

Ontario Health Sector

2026 Spending Plan Review

2026



FAO

Financial Accountability
Office of Ontario

Ontario Health Sector

2026 Spending Plan Review

Presentation

Overview

- This report reviews the Government of Ontario's (the Province's) health sector spending plan as outlined in the 2026 Ontario Budget.
- This analysis was undertaken in response to requests from Members of Provincial Parliament and is part of a series that reviews the spending plans for five ministries:
 - Health and Long-Term Care, which form the health sector;
 - Education;
 - Colleges, Universities, Research Excellence and Security (MCURES); and
 - Children, Community and Social Services (MCCSS).
- For additional information on the five ministries' 2026-27 spending plans, see the FAO's *2026-27 Expenditure Estimates Dashboard*, which compares planned spending against actual spending over the previous five years to the standard account level of detail.



Spending Plan Overview

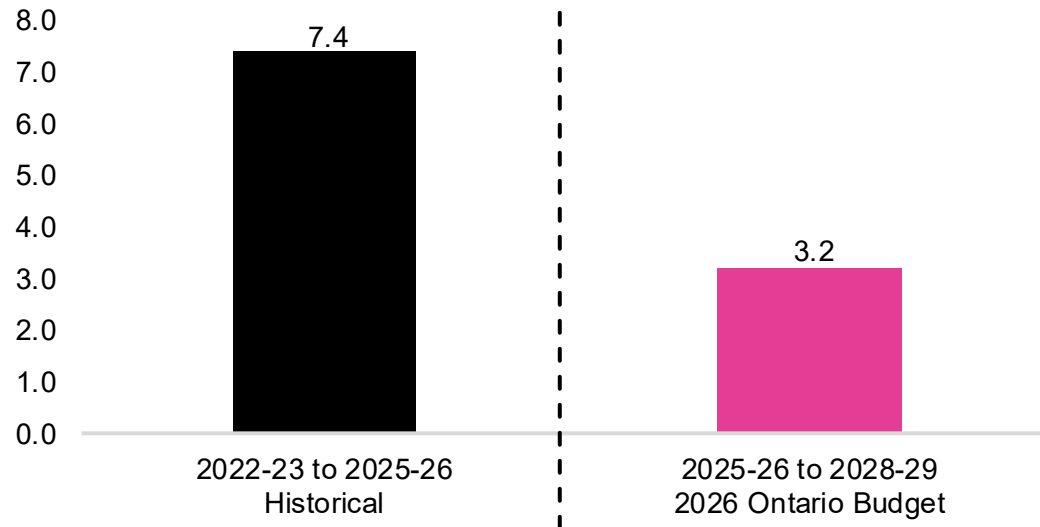


Health Sector Spending Plan Overview

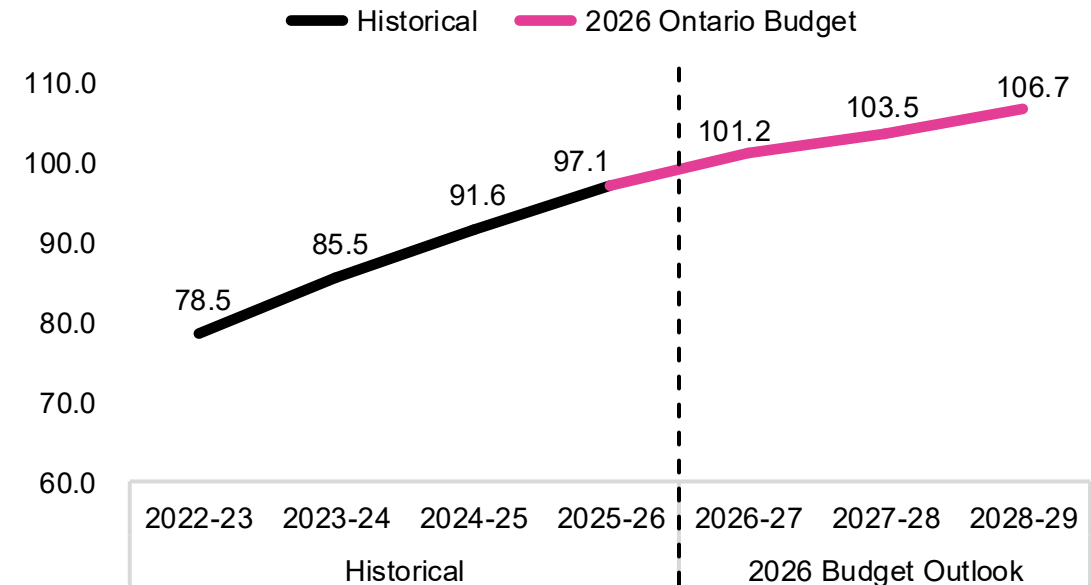
- In the 2026 Ontario Budget, the Province projects that health sector spending will grow at an average annual rate of 3.2%, from \$97.1 billion in 2025-26 to \$106.7 billion in 2028-29.

Health sector spending plan in the 2026 Ontario Budget

Average Annual Spending Growth (Per Cent)



Annual Spending (\$ Billions)



Note: Historical values are not restated for program transfers or reclassifications, if any. 2025-26 value is an FAO estimate of unaudited spending and may contain differences from the final audited spending reported in the 2025-26 Public Accounts of Ontario.

