EVIDENCE SYNTHESIS BRIEFING NOTE

TOPIC: **COVID-19-RELATED HOSPITAL FUNDING**

Information finalized as of June 7, 2021.[a] This Briefing Note was completed by the Research, Analysis, and Evaluation Branch (Ministry of Health) in collaboration with a member of the COVID-19 Evidence Synthesis Network. Please refer to the Methods section for further information.

Purpose: This briefing note summarizes research evidence and jurisdictional information on the provision of COVID-19-related funding to hospitals and the health sector during (2020 to Spring 2021) and following (Summer 2021 to 2023) the pandemic.

Key Findings: Limited evidence was identified about COVID-19-related hospital funding in the one to three-year period following the pandemic. One US study suggested that targeted financial support for hospitals could take several forms and should change over time to support surge versus ongoing operations as the pandemic evolves: 1) lump-sum payments to help hospitals prepare and respond to the surge in COVID-19 cases; 2) funds disbursed to offset hospitals' approximate losses due to reduced elective and outpatient revenue; and 3) targeted funding to further support individual hospitals, based on local assessments of the negative financial consequences of COVID-19.

- **Health Sector and Hospital Funding**: Information about health sector and hospital funding was identified in Canada, Australia, Finland, Germany, the UK, and the US. For example:
  - In the budget years 2021-22, most Canadian provinces are allocating funds to support health systems in ongoing COVID-19-related needs (e.g., vaccine roll-out, testing and screening, PPE provision) and to recover from the COVID-19 pandemic.
  - Since November 2020, Germany has implemented changes in the compensation payments for hospitals with intensive care capacities that postpone or cancel elective treatments to potentially treat COVID-19 patients. Eligible hospitals can receive compensation payments if they are in areas where less than 25% of free, operable intensive care beds are available and in which the seven-day cumulative incidence is above 70 cases per 100,000 residents.
  - In the US, the main sources of federal funds for hospitals include grants for covering lost revenue and unreimbursed costs associated with the pandemic, payment programs that help providers facing cash flow disruptions during an emergency (where about 80% in loans went to hospitals), and inpatient reimbursements for COVID-19 patients.
- **Other Funding for Hospitals**: Several jurisdictions are providing funding to help hospitals deal with the backlogs in elective care. For example, the Swedish government is allocating funding for a recovery bonus in health care and care of older people up to 2023 (CAD $40 million in 2021, and CAD $135 million each for 2022 and 2023). They are also providing funding for the non-COVID-19 care backlog and continued COVID-19 care in 2021 (CAD $540 million) and 2022 (CAD $540 million). In the UK, hospitals are being allotted CAD $1.7 billion in 2021-22 to begin tackling elective care backlogs and addressing the most urgent cases, particularly for those who have been waiting for more than 52 weeks for treatment.

Analysis for Ontario: As part of the province's CAD $2.8 billion fall preparedness plan, in 2021, the government has invested CAD $283.7 million to help to reduce surgery backlogs, and CAD $457.5 million to ensure that the health system is prepared to respond to any waves or surges of COVID-19 without interrupting routine health services.

Implementation Implications: Governments should invest in expanding health system infrastructure and subsidizing payer coverage to deliver COVID-19 treatments or vaccines within the next 12 to 24 months to lower long-term costs.

[a] This briefing note includes current available evidence as of the noted date. It is not intended to be an exhaustive analysis, and other relevant findings may have been reported since completion.

Supporting Evidence

Table 1 below summarizes the scientific evidence and jurisdictional information on how other jurisdictions are incorporating COVID-19-related costs in their payment and/or funding models during COVID-19 (i.e., 2020 to Spring 2021) and over the medium term (i.e., Summer 2021 to 2023). Detailed information can be found in the Appendix in Table 2 (results of the jurisdictional scan), Table 3 (results of the scientific evidence search), and Table 4 (results of the grey literature search).

Table 1: Evidence and Jurisdictional Information on COVID-19-Related Hospital Funding during COVID-19 (2020 to Spring 2021) and for the Medium Term (Summer 2021 to 2023)

Scientific Evidence	• **Types of Hospital Funding during COVID-19**: Several studies discussed government funding support provided to hospitals during the pandemic, including paying for the diagnosis and treatment of COVID-19 patients, equipment and supplies (e.g., the building of new facilities), testing, contact tracing, and quarantine. For example, in China all medical expenses were to be prepaid to the designated medical institutions through public insurance funds. Reimbursement to hospitals would follow the established procedures already in place between the insurance funds and hospitals before the start of the COVID-19 pandemic.[1] • **Types of Hospital Funding for the Medium Term**: Limited research evidence was identified in the United States (US). One study suggested that targeted financial support for hospitals could take several forms and should change over time to support surge versus ongoing operations as the pandemic evolves: 1) lump-sum payments to help hospitals prepare and respond to the surge in COVID-19 cases; 2) funds disbursed to offset hospitals' approximate losses due to reduced elective and outpatient revenue, after accounting for their ability to recoup losses in the future when normal operations resume; and 3) state government use of federal funding to further support individual hospitals, based on local assessments of the negative financial consequences of COVID-19. For example, the study found that at least CAD $12 billion of the CAD $210 billion federal emergency fund will target hospitals in areas most affected by COVID-19, and another CAD $12 billion will go to rural health clinics and hospitals.[2,b] ○ Vaccines and Treatments Lower Health Costs in Long-Term: A modelling study estimated that while treatments and vaccines require major investments in the range of CAD $14.4 billion to CAD $79.2 billion,[c] they have high probabilities of reducing health care costs and increasing quality-adjusted life years,[d] as well as reducing hospital-days and mortality by more than 50%. Consequently, the study recommended that governments focus on expanding health system infrastructure and subsidizing payer coverage to deliver treatments or vaccines efficiently within the next 12 to 24 months.[3]

[b] The document reported figures of USD $10 billion and USD $175 billion. All Canadian (CAD) amounts were calculated using Purchasing Power Parities (PPPs) as published by the Organisation for Economic Co-operation and Development (OECD) for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[c] The document reported figures of USD $12 billion and USD $66 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[d] The *Quality-Adjusted Life Year* (QALY) is a standardized measure of disease burden which combines both survival and health-related quality of life into a single index. The QALY is primarily used in cost-effectiveness analyses to guide decisions regarding the distribution of limited health care resources among competing health programs or interventions for a population of interest but has also been used to aid decisions regarding clinical management and individual patient care (Encyclopedia of Behavioral Medicine, 2013).

International Scan	• **Health Sector Spending during COVID-19**: An OECD report found that across European countries, most fiscal responses amounted to between five to 20% of GDP. COVID-19-related budget measures in the health sector included: 1) financing the procurement of specialized medical and personal protective equipment (PPE); 2) expanding testing capacities; 3) hiring of additional workforces; 4) bonus payments; 5) support to hospitals and to subnational governments; and 6) contributions to vaccine development.[4] • **Health Sector and Hospital Funding for the Medium Term**: Information about health sector and hospital funding for 2021-22 was identified in several jurisdictions: ○ UK: Emergency spending will continue for 2021-22 with the government fully covering the costs of COVID-19 for public services, which for the health system alone could be around CAD $47 billion. But the government must also attend to the longer term need for investment in people's health, and wider reform to NHS and social care services.[5,e] ○ Finland: In 2021, the government committed to reimbursing municipalities and hospital districts for any costs arising from the epidemic, such as expenditures related to testing and the expansion of testing capacity, tracing of transmission chains, quarantines, treatment of patients, health security of those travelling, and a vaccine against the virus.[6] ○ Germany: Since November 2020, Germany has implemented changes in the compensation payments for beds that hospitals reserve for COVID-19 patients. Only hospitals with intensive care capacities that postpone or cancel elective treatments to potentially treat COVID-19 patients are eligible to receive compensation payments. Eligible hospitals can receive compensation payments if they are in areas where less than 25% of free, operable intensive care beds are available and in which the seven-day cumulative incidence is above 70 cases per 100,000 residents.[7,f] ○ Australia: In 2021, the federal government is ensuring hospital capacity through the COVID-19 pandemic through the National Partnership on COVID-19 Response,[g] which includes a State Health and Hospital 50:50 Sharing Agreement (CAD $2.5 billion) and a private hospital viability guarantee (CAD $1.3 billion).[h] The government is also investing CAD $2.6 billion to ensure the National Medical Stockpile continues to provide access to medicines and PPE to hospitals and to protect the health workforce.[8,i] ○ US: The main sources of US federal funds for hospitals include: 1) Provider Relief Fund of CAD $213.6 billion that gave virtually all health care providers grants that amounted to at least 2% of their previous annual patient revenue. These grants could be used to cover lost revenue and

[e] The document reported a figure of £27 billion. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[f] In Germany, a new regulation came into effect on December 23, 2020 that enables hospitals in COVID-19 hotspots to access special financial support. If a district or independent city registers more than 200 new cases of COVID-19 per 100,000 inhabitants within seven days, hospitals in those areas can receive compensation regardless of their free bed capacities. The Federal Ministry of Health also announced that the regulation would retroactively apply to December 17, 2020 (Winkelman & Shuftan, 2021).
[g] This Agreement will provide states with funding to respond to the COVID-19 outbreak. This is in recognition of the costs and burden incurred by state health services (including but not limited to public hospitals, contracting of existing private hospitals, primary care, aged care, and any other community expenditure) (Government of Australia, 2020).
[h] The document reported figures of AUD $3.1 billion and AUD $1.7 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 Australian Dollar [AUD] = 0.816 CAD) (OECD, 2019).
[i] The document reported the figure of AUD $3.3 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 Australian Dollar [AUD] = 0.816 CAD) (OECD, 2019).

