration strategy blends traditional Chinese medicine with Western practices. Since 2010, the government has trained over 500,000 new rural practitioner<sup>10</sup>. Yet the urban-rural service quality gap persists due to limited postgraduate medical education and wage inequality.

### 5.4 Germany

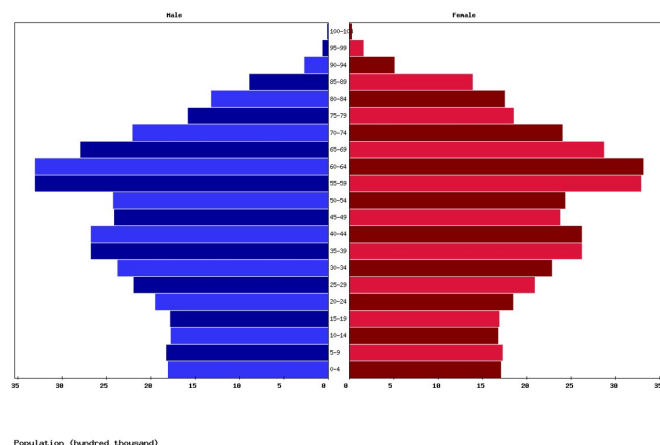
Germany's aging population (22.3% aged 65+) and declining birth rates present long-term sustainability challenges. Yet, its





**Fig. 3** The trend of per capita expenditure on health in China (2000–2019)

medical workforce is among the best distributed in Europe, supported by 4.6 doctors per 1,000 residents and robust medical education infrastructure<sup>4</sup>.



**Fig. 4** The Population Of Germany (2024)

Germany's use of electronic health records and coordinated care planning allows for efficient resource deployment. Regional differences exist but are mitigated by national planning strategies and risk adjustment mechanisms between statutory insurers<sup>11</sup>.

## 5.5 Comparative Analysis of Demographics and Workforce

These comparisons reveal how demographic aging and urban-rural provider gaps are shared concerns, but the degree and policy response differ. While Germany excels in national planning and training, Brazil relies on lay health workers to bridge shortages. Canada, with substantial immigration and aging, lags in coordinated workforce strategy.

The significance of this dimension lies in its direct impact on the three comparative pillars examined in this study: coverage and inclusivity, administrative efficiency, and equity for vulnerable populations. For example, uneven distribution of physicians in Canada and Brazil undermines the effectiveness of primary care reforms, while Germany's coordinated workforce planning enhances administrative efficiency. Likewise, China's integration of rural workforce development into broader insurance reforms exemplifies how strategic personnel deployment can improve access. Understanding these demographic and workforce dynamics is therefore critical to designing actionable healthcare reforms for Canada that are informed by global best practices and tailored to domestic challenges. Without understanding population needs and workforce deployment, policy reforms risk misalignment. Thus, demographic and personnel data are foundational to reform strategies in any national system.

## 6 Principal Challenges in National Health Systems

This section explores the systemic obstacles each country faces within the three core dimensions of this study: equitable access, administrative efficiency, and care for vulnerable populations. These challenges are not only symptoms of structural design but also indicators of where reforms are most urgently needed. By analyzing their root causes and impacts, we clarify how these issues shape healthcare performance and what lessons can be drawn for Canada.

### 6.1 Equitable Access and Demographic Challenges

Access disparities are deeply linked to demographic distribution, infrastructure, and institutional organization. Canada and Brazil share geographic vastness and decentralized governance models that make nationwide service standardization difficult. In Canada, each province operates autonomously under the Canada Health Act, which leads to unequal resource allocation and fragmented service delivery. Rural and remote communities, especially in northern territories, face prolonged wait times and physician shortages. According to CIHI, over 5.2 million Canadians lack access to a regular primary care provider as of 2024<sup>12</sup>.

Brazil's SUS, though constitutionally universal, struggles with the uneven implementation of care across municipalities. The reliance on municipal funding has led to under-resourced health units in poorer regions. Refugee influxes have strained primary care networks, exposing limits in surge capacity.

