

1983 BILL 98

First Session, 20th Legislature, 32 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 98

**HOSPITALS AND MEDICAL CARE STATUTES
AMENDMENT ACT, 1983**

THE MINISTER OF HOSPITALS AND MEDICAL CARE

First Reading
Second Reading
Committee of the Whole
Third Reading
Royal Assent

BILL 98

1983

HOSPITALS AND MEDICAL CARE STATUTES AMENDMENT ACT, 1983

(Assented to _____, 1983)

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

Alberta Health Care Insurance Act

1(1) The Alberta Health Care Insurance Act is amended by this section.

(2) Section 10(10) is amended by striking out "Lieutenant Governor in Council" and substituting "Minister".

(3) Section 36 is repealed.

(4) Section 39 is amended

(a) in subsection (1),

(i) by striking out "sickness or disability a resident" and substituting "the sickness or disability of a registrant or dependant, the registrant", and

(ii) by striking out "the resident" and substituting "the registrant";

(b) in subsection (2), by striking out "resident" and substituting "registrant".

Explanatory Notes

Alberta Health Care Insurance Act

1(1) This section will amend chapter A-24 of the Revised Statutes of Alberta 1980.

(2) Section 10(10) presently reads:

(10) The Lieutenant Governor in Council may make regulations

(a) respecting the procedure for carrying out an assessment;

(b) respecting service of documents;

(c) respecting attendance at an assessment;

(d) respecting composition of the committee;

(e) governing payment of remuneration and expenses to committee members.

(3) Section 36 presently reads:

36 Subject to the approval of the Lieutenant Governor in Council, the Minister may on behalf of the Government of Alberta enter into agreements with the Government of Canada respecting any matter that pertains to the operation or administration of the Alberta Health Care Insurance Plan or the federal Act.

(4) Section 39 presently reads:

39(1) The Lieutenant Governor in Council may establish a program to provide financial assistance in cases where because of sickness or disability a resident is faced with expenses that could not reasonably be foreseen and guarded against and that place an undue burden on the financial resources of the resident.

(2) The program may specify the types of expenses in respect of which assistance may be given and the portion of the expense that is to be borne by the resident.

Cancer Programs Act

2(1) The Cancer Programs Act is amended by this section.

(2) Section 1 is amended by adding the following after clause (a):

(a.1) “cancer”, except in this clause and section 7, includes any disease that is non-cancerous but is capable of being diagnosed or treated by methods similar to those used for the diagnosis or treatment of cancer;

(3) Section 3 is repealed.

(4) Section 4(2) is repealed and the following is substituted:

(2) The objects of the board are to

(a) establish and operate provincial cancer hospitals and out-patient facilities, and

(b) establish and conduct programs,

for the prevention, detection and diagnosis of cancer, the treatment and care of cancer patients and cancer research.

(5) Section 7 is amended

(a) in subsection (1)(b) and (c), by adding “detection and” after “for the”;

(b) in subsection (2), by striking out “of health personnel”.

(6) Section 9(1)(d) is amended by striking out “purposes” and substituting “objects”.

Cancer Programs Act

2(1) This section will amend chapter C-1 of the Revised Statutes of Alberta 1980.

(2) Definition of “cancer”.

(3) Section 3 presently reads:

3 The Lieutenant Governor in Council may authorize the Minister to enter into agreements with

(a) a person or body of persons owning or operating a hospital or an institution providing X-ray treatment for cancer, or

(b) the College of Physicians and Surgeons of the Province of Alberta or any member or members thereof,

for the purpose of implementing, maintaining or providing facilities or services for the diagnosis, treatment or care of cancer patients or for cancer research.

(4) Section 4(2) presently reads:

(2) The purpose of the board is to establish and operate provincial cancer hospitals and out-patient facilities for the diagnosis of cancer, the treatment and care of cancer patients and cancer research, and extends to diseases that are non-cancerous but are capable of being diagnosed or treated by similar methods as those used for the diagnosis or treatment of cancer.

(5) Section 7(1)(b) and (c) and (2) presently read:

7(1) Subject to any order, regulation or agreement made pursuant to section 16, the board shall

(b) operate hospitals for the diagnosis of cancer, the treatment and the care of cancer patients and cancer research;

(c) operate out-patient clinics for the diagnosis and treatment of cancer in conjunction with the hospitals and at other places in Alberta;

(2) The board may, if it considers it desirable to do so, utilize its facilities and services for purposes of education of health personnel.