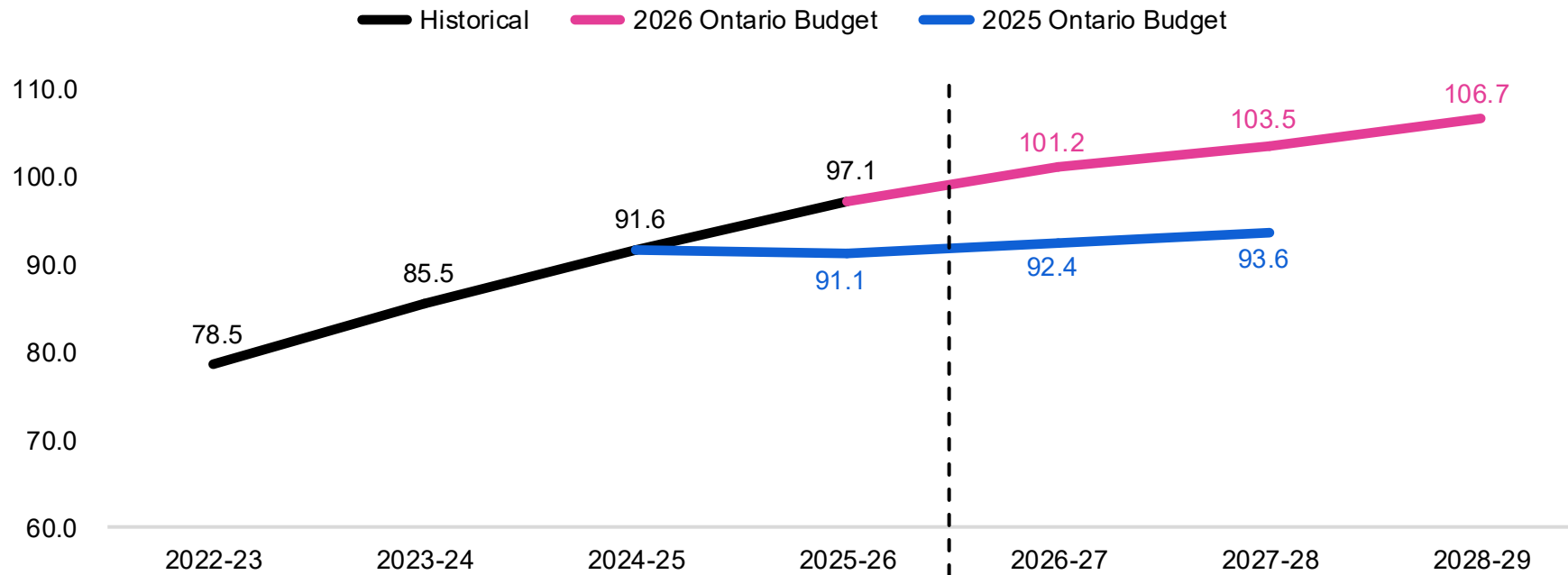
Source: Ontario Public Accounts, the 2026 Ontario Budget and FAO analysis.

Health Sector Spending Compared to the 2025 Budget

- Compared to the health sector spending plan in the 2025 Ontario Budget, the health sector spending plan in the 2026 Ontario Budget has increased by a total of \$24.6 billion from 2025-26 to 2027-28.

Health sector spending plan in the 2025 and 2026 Ontario Budgets

Spending (\$ Billions)



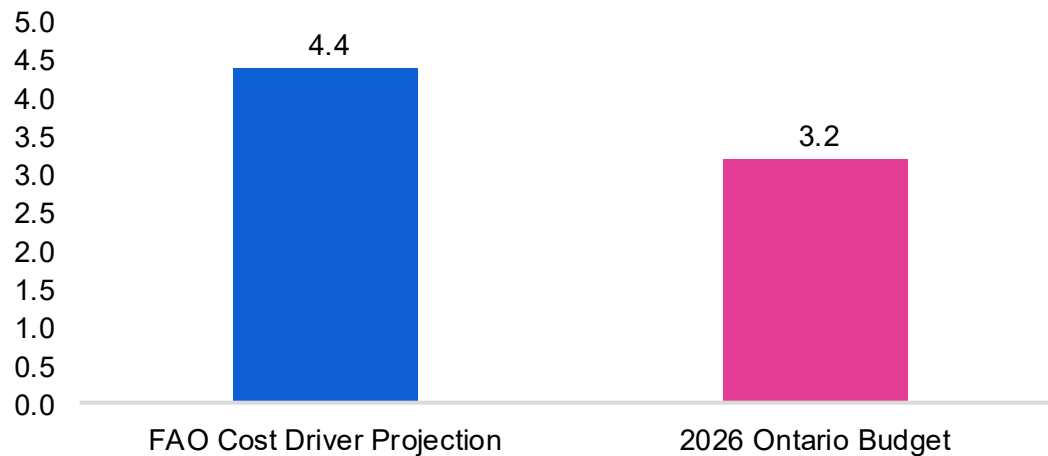
Note: Historical values are not restated for program transfers or reclassifications, if any. 2025-26 historical value is an FAO estimate of unaudited spending and may contain differences from the final audited spending reported in the 2025-26 Public Accounts of Ontario.
Source: Ontario Public Accounts, 2025 Ontario Budget, 2026 Ontario Budget and FAO analysis.

Health Sector Spending Plan Compared to Cost Drivers

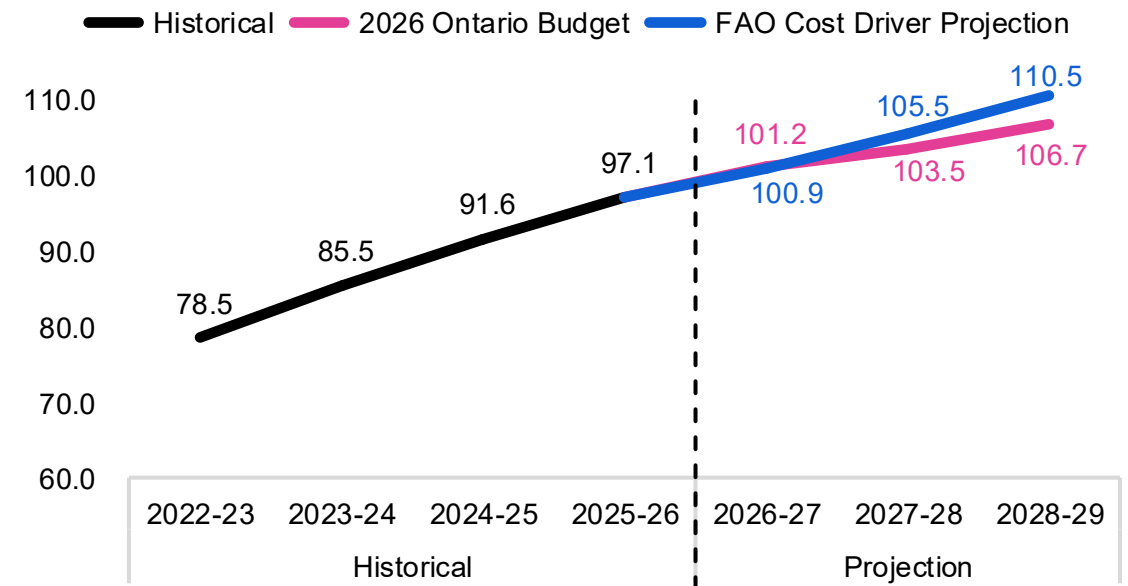
- The FAO estimates that health sector spending would need to grow by an average annual rate of 4.4% over the next three years to maintain 2025-26 health sector service levels.
- Compared to the FAO's cost driver projection, the 2026 budget spending plan has excess funding of \$0.2 billion in 2026-27, and funding shortfalls of \$2.0 billion in 2027-28 and \$3.8 billion in 2028-29.

Comparing health sector spending growth, FAO cost driver projection vs. 2026 Ontario Budget, 2025-26 to 2028-29

Average Annual Spending Growth (Per Cent)



Annual Spending (\$ Billions)



Note: Historical values are not restated for program transfers or reclassifications, if any. 2025-26 value is an FAO estimate of unaudited spending and may contain differences from the final audited spending reported in the 2025-26 Public Accounts of Ontario.

