

## HOSPITAL SERVICES AND HOSPITAL INSURANCE IN CANADA

The Hospital Insurance and Diagnostic Services Act of 1957 was a notable advance in the development of Canada's social security system. It signified the willingness of the Federal Government to enter into a co-operative program with the provinces to make hospital care available on a prepayment basis to the whole population.

The new legislation has been helpful in many ways. From the viewpoint of the individual sick person it meant prepayment of the bulk of the cost of his hospitalized illness. To the individual hospital it provided a guarantee of stable income and continuing financial support, thus permitting hospital authorities to concentrate more completely on improvement of patient care. To provincial governments it represented a federal undertaking to share the costs of provincially administered hospital insurance schemes.

**Hospital Trends**

Federal-provincial hospital insurance arrangements are the culmination of a long series of efforts to find a solution to the increasingly complex problems involved in financing hospital care. Rapidly rising operating expenditures and capital costs have in large part resulted from quantitative expansion and qualitative improvement in hospital services and facilities. Medical progress has multiplied the number of services necessary for skilled diagnosis and treatment, has increased the dependence of the physician and the patient on the hospital to provide these services, and has stimulated public demand for more service as well as for a higher level of service.

**Utilization.**—In 1958, general and allied special hospitals\* admitted about 2,500,000 adults and children, recorded 420,000 newborn infants, and provided 31,400,000 days of care to adults, children and the newborn, compared with 20,000,000 days of care only ten years before. In terms of population, the days of care provided to adults and children per thousand persons increased from 1,371 days to an estimated 1,684 days over the ten-year period. As the average length of stay in hospital remained nearly constant at about ten days per patient during this time, it is clear that the increased volume of care per thousand population was caused by an increase in the rate of admission to hospital. Estimated admissions per thousand population increased from 115 in 1948 to 147 in 1958. Taking multiple admissions of the same patient into consideration, it has been estimated that about one of every nine persons was admitted at least once in 1958, compared with one of 12 persons only ten years earlier.

**Beds.**—A very considerable increase in hospital bed capacity was necessary to make possible the higher volume of care now being provided. From 1948 to 1958, acute treatment rated bed capacity increased by more than 50 p.c. from about 54,000 to 82,000 beds, while the bed-population ratio moved up from 4.2 to 4.8 rated beds per thousand population. The estimated number of chronic-convalescent beds\* available more than doubled from 6,700 to 15,000 beds at the end of 1958. The federal Hospital Construction Grant introduced in 1948 has played a major role in stimulating hospital construction, with nearly 50,000 active treatment beds, 8,000 chronic beds, and many other types of beds and special facilities built or under construction by the end of the year 1959. The rapid modernization of Canada's hospital plant is illustrated by the fact that about 45 p.c. of existing bed capacity in general and allied special hospitals has been built during the past ten or eleven years. Nevertheless, even though the over-all ratio had reached 5.7 beds per thousand population at the end of 1958, rapid population growth constantly threatens to outstrip bed expansion in a number of provinces.

**Personnel.**—The growth of hospital personnel in the postwar "full employment" period has been remarkable in view of the strong competition from other forms of employment. Since 1948, hospital employees in all types of hospitals increased by 88 p.c., from 95,000 to 180,000 in 1958. Hospital employees represented about 2 p.c. of the total civilian labour force in 1948, 2.5 p.c. in 1953, and 3.0 p.c. in 1958. Factors affecting the increase

\* Exclusive of mental hospitals, tuberculosis sanatoria and federal hospitals.