

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 medically required services of physicians.

Under the Canada Health Act, direct charges to patients for physician and hospital services at the time of service are discouraged.

**Provincial and territorial plans.** Methods of organizing, financing and administering health insurance plans vary. In some provinces, hospital and medical care plans are administered directly by provincial departments of health. In others, the plans are under separate public agencies reporting directly to the responsible provincial minister. Some provinces have one plan administered by the department of health and the other by a public agency.

Until 1977, the federal government based its contributions directly on expenditures for services provided under the provincial hospital and medical care insurance plans. With the introduction of established programs financing legislation in April 1977, the federal contributions to the provinces were no longer tied directly to provincial spending but to rates of growth of Gross National Product and to population changes. Contributions take the form of a cash transfer plus a transfer of tax and associated equalization payments to the provinces. Provinces must continue to meet criteria under federal legislation to be eligible for funding. Per capita cash contributions are also made to the provinces toward the cost of certain extended health care services, such as nursing homes, and adult residential, ambulatory and home care services. Methods of administering and financing these programs and the provision of associated services are left to the provinces.

Each province is free to determine how its share of the cost will be financed. Most provinces finance their share from general revenues, while Ontario, Alberta and British Columbia impose premiums. Premium assistance is available in these provinces for certain categories of residents with limited income, and premium exemption is provided in Alberta and Ontario for residents 65 years of age or over.

Arrangements also vary across provinces for delivery of medical services and payment of physicians. Most physicians are paid on a fee-for-service basis. This accounts for about 95% of the cost of insured medical services nationally. Other arrangements include salary, sessional payments, contract services, capitation and monetary incentives to practice in medically underserved areas.

### 3.2.3 Health services

Canadians seeking health care have access to a comprehensive range of services from a broad spectrum of health care workers and organizations.

**Institutional services.** Hospital services are provided through a network of 1,224 general, teaching, pediatric, and allied specialty hospitals with an approved bed complement of 176,300 or approximately 7 beds per 1,000 of the Canadian population. Of these, nearly one-half are short-term medical and surgical beds, while about one-quarter are for extended care (including chronic care); over half of the hospitals have under 100 beds each.

Hospitals provide standard ward services and all approved and available diagnostic, treatment and rehabilitation services. Thus, in-patients have access at no charge to the full range of services available in hospitals, according to accreditation standards, and appropriate to the hospital's level of specialization and range of programs.

**General health services.** Medical services to Canadian residents are provided by approximately 55,300 physicians (including interns and residents), or approximately one physician for every 467 persons. Physician services, under the provincial health insurance plans, include the full range of required medical and surgical services. Community services for ambulatory care as well as necessary medical follow-up services for patients discharged from hospitals are available through personal physicians.

For non-hospitalized patients, hospitals in all provinces normally provide medically necessary diagnostic services, physiotherapy, occupational therapy, social work counselling, emergency services, and clinical out-patient services. Out-patient services covered by the plans may also include, depending on the availability at the particular hospital and provincial approval, speech therapy and audiological services, psychiatric therapy, psychiatric day care and/or night care, diabetic day care, day care surgery, cancer therapy, dietetic counselling, inhalation therapy, ambulance services, hemodialysis, medical orthoptics, electrocardiograms, electroencephalograms, and many other ambulatory services.

In addition to benefits provided through provincial health insurance plans, many provinces provide additional benefits at no charge to eligible patients. These benefits are frequently provided on a restricted basis, such as age-restricted dental services for children, or chiropractic services to a prescribed maximum. Additional benefits under some provincial plans include the services of