

14-15 ELIZABETH II.

CHAP. 64

An Act to authorize the payment of contributions by Canada towards the cost of insured medical care services incurred by provinces pursuant to provincial medical care insurance plans.

[Assented to 21st December, 1966.]

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

SHORT TITLE.

1. This Act may be cited as the *Medical Care Act*. Short title.

INTERPRETATION.

2. In this Act,
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|-----|---|----------------------------------|
| (a) | "contribution" means a contribution by Canada pursuant to section 3; | Definitions.
"Contribution." |
| (b) | "contribution commencement day" means the 1st day of July, 1968, or such earlier day as the Governor in Council may fix by proclamation being a day not less than six months after the day the proclamation is issued; | "Contribution commencement day." |
| (c) | "insurable resident" in relation to any province means an individual who is a resident of the province and is not excluded from the calculation of the population of the province by virtue of paragraph (j); | "Insurable resident." |
| (d) | "insured person" in relation to any province means an insurable resident of the province who is entitled to insured services under a medical care insurance plan of the province; | "Insured person." |
| (e) | "insured services" means all services rendered by medical practitioners that are medically required, except any services that a person is eligible for and entitled to under any other Act of the Parliament of Canada or under any law | "Insured services." |

	of a province relating to workmen's compensation;
"Medical care insurance plan."	(f) "medical care insurance plan" means a plan established pursuant to an Act of the legislature of a province that satisfies the criteria set forth in subsection (1) of section 4;
"Medical practitioner."	(g) "medical practitioner" means a person lawfully entitled to practice medicine in the place in which such practice is carried on by him;
"Minister."	(h) "Minister" means the Minister of National Health and Welfare;
"Participating province."	(i) "participating province" for any year means a province in which there is in operation in the year a medical care insurance plan in respect of which a contribution is payable by Canada to the province for the year pursuant to section 3;
"Population."	(j) "population" when used with reference to a province means the population of the province, as certified by the Dominion Statistician, calculated for any year as the population of the province on the first day of October in that year after excluding therefrom members of the Canadian forces, members of the Royal Canadian Mounted Police Force and persons serving a term of imprisonment in a penitentiary as defined in the <i>Penitentiary Act</i> ;
"Resident."	(k) "resident" of a province means a person lawfully entitled to be or to remain in Canada, who makes his home and is ordinarily present in the province, but does not include a tourist, transient or visitor to the province; and
"Year."	(l) "year" means a twelve-month period ending on the thirty-first day of March, but in the case of the twelve-month period so ending that includes the contribution commencement day, means the part of that period commencing on that day.

CONTRIBUTIONS.

Contribution payable.

3. A contribution is payable by Canada to each province in accordance with this Act, calculated for each year in respect of the cost of insured services incurred by the province in the year pursuant to a medical care insurance plan of the province.

Criteria to be satisfied by plan in respect of which contribution payable.

4. (1) A medical care insurance plan of a province in respect of which a contribution is payable by Canada to the province for a year pursuant to section 3 is a plan, established pursuant to an Act of the legislature of the

province (hereinafter referred to as the "provincial law"), that throughout the year satisfies the following criteria:

- (a) the plan is administered and operated on a non-profit basis by a public authority appointed or designated by the government of the province (hereinafter referred to as the "provincial authority"), that is responsible in respect of the administration and operation of the plan to the government of the province or to a provincial minister designated by the government of the province for such purpose, and that is subject in respect of its accounts and financial transactions to audit by such person as is charged by law with the audit of the accounts of the province;
- (b) the plan provides for and is administered and operated so as to provide for the furnishing of insured services upon uniform terms and conditions to all insurable residents of the province, by the payment of amounts in respect of the cost of insured services in accordance with a tariff of authorized payments established pursuant to the provincial law or in accordance with any other system of payment authorized by the provincial law, on a basis that provides for reasonable compensation for insured services rendered by medical practitioners and that does not impede or preclude, either directly or indirectly whether by charges made to insured persons or otherwise, reasonable access to insured services by insured persons;
- (c) the number of insurable residents of the province who are entitled under the plan to insured services is not less than 90% of the total number of insurable residents of the province, except that in applying this paragraph for the purpose of determining whether the plan satisfies the criteria set forth in this subsection throughout the third and each subsequent year after the year commencing on the contribution commencement day, there shall be substituted for the expression "90%" in this paragraph the expression "95%"; and
- (d) the plan does not impose any minimum period of residence in the province or any waiting period in excess of three months before persons who are or become residents of the province are eligible for or entitled to insured services, and the plan provides for and is administered and operated so as to provide for the payment of

amounts in respect of the cost of insured services furnished to insured persons while temporarily absent from the province, and in the case of persons who have ceased to be insured persons by reason of having become residents of another participating province, of the cost of insured services furnished to such persons during any minimum period of residence or waiting period imposed by the medical care insurance plan of that other province, on the same basis as though such persons had not been absent from the province or had not ceased to be residents of the province, as the case may be.