	unreimbursed costs associated with the pandemic;[j,k] 2) Medicare Accelerated and Advance Payment Programs, which help providers facing cash flow disruptions during an emergency where about 80% of the CAD $120 billion in loans went to hospitals;[l] and 3) Medicare increased all inpatient reimbursement for COVID-19 patients by 20% during the public health emergency, which will likely remain in place throughout 2021.[9] ▪ The Center for Medicaid & Medicare Services (CMS) proposed a new rule to update Medicare payment policies and rates for operating and capital-related costs of acute care for fiscal year 2022 that includes continuing to mitigate potential financial disincentives for hospitals to provide new COVID-19 treatments and to minimize any potential payment disruption immediately following the end of the pandemic. CMS is proposing to extend the COVID-19 Treatments Add-on Payment (NCTAP) for eligible COVID-19 products through the end of the fiscal year in which the pandemic ends.[10] • **Recovery Funding for Backlogs in Elective Care and Continued COVID-19 Care**: Several jurisdictions are providing medium term funding to help hospitals manage the backlogs in elective care. For example: ○ Sweden: The government is allocating funding for a recovery bonus in health care and care of older people up to 2023: CAD $40 million (2021); CAD $135 million (2022); and CAD $135 million (2023). It is also providing funding for the non-COVID-19 care backlog and continued COVID-19 care in 2021 (CAD $540 million) and 2022 (CAD $540 million).[11,m] ○ UK: In 2021-22, hospitals are being allotted CAD $1.7 billion to begin tackling elective care backlogs, addressing the most urgent cases and particularly those who have been waiting for more than 52 weeks for treatment.[12,n] • **Funding for Long COVID**: In the UK, there will be ongoing costs from treatment and support for patients experiencing long-term health impacts from COVID-19, known as long COVID. The cost of this is unknown, though NHS England has pledged CAD $17.42 million for dedicated clinics.[13,o]
Canadian Scan	• **Health Sector Funding for the Medium Term**: In the budget years 2021-22, most Canadian provinces are allocating funds to support health systems to recover from the COVID-19 pandemic. For example: ○ British Columbia: In 2021, the government allocated CAD $900 million to support ongoing COVID-19-related health response needs, including vaccine roll-out, testing and screening, and the provision of PPE for frontline health care workers.[14]

[j] Distributing grants as a percent of revenue allowed the US government to quickly give grants to a diverse set of providers, but analysis of hospital data shows it favoured providers with a larger share of revenue from private insurance since private insurers tend to reimburse at higher rates than Medicare and Medicaid (Kaiser Family Foundation, 2021).
[k] The document reported figures of USD $178 billion. All Canadian Dollar (CAD) amounts were calculated using Purchasing Power Parities (PPPs) as published by the Organisation for Economic Co-operation and Development (OECD) for 2019 (1 US dollar [USD] = 1.2 CAD). PPPs are the rates of currency conversion that eliminate the differences in price levels between countries (OECD, 2019).
[l] The document reported figures of USD $100 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[m] The document reported figures in SEK 0.30 billion, SEK 1.00 billion, SEK 1.00 billion, SEK 4.0 billion and SEK 4.0 billion. The Canadian Dollar (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Swedish Krona [SEK] = 0.135 CAD) (OECD, 2019).
[n] The document reported a figure of £1 billion. The CAD amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[o] The document reported a figure of £10 million. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).

	• Alberta: The 2021 budget invests CAD $1.25 billion to address costs for responding to the pandemic, including surgical wait times and backlogs. This is in addition to the CAD $2.1 billion spent in 2020-21.[15] • **Projected Health Sector Spending**: It is estimated that additional health care spending in Canada associated with the pandemic will range from CAD $20.1-$26.9 billion in 2020-21 and CAD $15.7-$21.9 billion in 2021-22. By 2030-31, the pandemic will result in an additional CAD $80-$161 billion in health care expenditures and contribute to overall health care spending increasing at an average annual rate of between 5.5-5.7%, depending on the scenario.[16] In addition to providing funds for Canada's immediate public health response, and supporting provinces and territories in testing, contact tracing, data management, and health system capacity, the Government of Canada's COVID-19 economic response plan in 2020-21 also includes supports for long-term care residents, COVID-19 medical research and vaccine development, virtual care and mental health tools, and supporting the ongoing public health response in indigenous communities.[17]
Ontario Scan	• **Funding for Surgery Backlogs and Continued COVID-19 Care**: Ontario will invest an additional CAD $1.8 billion in the hospital sector in 2021-22, bringing the total additional investment in hospitals since the start of the pandemic to over CAD $5.1 billion. As part of the province's CAD $2.8 billion fall preparedness plan, in 2021, the government invested CAD $283.7 million to assist the health system's ongoing efforts to reduce surgery backlogs, and CAD $457.5 million to ensure that the health system is prepared to respond to any waves or surges of COVID-19 without interrupting routine health services.[18]

Methods

The COVID-19 Evidence Synthesis Network is comprised of groups specializing in evidence synthesis and knowledge translation. The group has committed to provide their expertise to provide high-quality, relevant, and timely synthesized research evidence about COVID-19 to inform decision makers as the pandemic continues. The following member of the Network conducted a research and jurisdictional scan that was used to develop this Evidence Synthesis Briefing Note:

- Ontario Health (Cancer Care Ontario). (June 2, 2021). Jurisdictional Scan.
- Ontario Health (Cancer Care Ontario). (June 7, 2021). Research Search.

For more information, please contact the Research, Analysis and Evaluation Branch (Ministry of Health).

APPENDIX

Table 2: Results of Jurisdictional Scan on COVID-19-Related Hospital Funding

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
Government of Canada	Government of Canada. (April 19, 2021) Finishing the Fight Against COVID-19.	No information identified.	**Federal spending on the COVID-19 pandemic response include**: • $2 billion – personal protective equipment (PPE) • $3.4 billion – vaccine research, development, and production • $1.3 billion – vaccine deployment and administration • Over $9 billion – vaccine procurement • $1 billion – Safe Long-term Care Fund[p] • $2.5 billion – support for Indigenous communities • $4.6 billion – supporting provinces and territories addressing health care system priorities • $13.8 billion – safe restart agreement to support health care.[q] • $740 million supporting vulnerable populations.	**Canada Health Transfer (CHT)**:[r] In addition, to the federal COVID-19 response funding, the federal government provides significant support to provincial and territorial health care systems through the CHT. For 2021-22, this amounts to $43.1 billion to strengthen the health care system.
Canadian Institute for Health Information (CIHI)	Canadian Institute for Health Information. (2021) National	As of early October 2020, the federal, provincial and territorial levels of government announced COVID-	**Health sector funding under the Government of Canada's COVID-19 economic response plan includes**: • Immediate Public Health Response: $25 million for the Public Health Agency of Canada in 2019–2020. • COVID-19 Response Fund: $500 million for the provinces and territories (completed in 2019–2020).	**Analysis of Canadian COVID-19 Hospital Funding**: Hospital funding under the Government of Canada's COVID-19 economic response plan includes: • $700 million to support health care system capacity in order to respond to a potential future surge of COVID-19 cases.

[p] In the Fall Economic Statement 2020, the Government of Canada committing up to $1 billion for a Safe Long-term Care Fund, to help provinces and territories protect people in long-term care and support infection prevention and control (Government of Canada, 2020).

[q] The Safe Restart Agreement supports measures to increase testing and contact tracing to protect Canadians from future waves of the virus. It will help support the capacity of the health care systems, including through services for people facing mental health challenges. It will also provide municipalities with funding so they can quickly deliver essential services, like public transit, and secure a reliable source of PPE for essential workers. The Agreement will also provide direct support to Canadian workers, including safe childcare to help parents returning to work. It will also provide income support for people without paid sick leave, and takes steps to protect the most vulnerable, like Canada's seniors (Government of Canada, 2020).

[r] The CHT is the largest federal transfer to the provinces and territories. It provides long-term predictable funding for health care, and supports the principles of the *Canada Health Act* which are: universality; comprehensiveness; portability; accessibility; and, public administration (Government of Canada, 2011).

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
	Health Expenditure Trends 2020.	19–related health funding amounting to over $29 billion.	• Testing, Contract Tracing and Data Management: $4.28 billion to support the provinces and territories with the costs of increasing their capacity to conduct testing, perform contact tracing and share public health data that will help fight the pandemic • Health Care System Capacity: $500 million to address immediate needs and gaps in the support and protection of people experiencing challenges related to mental health, substance use or homelessness. • Vulnerable Populations: $740 million to support one-time costs over the next six to eight months for measures to control and prevent infections, that include addressing staffing issues in long-term care, home care, and palliative care facilities/ services or other activities to support vulnerable populations. • PPE: $4.05 billion to purchase PPE for national distribution to the provinces and territories, $500 million to support the purchase of PPE for the non-health sector, and $3 billion directly to the provinces and territories for previous and planned PPE investments. • Research: $1.127 billion for COVID-19 medical research and vaccine development • Virtual Care and Mental Health Tools: $240.5 million in 2020–2021. • Indigenous Communities: $285.1 million to support the ongoing public health response to COVID-19 in Indigenous communities.	
British Columbia (BC)	Government of BC. Budget 2021: Strong BC for Everyone: Budget and Fiscal Plan – 2021/22 – 2023-2024 (April 20, 2021).	CAD $8.7 billion in new investments across three years builds on Province's COVID-19 Action Plan.	**Total COVID-19 Health Funding**: In addition to CAD $3.1 billion over three years to strengthen BC's health care and mental health systems, BC has allocated CAD $900 million from the Pandemic and Recovery Contingencies to support ongoing COVID-19 related health response needs, including vaccine roll-out, testing and screening, and the provision of PPE for frontline health care workers.	No information identified.