Source: Ontario Public Accounts, 2026 Ontario Budget and FAO analysis.

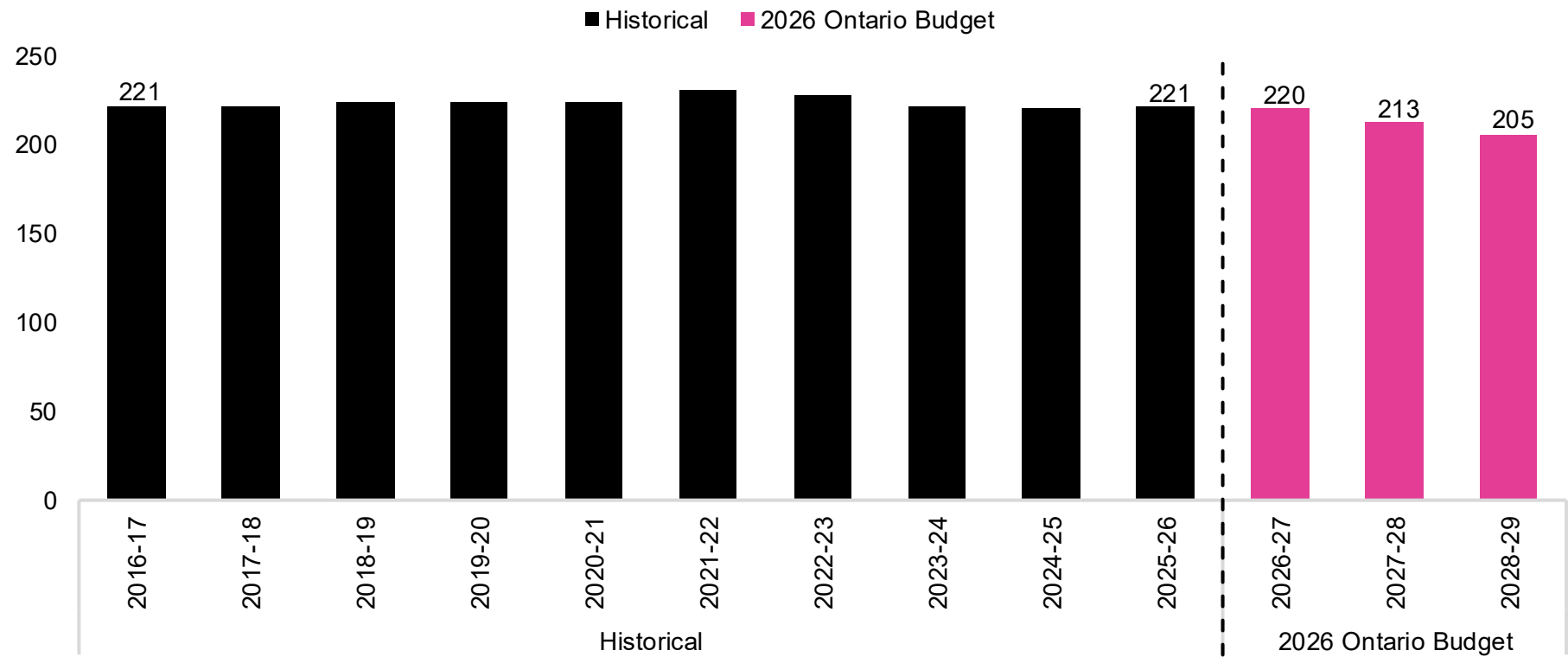
Spending Plan Analysis



Hospital Beds

Number of funded hospital beds per 100,000 Ontarians, 2016-17 to 2028-29

Funded Hospital Beds per 100,000 Ontarians



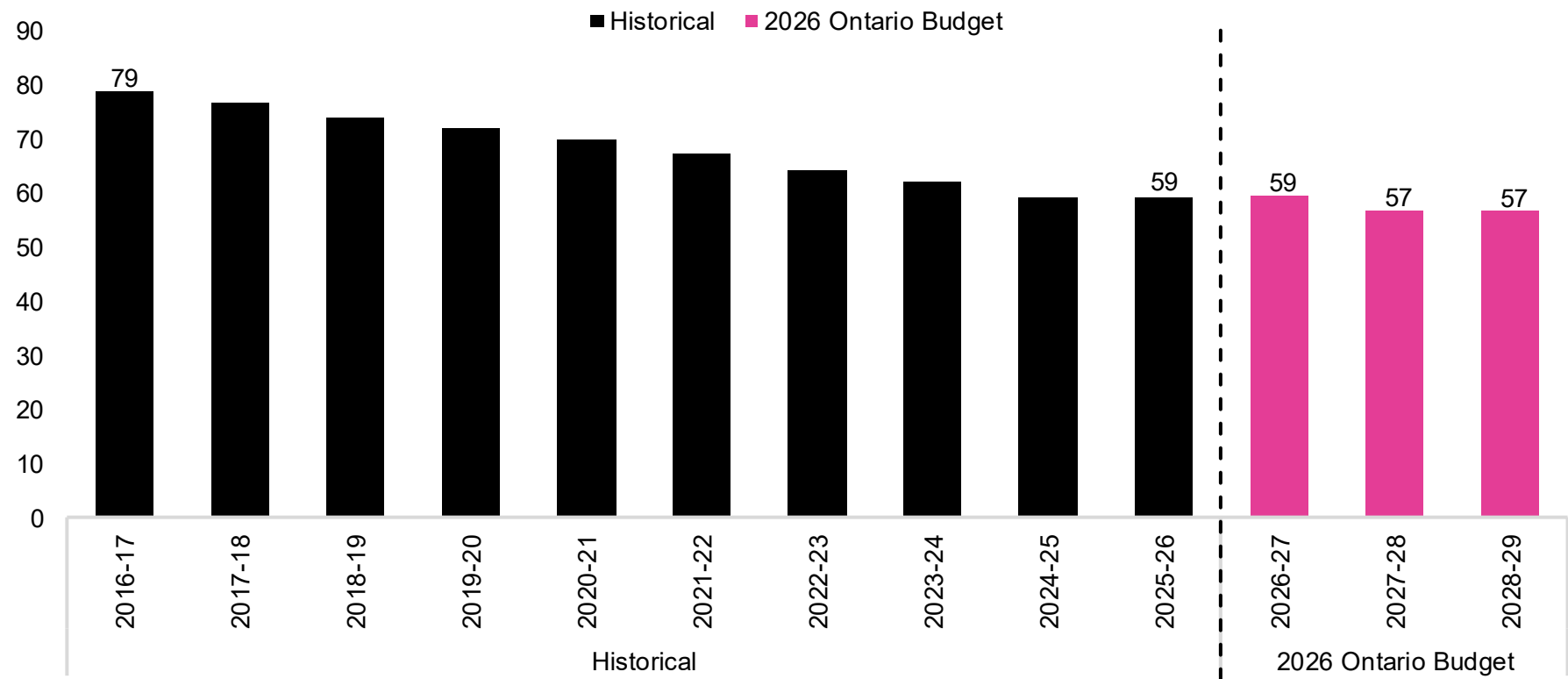
Note: Funded hospital beds represent hospital beds that have been allocated operating funding by the Province and are actively staffed and available to patients.
Source: FAO analysis of information provided by the Province, CIHI Spending Trends in Health Service Delivery, 2014-2015 to 2023-2024 - Data Tables – Table 5: Hospital Beds Staffed and in Operation, and Ontario Health Coalition hospital beds staffed and in operation Ontario 1990 to 2014.