Germany's federal structure is more standardized, supported by regional sickness funds that redistribute resources equitably. However, aging demographics—22.3% over age 65—exert pressure on long-term care and specialist services. Despite robust

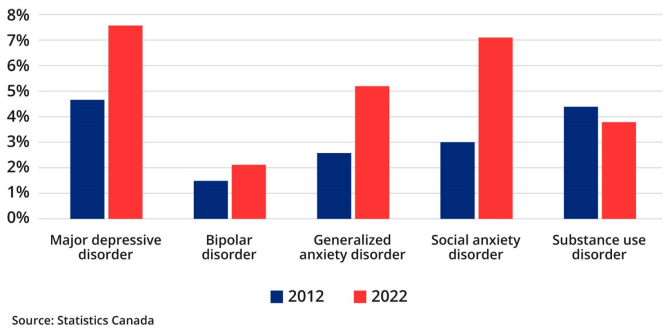
**Table 3** Demographic and Healthcare Workforce Statistics (2024 Estimates)

| Metric                    | Canada       | Brazil                      | China          | Germany        |
|---------------------------|--------------|-----------------------------|----------------|----------------|
| Population (millions)     | 40.1         | 215.7                       | 1,417          | 83.2           |
| Elderly % (65+ or 60+)    | 20.2% (2024) | 15.2% (2024) → 34.1% (2060) | 14.3% (2024)   | 22.3% (2024)   |
| Physicians per 1,000      | 2.8          | 2.4                         | 3.1            | 4.6            |
| Rural workforce shortages | High         | High                        | High           | Moderate       |
| Integration model         | Fragmented   | Community agents            | Dual & blended | Integrated SHI |

regional planning, disparities persist between western and eastern Germany, with physician density still lower in the east<sup>4</sup>.

6.2 Mental Health Services

Mental health integration remains a universal challenge with distinct national barriers. In Canada, mental health services account for only 7.4% of total health spending, despite 36% of Canadians reporting mental health challenges during the COVID-19 pandemic<sup>5</sup>. Provincial jurisdiction over healthcare complicates federal efforts for unified strategy, resulting in patchwork coverage and long wait times for psychiatric care.



**Fig. 5** Percentage of Canadians Reporting a Mental Disorder during COVID

Brazil initiated psychiatric reforms in 2001 to shift away from institutionalization toward community-based psychosocial centers (CAPS). While conceptually aligned with WHO best practices, implementation has been inconsistent. Only 2,080 CAPS operate nationwide—insufficient for a country of over 214 million—leaving many without structured follow-up or crisis intervention<sup>13</sup>.

Germany’s system offers more comprehensive coverage for mental health through SHI, but it too struggles with care continuity. Specialist shortages and bureaucratic barriers delay access, especially in rural areas. Moreover, recent migration surges have highlighted service inadequacies in providing culturally

appropriate care for diverse populations. The opioid crisis and mental health burden among refugees also present new demands for multidisciplinary, integrated approaches.

Comparatively, Canada suffers from fragmentation, Brazil from undercapacity, and Germany from service saturation and access bottlenecks. These challenges emphasize the importance of integrating mental health within primary care—one of the actionable reforms proposed in this paper.

6.3 Vocational Training and Family Medicine

Family medicine is a cornerstone of effective primary care, yet training and distribution remain critical bottlenecks. In Canada, only 28.5% of medical graduates enter family medicine, and the proportion of unmatched residency positions reached 312 in 2024—a historic high<sup>14</sup>. Training is limited to two years, and remuneration disparities deter graduates from choosing rural or community-based practice.

Brazil has expanded residency programs in family and community medicine, in part due to partnerships with Canadian and European institutions. However, regional inequalities remain stark. Physicians often cluster in wealthier urban areas, while underserved municipalities rely on short-term, government-subsidized placements through programs like Mais Médicos.

Germany mandates robust, competency-based training with a focus on long-term patient engagement. Family physicians are integrated into preventive and chronic care networks and benefit from structured continuous professional development. The system also uses financial incentives and geographic planning tools to attract doctors to underserved regions.