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
Alberta	Government of Alberta. (February 2021). BUDGET 2021 HIGHLIGHTS: Protecting lives and livelihoods Investing in health care.	No information identified.	No information identified.	**Budget 2021**: The 2021 budget invests in continued supports to protect Albertans entering the second year of the pandemic, allocating: • $1.25 billion towards the COVID-19 contingency planning to address costs for responding to the pandemic, including surgical wait times and backlogs. • This is in addition to the $2.1 billion spent in 2020–21. • $16 billion is allocated for Alberta Health Services operations including the Alberta Surgical Initiative, Continuing Care Capacity Plan, and computerized tomography (CT) and magnetic resonance imaging (MRI) Access Initiative.
Saskatchewan	Harpauer. D. (April 6, 2021) Saskatchewan Provincial Budget: 21-22 Protect. Build. Grow.	The provincial government has dedicated $4.8 billion to in the COVID-19 response, including $1.5 billion in this Budget, after $2.0 billion of support in the 2020-21 fiscal year. A further $1.3 billion of support is in place for the next two years Ministry of Health budget is $6.12 billion, an increase of $261 million or 4.5% from 2020-21 and represents the largest health investment in Saskatchewan history.[19]	**COVID-19 Health Funding**: The 2021-22 budget includes $90 million in health sector response through the Ministry of Health. Major costs associated with this funding include: • Mass vaccination delivery; • Purchasing more PPE supplies; • Supporting contact tracing measures; and • Expansion of testing and assessment sites and resources. • This funding will also provide for additional provincial laboratory capacity, as well as supports for long-term care.	No information identified.

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
Manitoba	Government of Manitoba. (2021). Protecting Manitobans: Advancing Manitoba – Budget 2021.	For the 2021/22 fiscal year, Budget 2021 includes an additional $1.18 billion in COVID-19 and contingency funding that can be used for the public health and economic recovery response, and other needs. These amounts are in addition to department-specific programs and investments in the base-budget, including significant infrastructure commitments to drive our recovery.	**COVID-19 Funding**: Additional spending will be targeted to COVID-19 public health requirements, notably the vaccine deployment effort, and more PPE and related materials. This funding also covers spending commitments and other contingencies made in the 2020/21 fiscal year that will be expensed in 2021/22.	No information identified.

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
Ontario	Government of Ontario. (March 24, 2021). 2021 Ontario Budget — Ontario's Action Plan: Protecting People's Health and Our Economy.	No information provided.	**COVID-19 Funding**: • Ontario has made available over $1.4 billion to access PPE. • Ontario is building on its testing strategy by investing $2.3 billion in 2021–22 and is expanding the use of rapid testing in high priority areas, such as schools, congregate settings, workplaces and high priority communities. • To vaccinate every person in the province who wants to be vaccinated, Ontario has made more than $1 billion available for a provincewide vaccination plan. • Ontario is also making it safer to re-engage with workplaces, businesses and communities allocating $2.3 billion towards testing and contact tracing.	**COVID-19 Hospital Funding**: Ontario will invest an additional $1.8 billion in the hospital sector in 2021–22, bringing the total additional investment in hospitals since the start of the pandemic to over $5.1 billion. Building on the $3.4 billion provided in 2020–21, this additional $1.8 billion investment in 2021–22 includes: • $760 million to support more than 3,100 hospital beds to help the sector continue to provide care for COVID-19 patients as well as other patients. • $300 million to reduce surgical backlogs from delayed or cancelled surgeries and procedures due to the COVID-19 pandemic. • $778 million to support hospitals to keep pace with patient needs and to increase access to high-quality care. • The Ontario government is currently providing over $1.2 billion to help Ontario's public hospitals recover from financial pressures created and worsened by COVID-19.[20] • The Ontario government recently announced an additional $125 million to fund over 500 critical care and high intensity hospital beds in areas with high rates of transmission and has provided over $100 million dedicated to infection prevention and control in hospitals, long-term care and other settings. • The government is also planning to invest $18 billion over the next 10 years in hospital infrastructure projects across Ontario that is projected to lead to $27 billion in capital investments.[21] • As part of the province's $2.8 billion fall preparedness plan, the government has invested $283.7 million to assist the health system's ongoing efforts to reduce surgery backlogs, and $457.5 million to ensure that the health system is prepared to respond to any waves or surges of COVID-19 without interrupting routine health services.[22]

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
Quebec	Government of Quebec. (March 25, 2021). Section B: Strengthening Our Health Care System. In: Québec Is Resilient And Confident: Budget 2021-2022.	Support and recovery measures implemented to fight COVID-19 amount to $4.3 billion in additional spending.	**COVID-19 Health Sector Funding:** The Quebec Government announced initiatives whose cost is estimated at more than $3.9 billion by 2025-2026. Initiatives that target stabilizing teams in residential and long-term care facilities. include: • $1.8 billion to ensure the remuneration of 10,000 new patient-care attendants. • $1.2 billion to convert to full-time the positions of patient-care attendants who currently work part-time • $534.0 million to hire a manager per CHSLD. • $418.0 million for additional resources to protect the population by limiting the effects of the pandemic on their health over the coming years and by introducing preventive and health promotion services to Quebecers.	**Frontline Medical Service**: In Budget 2021-2022, the government is providing $300.5 million in funding by 2025-2026 to facilitate access to frontline medical service and is projecting to invest an additional $23 million to meet nursing and nursing science workforce needs.
New Brunswick	Government of New Brunswick. (March 16, 2021). Reinventing New Brunswick Together: 2021-2022 Budget	No information provided.	**Budget 2021-2022**: In budget 2021-2022, with expected pressures of COVID-19, the government is providing $64.7 million including: • $30.0 million to immunize New Brunswickers. • $15.4 million for triage, assessment, testing, and contact tracing. • $4.5 million to maintain resourcing within the Provincial Rapid Outbreak Management Teams and the COVID-19 Response Unit. • $2.6 million to manage the increased volume of calls to Tele-Care 811. • $1.2 million to support access to services such as Virtual Care, MyHealthNB, and eHealthNB..	**COVID-19 Hospital Funding**: With the addition of a new surgical suite at the Dr. Georges-L.-Dumont University Hospital Centre the government is allocating an additional $3.2 million to ensure that the resources are available to make full use of this expanded surgical capacity. • In the wake of physician shortages, the government will invest $11.1 million in physician recruitment for 2021-2022.

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
Nova Scotia	• Province of Nova Scotia. (March 2021) Budgeting 2021-22: Nova Scotia. • Province of Nova Scotia. (March 2021). Budget 2021 to 2022 A fair and prosperous future: path to balance.	Additional operating expenses in 2020–21 related to the COVID-19 response are estimated to be $617.3 million in net operating costs across various departments.	**COVID-19 Health Spending**: The Department of Health and Wellness expenses are forecasted to be $351.2 million higher than Budget, of which $342.4 million is COVID-19 related expenses. This is primarily due to such program as: $70.7 million for the Essential Workers Program, $69.6 million for federal safe restart expenses, $64.1 million for provincial stimulus projects and Nova Scotia Health Authority (NSHA) additional capital purchases, $41.4 million for PPE, $35.5 million for lost revenues at NSHA and Izaak Walton Killam (IWK), and $29.5 million for backfilling employees. • 2021-2022: In 2021-22, the Department of Health and Wellness is projected to spend an additional $275.6 million on the COVID-19 response, mainly due to $53.4 million in PPE, $33.1 million in contact tracing, testing, and data management, $24.2 million for the vaccine distribution program, $13.5 million to cover lost revenue from reciprocal billing and various operational revenue streams at the health authority, and $11.1 million for PPE warehousing, security, and cleaning protocols.	**Hospital Funding**: The Nova Scotia government will provide hospitals with: • $7.6 million increase for the IWK Health Centre to support operational needs and increased expenses as a result of COVID-19. • $11.3 million increase to support nurses and additional cleaning requirements for Infection Prevention and Control. • $2.8 million to accelerate the use of virtual tools and digital approaches to providing health care.
• Newfoundland and Labrador	Government of Newfoundland and Labrador. (May 31, 2021). Budget 2021: CHANGE starts here.	• Close to $100 million has been made available for pressures associated with COVID-19 by the Newfoundland and Labrador government to respond to demands such as: PPE, testing and supporting vaccinations.	• No information identified	• No information identified

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
• Australia	Budget 2020-21: Record health and aged care investment under Australia's COVID-19 pandemic plan. Canberra (AU): Australian Government; 2020.	• The federal government has committed more than CAD $13 billion to the emergency health response to the pandemic. In addition, since the pandemic began, the government has invested more than CAD $1.3 billion to protect senior Australians and workers in aged care, and support providers.[s]	• No information identified.	**Hospital Funding**: The Government is supporting the hospitals through a CAD $109 billion investment over five years, an increase of CAD $27.4 billion, under the National Health Reform Agreement.[t] • The Government is ensuring hospital capacity through the COVID-19 pandemic through the National Partnership on COVID-19 Response,[u] which includes a State Health and Hospital 50:50 Sharing Agreement (CAD $2.5 billion) and a private hospital viability guarantee (CAD $1.3 billion).[v] ○ This has played a vital role during the second wave in the State of Victoria, enabling more than 500 aged care residents to transfer to private hospitals to receive care. • Over the course of the pandemic and the coming year, the Government has and will invest CAD $2.6 billion to ensure the National Medical Stockpile continues to provide access to medicines and PPE to hospitals and health workforce.[w]

[s] The document reported figures of $16 billion and $1.6 billion. All Canadian Dollar (CAD) amounts were calculated using Purchasing Power Parities (PPPs) as published by the Organisation for Economic Co-operation and Development (OECD) for 2019 (1 Australian Dollar [AUS] = 0.816 CAD). PPPs are the rates of currency conversion that eliminate the differences in price levels between countries (OECD, 2019).
[t] The document reported figures of AUS $133.6 billion and AUS $33.6 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 Australian Dollar [AUS] = 0.816 CAD) (OECD, 2019).
[u] This Agreement will provide states funding to respond to the COVID-19 outbreak. This is in recognition of the costs and burden incurred by state health services (including but not limited to public hospitals, contracting of existing private hospitals, primary care, aged care and any other community expenditure) (Government of Australia, 2020).
[v] The document reported figures of AUS $3.1 billion and AUS $1.7 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 Australian Dollar [AUS] = 0.816 CAD) (OECD, 2019).
[w] The document reported the figure of AUS $3.3 billion All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 Australian Dollar [AUS] = 0.816 CAD) (OECD, 2019).