Long-Term Care Beds

Number of long-term care beds per 1,000 Ontarians aged 75 and over, 2016-17 to 2028-29

Long-Term Care Beds per 1,000 Ontarians Aged 75 and Over



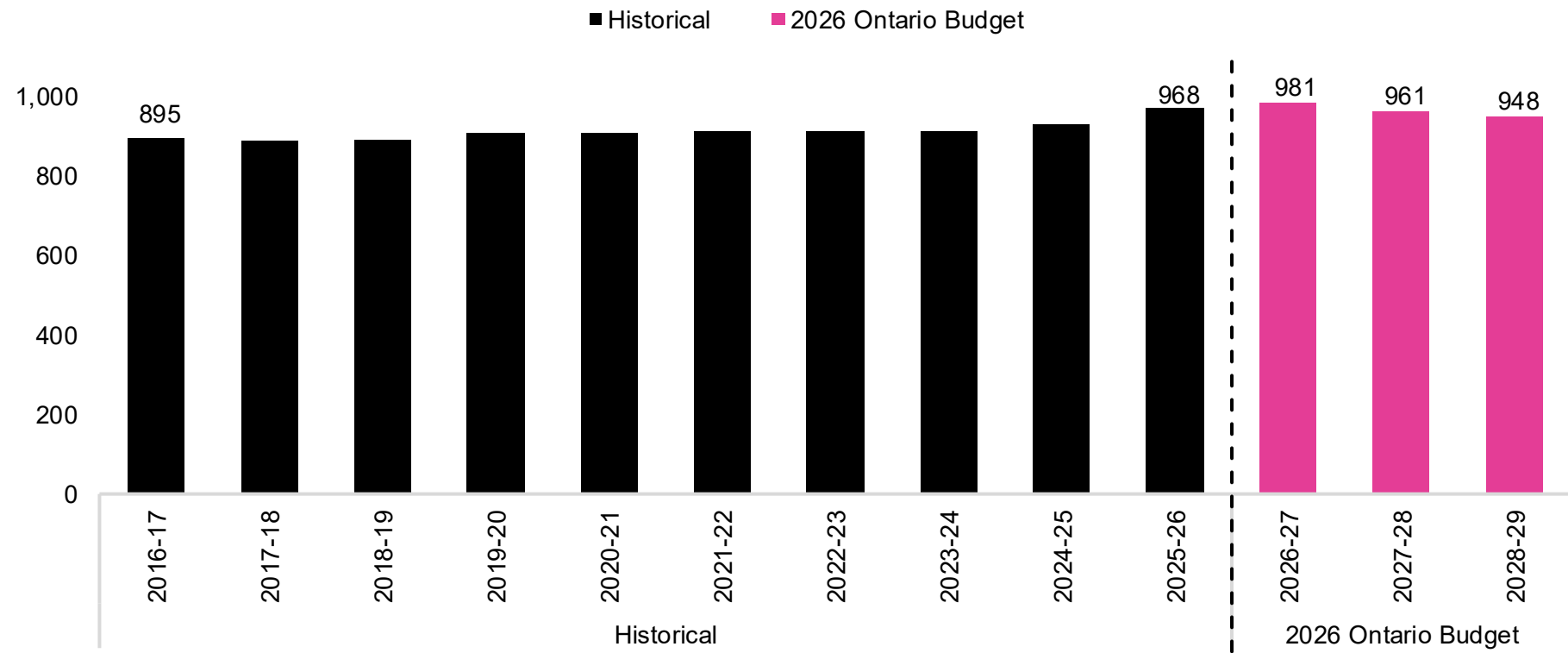
Source: FAO analysis of information provided by the Province.



Nurses

Number of provincially funded nurses per 100,000 Ontarians, 2016-17 to 2028-29

Provincially Funded Nurses per 100,000 Ontarians



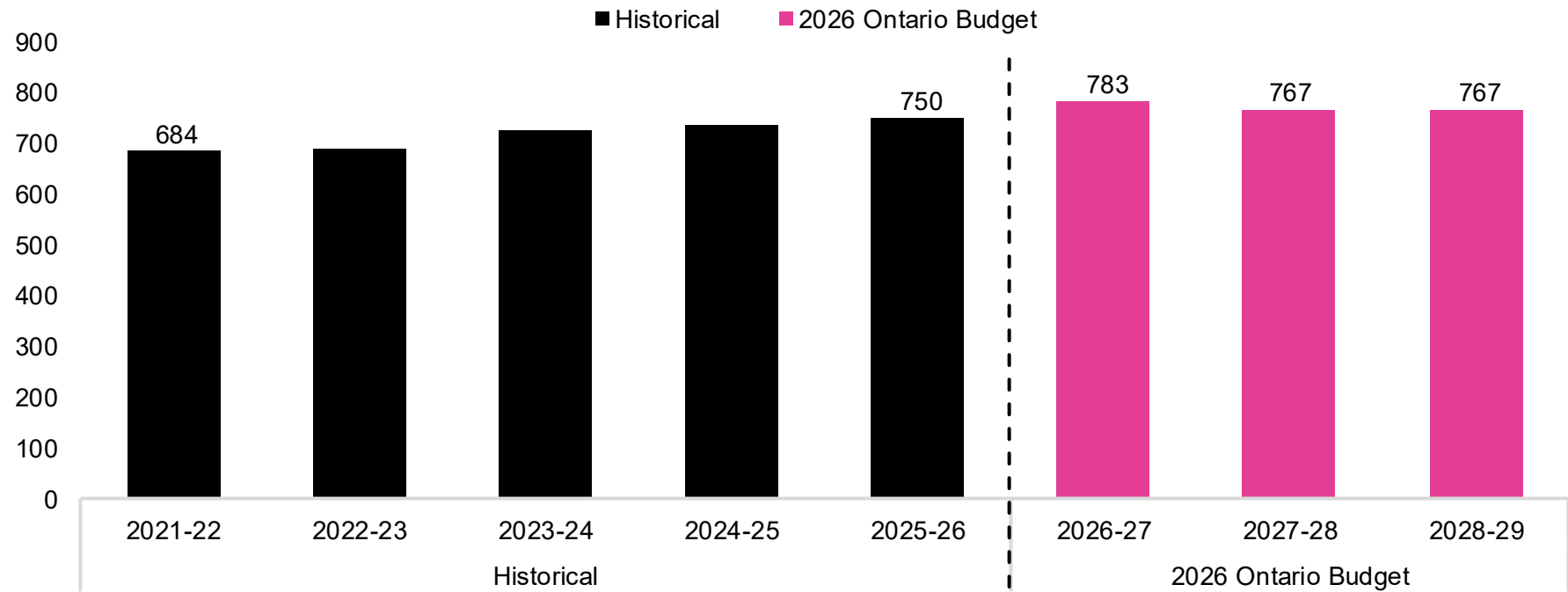
Source: FAO analysis of information provided by the Province and CIHI Nursing in Canada, 2025: Table 4a - Workforce of regulated nurses, by jurisdiction.