(6) Section 9(1)(d) presently reads:

9(1) In addition to its powers under any other Act, the board may

(d) do all other things that may be necessary to carry out the purposes of the board.

Department of Hospitals and Medical Care Act

3(1) The Department of Hospitals and Medical Care Act is amended by this section.

(2) Section 6(3) is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

Health Facilities Review Committee Act

4(1) The Health Facilities Review Committee Act is amended by this section.

(2) Sections 2, 4 and 6 are amended by striking out “Lieutenant Governor in Council” wherever it occurs and substituting “Minister”.

Department of Hospitals and Medical Care Act

3(1) This section will amend chapter D-22 of the Revised Statutes of Alberta 1980.

(2) Section 6(3) presently reads:

(3) The Lieutenant Governor in Council may, with respect to the Hospitals and Medical Care Policy Advisory Committee,

(a) appoint its members,

(b) prescribe the term of office of any members,

(c) designate a chairman, vice-chairman and secretary, and

(d) authorize, fix and provide for the payment of remuneration and expenses of its members.

Health Facilities Review Committee Act

4(1) This section will amend chapter H-4 of the Revised Statutes of Alberta 1980.

(2) Sections 2, 4 and 6 presently read:

2(1) There is hereby established a committee called the "Alberta Health Facilities Review Committee" consisting of not more than 12 members appointed by the Lieutenant Governor in Council.

(2) The members of the Committee may include members of the Legislative Assembly who are not members of the Executive Council.

(3) An order appointing a member of the Committee may provide for his term of office but in the absence of such a provision, the term of office of a member is one year from the effective date of his appointment and thereafter until his successor is appointed.

(4) The Lieutenant Governor in Council shall designate one of the members of the Committee as chairman and another as a vice-chairman and, unless the order otherwise provides, the term of office of a chairman or vice-chairman so designated is one year from the effective date of the designation and until their respective successors are thereafter designated.

(5) The vice-chairman is the acting chairman of the Committee in the event of the absence or inability to act of the chairman or a vacancy in the office of chairman.

4 The Lieutenant Governor in Council

(a) may prescribe the rates of remuneration payable to members of the Committee other than those who are employees of the Government or members or employees of an agency of the Government, and

(b) may authorize the payment of travelling and living expenses for members of the Committee while outside their normal place of residence in the course of performing their duties.

6 *The Committee may, with the approval of the Lieutenant Governor in Council, make rules governing the calling of its meetings, the quorum required at its meetings, the procedure at its meetings, and any other matter relating to the conduct of its business and affairs.*

Hospitals Act

5(1) *The Hospitals Act is amended by this section.*

(2) *Section 1 is amended*

(a) *by renumbering it as section 1(1);*

(b) *in subsection (1),*

(i) *by repealing clause (d);*

(ii) *by repealing clause (i);*

(iii) *in clause (k) by adding “, and includes a municipal or auxiliary hospital district established under any former Act relating thereto” after “auxiliary hospital and nursing home district”;*

(iv) *by adding the following after clause (o):*

(o.1) “physician” means

(i) with reference to medical services provided in Alberta, a person registered as a medical practitioner under the *Medical Profession Act*, and

(ii) with reference to medical services provided in a place outside Alberta, a person lawfully entitled to practise medicine in that place;

(o.2) “proprietary elector” has the same meaning as in the *Municipal Government Act*.

(c) *by adding the following after subsection (1):*

(2) References in this Act to a particular type of hospital district are to a hospital district of that type established under section 2.

(3) *Section 2 is amended*

(a) *in subsection (1), by striking out “divide Alberta” and substituting “by order divide the whole or part of Alberta”;*

(b) *in subsection (7), by adding “(1) or” after “subsection”;*

(c) *in subsection (9), by striking out “the order” and substituting “an order under subsection (7) or an order under this section replacing one revoked under subsection (7)”.*

Hospitals Act

5(1) This section will amend chapter H-11 of the Revised Statutes of Alberta 1980.

