

Today's Objectives

- To discuss government plans for medical needs

Module 3 – Poor Health – Medical Needs

→ Government Plans (Ch 17 of *Social Ins. & Economic Security*)

Recall that:

- Our federal government created the national health care system
 - Hospital Insurance Act in 1958
 - Medical Care Act in 1968
 - **1984 Canada Health Act (CHA)** replaced both of the above
and put into requirements of health care system.
- **CHA sets criteria and conditions that a provincial health program must meet to be eligible for “unreduced federal funding”:**
 - i. Public Administration
 - ii. Comprehensiveness
 - iii. Universality
 - iv. Portability
 - v. Accessibility

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4. Provincial Health Plans

- Scope of Coverage includes:
 - i. Hospital Services
 - ii. Medical Services
 - iii. Supplementary Benefits
 - iv. Out-of-Province Benefits
- covering*

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4. Provincial Health Plans

- Scope of Coverage:
 - i. Hospital Services
 - Provincial plans cover all necessary costs of hospitalization accommodations up to the ward level rates
 - Plans **also covers medically necessary expenses related to a hospital stay** such as:
 - Nursing care (long-term care is not covered).
 - Drugs/antibiotics administered in hospital
 - Operating room/anesthetic facilities
 - Lab/diagnostic services
 - Radio/physiotherapy facilities
 - Out-patient services for emergencies e.g. emergency room
 - Medically necessary doctor services

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4. Provincial Health Plans

- Scope of Coverage:
 - i. Hospital Services
 - **No limit on length of hospital stay** (other than it must be medically necessary for active treatment)
 - **Elective services are not covered** such as the following:
 - Private duty nursing
 - Semi-private or private room - ward level room .
 - Emergency ambulance service (some plans do, some have a charge)
 - Expenses incurred in nursing homes
 - Routine dental care
 - Eye-glasses
 - Outpatient prescription drugs

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4. Provincial Health Plans

- Scope of Coverage:
 - i. Hospital Services
 - Note: Provincial plans used to be able to charge “user fees” for ward accommodation, but CHA abolished that 长期的
 - However, hospitals can charge a user fee for chronic care hospitalization (about ½ of hospitals do this)

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4. Provincial Health Plans

- Scope of Coverage:
 - ii. Medical Services
 - **All provincial plans cover:**
 - Fees for medically required physician services
 - Medically required surgical services
 - Administering of anesthetics
 - X-rays
 - Diagnostic services
 - Lab tests
 - Certain oral (dental) surgical procedures are covered when performed in a hospital

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4. Provincial Health Plans

- Scope of Coverage:

- ii. Medical Services

- Note: **The government and physicians negotiate the fees that physicians can charge for various services** and physicians cannot charge the patient anything above these rates

- In some provinces, a physician can choose not to participate in the provincial plan

- If a patient receives services from a physician who is not part of the provincial health plan:

- » Patient pays the physician

- » Patient gets reimbursed up to standard rates by provincial plan, but no more than that

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- » Note that Quebec will not reimburse any services by a physician that has opted out of the provincial plan

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4. Provincial Health Plans

- Scope of Coverage:

- iii. Supplementary Benefits

- Many provinces expanded health plan coverage beyond required hospital care, physician services and medical services
 - Examples of supplementary benefits include:
 - Basic dental care for children-covered in a few provinces
 - Eye exams (no longer covered in Ontario)
 - Prescription drugs for the elderly (65+) and the poor
 - » Still covered in most provinces for these groups
 - » But list of covered drugs has shrunk

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4. Provincial Health Plans

- Scope of Coverage:

- iii. Supplementary Benefits

- Supplementary benefits also include other health care practitioners but there tends to be only limited coverage for other health care practitioners such as:

- Optometrists
 - Chiropractors
 - Podiatrists
 - Massage therapists
 - Physiotherapists
 - Osteopaths
 - Naturopaths

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4. Provincial Health Plans

- Scope of Coverage:
 - iii. Supplementary Benefits
 - When cutbacks are done, usually supplemental benefits are the first to go
 - For example in Ontario:
 - Optometrists: no longer a covered service (as of Nov 2004)
 - Chiropractors: no longer covered (as of Nov 2004)
 - Physiotherapists: no longer covered (as of April 2005)

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4. Provincial Health Plans

- Scope of Coverage:
 - iv. Out-of-Province Benefits
 - **All provinces except Quebec have reciprocal agreements** which means if an Ontario resident needs emergency health care services in Alberta, Alberta will provide the services (free to the patient) and bill OHIP.
 - But if for example an Ontario resident needs health care services in Quebec, the patient will be billed by Quebec and pay the doctor/hospital directly
 - Patient will then submit their medical bills to OHIP for reimbursement

All provinces except Quebec.

Quebec

Province Gov → bill OHIP

patient. → Hospital.

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4. Provincial Health Plans

- Scope of Coverage:

- iv. Out-of-Province Benefits

- Most provincial plans cover emergency hospital and medical costs arising outside of Canada
 - But only up to the amount that would have been paid if service had been performed in the home province
 - Some non-emergency services are covered if service is:
 - Medically necessary and
 - An acceptable equivalent is not available within the province
 - It is pre-approved by the province

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5. Health Care Financing Comments (Canada)

- While the federal government used to cover 50% of costs, **the federal portion of health care costs covered now are well < 50% of total**
 - The federal government backed out of direct funding decades ago (1977)
 - Instead, they transfer some tax revenue to the provinces to help provinces pay for health care costs
 - This was to encourage provinces to contain health care costs, but rising costs have more than outpaced tax revenues
 - Proportion of health care costs funded by provincial versus federal government continues to be a contentious issue

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5. Health Care Financing Comments (Canada)

- It is worth noting that the **federal government fully finances health care programs for groups that fall outside of provincial plans**, e.g. RCMP, some First Nations programs, federal inmates, etc.
- **Each province has established method for financing balance of costs not covered by federal government** through transfer payments
 - Some provinces raise funds through general revenues
 - Some provinces use a payroll tax on employers
 - Some provinces charge their residents a premium (i.e., residents share the cost)

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6. Provincial Plan Eligibility Example - Ontario (OHIP)

- To be eligible for OHIP, a person must:
 - i. Be a Canadian citizen or have immigration status
 - ii. Make their permanent / principal home in Ontario
 - iii. Be physically present in Ontario at least 153 days in any 12-month period *5 months .*
- Also, OHIP is available only after you have been a resident in Ontario for 3 months

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7. Concluding Comments on Canada's Health Care System

- **Philosophy of Canadian health care system** is universal access and one level of care but the system is not perfect

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- **Rising costs** has let to governments:

everyone has
same level of
access, no matter
income or other
status.

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– Cutting benefits

– Controlling the number of doctors

– Controlling doctor's fees

– Controlling hospital budgets

baby-boom
higher costs

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7. Concluding Comments on Canada's Health Care System

- **Criticisms of Canada's Health Care Systems:**
 - Administrative inefficiencies
 - Supply shortage/waiting lists
 - Conflicts with provider (doctors and nurses)
 - Sacrificed technology for cost savings

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Why do other countries like the US envy Canada's system?

- Lower health care cost per capita than USA
- Universal, comprehensive coverage
- Patient can choose any doctor or hospital (in USA, for those that are covered by a health plan, the employee is often restricted to an approved list of doctors)
- Access to care, uncompensated care and cost-shifting are not factors as they are in the USA