Intelligence MEMOS

From: Rosalie Wyonch and Will Falk

To: Canadian Healthcare Observers

Date: May 12, 2025

Re: LANDSCAPE OF VIRTUAL CARE AND THE PRIMARY CARE ACCESS GAP

Many Canadians have difficulty accessing primary healthcare services: Seventeen percent of Canadians– 5.4 million adults – report that they do not have regular access to primary care. Three quarters report not being able to get same- or next-day appointments, and three quarters have difficulty accessing care after-hours or on weekends. This memo examines the complex landscape of (public and private) virtual care delivery and access across Canada since the pandemic and what it means for the future of access.

The *Canada Health Act* does not explicitly include virtual care delivery in the universal public healthcare system, leaving discretion about its inclusion to the provinces. This also means different rules for private provision of virtual care in each province (with additional complexity related to employer-sponsored insurance, out-of-pocket payments, the prices private providers can charge and whether they can be for-profit or not).

Before COVID-19, fewer than 3 percent of ambulatory visits were virtual. At the peak of the crisis, that number exceeded 70 percent, enabled by provinces creating billing codes for virtual care provision. Since then, however, many provinces have restricted or changed virtual care policies, while others have integrated virtual primary care into their public systems.

For example, Ontario reduced physicians' fees for virtual visits from $37 to $15 at the end of 2022, resulting in many physicians reducing or eliminating virtual appointments. Nova Scotia, and New Brunswick, meanwhile, provide access to limited virtual primary care services for all residents with a health card and full access for those without a primary care provider. Newfoundland and Labrador and PEI have virtual primary care for those without primary care providers. In Quebec, both public and private options are available: Public physicians bill virtual appointments to the provincial insurance program, private physicians may charge patients fees for access. Alberta and British Columbia enable virtual visits with physicians within the public system through AHS Connect Care and BC Virtual Visit. Employer-sponsored virtual care and direct-to-consumer virtual care (with significant restrictions) are available in all provinces.

Notably, public-private partnerships and licensing of virtual care platform enables virtual care in most provinces, but providers working in the public system deliver the services and consumers do not pay to access them. In addition, 10 million Canadians are covered by employer-paid virtual care. In 2023, this amounted to just above half a million virtual care visits paid for by employers through health benefit plans, at no cost to individuals. That represents roughly $40 million in public savings (assuming the OHIP rate of $87.90 per consultation.) If a virtual visit prevents an emergency visit, savings are significantly larger – roughly $150 million, based on fees for an uninsured visit for a Canadian resident in Ottawa.

Virtual care provides access and saves time and costs for patients – 81 percent indicate that virtual appointments allow them to save money (time off work, paying for childcare, gas, parking, travel etc.).

Unsurprisingly, the demand for virtual care services – everything from far outstrips use of or access to them. These include such things as e-prescribing, access to electronic medical records, access to clinical notes, referrals, consultations, video physician visits and smart device monitoring of chronic conditions.

It's basic economics that when demand exceeds supply, prices rise and there is a market opportunity for those able to fill the gap. Demand for basic healthcare services is not responsive to prices, and have very low price elasticity. People unable to access the free public healthcare system are accessing care through employer-sponsored insurance or by paying for it directly. When 17 percent of Canadians do not have access to a regular primary care provider, virtual care goes a long way to filling the gap (public insurance, private insurance, or out-of-pocket – the important thing is that people can access the care they need.

There is plenty of consumer demand for virtual care and the market is providing supply, which benefits Canadians who lack access and reduces public costs related to healthcare and ER visits. Many provinces are already integrating virtual care platforms in partnership with private platform providers.

If provinces wish to reduce private payments for primary care services, they cannot simply regulate it away without worsening healthcare access (and ER capacity and wait times). They could, however, improve publicly funded primary care and expand virtual delivery – demand for private services disappears with adequate supply of public ones. Other platforms would find it hard to compete with the government price of zero dollars, if the government service were adequate. Instead of making perfection the enemy of good by eliminating private-pay virtual care through regulations and rules, provinces should focus on improving public primary care by directly competing through improved service delivery and accessibility. The platforms will evolve and expand to fill other care gaps – in mental health supports, for example – and the virtuous cycle of innovation and growth can be leveraged to improve and expand access.

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