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
• Italy	Protect health, support the economy, preserve employment levels and incomes. The Italian economic response to the Covid-19 outbreak. Rome: Italian Ministry of the Economy and Finance; 2020.	• On March 16, 2020, the Italian Government presented a CAD $44.4 billion package (accounting for CAD $35.6 billion of net borrowing, 1.1% of GDP) as an immediate response to the COVID-19 outbreak in order to strengthen the Italian health care system and support companies, workers, and families.[x]	**Health Sector Funding**: The Government has mobilized all the needed resources to ensure staffing and tools for the health care system, the civil protection department and law enforcement bodies in order to assist people affected by the disease and prevent, mitigate and contain the epidemic. • Workforce: The Government will proceed immediately to hire medical and nursing personnel to reinforce the units of the military health care services, and to involve the private hospitals. Rules have been introduced to allow, if necessary, the requisition of private facilities and properties in order to enhance medical facilities and health care networks across the country. • Equipment: The Government has also streamlined the purchasing procedures for medical protection equipment. This allowed, among other results, the timely acquisition of 5,000 assisted ventilation equipment and millions protective masks.	• No information identified.
• Finland	• 2021 budget proposal for the Ministry of Social Affairs and Health and its branch of government. Helsinki (FI): Finnish Government; 2020.	• No information identified.	**2021 Budget**: In the 2021 budget, the Government of Finland proposes approximately CAD $2.8 billion for direct costs arising from the COVID-19 epidemic, such as expenditure related to testing and the expansion of testing capacity, tracing of transmission chains, quarantines, treatment of patients and health security of those travelling. It proposes a total of CAD $2.3 billion for COVID-19 testing until the end of 2021 and CAD $50.4 million for testing technology.[y]	**Municipal and Hospital Funding**: The Government is committed to reimbursing municipalities and hospital districts for any costs arising from the epidemic, such as expenditure related to testing and the expansion of testing capacity, tracing of transmission chains, quarantines, treatment of patients, health security of those travelling and a vaccine against the virus. Such costs will be reimbursed in full from outside the spending limits framework as long as the epidemiological situation and the implementation of the hybrid strategy so require.

[x] The document reported figures of EUR 25 billion and EUR 20 billion. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Euro = 1.778 CAD) (OECD, 2019).
[y] The document reported figures in EUR 1.7 billion, EUR 1.4 billion, and EUR 30 million. The Canadian Dollar (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Euro = 1.395 CAD) (OECD, 2019).

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
• Sweden	• From the Budget Bill for 2021: Budget statement. Stockholm (SE): Government of Sweden; 2021.	• No information identified.	**Health Funding**: In 2021, the government of Sweden outlined the following health care reforms related to COVID-19: • Recovery bonus in health care and care of older people: CAD $40 million (2021); CAD $135 million (2022); CAD $135 million (2023). • Care Backlog and Continued COVID-19 Care: CAD $540 million (2021); CAD $540 million (2022).[z]	• No information identified.
• United Kingdom (UK)	The Government's 2021-22 mandate to NHS England and NHS Improvement. London (UK): Department of Health and Social Care, Government of the United Kingdom; 2021.	• No information identified.	**Budget 2021-2022:** Building on the substantial support the Government has already made available in 2020- 21 for the pandemic response, and the further CAD $10.9 billion increase in NHS funding for 2021-22 already confirmed as part of its Funding Settlement to 2023-24, they are providing a further CAD $5.2 billion in 2021-22 to support NHS recovery from the impact of Covid-19. • Around CAD $871 million will be used to improve waiting times for mental health services, to give more people the mental health support they need, and to invest in the NHS workforce. The remainder will help ease existing pressures in the NHS caused by Covid-19. The Government remains committed to ensuring that the NHS has the certainty it needs to plan and will agree further funding for operationally necessary costs resulting from the pandemic in the financial year 2021-22. An additional CAD $11.5 billion for the first half of the year has already been announced.[aa]	• **Hospital Funding**: 2021-2022 funding includes CAD $1.7 billion to support hospitals to begin tackling backlogs in elective care, addressing the most urgent cases and particularly those who have been waiting for more than 52 weeks for treatment.[bb]
• United States (US)	US Department of Health and	• The Fiscal Year (FY) 2022 total budget proposes	**The FY 2022 Budget provides**: • $905 million for the Stockpile, an increase of $200 million above FY 2021 enacted, to maintain a robust inventory of	• No information identified.

[z] The document reported figures in SEK 0.30 billion, SEK 1.00 billion, SEK 1.00 billion, SEK 4.0 billion and SEK 4.0 billion. The Canadian Dollar (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Swedish Krona [SEK] = 0.135 CAD) (OECD, 2019).
[aa] The document reported figures in £6.3 billion, £3 billion, £500 million, and £6.6 billion. The Canadian Dollar (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[bb] The document reported a figure of £1 billion. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
	Human Services (2021). Fiscal Year 2022: Budget in Brief – Strengthening Health and Opportunity for All Americans	CAD $158 billion in discretionary budget authority and CAD $1.8 trillion in mandatory funding and includes mandatory funding, CAD $36 billion over four years, in the Department of Health and Human Services, the Department of Defense, and the Department of Energy for medical countermeasures manufacturing and related activities to create jobs and prepare Americans for future pandemics.[23,cc]	supplies and a modern distribution model to ensure readiness for a future pandemic.[ee] • CAD $988 million for Biomedical Advanced Research and Development Authority (BARDA), an increase of CAD $272 million above FY 2021 enacted, to support novel medical countermeasure platforms that will enable quicker, more effective public health and medical responses to detect and treat infectious diseases.[ff] • An additional CAD $1.92 billion over the FY 2021 for the Centers for Disease Control and Prevention (CDC) to ensure that it is well positioned to address current and emerging public health threats.[gg]	

[cc] The document reported figures of USD $131.8 billion, $1.5 trillion, and USD $30 billion. All Canadian Dollar (CAD) amounts were calculated using Purchasing Power Parities (PPPs) as published by the Organisation for Economic Co-operation and Development (OECD) for 2019 (1 US dollar [USD] = 1.2 CAD). PPPs are the rates of currency conversion that eliminate the differences in price levels between countries (OECD, 2019).
[ee] The document reported figures of USD $905 million and USD $200 million. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[ff] The document reported figures of USD $823 million and $227 million. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[gg] The document reported a figure of USD $1.6 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
		• The CARES Act established the Coronavirus Relief Fund (the "Fund") and appropriated CAD $180 billion to the Fund.[24,dd]		
• US	Center for Medicare and Medicaid Services. (2021) Fiscal Year (FY) 2022 Medicare Hospital Inpatient Prospective Payment System (IPPS) and Long Term Care Hospital (LTCH) Rates Proposed Rule (CMS-1752-P).	• No information identified.	• No information identified.	**Acute Care Hospitals**: The Center for Medicaid & Medicare Services (CMS) proposed a new rule to update Medicare payment policies and rates for operating and capital-related costs of acute care hospitals and for certain hospitals and hospital units excluded from the Medicare Inpatient Prospective Payment System (IPPS) for FY 2022. • 2022 CMS Inpatient Hospital Utilization Data: The continuing rapid increase in vaccinations coupled with the effectiveness of the vaccines suggests there will be significantly lower risk of COVID-19 infection and fewer hospitalizations for COVID-19 in FY 2022 than occurred in FY 2020. CMS has proposed to use the FY 2019 data from prior to COVID-19 to approximate the expected FY 2022 inpatient hospital utilization. • Changes to the New COVID-19 Treatments Add-on Payment (NCTAP): CMS anticipates inpatient cases of COVID-19 beyond the end of the public health emergency (PHE). Therefore, to continue to mitigate potential financial disincentives for hospitals to provide new COVID-19 treatments and to minimize any potential payment disruption immediately following the end of the PHE, CMS is proposing to extend the NCTAP payments for eligible COVID-19 products for through the end of the fiscal year in which the PHE ends. • Uncompensated Care Payments: The CMS distributes a prospectively determined amount of uncompensated care payments to Medicare disproportionate share hospitals

[dd] The document reported figures of USD $150 million. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Jurisdiction	Document or Source	Total COVID-19 Funding	COVID-19 Funding in the Health Sector	COVID-19 Hospital Funding
				(DSHs) based on their relative share of uncompensated care nationally. As required under law, this amount is equal to an estimate of 75% of what otherwise would have been paid as Medicare DSH payments, adjusted for the change in the rate of uninsured individuals. In this proposed rule, the CMS is proposing to distribute roughly CAD $9.12 billion in uncompensated care payments for the 2022 fiscal year (FY), a decrease of approximately CAD $792 million from FY 2021.