Responsibilities of provincial authority in relation to administration.

(2) Notwithstanding paragraph (a) of subsection (1), a plan established by an Act of the legislature of a province does not fail to satisfy the criteria set forth in that paragraph by reason only that it authorizes the designation by the provincial authority of an agency or agencies to carry out any responsibility in connection with the receipt and payment of accounts rendered for insured services or authorizes any agency or agencies so designated to receive premiums or other amounts payable under the provincial law for remission to the provincial authority, if under the provincial law it is a condition of any such designation that all individual accounts so rendered to which the designation extends are subject to assessment and approval by the provincial authority and that the amounts to be paid in respect thereof shall be determined by the provincial authority.

Other health services.

(3) In the application of this Act to a plan established by an Act of the legislature of a province, any health services of a kind prescribed by the Minister to be required health services rendered by a person lawfully entitled to render such services in the place where they are so rendered shall, under such terms and conditions as may be specified by the Governor in Council and if the provincial law so provides, be deemed to be services rendered by a medical practitioner that are medically required.

CALCULATION OF CONTRIBUTIONS.

Amount of contribution.

5. (1) The amount of the contribution payable by Canada to a province for a year in respect of a medical care insurance plan of the province is an amount, as determined by the Minister on the basis of information furnished as required by this Act, equal to 50% of

(a) the per capita cost for the year of all insured services furnished pursuant to medical care insurance plans of participating provinces multiplied by

- (b) the average for the year of the number of insured persons in the province at the end of each month in the year.

(2) The per capita cost for a year of all insured services furnished pursuant to medical care insurance plans of participating provinces is an amount equal to Calculation of per capita cost.

- (a) the aggregate of the costs of insured services incurred by each of the participating provinces in the year pursuant to medical care insurance plans of those provinces,

divided by

- (b) the aggregate of the averages for the year of the numbers of insured persons in each of the participating provinces at the end of each month in the year.

(3) The average for a year of the number of insured persons in a province at the end of each month in the year is an amount calculated as follows: Calculation of number of insured persons.

- (a) in the case of a province having no means of determining, through a system of registration or premium payments, the number of insured persons in the province at a particular time in the year, by multiplying

- (i) the population of the province for the year divided by the number of months in the year

by

- (ii) the number of full months in the year during which insured services were furnished pursuant to the medical care insurance plan of the province;

- (b) in the case of a province having a means of determining, through a system of registration or premium payments, the number of insured persons in the province at a particular time in the year, by dividing

- (i) the aggregate of the numbers of insured persons estimated by the province to have been in the province at the end of each full month in the year during which insured services were furnished pursuant to the medical care insurance plan of the province

by

- (ii) the number of months in the year; and

- (c) in the case of a province that for part of the year was a province described in paragraph (a) and for another part of the year was a province described in paragraph (b), by adding

Calculation
of cost
incurred by
province.

- (i) the number obtained by the application of paragraph (a) in respect of that part of the year during which the province was a province described in paragraph (a), and
 - (ii) the number obtained by the application of paragraph (b) in respect of that part of the year during which the province was a province described in paragraph (b).
- (4) In calculating for the purposes of this Act the cost of insured services incurred by a province in a year pursuant to a medical care insurance plan of the province, there shall not be included
- (a) the cost of any insured service furnished before the contribution commencement day;
 - (b) any cost of administration of the plan; or
 - (c) any premium or other amount payable by an insured person in respect of the cost of insured services;

and there shall be deducted any amount paid in the year to or to the credit of the province or the provincial authority or into any account or fund established in connection with the administration or operation of the plan, otherwise than as a premium or other amount not related to the cost of specific insured services, in respect of the cost of insured services furnished pursuant to the plan.

ADVANCES AND PAYMENT.