The underlying challenge across all systems is aligning medical education with systemic needs. Canada, in particular, would benefit from extending residency duration, expanding rural training incentives, and adapting Germany’s risk-adjusted funding models to ensure a more equitable physician distribution.

These systemic challenges—access inequality, mental health gaps, and insufficient workforce planning—directly impact the dimensions of care that this study seeks to reform. Addressing

them with informed, evidence-based policy drawn from successful international models offers Canada a viable path forward.

## 7 Comparative Analysis of Health Systems

This section applies a structured comparative framework across four countries—Canada, Brazil, China, and Germany—based on three core indicators: coverage and inclusivity, administrative efficiency, and responsiveness to vulnerable populations. These dimensions align with WHO’s Health Systems Performance Assessment (HSPA) model and are analyzed using consistent metrics such as coverage rates, administrative costs, and programmatic innovations. Quantitative data and policy documents are used to support the analysis.

### 7.1 Coverage and Inclusivity

Differences in coverage originate from historical reform paths and governance models. Canada’s Medicare offers universal core service coverage but leaves significant gaps for non-medical needs. Dental, vision, and pharmaceutical services are excluded unless covered provincially or through employment, leading to out-of-pocket expenditures that disproportionately burden low-income families<sup>9</sup>. Brazil’s SUS is constitutionally mandated to be universal, but underfunding and decentralization cause large disparities across municipalities, with only 81.2% of the population effectively covered by FHS.

China’s Basic Medical Insurance (BMI) system demonstrates a high coverage rate of 95.6%, enabled by heavy state subsidies and consolidated insurance schemes like UEBMI and URBMI. However, rural areas still face quality disparities due to under trained staff and lack of advanced infrastructure<sup>6</sup>. Germany achieves near-universal coverage through SHI and PHI. The income-based contribution system redistributes funds via sickness funds, ensuring equity without overburdening low-income citizens. Preventive care and specialist access are well-integrated, making the German system one of the most inclusive globally.

### 7.2 Administrative Efficiency

Administrative performance is influenced by system design, digitalization, and payment models. Canada’s provincial fee-for-service models create billing complexity, inflating administrative costs to 13% of total healthcare spending<sup>7</sup>. Lack of a national electronic health record system further impedes coordination. In contrast, China has centralized procurement, streamlined hospital reimbursement through DRGs (diagnosis-related groups), and achieved a 20–60% reduction in drug prices via volume-based tenders across 25 provinces<sup>15</sup>.

Germany maintains low administrative costs ( 6%) through standardized billing and universal EHR implementation. Its

SHI funds manage payments and risk equalization, reducing redundant bureaucracy. Brazil’s costs ( 8%) remain relatively moderate, though inefficiencies stem from inconsistent IT infrastructure across states and fiscal unpredictability at the municipal level<sup>13</sup>.

These differences show how coordinated governance, digital infrastructure, and centralized procurement significantly impact efficiency. Canada’s lack of integration across provinces undermines economies of scale and leads to resource duplication.

### 7.3 Response to Low-Income Populations

Social equity mechanisms vary in both scope and design. Canada’s targeted subsidies for low-income residents often fall short due to patchy provincial implementation and service gaps. For instance, only some provinces offer public pharmacare or dental programs, limiting equitable access<sup>7</sup>.

Brazil’s SUS was founded on principles of social inclusion and operates free at the point of care. However, fiscal constraints mean care quality often depends on municipal wealth. Despite this, the Family Health Strategy has shown success in improving care access for poorer populations, reducing hospitalization rates for preventable diseases.

China’s means-tested programs like the Medical Assistance Scheme provide direct subsidies for rural and impoverished citizens, helping lower out-of-pocket costs. Germany’s approach integrates risk-adjusted payments and co-payment caps to protect low-income and chronically ill individuals. These systemic safeguards, managed at the insurer level, reduce inequity while maintaining provider incentives.