(2) Section 1(d), (i) and (k) presently read:

1 In this Act,

(d) "auxiliary hospital district" means an auxiliary hospital district established under section 2;

(i) "general hospital district" means a general hospital district established under section 2;

(k) "hospital district" means a general hospital district, an auxiliary hospital district, a general and auxiliary hospital district, a general hospital and nursing home district or a general and auxiliary hospital and nursing home district;

(3) Section 2(1), (7) and (9) presently read:

2(1) *Having regard to the area, population and other relevant factors, the Minister may divide Alberta*

(a) *into areas which are now or may hereafter be served by one or more general hospitals, for the purpose of establishing general hospital districts,*

(b) *into areas which are now or may hereafter be served by one or more auxiliary hospitals, for the purpose of establishing auxiliary hospital districts,*

(c) *into areas which are now or may hereafter be served by one or more general hospitals and one or more auxiliary hospitals, for the purpose of establishing general and auxiliary hospital districts,*

(d) *into areas which are now or may hereafter be served by one or more general hospitals and one or more nursing homes, for the purpose of establishing general hospital and nursing home districts, and*

(4) Section 3 is amended

(a) by adding “under the Local Authorities Election Act” after “held”;

(b) by striking out “adult residents” and substituting “electors”.

(5) Section 4 is repealed.

(6) Section 5 is amended

(a) by renumbering it as section 5(1);

(b) in subsection (1),

(i) by striking out “, the Minister may cause a” and substituting “and where a hospital is to be erected, the Minister may cause the first”, and

(ii) by repealing clause (c);

(c) by adding the following after subsection (1):

(2) After the establishment of a hospital district pursuant to section 2 and where a hospital is not to be erected, the Minister may cause the first hospital program to be prepared, which shall contain such related matters as the Minister directs.

(e) into areas which are now or may hereafter be served by one or more general hospitals, one and more auxiliary hospitals and one or more nursing homes, for the purpose of establishing general and auxiliary hospital and nursing home districts.

(7) The Minister may by order amend or rescind an order referred to in subsection (2) in respect of any or all matters set out in the original order as he considers necessary from time to time, but adequate provision must be made for payment of all liabilities and for protection of debenture holders.

(9) Without restricting the generality of subsection (7) and subject to the other provisions of this Part, the order may provide for

(a) the disestablishment of a district and all matters pertaining to the winding-up of its affairs;

(b) the amalgamation of 2 or more districts;

(c) the addition to or subtraction from a district;

(d) the alteration of the boundaries of a ward.

(4) Section 3 presently reads:

3 The Minister may require that a plebiscite be held in a hospital district or proposed hospital district by which the adult residents of the district may indicate their approval or disapproval to construct new facilities, disestablish existing facilities, amalgamate hospital boards within the district or other matters pertaining to the provision or operation of hospital facilities in the district.

(5) Section 4 presently reads:

4(1) Subject to subsection (2), a hospital district established prior to April 1, 1961 as a municipal hospital district or an auxiliary hospital district shall continue in existence as a hospital district within the meaning of this Act.

(2) An order of the Minister dealing with any of the matters referred to in section 2 or 3 is effective in respect of a hospital district established prior to April 1, 1961 as though the district had been established pursuant to this Act.

(6) Section 5 presently reads:

5 After the establishment of a hospital district pursuant to section 2, the Minister may cause a hospital program to be prepared which shall contain

(a) a plan for the acquisition by purchase, gift or otherwise of a site and the location of the site, or the manner of selecting and approving a site, and for the erection of a hospital on it,

(b) an estimate of the capital costs of the proposed hospital and its equipment and furnishings, and the method of acquiring the necessary funds,

(c) a schedule of rates likely to be charged for hospital services in the proposed hospital, and

(d) any other matters related to the construction, equipment, furnishings, utilization of services or facilities of an adjacent hospital, operation or finances of the proposed hospital development that the Minister directs.

(7) *Section 7 is amended*

(a) *by adding the following after subsection (1):*

(1.1) Subject to subsection (2), the Minister shall appoint members to the first district board from among persons nominated under subsection (1).

(b) *in subsection (2),*

(i) *by striking out “a person” and substituting “persons”, and*

(ii) *by striking out “by order make nominations on its behalf” and substituting “nevertheless proceed to appoint the members of the first district board”.*

(8) *Section 8 is amended*

(a) *in subsection (1),*

(i) *by striking out “After” and substituting “Following the implementation of sections 5, 6 and 7, as far as applicable, and after”, and*

(ii) *by striking out “nominated to be” and substituting “appointed”;*

(b) *in subsection (2), by striking out “nominated” and substituting “appointed”;*

(c) *by adding the following after subsection (2):*

(2.1) Notwithstanding subsections (1) and (2) and section 4 of the *Nursing Homes Act*, in the case of an unincorporated hospital district established under any former Act, the order incorporating the new hospital district may

(a) provide that section 7 does not apply, and

(b) establish as the new first district board the persons who were members of the previous board immediately before the commencement of the order,

and those members shall hold office for the remainder of the periods of office for which they were respectively elected or appointed.

