

DYNAMIC MICROSIMULATION OF HEALTH CARE DEMAND AND FINANCING IN QUEBEC

In the next few decades, the ageing of the population is going to push economic growth down while conversely pushing healthcare expenses up. In this context, it appears necessary to find other ways of sharing out the burden of health expenses as equitably as possible, all the while meeting the economic efficiency principle. In Quebec, healthcare expenses are funded directly by the government at both a provincial and a federal level. Hence, the health of Quebecers is funded by money levelled through duties and income taxes, with no link to the use of specific services. On top of changing directly current duty and tax rates so as to possibly raise the government's revenues, other scenarios can be considered: these would make more direct use of households and companies' contributions. In a number of OECD countries, such scenarios aiming to find solutions to fund the healthcare system are closely looked into, and should thus be carefully examined in Quebec.

As these stakes are connected to the developments of healthcare expenses and funding, they need to be considered in a long-term, diachronic perspective. From a methodological point of view, it appears relevant to use a dynamic microsimulation model. Indeed, the Laval University microsimulation model (SimUL) already yields simulations for the main social indicators as well as for the measurements of living conditions as far as 2030. A healthcare-related module will provide a useful upgrading to this model as it enables one to plan healthcare expenses and their funding as far as 20 years ahead. Microsimulation analysis will provide a valuable assessment of those reforms upon individual behaviours and income redistribution. Such simulations should lead to expert recommendations in connection with the funding of the healthcare system in Quebec. Moreover, a secondary objective is to use a healthcare-related module to analyse multi-dimensional inequalities as well as how health expenses are distributed.