

No. 101

3rd Session, 13th Legislature, Alberta
5 Elizabeth II, 1957

BILL 101

A Bill to Enable the Government of Alberta to Establish
a Hospitalization Benefits Plan for the Province

HON. DR. CROSS

EDMONTON, ALBERTA
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1957

Explanatory Note

General. This Bill will enact a new Act to introduce a new hospitals benefits plan, which will replace the plan presently in operation throughout most of the Province. This Act will be entitled "The Hospitalization Benefits Act".

2. Definition of some terms used, of which clause (h) is the most important as it defines the extent of hospital benefits. See clause 4.

BILL

No. 101 of 1957

An Act to Enable the Government of Alberta to Establish
a Hospitalization Benefits Plan for the Province

(Assented to , 1957)

HER MAJESTY, by and with the advice and consent of
the Legislative Assembly of the Province of Alberta,
enacts as follows:

1. This Act may be cited as "*The Hospitalization Benefits Act*".
2. In this Act,
 - (a) "approved hospital" means a hospital that has been approved for the purposes of this Act;
 - (b) "capital costs" includes annual payment of principal and interest on debentures or loans and expenditures on buildings and capital equipment not financed by debentures or loans;
 - (c) "district" means a municipal hospital district;
 - (d) "level of services" means the hospital services the operating costs of which will be provided for by this Act;
 - (e) "Minister" means the Minister of Health;
 - (f) "municipality" means a city, town, new town, village, county, municipal district, improvement district, special area and includes any national park area that has been established as a municipal hospital district or as a part of such district under *The Municipal Hospitals Act*;
 - (g) "regulations" means regulations made under this Act by the Lieutenant Governor in Council;
 - (h) "standard ward hospitalization" means the bed accommodation provided for a patient when private room or semi-private room is not requested and includes, as determined by the regulations,
 - (i) any or all hospital procedures, treatments, services, care, tests, dressings and medications,
 - (ii) all drugs and medicines other than those listed in regulations as exclusions, and
 - (iii) interpretations with respect to laboratory and X-ray diagnostic services performed in the hospital or referred out.

3. The Lieutenant Governor in Council may set up a Hospitals Division and appoint officers therefore including a Director.

4. Hospital benefits under this Act will consist of standard ward hospitalization (see clause 2 (h)) in hospital of choice, but out-patient services may be included if authorized by regulations.

5. Persons entitled to hospital benefits under this Act herein described.

6. Hospital operating costs to be shared between local and Provincial government and patient.

7. Hospital required to have proper audit made yearly.

8. Lieutenant Governor in Council empowered to make regulations for the purposes specified.

3. Subject to *The Public Service Act*, the Lieutenant Governor in Council may establish within the Department of Public Health a division to be known as the Hospitals Division, for which a director and such other officers and clerks as are required may be appointed.

4. (1) The hospital benefits which shall be provided under this Act shall be standard ward hospitalization in an approved hospital of the patient's choice.

(2) Out-patient services may be provided in hospital benefits when authorized by regulations.

5. The persons entitled to hospital benefits under this Act are the persons who have resided in the Province for a period of twelve consecutive months out of the twenty-four months immediately preceding the date of admission to hospital, other than

- (a) persons who are entitled to receive hospital benefits from the Government of Canada,
- (b) persons who are entitled to receive hospital benefits from the Workmen's Compensation Board,
- (c) persons who in the opinion of the Director of Medical Services of the Department of Public Health, do not require active treatment hospitalization, and
- (d) persons residing within the area of federally controlled lands with respect to which no hospital agreement has been negotiated.

6. The total approved hospital operating costs shall be shared between the patient, the municipality and the Province on a basis which shall be set out in regulations.

7. An approved hospital shall make or cause to be made by a person or persons approved by the Director of Hospitals Division an annual audit of its finances and shall submit annually to the Hospitals Division a certified copy of the auditor's report.

8. The Lieutenant Governor in Council may make regulations regarding any or all of the following matters:

- (a) the approval of hospitals for active treatment care and active chronic treatment care, or either, and the approval of the location, construction and administration of approved hospitals and the conditions under which such approval will be granted for the purposes of this Act;
- (b) the payment by the Province of part of the initial cost of hospital construction;
- (c) the level of services for which payments by the Province will be made, the determination of the

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9. Construction costs or increased capacity costs of a hospital that are not approved not to be included in computation of hospital benefits.

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10. Individuals free to assume responsibility for own hospital care apart from this Act and its benefits.

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11. Responsibility of municipality for share of operating costs of hospitalization based on equalized assessment and not to exceed three mills thereon.

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rates of and manner of payment including a provision for a reduction because of continued low occupancy;

- (d) the payment by the Province of all or any part of the operating cost of hospitalization of maternity patients, persons in receipt of pensions or allowances and poliomyelitis patients and payment to any woman receiving maternity care in a private hospital licensed by the Department of Public Health or in a nursing home so licensed;
- (e) the establishing of rates which approved hospitals shall charge patients or classes of patients therein;
- (f) the reports and other information which shall be required from an approved hospital for purposes of this Act;
- (g) the establishment, operation and supervision of centres for the training of hospital personnel;
- (h) the negotiation with the government of Canada regarding an equitable form of tax on federally controlled lands or on persons dwelling thereon;
- (i) the imposition of penalties in the way of suspended or cancellation of payments which may be imposed upon an approved hospital that gives incorrect information to or that withholds from the Hospitals Division information that it is required by this Act to supply.