(9) *Section 10 is amended by striking out from “and in that case,” to the end and substituting “and, in that case, section 2(2)(f) and the hospital program provisions of sections 5, 6 and 8 do not apply.”*

(7) Section 7(1) and (2) presently read:

7(1) The councils of the included municipalities within each ward of the hospital district shall nominate, at the request of the Minister, a person or persons as required for membership on the first district board.

(2) When after a request under subsection (1) any council fails to nominate a person within 30 days after the request has been made, the Minister may by order make nominations on its behalf.

(8) Section 8(1) and (2) presently read:

8(1) After approval by the included municipalities, a hospital program may be referred to the Lieutenant Governor in Council, together with the names of the persons nominated to be members of the first board of the hospital district to which the program relates, for an order incorporating the hospital district.

(2) Subject to the other provisions of this Act, the order incorporating a hospital district shall establish, under the name given the district pursuant to section 2, the persons nominated pursuant to section 7 and the others that are appointed or elected from time to time pursuant to the regulations as a corporation with power to

(a) acquire, hold and alienate real property,

(b) borrow money by the means and subject to any terms and conditions set out in the order or prescribed in the regulations,

(c) levy on the included municipalities for the required portion of its capital costs, and

(d) construct, operate, maintain, manage and control one or more hospitals in the district,

and shall vest the corporation with any other powers considered necessary for its purposes.

(9) Section 10 presently reads:

10 When an area not included in a hospital district is served by one or more non-district hospitals and

(a) the owner of a non-district hospital serving the area, or

(b) the councils of the municipalities representing a majority of the population in that area

so request, the Minister may, under section 2, establish that area as a hospital district to provide hospital facilities and services through the utilization of non-district hospitals pursuant to section 11 and in that case,

(c) section 2(2)(f) and the hospital program provisions of sections 5, 6 and 8 do not apply, and

(10) Section 14 is amended

(a) in clause (a), by striking out “nomination, selection, appointment or election” and substituting “appointment, including nomination,”;

(b) by adding the following after clause (a):

(a.1) state whether second and subsequent district boards are to be appointed or elected, or delegate that function to any council;

*(a.2) designate a council for the purposes of section 3 of the *Local Authorities Election Act*;*

*(c) in clause (b), by striking out “prescribe” and substituting “subject to the *Local Authorities Election Act* and the regulations under that Act, govern the”;*

*(d) in clause (l), by striking out “and to provide for any procedure or matter relating to the vote not provided for in, or inconsistent with, the *Local Authorities Election Act*”.*

(11) Section 33 is amended by striking out “Lieutenant Governor in Council” wherever it occurs and substituting “Minister”.

(12) Section 35 is amended

(a) by renumbering it as section 35(1);

(b) by adding the following after subsection (1):

(2) For the purposes of subsection (1) and section 36, a dentist or dental surgeon who has or who has had privileges in a

(d) the hospital district may be incorporated under section 8 as soon as all the members of the first district board are nominated pursuant to section 7.

(10) Section 14(a), (b) and (l) presently read:

14 The Lieutenant Governor in Council may make regulations to carry out the intent of this Part and, without restricting the generality of the foregoing, may make regulations to

(a) govern the manner of nomination, selection, appointment or election of members of district boards and boards of management;

(b) prescribe qualifications for membership and conditions of disqualification from membership, terms of office, procedure for filling vacancies, and other matters pertaining to members of district boards and boards of management;

(l) require a municipality to conduct a vote referred to in clause (k) at the expense of the district board within the time prescribed in the regulations and to provide for any procedure or matter relating to the vote not provided for in, or inconsistent with, the Local Authorities Election Act;

(11) Section 33 presently reads:

33(1) There is hereby established the Hospital Privileges Appeal Board consisting of the following members appointed by the Lieutenant Governor in Council, each for a term of not more than 3 years:

(a) 2 physicians;

(b) one member of The Law Society of Alberta or of the judiciary;

(c) one member of a board of an approved hospital;

(d) one member of the Alberta Association of Registered Nurses;

(e) 2 other persons.