Table 3: Research Evidence on COVID-19-Related Hospital Funding

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding (i.e., 1-3 years)
• International	Raghuvanshi VP, Raghuvanshi SP. (2020). Implications and future strategies on cost management for hospitals during and after COVID-19. *International Journal of Community Medicine and Public Health, 7* (6):2405.	• Various.	• **Overview**: This systematic review on the effectiveness of controlling hospital expenses during the COVID-19 pandemic identified the following: ○ COVID-19 Revenue Challenges: Out-patient department and diagnostic services like imaging, echocardiogram, ultrasound have seen the highest decreases in revenues. In present scenario majority of hospitals are aggressively expanding their Critical Care beds and facility and important resources such as PPE and emergency drugs are sourced and preserved, often at extraordinary expenses. ○ Strategies to Improve Revenue During and After COVID-19: Cost-saving can be achieved through: 1) selective centralization or regionalization; 2) Ensuring registration and billing staff are aware of changes in health plans for both inpatient and outpatient so that invoicing and collection can continue apace and further hospital will not create losses; and, 3) resource and manpower optimization.	• It is recommended that stimulus funding and/or government help in taxes will help some outpatient-focused business avoid bankruptcy. Practices that do not survive may more seriously consider true affiliation or merger agreement with large health care systems to sustain in industry. Forward-thinking organizations, whether freestanding hospitals, multihospital systems and other provider entities should evaluate all aspects of their business considering changing environment and market conditions for future success.
• China	Wu S, Lin M. (October 2020). Analyzing the Chinese budgetary responses to COVID-19: balancing prevention and control with socioeconomic recovery. Journal of Public Budgeting, Accounting & Financial Management.	• **Public Insurance**: COVID-19 medical expenses were prepaid to designated medical institutions through public insurance funds.	• **COVID-19-related Funding** ○ COVID-19 Medical Expenses: On January 22, 2020, the Chinese government announced that the diagnosis and treatment of all infected people would be free of charge. All medical expenses would be prepaid to the designated medical institutions through public insurance funds. Reimbursement to hospitals would follow the established procedures already in place between the insurance funds and hospitals before the start of the COVID-19 pandemic. All other expenses that were supposed to be borne by individual patients would be paid in full by local governments. ○ Public Investment in Hospitals: The Chinese government provided additional investment in public hospitals to improve their facilities and provide additional equipment and supplies needed to treat COVID-19 patients, including building three new hospitals in Wuhan – Huoshenshan, Leishenshan and Fangcang Shelter hospitals – within weeks.	• No information identified.

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding (i.e., 1-3 years)
			○ Funding for Testing: The Chinese government allocated additional resources to expand the testing capacity not only in public hospitals and Centers of Disease Control (CDC) but also private laboratories through the method of public–private partnership. By June 22, 2020, a total of 90.41 million nucleic acid tests were conducted within the medical and health institutions of the whole country. Given that the average cost of a testing kit was about CAD $67.8, the total estimated cost of testing was about CAD $6.1 billion by the end of June 2020. Most of the tests were completed through compulsory testing of local residents in different communities, or of patients in hospitals, and were paid for by public funds. For example, in Wuhan, the government spent CAD $305.1 million to conduct nucleic acid tests for 9.9 million people.[hh] ○ Spending on Contact Tracing and Quarantining: The tracking and quarantining of people who had close contact with COVID-19 carriers was also important. It is hard to list and estimate the cost of tracking and quarantine, which was mainly paid for by the operating expenditures of the Chinese CDCs, public hospitals and institutions, and community organizations. However, according to a rough estimate, there were about 0.75 million people who had been centrally quarantined for 14 days at different facilities in the country at the end of May 2020. Given the average cost of quarantine was CAD $1,695 per person, about CAD $1.27 billion was spent by the government to execute this policy.[ii]	
• International	Sarkodie SA, Owusu PA. Global assessment of environment, health and economic impact of the novel coronavirus (COVID-19). Environment, Development and	• Various.	• **Overview**: This analysis examines the impact of COVID-19 on health outcomes and provides recent policies to improve health quality across the globe with data from, for example, the World Health Organization, OECD, and John Hopkins University. • **Health Impact**: Several measures to support and impact the health system have been instituted across countries to provide an immediate response to the COVID-19 pandemic. For example: ○ *Brazil:* The Brazilian government budgeted 0.4% of GDP for the health care system and zeroed taxes and import duties on health	• No information identified.

[hh] The document reported figures of CNY 200, CNY 18 billion, and CNY 900 million. The Canadian Dollar (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Chinese Yuan [CNY] = 0.339 CAD) (OECD, 2019).
[ii] The document reported figures of CNY 5,000 and CNY 3.75 billion. The Canadian Dollar (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Chinese Yuan [CNY] = 0.339 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding (i.e., 1-3 years)
	Sustainability. 2021 Apr;23:5005-15.		care-related goods and services. Ten million rapid test kits were distributed while 5,800 employments were offered to doctors with an additional 20% bonus to resident doctors. 2,000 beds and 6,500 ventilators were hired for intensive care units and telemedicine and online consultations were initiated. ○ *China:* In China, over 42,000 medical professionals were sent to Wuhan, where the outbreak began. Two new temporary hospitals were constructed whereas dozens of laboratories were equipped for rapid testing. Medical and pharmaceutical-related goods and services for COVID-19 were exempted from fees whereas medical-related research into vaccines to combat the virus were supported. ○ *Dominican Republic*: In Dominican Republic, the government instituted no cost of testing COVID-19 for people older than 59 years, people with two or more health-related symptoms, and those with weak health conditions. Two hospitals were designated for solely receiving and treating COVID-19 cases while isolation centres were created in 15 health centres.	
• United States (US)	Padula, W. V., Malaviya, S., Reid, N. M., Tierce, J., & Alexander, G. (June 2020). Economic value of treatment and vaccine to address the COVID-19 pandemic: A US cost-effectiveness and budget impact analysis. The Lancet (Preprint).	• No information identified.	• **Overview**: This modelling study estimated that treatments and vaccines have high probabilities of reducing health care costs and increasing quality-adjusted life years (QALYs)[jj] compared to current alternatives. These options were also associated with reducing hospital-days and mortality by more than 50%. The budget impacts of these technological alternatives save costs on other comparators (i.e., standard care, social distancing) by over 90% but represent major US investments in the range of CAD $14.4 billion to CAD $79.2billion.[kk]	• Investing in disruptive vaccines or treatments to mitigate COVID-19 infection offer high-value options societies should consider. Unusually high uptake in these technologies in a short amount of time by patients and consumers could result in unprecedented budget impacts to government and commercial payers. Governments should focus on expanding health system infrastructure and subsidizing payer coverage to

[jj] The *Quality-Adjusted Life Year* (QALY) is a standardized measure of disease burden which combines both survival and health-related quality of life into a single index. The QALY is primarily used in cost-effectiveness analyses to guide decisions regarding the distribution of limited health care resources among competing health programs or interventions for a population of interest but has also been used to aid decisions regarding clinical management and individual patient care (Encyclopedia of Behavioral Medicine, 2013).

[kk] The document reported figures of USD $12 billion and USD $66 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding (i.e., 1-3 years)
				deliver treatments or vaccines efficiently within the next 12-24 months.
• US	Khullar D, Bond AM, Schpero WL. COVID-19 and the Financial Health of US Hospitals JAMA. 2020 Jun 2;323(21):2127-8.	• No information identified	• **Context**: The rapid growth in the number of patients with coronavirus disease 2019 (COVID-19) threatened to overwhelm hospital and intensive care unit capacity. The pandemic also raises questions about the ability of hospitals to remain financially solvent amid unprecedented changes in care delivery and billable services. To limit the spread of disease and create additional inpatient capacity and staffing, many hospitals are closing outpatient departments and postponing or canceling elective visits and procedures. These changes, while needed to respond to the COVID-19 pandemic, potentially threaten the financial viability of hospitals, especially those with pre-existing financial challenges and those heavily reliant on revenue from outpatient and elective services. • **COVID-19 Funding**: Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Paycheck Protection Program and Health Care Enhancement Act together to provide CAD $210 billion in emergency funding for hospitals and other health care organizations. On April 10, 2020 the Department of Health and Human Services began disbursing this funding to any health care facility or physician practice that received Medicare payments in 2019. It is not yet clear, however, how the majority of the funds will be disbursed or whether the funds will be allocated to those most in need. Moreover, it remains uncertain if this level of funding will be sufficient or if additional funding will be required in subsequent legislation, which is likely if the pandemic continues for an extended period.[ll] ○ The CARES Act includes several provisions that support hospitals identified as financially vulnerable in this analysis. For example, the legislation increases Medicare payment rates for COVID-19–related admissions by 20% and delays reductions in disproportionate share payments, which support hospitals caring for large numbers of Medicaid beneficiaries and uninsured patients. Further, at least CAD $12 billion of the CAD $210 billion emergency fund will target hospitals in areas most affected by COVID-19, and another CAD	• Going forward, targeted financial support for hospitals could take several forms and should change over time to support surge vs ongoing operations as the pandemic evolves. First, lump-sum payments should be provided to help hospitals prepare and respond to the surge in COVID-19 cases in the areas most affected. Second, funds should be disbursed to offset hospitals' approximate losses due to reduced elective and outpatient revenue, after accounting for their ability to recoup losses in the future when normal operations resume. Third, state governments should use funding separately allocated by the CARES Act to further support individual hospitals, based on local assessments of the negative financial consequences of COVID-19. Because many hospitals are already struggling financially, the Department of Health and Human Services should disburse funds quickly and on a rolling basis as needs arise.

