The federal government is responsible for providing for the health needs of Indians and Inuit, public servants, certain groups of immigrants and refugees and residents of the Northwest Territories and Yukon. NHW provides diagnosis, treatment and preventive health services, prosthetic services, civil aviation medicine, health services in both peacetime and wartime emergencies, quarantine and regulatory inspection of arrivals to Canada, and immigration medical services.

In addition, under the Canada Assistance Plan, the federal government pays 50% of the cost of various health and social services to persons in need. This program was enacted in 1966 to complement other health and welfare programs and is administered by provincial governments. Health benefits vary from province to province, but generally include such services as eyeglasses, prosthetic appliances, dental services, prescribed drugs, home care services, and nursing home care.

3.2.2 Health insurance plans

Canada does not have a single national health insurance plan. Instead, nationwide health insurance is achieved through a series of interlocking provincial plans, all sharing common elements. To qualify for federal financial support, provincial hospital and medical care insurance plans must meet minimum criteria of federal legislation: comprehensiveness of coverage of services, universal population coverage, reasonable accessibility to services, portability of benefits, and non-profit plan administration by a public agency. The plans are designed to ensure that all residents of Canada have access, on a prepaid basis, to needed medical and hospital care.

Federal participation in the national health insurance programs has been governed by provisions of the Hospital Insurance and Diagnostic Services Act, 1957, the Medical Care Act, 1966-67, and the Federal-Provincial Fiscal Arrangements and Established Programs Financing Act, 1977.

Hospital insurance. The Hospital Insurance and Diagnostic Services Act, 1957, which came into effect in July 1958 was designed to make available to all eligible residents a wide range of hospital and diagnostic services at little or no direct cost to the patient, thereby removing financial barriers to adequate care. The purpose of the act was to establish and maintain services and facilities leading to better health and health care for the population as a whole, by providing hospital care and diagnostic services.

All provinces and territories have participated in the national program since 1961. Over 99% of the population is covered by hospital insurance. The programs include acute, general, chronic and convalescent hospitals. Excluded are hospitals for the mentally ill, tuberculosis sanatoria, and nursing homes or institutions whose primary purpose is custodial care. Insured hospital services vary from province to province, but a fairly comprehensive range is provided in all provinces. Additional benefits may be included in the plans without affecting the federal-provincial agreements, such as extended nursing home care and home care.

The individual may select the hospital in which he or she is treated provided the physician has admitting privileges and provided the services rendered by a hospital are medically necessary. During a temporary absence, coverage is portable anywhere in the world for emergency in-patient services, and in most provinces for out-patient services also. Benefits are subject to provincially regulated maxima for rates of payment, length of hospital stay and, in cases of non-emergency services, prior approval by the provincial plan.

The principles of availability and portability of benefits are reflected in provisions of each provincial insurance plan. Although the plans in general stipulate a waiting period of three months, coverage may continue from the province of previous residence. First-day coverage is generally provided for the newborn, immigrants, and certain other categories of persons without prior coverage in other provinces. A health insurance supplementary fund has been established for residents who have been unable to obtain coverage or who have lost coverage through no fault of their own.

Medical care insurance. The Medical Care Act, 1966-67 authorized the federal government to make payments to provinces which operate medical care insurance plans meeting certain minimum criteria: comprehensive coverage for all medically required services rendered by a physician or surgeon, universal availability to all eligible residents of a province and covering at least 95% of the eligible population, reasonable access to insured services, portability of benefits for beneficiaries temporarily absent from their own province or moving to another one, and administration on a non-profit basis by public authority.

Federal contributions became payable in July 1968. By early 1972, all 10 provinces and both northern territories had met the federal criteria. Since then, virtually the entire eligible population has been insured for all medically required services of physicians, plus a limited range of surgical-dental services in hospitals. Services by physicians that are not medically required are not covered, such as examinations for life insurance. Also excluded are services to treat work-related conditions already covered by worker compensation or other federal legislation.

There can be no dollar limit or exclusion except when a service is not medically required. The federal program includes services traditionally covered as benefits by the health insurance industry, and also preventive and curative services traditionally covered through the public sector in each province, such as