Personal Support Workers

Number of provincially funded personal support workers per 100,000 Ontarians, 2021-22 to 2028-29

Provincially Funded PSWs per 100,000 Ontarians



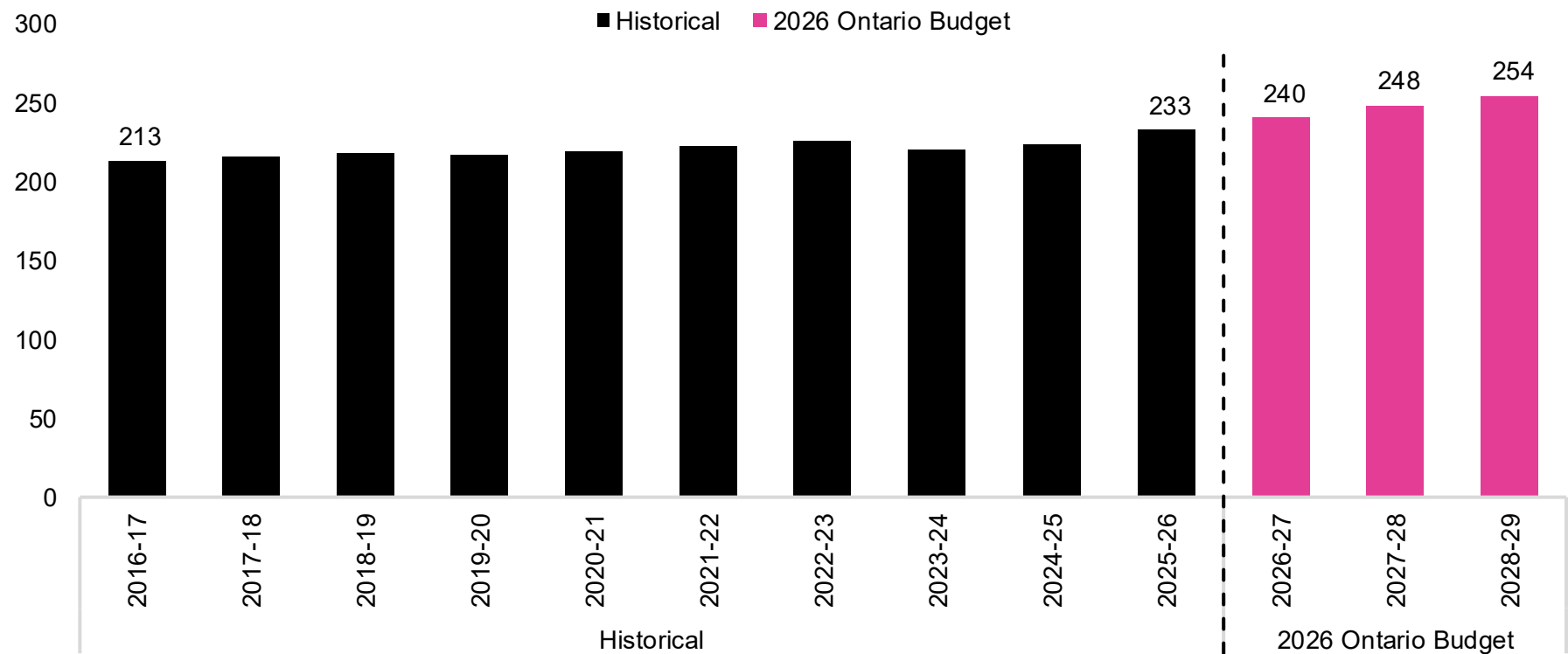
Source: FAO analysis of information provided by the Province.



Physicians

Number of provincially funded physicians per 100,000 Ontarians, 2016-17 to 2028-29

Physicians per 100,000 Ontarians



Note: The FAO's projection represents the number of physicians that the 2026 Ontario Budget's health sector spending plan could support, provided that compensation levels under the existing physician services agreement and other practice conditions are sufficient to attract, license and retain the funded number of physicians.
Source: FAO analysis of Ontario Physician Reporting Centre (OPRC), Physicians in Ontario Longitudinal Dataset (2009-2025), 2026.