[ll] The document reported a figure of USD $175 billion and USD $66 billion. All Canadian amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding (i.e., 1-3 years)
			$12 billion will go to rural health clinics and hospitals. The initial CAD $60 billion disbursed under the CARES Act, however, was allocated to hospitals, physician practices, and other health care facilities in proportion to their 2018 net patient revenue from all payers, an approach that is unlikely to ensure the most vulnerable hospitals receive adequate support because this does not reflect the variable nature of COVID-19–related utilization.[mm]	

[mm] The document reported figures of USD $10 billion, USD $175 billion, USD $10 billion, USD $50 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Table 4: Grey Literature on COVID-19-Related Hospital Funding

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
• Canada	Gagnon-Arpin, I, & Hermus, G. (2021). Health Care Cost Drivers in Canada: Pre-and Post-COVID-19. Conference Board of Canada.	• Various.	• An impact paper examining three scenarios to determine the scope and magnitude of additional health care spending in Canada associated with the pandemic suggests the additional health costs will range from $20.1 billion to $26.9 billion in 2020–2021 and between $15.7 billion and $21.9 billion in 2021–2022. By 2030–31, the pandemic will result in an additional $80 billion to $161 billion in health care expenditures and contribute to overall health care spending increasing at an average annual rate of between 5.5 and 5.7%, depending on the scenario.	• No information identified.
• Germany	Winkelmann J, Shuftan N. (2021). 4.1 Health financing. Second wave measures: financing: Germany. *COVID-19 Health System, WHO Europe.*	• COVID-19 patient per diem bed compensation	• **Hospital Compensation in Germany**: The Third COVID-19 Population Protection Act, adopted by parliament on November 18, 2020, implements changes in the compensation payments for beds that hospitals reserve for COVID-19 patients. The per diem/daily payments for keeping empty beds available are to be reintroduced, but in a more targeted manner: the intensive care capacities of hospitals must be scarce, and the area's seven-day incidence of confirmed cases must be over 70 cases. Details include: ○ Hospitals: Only hospitals with intensive care capacities that postpone or cancel elective treatments to potentially treat COVID-19 patients are eligible to receive compensation payments. These hospitals, whose eligibility is to be determined by the state, can receive compensation payments if they are located in areas where less than 25% of free, operable intensive care beds are available and in which the 7-day cumulative incidence is above 70 cases per 100,000 residents. If the free intensive care unit (ICU) capacity is less than 15% of all ICU beds in the area, the respective state authorities can determine if hospitals from neighbouring communities with the same preconditions (i.e. postponing interventions to free up ICU capacities) are also eligible for compensation payments. Compensation will be paid to hospitals for the lower number of patients treated in 2020 compared to 2019, as per diem payments are to be	• No information identified.

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
			distributed based on 90% of the difference in patients that hospitals had between both years. The basis of the per diem payment is the flat-rate fee per unoccupied hospital bed.[nn] ▪ Hospitals in Germany have received roughly CAD $20.5 billion in COVID-19 aid from the Health Fund between March 2020 and April 2021.[oo] ○ Rehabilitation Facilities can be used as recovery facilities until end of January 2021 to take over discharged COVID-19 patients with mild symptoms or other patients to relieve ICUs. Residential facilities for rehabilitation and prevention are also eligible for financial support for revenue shortfalls for a limited period of two and a half months with half of the revenue loss being covered, based on the average daily flat rates. • Compensation payments for hospitals and residential facilities for rehabilitation and prevention are refinanced through the federal budget.	
• Germany	Germany. Key Policy Responses as of June 3, 2021. In: International Monetary Fund (IMF) Policy Tracker. Washington (DC): International	• No information identified.	• **Germany - Key Fiscal Policy Responses**: To combat the COVID-19 crisis and subsequently support the recovery, the federal government has adopted three supplementary budgets providing: CAD $252.2 billion (4.7 percent of GDP) in March 2020, CAD $210 billion (3.9 percent of GDP) in June 2020, and CAD $97 billion (1.7 percent of GDP) in March 2021. Early measures include spending on health care. equipment, hospital capacity and research and development (i.e., vaccine).[pp,qq]	• No information identified.

[nn] In Germany, a new regulation came into effect on December 23, 2020 that enables hospitals in COVID-19 hotspots to access special financial support. If a district or independent city registers more than 200 new cases of COVID-19 per 100,000 inhabitants within seven days, hospitals in those areas can receive compensation regardless of their free bed capacities. The Federal Ministry of Health also announced that the regulation would retroactively apply to December 17, 2020 (Winkelman & Shuftan, 2021).
[oo] The document reported a figure of EUR 12.7 billion. All Canadian (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Euro [EUR] = 1.617 CAD) (OECD, 2019).
[pp] These supplementary budgets also included subsidies for short-term work, expanded childcare benefits for low-income parents and easier access to basic income support for the self-employed, grants to small business owners and self-employed persons severely affected by the COVID-19 outbreak, temporarily expanded duration of unemployment insurance and parental leave benefits. In August 2021, the government extended the maximum duration of short-term work benefits from 12 to 24 months (IMF, 2021).
[qq] The document reported figures of EUR 156 billion, EUR 130 billion, and EUR 60 billion. All Canadian (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Euro [EUR] = 1.617 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
	Monetary Fund; 2021.			
• United Kingdom (UK)	Thorlby R, Tallack C, Finch D, Idriss O, Rocks S, Kraindler J, Shembavnekar N, Alderwick H. (2020). Spending Review 2020. Priorities for the NHS, social care and the nation's health. London (UK): The Health Foundation.	• No information identified.	• **Context**: The UK government has opted for a one-year Spending Review because of the scale of the COVID-19 pandemic and its unknown impact on future public finances. The Spending Review will now focus on COVID-19 and supporting jobs, with multi-year resource settlements only for the National Health Service (NHS), schools, and priority infrastructure projects. • **Emergency Spending**: Emergency spending will need to continue for 2021-2022 and the focus of the Spending Review is understandably short term. It is essential that the government meets the costs of COVID-19 for public services in full. These will still be significant next year and remain uncertain: we estimate the total direct costs for the health system alone could be around CAD $47 billion. But the government must also attend to the longer term need for investment in people's health, and wider reform to NHS and social care services.[rr]	• Delivering the long-term plan will also need capital investment across all services, not just acute hospitals, and will need to rise in line with other NHS spending to CAD $18.2 billion by 2023-2024. The ability of the NHS to recover from COVID-19 and deliver the long-term plan also depends on increasing the NHS workforce. Investment to train more nurses, doctors and other health care professionals cannot wait and must be sustained over the long term. This will require additional spending over the 2019/20 budget of CAD $1 billion next year, rising to CAD $1.5 billion by 2023/24.[ss]
• UK	Kraindler J, Rocks S, Charlesworth A, Tallack C, Barclay C, Idriss O, Shembavnekar N. (2020). Spending Review 2020: Managing uncertainty: COVID-19 and the NHS long term plan. London (UK):	• No information identified.	• The total Department of Health and Social Care spending in 2020/21 is at least CAD $61 billion more than previously budgeted, with further additional spending expected. A lot of the additional spending is for NHS Test and Trace (CAD $20.9 billion) and PPE (CAD $26.1 billion). The other main areas of spending are for purchasing additional bed capacity through the new temporary 'surge' facilities, alongside bed and staff capacity from the independent sector. There has also been additional staffing and some capital funding to reconfigure the NHS estate for infection control and social distancing requirements.[tt] ○ Included is CAD $9.5 billion of spending on health services in 2020-2021, including the use of independent	• Additionally, there will be ongoing costs from treatment and support for patients experiencing long-term health impacts from COVID-19, known as long COVID. The cost of this is unknown, though NHS England has pledged CAD $17.42 million for dedicated clinics. These clinics could refer those in need to, for example, mental health or

[rr] The document reported a figure of £27 billion. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[ss] The document reported figures of £10.5 billion, £600 million, and £900 million. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[tt] The document reported figures of £35 billion, £12 billion, and £15 billion. The Canadian Dollar (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
	The Health Foundation.		sector health facilities and supporting the safe and rapid discharge of patients from hospital who no longer need to be there.[uu] • This year and next COVID-19 are likely to result in extra health costs of CAD $69.7 billion a year –around 2% of pre-COVID-19 GDP. Most of these costs are temporary but not all. COVID-19 is likely to lead to an increase in NHS funding pressures over the medium term of around 0.5% of GDP.[vv]	rehabilitation services, increasing demand for mental health and community services.[ww]
• United States (US)	Kaiser Family Foundation (April 2021) Funding for Health Care Providers During the Pandemic: An Update. San Francisco (CA).	• Various	• **Context**: Starting early in the coronavirus pandemic, Congress and the Administration adopted a number of policies to ease financial pressure on hospitals and other health care providers. The infusion of funds was intended to help alleviate the fiscal impact of revenue loss due to patients delaying non-urgent care, coupled with new costs associated with COVID-19.	• The main sources of federal funds for hospitals include: ○ Provider Relief Fund: The CAD $213.6 billion provider relief fund gave virtually all health care providers grants that amounted to at least 2% of their previous annual patient revenue. These grants could be used to cover lost revenue and unreimbursed costs associated with the pandemic.[xx,yy] Certain providers—including skilled nursing facilities, safety net hospitals, and hospitals that treated a large number of COVID-19 patients early in the pandemic—were among those that later qualified for additional grants. ○ Medicare Accelerated and Advance Payment Programs: Health care providers that participate in traditional Medicare were eligible for loans through the