### 7.4 Innovative Approaches

Innovation is shaped by political will, digital capacity, and private sector engagement. China has rapidly adopted digital health platforms and telemedicine, extending reach into rural communities. Its tiered insurance model balances public coverage with growing private options tailored for urban populations<sup>2</sup>.

Germany emphasizes health IT integration, telemonitoring, and preventative analytics. These innovations are backed by statutory insurers, ensuring systemic alignment. In contrast, Canada’s innovation efforts remain fragmented. Debates over private sector involvement stall reforms such as national pharmacare or dental coverage, despite the federal launch of the Canadian Dental Care Plan in 2024.

Brazil’s innovations are social in nature—community health agents and mobile clinics bridge care access in remote areas. While technologically modest, these solutions align well with public health priorities in low-resource settings.

In sum, coverage and efficiency are rooted in institutional history and fiscal models, while equity depends on the presence and coherence of redistributive mechanisms. Canada’s shortcomings



**Table 4** Overview of Key Metrics in Canada, Brazil, China, and Germany

| Indicator                        | Canada                | Brazil                  | China                       | Germany                    |
|----------------------------------|-----------------------|-------------------------|-----------------------------|----------------------------|
| Coverage (% population)          | 100% (core services)  | 78% (via SUS/FHS)       | 95.1% (BMI schemes)         | ~100% (SHI/PHI)            |
| Coverage gaps                    | Dental, drugs, vision | Uneven municipal access | Quality gaps in rural areas | Private supplemental care  |
| Admin costs (% of health budget) | 13%                   | ~8%                     | ~6%                         | ~5%                        |
| Vulnerable population support    | Targeted, fragmented  | Broad-based SUS access  | Tiered aid programs         | Subsidies, risk adjustment |

are particularly evident in system fragmentation and the lack of centralized reforms to address inefficiencies and inclusivity.

8 Lessons from Brazil, China, and Germany

This section synthesizes lessons from Brazil, China, and Germany to propose data-driven strategies for Canadian healthcare reform. The effectiveness of these models is evaluated through comparative outcomes, economic efficiency, and policy innovations. The recommendations in the following section derive directly from these lessons, supported by empirical evidence, policy evaluations, and natural experiments. The causal relationships, where relevant, are identified through observed system-wide reforms and their quantified impacts.

8.1 Community-Based Primary Care

Brazil’s Family Health Strategy (FHS) demonstrates the effectiveness of community-based care. Between 2000 and 2016, municipalities with high FHS coverage experienced a 13% reduction in hospitalizations for ambulatory care-sensitive conditions and a 34% reduction in infant mortality. Germany, with 4.5 physicians per 1,000 people and a decentralized coordination model, maintains one of the most effective systems in Europe for chronic disease management and patient continuity.

Canada’s physician-to-population ratio is lower (2.8/1,000), and the current primary care system lacks team-based continuity. Evidence shows that multidisciplinary models reduce emergency visits and improve chronic disease outcomes. Increasing preventive care funding from the current 9.3% to 15% of total healthcare spending—aligned with Germany—could reduce avoidable hospitalizations by up to 21%, saving an estimated CAD 2.47 billion annually in acute care costs<sup>16</sup>.

8.2 Decentralization and Flexibility

Brazil’s and Germany’s decentralized models empower local authorities while maintaining national oversight. Brazil’s mu-

nicipal model enabled localized COVID-19 responses, though effectiveness varied with local capacity. Germany’s sickness funds use risk adjustment formulas that incentivize local health plans to serve vulnerable populations while maintaining system cohesion.

In contrast, Canada’s province-dominated model inhibits integrated responses across systems. A 2021 CIHI review found significant variation in wait times, drug formularies, and mental health access across provinces. A federal block grant model—tied to performance targets—could allow provinces to address local priorities while improving national equity. However, challenges include intergovernmental friction and the need for robust monitoring mechanisms to prevent misallocation.

