

Medical Care Insurance

In addition to hospital care under the hospital insurance and diagnostic services programme, a number of other services, mainly those of physicians, are provided under a variety of pre paid arrangements.

Federal Medicare Legislation: The Medical Care Act was passed by the Canadian Parliament in December 1966, and is to become operative not later than July 1, 1968. The Federal Government is now committed to contributing to a participating province half the average of the per capita cost of all participating provincial medical care plans which satisfy the following criteria:

- (a) are operated on a non-profit basis by a public authority subject to provincial audit;
- (b) make available all medically necessary services rendered by medical practitioners as insured services on uniform terms and conditions to all residents of a province;
- (c) cover not fewer than 90 per cent of the total number of insurable residents of the province during the first year of operation, with a commitment that coverage must rise to 95 per cent within three years;
- (d) provide for "portability", that is, full coverage of services after three months of residence in a province, and out-of-province coverage during the periods of waiting while a person establishes residence in another province.

For a participating province to benefit from the federal programme, its own plan must provide for the financing of comprehensive physicians' services for all eligible residents of the province without regard to their age, ability to pay, or other circumstances. The Medical Care Act, in addition, empowers the Federal Government to include additional health-care services provided by non-physician professional personnel, under terms and conditions specified by Governor-in-Council.

There is provision in the act for provincial authorities to designate non-governmental organizations as agencies permitted to undertake restricted functions in connection with the premium-collection or claims-payment administration of the provincial plan. Such agencies must be non-profit and the payment of claims must be subject to assessment and approval by the provincial authority.

Provinces can finance services in any manner they wish, but the act contains a proviso the intent of which is that no insured person shall be impeded or precluded from reasonable access to insured services as a consequence of direct charges associated with the services received. A province may adopt any method it wishes of paying the providers of services, subject only to the proviso that the tariffs of authorized payments are on a basis that assures reasonable compensation for the services rendered.

The formula for calculating federal contributions to the cost of provincial plans is such that provinces with relatively low per capita costs would be assisted by something more than half their provincial costs. In general terms, the federal contribution to a participating province is an amount equal to (a) 50 per cent of