[uu] The document reported a figure of £5.5 billion. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[vv] The document reported a figure of £40 billion. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[ww] The document reported a figure of £10. million. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Great British Pound [GBP] = 1.742 CAD) (OECD, 2019).
[xx] Distributing grants as a percent of revenue allowed HHS to quickly give grants to a diverse set of providers, but analysis of hospital data shows it favored providers with a larger share of revenue from private insurance since private insurers tend to reimburse at higher rates than Medicare and Medicaid (Kaiser Family Foundation, 2021).
[yy] The document reported figures of USD $178 billion. All Canadian Dollar (CAD) amounts were calculated using Purchasing Power Parities (PPPs) as published by the Organisation for Economic Co-operation and Development (OECD) for 2019 (1 US dollar [USD] = 1.2 CAD). PPPs are the rates of currency conversion that eliminate the differences in price levels between countries (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
				Medicare Accelerated and Advance Payment Programs, which helps providers facing cash flow disruptions during an emergency. About 80% of the CAD $120 billion in loans went to hospitals. Repayment for the loans was originally set to begin in August of 2020, but Congress delayed the start date for repayments until one year after providers received the loans, which CMS says began as early as March 30, 2021.[zz] Once repayment begins, a portion of the new Medicare claims will be reduced to repay the loans (25% during the first 11 months of repayment and 50% during the next six months). ○ Paycheck Protection Program (PPP) and Other Loans: Many health care providers were eligible for some of the loan programs included in the CARES Act, including the PPP. Under the PPP for small businesses, loans are forgiven if employers do not lay off workers and meet other criteria. Health care providers received nearly CAD $81.6 billion of the CAD $624 billion in PPP loans that have been distributed. The CARES Act also appropriated CAD $544.8 billion for loans to larger businesses—including hospitals—but the eligibility criteria for those loans have limited their reach.[aaa] • Increase in Medicare COVID-19 Inpatient Reimbursement and Vaccine Administration: Medicare is increasing all inpatient

[zz] The document reported figures of USD $100 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[aaa] The document reported figures of USD $68 billion, USD $520 billion and USD $454 billion. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
				reimbursement for COVID-19 patients by 20% during the public health emergency, which will likely remain in place throughout 2021. Medicare also recently increased its reimbursement for COVID-19 vaccine administration to CAD $48 per dose.[bbb]
• US	Hut N. (2021). What healthcare stakeholders should know about the new COVID-19 relief legislation. Healthcare Financial Management Association.	• No information identified.	• No information identified.	• **Additional funds in the American Rescue Plan (ARP)**: The ARP includes CAD $10.8 billion for rural health care providers to help cover lost revenue and costs associated with COVID-19. It also includes CAD $9.12 billion for community health centers and CAD $240 million to support infection control and vaccination uptake at skilled nursing facilities.[ccc] ○ When hospitals and other health care providers experienced steep drops in revenue early in the pandemic, Congress stepped in with an infusion of funds to bolster these providers. Health care spending overall has now largely stabilized, though the financial impact of the pandemic varies across communities and providers.
• US (Maryland)	Padula W, Trish E. (2020, May 18). Global budgets offer financial cushion amid the coronavirus	• Global budgets.[ddd]	• This article suggests that Maryland's health systems have not only managed to remain stable throughout the pandemic, but open shuttered facilities to handle a surge in patients. • This may be due in part to the state's unique approach to hospital financing. For years the state has employed global	• No information identified.

[bbb] The document reported figures of USD $40. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[ccc] The document reported figures of USD $9 billion, USD $7.6 billion, and USD $200 million. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[ddd] A global budget provides a fixed amount of funding for a fixed period of time (typically one year) for a specific population, rather than fixed rates for individual services or cases (Urban Institute, 2016).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
	pandemic. Modern Healthcare.		hospital budgets, starting with several rural hospitals in 2010 and expanding across the state in 2014. Under this approach, rather than paying hospitals for each additional admission, they receive annual budgets based on historical service volume and operating costs. In 2019, the state doubled down on this approach, partnering with the Center for Medicare and Medicaid Innovation to establish the Total Cost of Care Model, which expands the program to incentivize coordination across more types of providers and creates stronger incentives for cost containment. • As revenue from elective care dried up, these global budgets have protected Maryland facilities by providing a continuous flow of funding based not just on coronavirus admissions, but on what they would have otherwise earned from elective procedures. Even more, the program provides flexibility to increase hospital budgets if needed for circumstances beyond the hospitals' control—for example, the costs of an abundance of coronavirus patients.	
• US (Virginia)	De La Rosa S. (January 2021). Pandemic expenses drive budget increase amendments.	• No information identified.	• Proposed amendments to the Virginia 2020-2022 biennial budget includes CAD $212.5 million general funds discretionary spending in Health and Human Resources of which 67% is related to the coronavirus pandemic that includes: ○ CAD $107.2 million earmarked for a mass vaccination effort; and ○ CAD $23.5 million for communication with the public regarding the pandemic.[eee]	• The proposed budget amendments for 2020-2022 also include: ○ CAD $21.5 million for Medicaid utilization and inflation; ○ CAD $17.2 million for inmate medical care; ○ CAD $12.2 million for the Department of Health's Cooperative Health Budget Formula Update; ○ CAD $12 million to restore Virginia Commonwealth University's Massey Center Cancer Center cuts; ○ CAD $7.7 million for state psychiatric hospitals COVID-19 surveillance program; and ○ CAD $6.4 million for pharmacy costs at state psychiatric hospitals.

[eee] The document reported figures of USD $177.1 million, USD $89.3 million and USD $19.6 million. All Canadian (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
				○ CAD $1.44 million for adding doula services to Medicaid.[fff]
• Europe	Waitzberg R, et al. (2020). Compensating Healthcare Professionals for Income Losses and Extra Expenses During COVID-19. *Eurohealth, 26* (2): 83-87.	• Reimbursing general practitioners (GPs) and other frontline workers for income loss.	• This WHO survey of 14 European countries reported that most countries have incentivised substitutive e-health series to avoid loss of income. Health professionals have also received financial compensation for loss of income either through initiatives specifically designed for the health sector or general self-employment schemes, and, have either been reimbursed for extra COVID-19 expenditures such as PPE or had these provided in kind. Compensation is generally funded from health budgets, complemented by emergency funding from government revenue. For example: ○ *Estonia*: In March 2020, the Estonian Health Insurance Fund (EHIF) reacted immediately to the suspension of elective care by introducing a fee for remote outpatient specialist consultations to provide an alternative for office visits. The fees for remote services were equal to those for onsite consultations/office visits. In addition, hospitals were eligible to apply for a onetime compensation to scale up their capacity for remote outpatient consultations. The compensation was equivalent to 1.5% of the amount of their annual outpatient elective care contract. ▪ Hospitals could apply for this payment if at least 20% of visits (compared to the number of visits during the same period last year) were conducted remotely and if at least 20% of these remote visits were performed as video consultations. During the emergency, about one-third of consultations were conducted remotely, including more than three-quarters of consultations in psychiatric care. The preliminary results of a survey among 183 patients suggest that more than 80% were satisfied with remote consultations and would use them again. The EHIF continues to finance remote consultations. However, the service standards and criteria are being reviewed and tightened.	• No information identified.

[fff] The document reported figures of USD $17.9 million, $14.3 million, $10.2 million, $10 million, $6.4 million, $5.3 million, and $1.2 million. All Canadian (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
			○ *Netherlands*: Dutch GPs are paid primarily through a combination of (passive) capitation and fee-for-service (FFS) for each visit (about 75% of their income), with some pay-for-performance (P4P)-like components (the other 25%). In March 2020, GPs, health insurers and the Dutch Healthcare Authority agreed upon compensation for GPs during the pandemic: (1) GPs received a one-time extra flat rate capitation payment (for each registered patient in their practice), regardless of the COVID-19 morbidity rate among their patients; (2) GPs can charge a higher fee for home visits to COVID-19 patients; and (3) GPs can negotiate additional financial support to avoid bankruptcy with the "preferred" health insurer that covers most of their patients. Health insurers compensate for 60–85% of the shares of allied health professionals' turnover to cover fixed costs. Health care providers may be subject to paying back some of the compensation if they manage to limit financial losses during the rest of the year. If this compensation is not enough, these health professionals may apply for the general support for businesses. ○ *France*: In France, community health care professionals are self-employed and payed on an FFS basis. During the lockdown (March–April 2020), their activity (and income) has dramatically dropped. Teleconsultations were encouraged and paid at the same price as face-to-face consultations. The French statutory health insurance (CNAM) also attempted to support health professionals to keep providing care by helping them to cover fixed expenditures such as rent, staff costs, social security contributions and taxes. It is the first time that such a support system has been implemented. CNAM also introduced higher fees for consultations: one for the management of COVID patients (i.e., reporting the case and providing contact details), and another fee to handle chronic diseases patients (i.e. for a medical check-up and follow-up). Finally, CNAM is negotiating with health professionals over providing compensation to cover costs of increased hygiene measures.	

