

- 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 percent 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 program, 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 the 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 in obtaining, 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 will 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 the *per capita* cost for the year of all insured services in all participating provinces, (b) multiplied by the number of insured persons in each province respectively. The Federal Government will make no contribution to administration costs incurred by the provinces.

Provincial Medical Care Plans

Before the establishment of government-administered medical insurance in most provinces over the last few years, prepayment arrangements to cover the cost of physicians' services, mainly voluntary as regards enrolment, had developed rapidly in both the public and the private sectors.