

in-patient services. The Hospital Insurance and Diagnostic Services Act provides that the capital cost of land, buildings, and physical plant, payments of capital debt, interest on debt, and payments on any debt incurred before the effective date of the agreement shall be excluded before calculation of the federal share.

The provinces raise their share of the cost of hospital services in a variety of ways reflecting local conditions and preferences.

Each province and territory makes at least some use of general tax revenue to finance its program. Newfoundland, Prince Edward Island, New Brunswick, Quebec and the Yukon Territory finance entirely from this source. Nova Scotia, in addition, imposes a general sales tax, the proceeds of which are devoted to financing hospital care. Ontario finances about 40 per cent of its cost by a premium of \$66 a year for single persons and \$132 for families. Manitoba and Saskatchewan finance part of their costs from annual premiums or taxes of \$24 for single persons and \$48 for families. Manitoba also levies a supplementary tax on individual and corporate incomes, while Saskatchewan levies a general sales tax under the Education and Health Tax Act. In Alberta part of the cost is financed by a 4 mill levy on real property. In Alberta, Saskatchewan, British Columbia and the Northwest Territories, part of the financing is provided from co-insurance charges or utilization fees.

These co-insurance charges or utilization fees, referred to in the legislation as "authorized charges", are payable by the patient at the time of service and are deductible from provincial payments to hospitals. In Alberta, daily authorized charges for adult and child in-patient care are \$5.00 for the first day and \$2.50 for each subsequent day of care in general hospitals and \$1.50 in auxiliary hospitals; for newborn infants the charge is \$1.00 a day. All out-patient services in Alberta are subject to a 20 percent co-insurance charge. In Saskatchewan, authorized charges for adults and children are \$2.50 a day for the first 30 days of in-patient care and \$1.50 a day for the next 60 days; there is no authorized charge for adults and children after the ninetieth day of in-patient care, or for newborn infants at any time. In British Columbia, all patients (except newborns) are required to pay \$1.00 a day for in-patient services and \$1.00 or \$2.00 for out-patient care as previously mentioned. In the Northwest Territories, a charge of \$1.50 a day for in-patient hospital care is imposed.

Medical Care Insurance⁽¹⁾

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

Federal Medicare Legislation: The Medical Care Act was passed by the Canadian Parliament in December 1966, and became operative July 1, 1968. The Federal Government is now committed to contributing to participating provinces half the costs of insured services in provincial medical care plans that satisfy the following criteria:

(1) Program descriptions of hospital and medical insurance plans are as of March 31, 1969, and thus do not indicate changes made later in the year in coverage, benefits, or administration.