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
• Europe	Health at a Glance: Europe 2020: State of Health in the EU Cycle: How resilient have European health systems been to the COVID-19 crisis? Paris (FR): Organization for Economic Cooperation and Development; 2021.	• Various including central government spending and public health insurance.	• Governments put together substantial financial packages to respond to the COVID-19 pandemic. These resources were used to protect people's jobs and businesses, as well as to strengthen health system responses to COVID-19. Across European countries, most fiscal responses – including direct budgetary measures related to spending and revenue policies, alongside other interventions such as loans, equity injections and government guarantees – amounted to between 5-20% of GDP. Amongst European countries with comparable data, central government budgetary commitments to health system responses to COVID-19 ranged from almost CAD $756 per person in the United Kingdom, and around CAD $504 per person in Germany and Ireland, to under CAD $84 per person in Latvia, Iceland and the Netherlands, adjusted for purchasing power parity.[ggg] ○ COVID-19-related budget measures in the health sector include: 1) Financing the procurement of specialised medical and PPE; 2) Expanding testing capacities; 3) Hiring of additional workforce; 4) Bonus payments; 5) Support to hospitals and to subnational governments; and 6) Contributions to vaccine development. For example: ▪ *Spain*: The first response package from the central government in Spain contained CAD $7.4 billion additional spending measures for the health sector, of which CAD $1.9 billion went as direct budget support to the Ministry of Health, CAD $5.3 billion was given as advance transfers to regions for regional health services, and CAD $0.19 billion went on research on new drugs and vaccines.[hhh] ▪ *Germany*: In Germany, health insurance funds have contributed CAD $8.1 billion together with the federal	• No information identified.

[ggg] The document reported figures of EUR 450, EUR 300, and EUR 50. All Canadian amounts were calculated using PPPs as published by the OECD for 2019 (1 Euro [EUR] = 1.681 CAD) (OECD, 2019).
[hhh] The document reported figures of EUR 3.9 billion, EUR 1 billion, EUR 2.8 billion, and EUR 0.1 billion. All Canadian amounts were calculated using PPPs as published by the OECD for 2019 (1 Euro [EUR] = 1.896 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
			government to provide funding to hospitals to mitigate against revenue shortfalls and higher costs.[25,iii] ○ Workforce Compensation: Regardless of countries' health workforce size and composition before the onset of the first wave, the COVID-19 pandemic substantially increased the workload of most health workers – particularly frontline workers in hospitals, in all countries. For example: ▪ *United Kingdom:* In the UK, 60% of hospital doctors in England and Wales reported having worked additional hours between March and August 2020 as part of the response to COVID-19. The pay rate for the overtime work of frontline workers in hospitals was increased in many countries as a recognition of the exceptional circumstances and workload. ▪ *France:* The overtime premium for people working in public hospitals was increased markedly in March and April 2020, and an exceptional lump-sum bonus was also granted to those working in the most affected regions to recognise their effort and commitment. Similar measures were taken in Germany and Belgium.	
• International	Organization for Economic Cooperation and Development. (2021). OECD Policy Responses to Coronavirus (COVID-19). The territorial impact of COVID-19: Managing the crisis across levels of government. Paris (FR): Organization	• Various	• **The Impact of Health Expenditures**: This OECD report notes that this health crisis has led to significant increases in subnational government health expenditure. The pressure on public health expenditure is particularly high for regions (69% versus 44% for municipalities), most likely reflecting their broader responsibilities in this area in many EU countries. This is linked to spending to acquire health care equipment and consumables (masks, ventilators, tests, protective equipment, etc.), cover staff costs (employment of temporary medical staff, overtime payments, bonuses), pay for additional tasks such as the cleaning and disinfection, construction and conversion of temporary emergency facilities, medical transport, etc. Local governments are also distributing masks and participating in	• No information identified

[iii] The document reported a figure of EUR 5 billion. All Canadian amounts were calculated using PPPs as published by the OECD for 2019 (1 Euro [EUR] = 1.617 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
	for Economic Cooperation and Development.		testing and contact-tracing programmes in partnership with regional and national governments.	
• International	Barroy H, Wang D, Pescetto C, Kutzin J. (2020). How to budget for COVID-19 response? A rapid scan of budgetary mechanisms in highly affected countries. Geneva: World Health Organization.	• Various	• **Overview**: This article describes various approaches of countries affected by COVID-19 to budgetary allocation, depending on their public financial management (PFM) and regulatory systems noting that every country must develop specific processes for allocating budget funds to the response. ○ Immediate Responses: Using Existing Budgetary Flexibility and Exceptional Spending Procedures: PFM systems, in most affected countries, provide some level of flexibility for the executive branch to use budgeted allocations. Reprioritization through virements between line items or within budgetary program envelopes (subject to thresholds) is a first permitted action to secure budget funding for immediate COVID-19 response. Further, most legal frameworks provide for activation of contingency funds by the executive in emergency situations. ○ Accelerating Revision of Finance Laws to Secure a Budget for Expenditure Earmarking: The scale of the resources needed for the response often require supplementary budgets. The budget enactment process secures funding through expenditure earmarking. In several countries, the legislature enacted spending plans for the response (e.g., Korea, France, Germany, Japan, US, UK). Countries have developed rapid costs estimates and identified low-priority spending, which is preferable to across-the-board cuts. That said, some countries have opted for such measures, with reductions of 15–30% of the operating budgets of ministries not related to the response. ○ Releasing Funds to Frontline Service Providers and Facilitating Expenditure Tracking: While flexibility is provided in the use of resources, control procedures are typically adjusted to accelerate disbursement. Other priority disbursement procedures can be adopted by governments within supplementary budgets to accelerate	• No information identified.

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
			the availability of funds and/or allow quick purchasing through a simplified procurement process. For instance: ▪ *China*: Cash advances have been implemented in China, where advance payments have been made by insurance funds to health facilities to lessen the financial pressure on the Hubei province. As of February 19, 2020, insurance funds had disbursed more than CAD $5.76 billion to health facilities.[iii] ▪ *Australia:* Provided swift supplementary allocations at the federal level, earmarking funds for primary health networks to set-up respiratory clinics.	
• Japan	Maiwa, A. (2020). The financial impact of COVID-19 for medical institutions in Japan. New York (NY): Deloitte.	• Medical service fees determined by the government under the universal medical care insurance system, which hospitals cannot raise the fee to control their profitability.	• **Overview**: A questionnaire survey on the hospital management situation was conducted with 4,332 hospitals across Japan from May 7 to 15, 2020 by three medical associations. • **Findings**: The Ministry of Health, Labour and Welfare (MHLW) has taken several financial measures to aid medical institutions during the state of emergency. For example, MHLW allowed hospitals to triple their medical service fees for COVID-19 treatment in the ICU on May 26, 2020. ○ In addition, on May 27, the Japanese Cabinet approved a draft second supplementary budget of 31,911 billion JPY (CAD $355.2 billion) in general-account spending for fiscal 2020. Of this amount, 2,989 billion JPY (CAD $33.24 billion) is allocated to supporting medical treatment providers. For core medical institutions where whole hospitals or wards are used for COVID-19 and other medical services are suspended, fees for beds not in use are also compensated. Infection prevention and control for other wards, such as emergency, perinatal, and pediatric care, will be also reinforced. A bonus payment for front-line health care workers as well as	• No information identified.

[iii] The document reported a figure of 17 billion RMB. The Canadian Dollar (CAD) amount was calculated using PPPs as published by the OECD for 2019 (1 Chinese Renminbi [RMB] = 0.339 CAD) (OECD, 2019).

Jurisdiction	Reference	Hospital Payment Methods	Description of COVID-19-related Funding	Medium-Term COVID-19 Hospital Funding
			employees for long-term care and social welfare facilities is also included.[kkk]	
• Japan	Highlights of the FY 2021 Budget. Tokyo (JP): Ministry of Finance, Government of Japan; 2021.	• No information identified.	• In order to prepare for unexpected changes in the situation, CAD $60 billion are secured for the contingency fund for the COVID-19 in the FY2020 budget, and another CAD $60 billion of the fund will be set aside in the FY2021 budget.[lll] • In the third supplementary budget, measures will be taken to secure hospital beds and accommodations, and to develop the COVID-19 vaccination system and inoculations. In addition, the following measures will be taken to prevent the spread of the infection. ○ Development of an infectious crisis management system and public health center system. ○ Temporary measures for medical fees to combat infectious diseases. ○ Enhancement of domestic production capacity of medical equipment, etc.	• No information identified.
• Spain	Spain: Key Policy Responses as of June 3, 2021. Washington (DC): International Monetary Fund; 2021.	• No information identified.	• Key measures (about 7.4 percent of GDP, CAD $161 billion, subject to changes in the usage and duration of the measures) include budget support from the contingency fund to the Ministry of Health (CAD $2.6 billion); transfers to the regions for regional health services (CAD $23.5 billion); additional health care related spending including research related to COVID-19 (CAD $512 million).[mmm]	• No information identified.

[kkk] The document reported figures of USD $296 billion and USD $27.7 billion. All Canadian (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 US dollar [USD] = 1.2 CAD) (OECD, 2019).
[lll] The document reported a figure of 5 trillion YEN. All Canadian (CAD) amounts were calculated using PPPs as published by the OECD for 2019 (1 Japanese Yen [YEN] = 0.012 CAD) (OECD, 2019).
[mmm] The document reported figures of €85 billion, €1.4 billion, €12.4 billion, and €270 million. All CAD amounts were calculated using PPPs as published by the OECD for 2019 (1 Spanish Euro [EUR] = 1.896 CAD) (OECD, 2019).

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