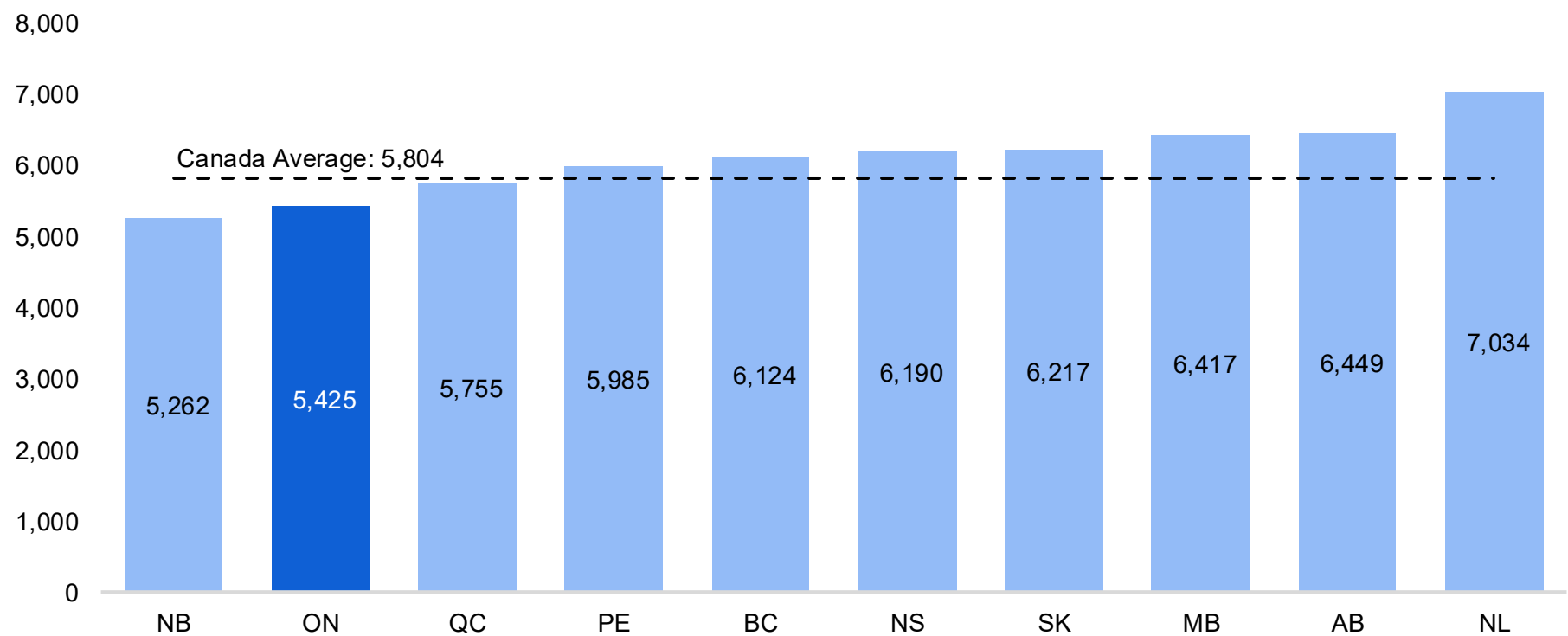
Interprovincial Comparison



Total Provincial Health Sector Funding

Age-standardized per capita total provincial health sector funding by province in 2023

Dollars per Person, Adjusted for Population Age

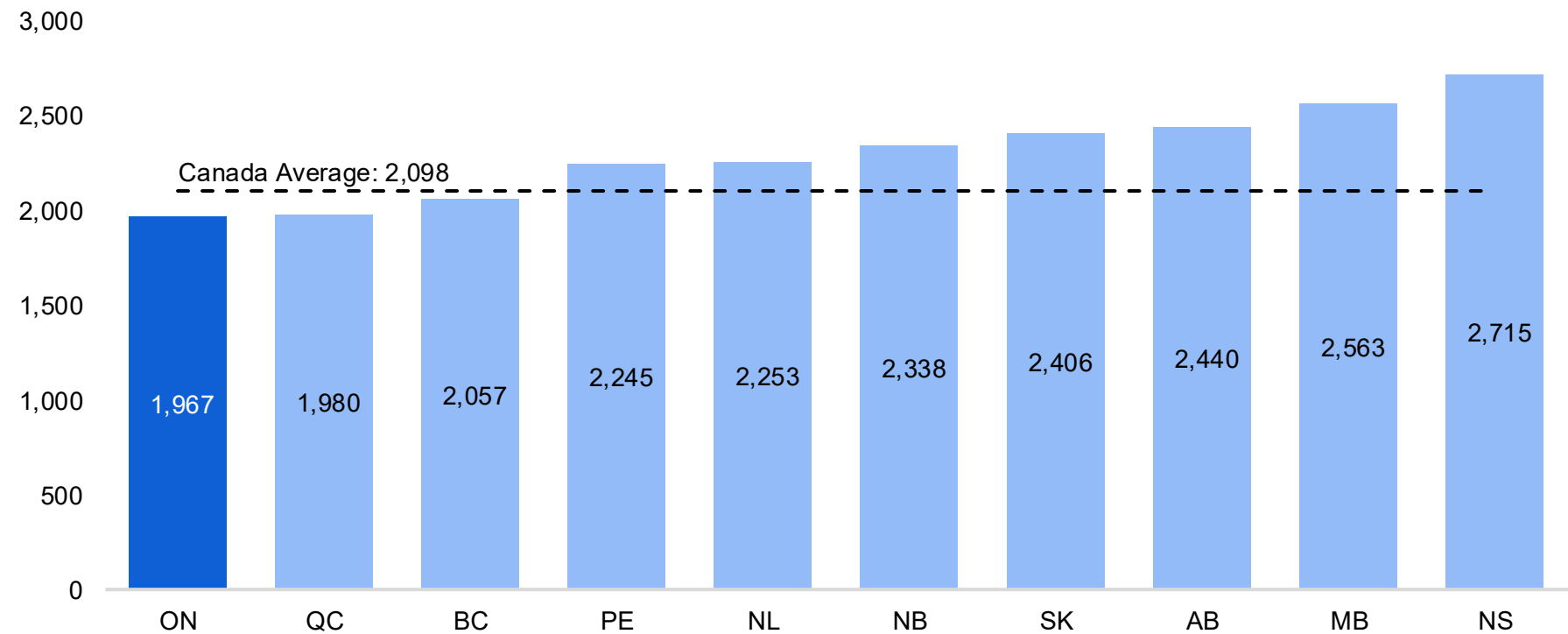


Note: Canada average excludes territories.
Source: FAO analysis of CIHI: National Health Expenditure Trends, 2025: Data Tables - Series E1.