(2) The Lieutenant Governor in Council shall designate one of the members to be chairman.

(3) The Lieutenant Governor in Council may fill a vacancy in the Appeal Board by appointing a person as a member to fill the unexpired term of office of the former member, but no vacancy on the Appeal Board impairs the right of the remaining members to act until the vacancy is filled.

(4) The members of the Appeal Board may be paid remuneration for their services and allowances for the expenses necessarily incurred by them in the performance of their duties at rates fixed by the Lieutenant Governor in Council.

(12) Right of dental practitioners to appeal.

hospital shall be deemed to be a member or former member of the medical staff.

(13) *Section 40(6) is amended by adding the following after clause (c):*

(c.1) the board of an approved hospital may divulge any records of diagnostic and treatment services provided in respect of a patient to a local board under the *Public Health Act* if the local board has assumed the responsibility for any care or treatment of the patient;

(14) *Section 44 is amended by adding the following after clause (g):*

(g.1) prohibiting a district board or board of management from using any of its funds to pay a physician for providing insured services, as defined in the *Alberta Health Care Insurance Act*, without the prior approval of the Minister;

(15) *Section 45 is amended by striking out “Lieutenant Governor in Council” wherever it occurs and substituting “Minister”.*

(16) *Section 53 is amended*

(a) *in clause (a), by striking out “June 27, 1958” and substituting “July 23, 1980”;*

(b) *by repealing clause (c) and substituting the following:*

(c) “authorized charges” means authorized charges as defined in the regulations;

(c) *in clause (j)(v) by adding “, where available” after “supplies”;*

(d) *by adding the following after clause (j):*

(k) “user charges” means charges, other than authorized charges, that are assessed or assessable directly against patients, or others responsible for patients, for insured services.

(17) *Section 62 is amended*

(a) *by repealing clause (g) and substituting the following:*

(g) defining “authorized charges”;

(g.1) respecting the basis of sharing the operating costs of hospitals between the Minister, patients and other persons using hospital facilities, the assessment and collection of authorized and user charges and charges for accommodation and meals where hostel accommodation is provided, and exemptions from those charges;

(13) Further exception to confidentiality rule.

(14) Additional regulation making power.

(15) Section 45 presently reads:

45(1) The Lieutenant Governor in Council may appoint a committee of inquiry to which or to any member or members of which a question respecting the conduct or management of an approved hospital may be referred for the purpose of making an inquiry into the affairs of the hospital and reporting on it to the Minister.

(2) The committee, or any member or members, to whom a question is referred have all the powers of a commissioner appointed under the Public Inquiries Act.

(3) The member or members of the committee shall receive such remuneration as may be fixed by the Lieutenant Governor in Council.

(16) Section 53(a), (c) and (j)(v) presently read:

53 In this Part,

(a) "Agreement" means the Agreement, as amended from time to time, made on June 27, 1958, between the Minister of Health (Alberta), and the Minister of National Health and Welfare (Canada) pursuant to the Canada Act;

(c) "authorized charges" means charges that are made directly to a patient for insured services;

(j) "standard ward hospitalization" means the following services to in-patients:

(v) use of operating room, case room and anaesthetic facilities, including necessary equipment and supplies;

(17) Section 62(g) and (h) presently read:

62 The Lieutenant Governor in Council may make regulations

(g) prescribing the basis of sharing the operating costs of hospitals between patients and the Minister, the amounts to be paid by patients for standard ward hospitalization and other services and the minimum procedures to be followed by hospitals in collecting those charges;

(h) providing for the payment by the Minister of all or any part of the authorized charges on behalf of patients suffering from specific diseases or conditions;

(g.2) without limiting clause (g.1), authorizing hospitals

(i) to fix, up to the maximum amounts specified in the regulations, the amounts (if any) to be paid by patients as user charges, and

(ii) to exempt persons from user charges;

(g.3) providing for appeals by patients required to pay user charges to hospitals and the basis for such appeals;

(b) in clause (h) by adding “or user” after “authorized”.