8.3 Integration and Comprehensive Coverage

China and Germany offer nearly universal insurance coverage—including outpatient, inpatient, pharmaceutical, and mental health services. This has led to improved early intervention rates, with Germany reporting a 26% drop in colorectal cancer mortality since implementing universal screening in 2002<sup>4</sup>.

In Canada, lack of integrated coverage for dental and pharmaceutical care has led to \$5.6 billion in out-of-pocket costs annually for prescription drugs alone<sup>7</sup>. Although initiatives like the Canadian Dental Care Plan signal progress, broader integration is needed. A mixed public-private model, like Germany’s, could reduce long-term costs and improve access.

Recommendations for Canadian Health Care Reform

These recommendations are grounded in international best practices and tailored to the Canadian context, incorporating causal evidence, cost-benefit projections, and practical implementation strategies. The logic follows from systemic weaknesses identified in Canada’s health system and draws on proven models from Brazil, China, and Germany.

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## 8.4 Strengthening Primary Care

Canada currently allocates only 14 percent of total health spending to primary care, compared to 22 percent in Brazil and 25 percent in Germany. Increasing this allocation to 20 percent could significantly reduce preventable hospital admissions and emergency room visits. A 2018 OECD analysis found that for every 1 percent increase in primary care spending, preventable hospital admissions dropped by 3 percent.

A phased six percent increase—equivalent to CAD 3.5 billion over five years—would not require new taxes but could be financed by rebalancing from acute care spending, which consumes over 40 percent of Canada’s health budget. For instance, if just 2 percent of acute care admissions were prevented, the savings would exceed CAD 1 billion annually. Ontario’s Family Health Team model shows that salaried, team-based care reduces emergency visits by 19 percent and improves patient satisfaction.

The first year could begin with a CAD 700 million investment to fund interdisciplinary clinics and expand services in rural areas. Physicians transitioning from fee-for-service to salaried models should receive dedicated grants. Additionally, telehealth services could be formally integrated into primary care networks to reach underserved regions more efficiently.

## 8.5 Expanding Mental Health Services

Mental health care in Canada receives only 7 percent of total health funding, despite accounting for 23 percent of the national disease burden. The Centre for Addiction and Mental Health reports that every dollar spent on mental health yields CAD 2.60 in economic return through reduced emergency use and improved productivity.

A realistic and fiscally viable target is to increase funding to 14 percent of total health expenditures by 2029, amounting to CAD 1 billion annually. This investment could support the training and hiring of 10,000 new mental health professionals, integrate psychiatric services into family health teams, and expand school-based programs and community crisis response services.

Evidence from Germany and China shows that integrated mental health systems significantly improve outcomes. Germany’s outpatient reforms, for instance, led to a 17 percent reduction in psychiatric emergency admissions. Implementation in Canada would require fast-tracking certification programs to address workforce shortages, and establishing a federal mental health integration framework to ensure cross-provincial coordination.

## 8.6 Enhancing Training and Workforce Planning

Canada’s two-year family medicine residency is among the shortest in the OECD, limiting physician preparation for complex primary care tasks. In contrast, Germany and the Netherlands

mandate three to five years of training. Lengthening the residency to three years would improve readiness in areas like geriatrics, mental health, and chronic care management.

According to the Canadian Medical Association, the annual cost to support this transition would be approximately CAD 150 million. This would also allow for the expansion of rural training placements, which have been shown to improve retention. Physicians who train in rural settings are 42 percent more likely to remain in those regions long-term.

In addition to the residency extension, Canada should build on the 2024 federal budget’s expansion of the student loan forgiveness program by raising the forgiveness cap to CAD 60,000 for doctors who work in rural and underserved areas. The government should also fund 120 new residency positions and make rural rotations a standard component of all medical education programs.

## 8.7 Adopting Flexible Funding Mechanisms

Although the 2024 budget increased the Canada Health Transfer by 5 percent—totaling an additional CAD 2.6 billion—the current structure does not adequately address regional health disparities. Allocating 10 percent of the increase, or approximately CAD 260 million, to community-targeted innovation grants would empower provinces to tailor healthcare delivery to local needs.