Information
required for
payment of
advances and
other
amounts.

6. (1) It is a condition of payment of any amount as or on account of a contribution by Canada to a province for a year in respect of a medical care insurance plan of the province

- (a) that the provincial authority will
 - (i) on or before the contribution commencement day or the date of commencement of the plan, whichever is the later, in the case of the year that includes the later of those dates, and
 - (ii) on or before the thirty-first day of December immediately preceding the commencement of the year, in the case of each year subsequent to the year that includes the later of the dates referred to in subparagraph (i),

furnish to the Minister such information as is required by him for the purpose of determining the estimated cost of insured services incurred by the province in the year pursuant to the plan; and

- (b) that the provincial authority will, within six months after the end of the year or within such extended time thereafter as the Minister may in special circumstances determine, furnish to the Minister such information as is required by him for the purpose of determining the actual cost of insured services incurred by the province in the year pursuant to the plan.

(2) On the basis of the information furnished as required by paragraph (a) of subsection (1) with respect to the medical care insurance plan of a province, the Minister shall determine the estimated amount of the contribution by Canada to the province for the year to which that information relates and monthly advances on account thereof, the amount of each of which shall be not less than 90% of the estimated amount of the contribution so determined divided by the number of months in the year that are after the month preceding the date of commencement of the plan, shall, on the certificate of the Minister, be paid to the province by the Minister of Finance out of the Consolidated Revenue Fund.

Determina-
tion of
estimated
contribution
and payment
of advances
on account
thereof.

(3) On the basis of the information furnished as required by paragraph (b) of subsection (1) with respect to the medical care insurance plan of a province, the Minister shall determine the actual amount of the contribution by Canada to the province for the year to which that information relates and any balance then remaining on account thereof that is certified by the Minister to be payable to the province shall be paid to the province by the Minister of Finance out of the Consolidated Revenue Fund, and any amount by which the aggregate of the advances made on account thereof pursuant to subsection (2) exceeds the actual amount of the contribution so determined shall be recovered out of any moneys payable to the province for any other year under this Act or may otherwise be recovered as a debt due to Canada by the province.

Determina-
tion and
payment of
actual contribu-
tion.

7. (1) Where any question arises under this Act as to whether a plan established pursuant to an Act of the legislature of a province satisfies or has ceased to satisfy the criteria set forth in subsection (1) of section 4, the question shall upon the report of the Minister be referred to the Governor in Council, who shall, after considering the report and such other information or evidence relevant to the question as is available to him, determine the question; and where it is determined pursuant to this section that a plan does not or has ceased to satisfy the criteria set forth in subsection (1) of section 4, a copy of the order of the Governor in Council evidencing the determination and setting

Determina-
tion of
question as
to whether
contribution
payable.

forth the particulars in respect of which the plan does not or has ceased to satisfy those criteria shall forthwith be communicated to the government of the province.

Advances,
etc., not
recoverable
by Canada.

(2) Notwithstanding anything in this Act, where it is determined pursuant to this section that a plan established by an Act of the legislature of a province has ceased to satisfy the criteria set forth in subsection (1) of section 4, any advance or other payment under this Act made by Canada to the province before the date of the making of the determination is not recoverable by Canada.

PAYMENT OF CONTRIBUTIONS FOR YEARS COMMENCING AFTER MARCH 31, 1973.

Review of
provisions
of Act
respecting
payment of
contributions
for years
after
March 31,
1973.

8. At least six months before the 31st day of March, 1973, the Government of Canada shall review the provisions of this Act respecting the amount and manner of payment of the contributions payable by Canada pursuant to section 3 with a view to formulating proposals for any changes therein that appear then to be necessary or desirable with respect to the amount and manner of payment, whether by the transfer or allocation of specified tax revenues by Canada and the making of equalization payments and other fiscal adjustments by Canada in lieu of the contributions that would otherwise be payable pursuant to section 3 or in any other manner, of the contributions to be paid by Canada pursuant to this Act for years commencing after that day.

REPORT TO PARLIAMENT.

Annual
report by
Minister.

9. The Minister shall, as soon as possible after the termination of each year and in any event not later than the 31st day of December next following the end of that year, prepare a report respecting the operation of this Act for that year and shall cause such report to be laid before Parliament forthwith upon the completion thereof or, if Parliament is not then sitting, within the first fifteen days next thereafter that Parliament is sitting.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966