Provincial Hospital Funding

Age-standardized per capita provincial funding for hospitals in 2023

Dollars per Person, Adjusted for Population Age



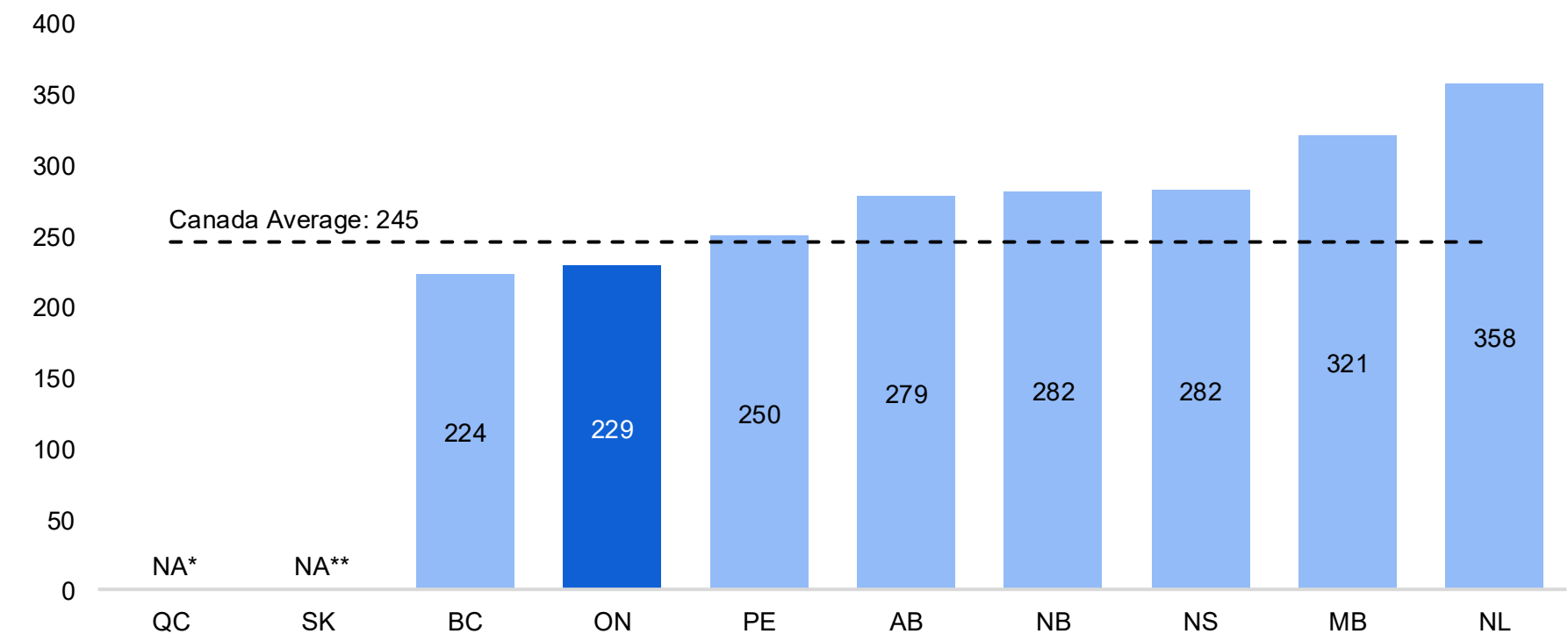
Note: Canada average excludes territories.
Source: FAO analysis of CIHI: National Health Expenditure Trends, 2025: Data Tables - Series E2.



Hospital Beds

Age-standardized number of hospital beds per 100,000 population by province in 2023

Beds per 100,000 Population, Adjusted for Population Age



* Excludes Quebec as the province does not report hospital-based long-term care beds (referred to as chronic care beds in Ontario) to CIHI. These beds are distinct from long-term care beds in residential facilities.

** Excludes Saskatchewan as CIHI does not report mental health, rehabilitation and rated bed capacity for this province.

Note: Canada average excludes Quebec, Saskatchewan and territories.

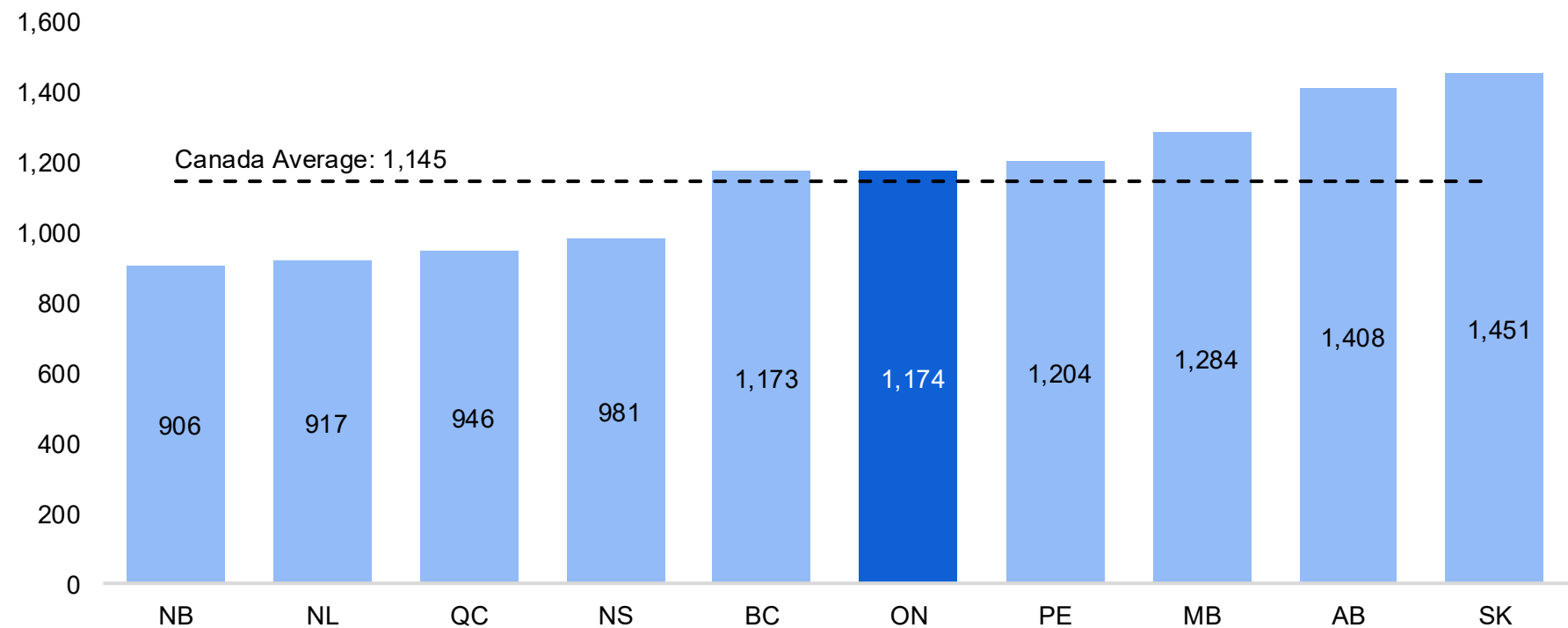
Source: FAO analysis of CIHI: Spending Trends in Health Service Delivery, 2014-2015 to 2023-2024 - Data Tables – Table 5: Hospital Beds Staffed and in Operation.



