

Subsection 3.—Hospital Insurance

Provincial hospital insurance programs, operating in all provinces and territories since 1961, cover 99 p.c. of the population of Canada. The programs were introduced under the Hospital Insurance and Diagnostic Services Act of 1957, by which the Government of Canada shares with the provinces the cost of providing specified hospital services to insured patients. Specifically excluded are tuberculosis hospitals and sanatoria, hospitals or institutions for the mentally ill, as well as institutions, the purpose of which is the provision of custodial care, such as nursing homes and homes for the aged. The methods of administering and financing the program in each province and the provision of services above the stipulated minimum that is required by the Act are left to the choice of the province.

Insured in-patient services must include accommodation, meals, necessary nursing service, diagnostic procedures, pharmaceuticals, the use of operating rooms, case rooms, anaesthetic facilities, and the use of radiotherapy and physiotherapy if available. Similar out-patient services may be included in provincial plans and authorized for contribution under the Act. All provinces include some out-patient services. The provincial plans are administered by the provincial department of health in some provinces and by a separate commission in others. To finance the insurance plans, the provinces use general revenue, sales taxes and premiums in various combinations.* The Government of Canada contributes, out of the consolidated revenue fund in respect to each province, 25 p.c. of the per capita cost of in-patient services in Canada and 25 p.c. of the per capita cost of in-patient services in the province, which is then multiplied by the average number of insured people in that province. Thus, the total contribution is about 50 p.c. of the sharable cost for all Canada, but the proportion is higher for provinces where the per capita cost is below average and lower for the other provinces. Contributions for insured out-patient services with respect to each province are paid in the same proportion as the contributions to the cost for in-patients.

During 1966, the Government of Canada made the following payments, totalling \$372,700,000: Newfoundland \$12,400,000; Prince Edward Island \$2,600,000; Nova Scotia \$19,300,000; New Brunswick \$15,600,000; Ontario \$185,000,000; Manitoba \$24,600,000; Saskatchewan \$27,100,000; Alberta \$40,400,000; British Columbia \$44,600,000; Yukon Territory \$400,000; and Northwest Territories \$700,000.†

Tables 2 and 3 show data for the hospitals that are listed in hospital insurance agreements for the year 1965. The 1,277 reporting hospitals had a total of 134,619 beds set up at the end of the year or 6.9 beds per 1,000 population. The rate of patient-days per 1,000 population in 1965 was 2,023 for Canada and ranged from 1,501 in Newfoundland to 2,355 in Saskatchewan and 2,521 in the Northwest Territories.

Table 4 shows the expenditures of budget review hospitals. They exclude capital costs, but include expenditures for services that are not covered by hospital insurance plans. The expenditures increased by 13 p.c. over the preceding year to \$1,109,000,000, of which salaries accounted for two thirds. Although budget review hospitals provided only about 88 p.c. of all insured services, the table shows also the per capita amount of their expenditures. This varies greatly between provinces, mainly on account of differences in hospital utilization (patient-days per person per year) and of the amount of care for chronic patients that these hospitals provide.

* Newfoundland, Prince Edward Island, New Brunswick, Quebec and Yukon Territory use general revenue only; Alberta, British Columbia and the Northwest Territories use general revenue and a daily charge at the time of service; Nova Scotia uses general revenue and sales tax; Saskatchewan uses general revenue, premiums and sales tax; and Ontario and Manitoba use general revenue and premiums.

† On Jan. 1, 1965, contributions to Quebec under the Hospital Insurance and Diagnostic Services Act were discontinued and replaced by arrangements under the Established Programs (Interim Arrangements) Act.