

In accordance with the terms of the Medical Care Act, the federal government contributes to any participating province half the per capita cost of all insured services furnished under the plans of all participating provinces multiplied by the number of insured persons in that one province. In order to benefit from this federal contribution, a provincial plan must meet the following criteria:—

- (1) the plan must be operated on a non-profit basis by a public authority set up by the provincial government, and subject in respect of its accounts and financial transactions to provincial audit;
- (2) the plan must make available on uniform terms and conditions to all insurable residents of the province, insured services, which are defined as all medically necessary services rendered by medical practitioners, for whom the provincial law must provide reasonable compensation so as to ensure reasonable access to insured services by insured persons;
- (3) the plan must give entitlement to not less than 90 p.c. of the total number of eligible residents of the province during the first two years and not less than 95 p.c. thereafter;
- (4) for persons normally resident in Canada, the plan does not impose any minimum period of residence, although a waiting period of up to three months for entitlement within a province is permissible if 'portability' is provided for, so that persons retain coverage when temporarily absent from the province or during any waiting period, of not more than three months, for benefits in another province on change of residence.

In addition to the comprehensive physicians' services which must be provided as insured services by participating provinces, the Medical Care Act empowers the government to include any additional health services under terms and conditions that may be specified by the Governor in Council. All insured services must be provided without exclusion because of age, ability to pay or other circumstances.

The Canada Assistance Plan (see pp. 332-333) provides for federal contributions of half the costs of health care services (as well as income maintenance) that provinces make available to persons establishing eligibility on the basis of financial need.

**Health Resources Fund.**—Supplementing the medical care program is the Health Resources Fund, which supports the construction of research establishments, teaching hospitals, medical schools and training facilities for nurses and other professionals in the field of health care. The Health Resources Fund Act was enacted in July 1966 and supporting regulations were passed in February 1967. The Fund contains \$500,000,000 to be appropriated during the 15-year period 1966-80, out of which the Government of Canada will pay up to one half the costs of construction, acquisition, renovation and basic equipment for training and research facilities, including the costs of planning but excluding the costs of land, interest and lodgings. Of the \$500,000,000, \$300,000,000 is to be distributed among the provinces in proportion to their population and \$25,000,000 goes to the Atlantic Provinces for joint projects; the remaining \$175,000,000 is yet to be allocated by the Federal Government. During the year ended Mar. 31, 1967, the first year of the operation of the Act, four projects were approved, for which the contribution under the Act was \$15,000,000.

#### **Subsection 2.—National Health Grant Program**

The National Health Grant Program, inaugurated in 1948, makes federal grants available to the provinces for the developing and strengthening of public health and hospital services. Changes have been made over the years to provide additional funds, increase flexibility and meet changing circumstances. Table 1 shows the changes in the grants structure and the present arrangement under nine continuing grants as follows: Professional Training, Hospital Construction, Mental Health, Tuberculosis Control, Public Health Research, General Public Health, Cancer Control, Medical Rehabilitation and Crippled Children, and Child and Maternal Health. During the period 1948-66, the total grant expenditure was \$662,580,518, representing 80 p.c. of the funds available, with the expenditure pattern showing a higher-than-average percentage of utilization in the later years of this period.