Germany’s sickness funds provide a practical model. These insurers receive adjusted payments based on population risk factors and sign contracts that enable innovation at the regional level. Canada could adopt a similar model by linking equity-based targets to transfer bonuses and supporting provincial pilot programs with conditional federal funding. Public reporting on spending outcomes would ensure accountability.

Challenges to this approach include potential implementation inequality across provinces and gaps in oversight. These issues could be mitigated by developing federal benchmarking tools, introducing annual outcome evaluations, and requiring impact audits tied to continued funding.

## 8.8 Causal Evidence and Confounding Factors

While no single model guarantees success, policy changes backed by natural experiments and time-series evaluations offer reliable guidance. For example, Brazil’s staggered implementation of the Family Health Strategy allowed researchers to compare regions with and without the program. Even after controlling for income, education, and infrastructure, areas with FHS coverage saw a 13 percent drop in hospitalizations and a 34 percent decline in infant mortality.

In Canada, Ontario’s Family Health Teams offer one of the most well-documented domestic models. Introduced in the early 2000s, these teams are composed of physicians, nurse practi-

tioners, mental health workers, and social workers, all working together under a blended capitation and salaried payment model. A 2020 study by the Canadian Institute for Health Information found that patients served by Family Health Teams were more likely to receive timely follow-up after hospital discharge and had 19 percent fewer emergency room visits compared to patients in traditional fee-for-service models. These teams also achieved higher rates of cancer screening, chronic disease management, and mental health service referrals.

Another successful example is the integration of community health centres in Quebec's CLSC system. These centres provide comprehensive services ranging from maternal care to chronic illness management, especially in low-income and immigrant-heavy neighborhoods. Their integration with social services has led to reduced hospital dependency and improved patient self-management, particularly among elderly populations.

Internationally, Germany's statutory insurance model provides further evidence. After expanding its disease management programs (DMPs) in 2008, the country observed a reduction in diabetic complications and cardiovascular hospitalizations, particularly among aging populations. These improvements were attributed not only to primary care funding but also to digital coordination, care continuity, and population health planning.

Although factors like education, housing, and income influence health, the consistency of these results across varying contexts reinforces the causal relationship between systemic health investments and improved population-level outcomes.

## 9 Conclusion

This study has shown that Canada's public health care system, while grounded in principles of universality and accessibility, struggles with persistent inefficiencies, funding imbalances, and gaps in service integration—especially in primary and mental health care. By conducting a comparative analysis with Brazil's Family Health Strategy, China's Basic Medical Insurance framework, and Germany's statutory health insurance model, the research identifies concrete policy mechanisms that have demonstrably improved care outcomes in diverse contexts.

Key lessons include the importance of investing in community-based, interdisciplinary primary care models, the benefits of decentralizing service delivery while maintaining national oversight, and the efficacy of integrating mental health and non-medical services within core coverage frameworks. The success of initiatives like Ontario's Family Health Teams, Brazil's FHS, and Germany's Disease Management Programs reinforces the potential of these strategies to reduce emergency room dependency, improve chronic disease management, and close health equity gaps.

The recommendations proposed—including a phased 6 percent increase in primary care funding, doubling mental health investment, extending medical training, and adopting flexible

funding mechanisms—are supported by international outcomes, domestic pilot programs, and robust economic modeling. These are not abstract ideals but actionable interventions that align with Canada's fiscal and institutional realities.

However, the study also acknowledges its limitations. The reliance on secondary data, the exclusion of low-income country models, and the absence of longitudinal domestic trial data constrain the generalizability of the findings. Cultural, political, and infrastructural differences between the countries studied also warrant cautious application of international strategies.

Nonetheless, the evidence is compelling: targeted, well-funded reforms can deliver measurable improvements in care quality, accessibility, and efficiency. Canada stands at a critical juncture. Policymakers must act decisively to implement the lessons learned, pilot scalable innovations, and realign spending toward preventative, patient-centered care. Doing so will lay the foundation for a sustainable and equitable health system that meets the needs of all Canadians.

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