9. The hospital benefits provided under this Act shall not be paid to any hospital for any operation costs of the hospital resulting from or attributable in any manner to any construction or increased capacity that has not been approved.

10. Nothing in this Act shall be construed to prevent a person who does not desire to receive hospital benefits as provided pursuant to this Act from assuming the entire responsibility for the payment of the costs of his hospital services.

11. (1) As its share of the operating costs of hospitals each municipality shall pay each year from its general revenue into the General Revenue Fund of the Province such amount as may be determined by the Lieutenant Governor in Council but not to exceed the amount that could be obtained from a three mill tax upon the assessed real property of the municipality, as equalized for assessment purposes by the Alberta Assessment Equalization Board under *The Municipalities Equalization and Assessment Act* as directed by regulations.

(2) Payments under this section shall be made in four quarterly payment, namely on the fifteenth day of March, June, September and December, respectively.

(3) The amount referred to in subsection (1) shall be requisitioned from municipalities by the Department of

12. Responsibility of municipality for capital and unapproved operating costs involved in providing hospitalization for their residents.

13. This Act prevails over conflicting legislation, and supersedes contrary provisions in Acts specified.

14. Authorizes appointment of committees of inquiry to review hospital matters and to report to Minister thereon.

Municipal Affairs on or before the first day of March of each year and in the event that any municipality fails to make payments as provided in subsections (1) and (2) the Department of Municipal Affairs may require the Provincial Treasurer to pay any grants payable to the municipality for that year into the General Revenue Fund of the Province until the amount requisitioned and unpaid by the municipality has been received.

12. (1) It shall be the responsibility of each municipality to provide or make provision for the hospital facilities required for the hospitalization of its residents.

(2) Notwithstanding the provisions of section 11, a municipality shall provide out of its general revenue to be paid to its own hospital such amounts as may be necessary in its own hospital to provide for the annual requirements for part or all of the capital costs and for operating expenditures not approved under authority of this Act.

(3) Notwithstanding the provisions of section 11, a municipality shall provide out of its general revenue to be paid to the hospital other than its own hospital in which its residents are hospitalized, such amounts as may be set by regulations to provide a fixed amount per patient day for capital costs.

13. (1) Where there is a conflict between the provisions of this Act and the provisions of any other Act, the provisions of this Act prevail.

(2) Without limiting the generality of subsection (1), the provisions of this Act and the regulations supersede and replace the provisions with which they are at variance or in conflict in any of the following Acts, namely:

- (a) *The Hospitals Act;*
- (b) *The Municipal Hospitals Act;*
- (c) *The Cancer Treatment and Prevention Act;*
- (d) *The Poliomyelitis Sufferers Act;*
- (e) *The Maternity Hospitalization Act;*
- (f) *The Hospitalization and Treatment Services Act.*

14. (1) The Lieutenant Governor in Council may from time to time appoint a committee of inquiry to whom or to any one or more of whom any question respecting the conduct or management of an approved hospital may be referred for the purpose of making inquiry with respect thereto and reporting thereon to the Minister.

(2) The committee, or the member or members, to which a question is referred have and may exercise all the powers that are conferred upon a commissioner under *The Public Inquiries Act*.

(3) The members of a committee appointed under this section shall receive such remuneration as may be fixed by the Lieutenant Governor in Council.

15. General power to make regulations.

16. Makes provision for reciprocal agreements with other provinces.

17. Hospital board by-laws, rules and regulations, upon approval to be given status as a by-law, rule or regulation under this Act.

18. Limitation of actions in case of actions against hospitals.

19. Funds to come from appropriations.

20. Act to come into force on proclamation.

15. (1) The Lieutenant Governor in Council may make such regulations as are deemed necessary to carry out the purposes and objects of this Act.

(2) A regulation made pursuant to this Act has the same force and effect as if it were expressly set out herein.

16. The Lieutenant Governor in Council may enter into reciprocal agreement with the government of any one or more provinces to provide hospital benefits as provided under this Act to persons who were eligible to receive such benefits but who have changed their place of residence to another province.

17. (1) A by-law, rule or regulation duly made by the board of an approved hospital for the administration thereof and approved in writing by the Minister has the same effect as a regulation made under this Act.

(2) The approval of the Minister may be withdrawn by notification in writing at any time and thereafter subsection (1) does not apply in respect of the by-law, rule or regulation for which approval has been withdrawn.

18. Notwithstanding *The Limitation of Actions Act*, no action whether in tort or contract or otherwise lies against an approved hospital for damages arising out of any omission or negligence by a hospital or the board thereof in providing any service in the hospital unless the action is commenced within one year after the cause of action arose.

19. The payments of hospital benefits under this Act as authorized pursuant to this Act and the regulations and the expense of administering this Act shall be made out of the moneys appropriated by the Legislature for that purpose.

20. This Act comes into force on a day to be fixed by proclamation of the Lieutenant Governor in Council.

No. 101

THIRD SESSION

THIRTEENTH LEGISLATURE

5 ELIZABETH II

1957

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An Act to Enable the Government of
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tion Benefits Plan for the Province

Received and read the

First time.....

Second time.....

Third time.....

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