

### Subsection 3.—Hospital Insurance

The federal-provincial hospital insurance program, now established in all provinces and territories, covers 98.4 p.c. of the total population of Canada. This program was introduced under the federal Hospital Insurance and Diagnostic Services Act of 1957, by which the Federal Government shares with the provinces the costs of specified hospital services to insured patients. The choice of methods of financing and administering the program at the provincial level, and the choice of the types of service offered above the minimum stipulated in the Act, rest with provinces.

Federal legislation covers only services in institutions approved to provide acute, chronic and convalescent care. Tuberculosis and mental hospitals are excluded from the federal-provincial plan, as are institutions providing custodial care. However, the psychiatric and tuberculosis units of general hospitals are included.

The basic range of in-patient benefits that, under the Act, each province is required to provide includes standard ward accommodation and meals, nursing service, drugs and biologicals, surgical supplies, the use of operating and case rooms, diagnostic procedures (including X-ray and laboratory procedures) together with necessary medical interpretations, and the use of radiotherapy and physiotherapy facilities where available. The same benefits for out-patients, although authorized for assistance under the federal legislation, are not mandatory upon provincial plans. All provinces except one provide, under the plan, insured out-patient services. The pattern varies from province to province but among the services offered are emergency care following accidents, diagnostic services and therapeutic services, including minor surgical and medical procedures. Some provinces provide certain psychiatric out-patient services.

Provinces use different methods of administering and financing their programs; money raised through general revenues, provincial sales taxes and personal premiums may be used separately or in combination.\* The Federal Government pays each province 25 p.c. of the per capita cost of in-patient services in Canada as a whole plus 25 p.c. of the per capita cost of in-patient services in the province, multiplied by the average for the year of the number of insured persons in the province. On a national basis, the federal contribution amounts to about 50 p.c. of sharable costs. However, for individual provinces the proportion of sharable costs met by the Federal Government varies, with a higher proportion of the cost of low-cost programs than of high-cost programs being met. Federal payments to the provinces under the program from July 1, 1958 to Dec. 31, 1964 totalled over \$1,700,000,000. During 1964, federal payments to the individual provinces and territories totalled \$408,000,000, divided as follows: Newfoundland, \$9,200,000; Prince Edward Island, \$2,000,000; Nova Scotia, \$15,500,000; New Brunswick, \$13,000,000; Quebec, \$117,200,000; Ontario, \$144,500,000; Manitoba, \$20,000,000; Saskatchewan, \$22,200,000; Alberta, \$29,600,000; British Columbia, \$34,000,000; Yukon Territory, \$330,000; and the Northwest Territories, \$560,000.

Tables 2 and 3 give data for hospitals listed in the federal-provincial hospital insurance agreements. The bulk of the hospitals listed in those agreements are "budget review" hospitals, which are subject to provincial budget-approval. Budget review hospitals include publicly owned general hospitals providing acute or short-term care and special hospitals such as pediatric, maternity, orthopedic and chronic hospitals. Also listed in the agreements are "contract" and federal hospitals. "Contract" hospitals are private and industrial hospitals that provide insured hospital care at a contractually agreed rate per patient day.

The 1,291 hospitals, in all three categories listed in the federal-provincial agreements, reported having a total of 129,158 beds and cribs set up at the end of 1963, a rate of 6.8 beds per thousand population. Provincial rates ranged from 5.0 in Newfoundland to 8.6

\* Hospital insurance is financed in the following ways: (1) general revenues only—Quebec, Newfoundland, Prince Edward Island, New Brunswick, Yukon Territory and the Federal Government; (2) general revenues plus a daily charge at time of service—British Columbia, Alberta and the Northwest Territories; (3) sales tax only—Nova Scotia; (4) premiums, sales tax and other general revenues—Saskatchewan; and (5) premiums, with subsidies from general revenues—Ontario and Manitoba.