Spending on Physicians

Age-standardized per capita spending on physicians by province in 2023

Dollars per Person, Adjusted for Population Age



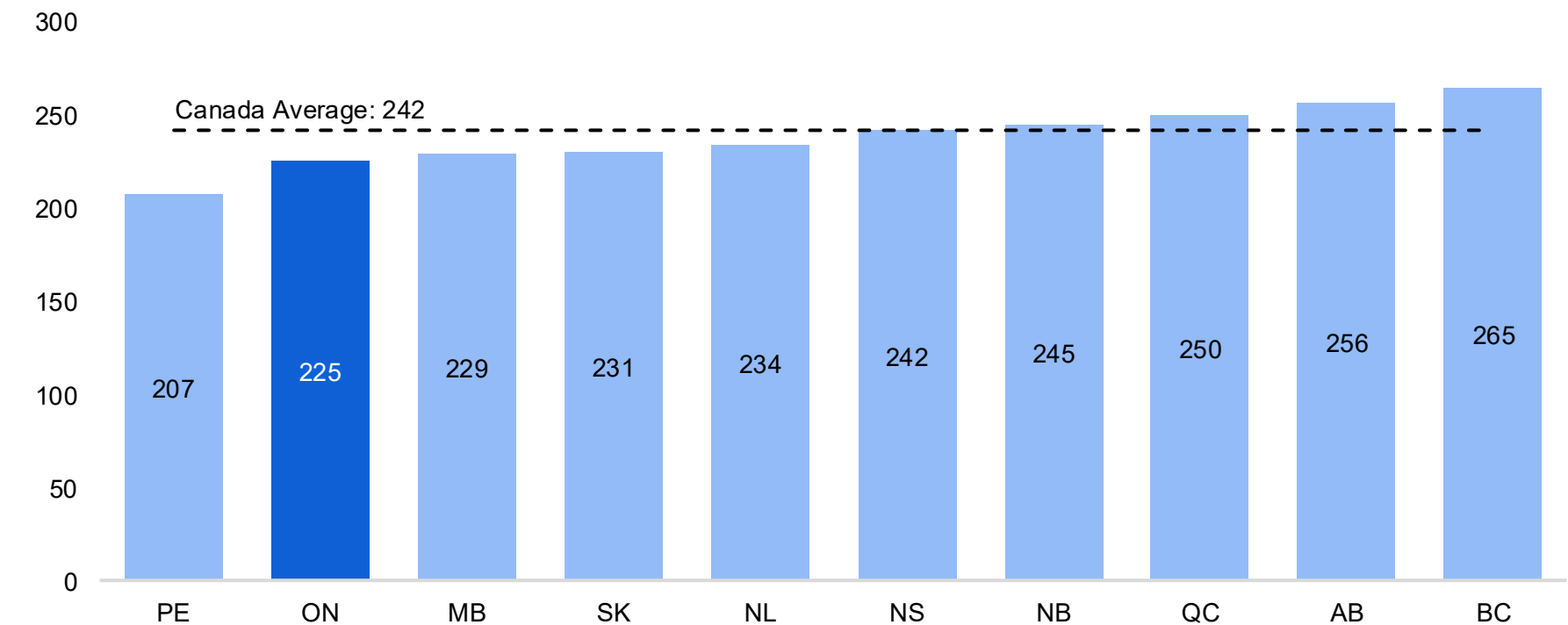
Note: Canada average excludes territories.
Source: FAO analysis of CIHI: National Health Expenditure Trends, 2025: Data Tables - Series E4.



Number of Physicians

Age-standardized number of physicians per 100,000 population by province in 2023

Physicians per 100,000 Population, Adjusted for Population Age



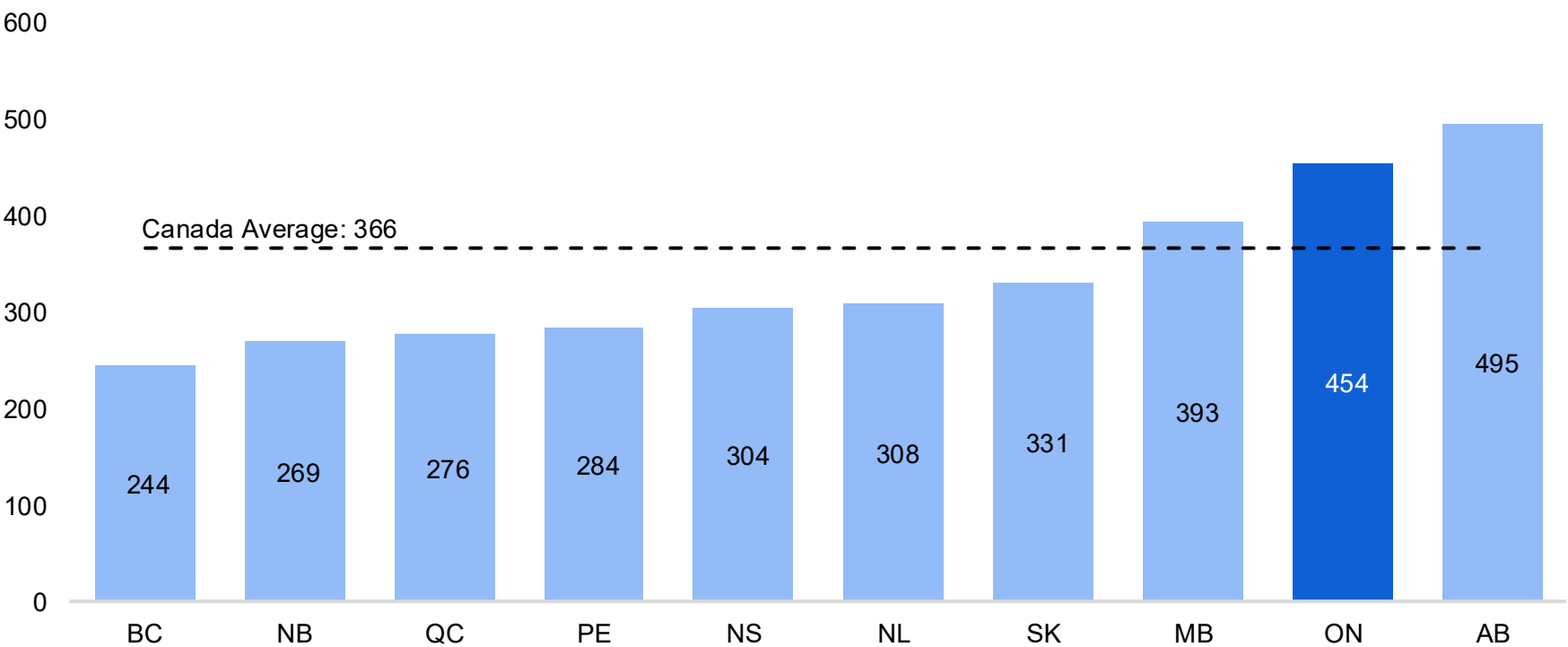
Note: Canada average excludes territories. The physician count reported in this chapter differs from the number presented in Chapter 4 because it is based on CIHI data rather than OPRC data. CIHI's standardized national methodology supports interprovincial comparisons, while OPRC data are used for Ontario-specific workforce analysis. As a result, physician counts may differ between the two sources.
Source: FAO analysis of CIHI: Supply, Distribution and Migration of Physicians in Canada, 2001 to 2024 - Historical Data.



Public Drug Spending

Age-standardized per capita public drug spending by province in 2023

Dollars per Person, Adjusted for Population Age



Note: Canada average excludes territories.
Source: FAO analysis of CIHI: National Health Expenditure Trends, 2025: Data Tables - Series E6.



Thank you!



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