(18) Section 63 is amended

(a) in subsection (1) by adding “and user” after “authorized” wherever it occurs;

(b) in subsection (2)(b)(iv),

(i) by adding “or user” after “authorized”, and

(ii) by striking out “that are prescribed by the regulations and apply to residents generally”;

(c) in subsection (3), by adding “(a) or” after “subsection (2)”.

(19) The following is added after section 67:

PART 4

HOSPITAL FOUNDATIONS

68 In this Part,

(a) “board” means a district board or a board of management;

(b) “foundation”, except in sections 77 and 79(b), means a foundation established under this Part.

69(1) A board may by by-law establish a hospital foundation.

(2) A foundation, on its establishment, is a corporation.

(3) A foundation consists of the following, who are the trustees of the foundation:

(a) the chairman of the board,

(b) 2 other persons who are members of and are appointed trustees by the board, and

(c) 2 persons who

(18) Section 63(1), (2)(b)(iv) and (3) presently read:

63(1) Subject to subsection (2), an insurer shall not make a new contract or add new members to a group contract under which a resident of Alberta is to be provided with or is to be reimbursed or indemnified for the cost of

(a) standard ward hospitalization, including authorized charges for it, or

(b) any other insured services, other than authorized charges for those other services.

(2) An insurer

(b) may issue a contract of insurance in respect of the cost of insured services if

(iv) no coverage is provided in respect of the cost of authorized charges for standard ward hospitalization that are prescribed by the regulations and apply to residents generally.

(3) A contract made in contravention of subsection (1) or that does not comply with subsection (2)(b) is void.

(19) Hospital foundations.

- (i) are residents of Alberta,
- (ii) are not members of the board, and
- (iii) are appointed trustees by the board.

(4) Appointments referred to in subsection (3)(b) and (c) shall be made for terms not exceeding 3 years.

70 The trustees shall appoint a chairman of the foundation from among themselves.

71(1) The trustees may make by-laws governing the procedure and business of the foundation, including the expenses referred to in section 74(2).

(2) Notwithstanding subsection (1), the trustees shall meet at least once a year on a date which, unless fixed by the by-laws, shall be fixed by the chairman of the trustees.

72 The objects of a foundation are

(a) to solicit and receive by gift, bequest, devise, transfer or otherwise, property of every nature and description,

(b) subject to any prior trust conditions imposed on the use of the property and to the extent that public funds are not available for the purpose, to hold, use and administer the property generally for maintaining and enhancing hospital care for the people of the community served by the hospitals administered by the board, and, in particular, to finance or assist in the financing of the construction, equipping, operation, maintenance and management of those hospitals or facilities forming part of those hospitals, and

(c) to further health care education in that community.

73 A foundation may, subject to any prior trust conditions, transfer any of its property to the board on any terms that it considers expedient.

74(1) The payment of any dividend or remuneration out of the funds of a foundation to any of the trustees is prohibited.

(2) A trustee may be reimbursed out of the funds of a foundation for the travelling and living expenses provided for in the by-laws that are necessarily incurred by him in the performance of his duties.

75(1) The fiscal year of a foundation is the period from April 1 to the next following March 31.

(2) At the end of the fiscal year a foundation shall prepare and submit to the Minister an annual report which shall include the audited financial statements and any other statements and reports that the Minister may require.

76 Notwithstanding anything in the *Trust Companies Act*, a foundation shall not be considered to be a trust company for the purposes of that Act.

77(1) A board shall not establish a hospital foundation except in accordance with this Part.

(2) Except to the extent provided by the regulations, no person shall operate a hospital foundation established to benefit a general or auxiliary hospital, including any corporation established before the commencement of this section to receive, hold, administer and apply any property or the income from it for purposes or objects in connection with a general or auxiliary hospital, unless its operation complies with this Part and the regulations.

78(1) In the event of the winding-up of a foundation, the property of the foundation shall be used

(a) firstly, in the payment of any costs incurred in the winding-up of the foundation,

(b) secondly, in the discharge of all liabilities of the foundation, and

(c) thirdly, to give effect, as far as possible, to any outstanding applicable trust conditions,

and the balance, if any, shall be transferred, in accordance with an order of the Lieutenant Governor in Council, to

(d) the board, for the benefit of the hospitals under its jurisdiction,

(e) the Government, or

(f) any charitable organization designated in the order.

(2) An order under subsection (1) must not be inconsistent with any trust condition under which the property is held.

79 The Lieutenant Governor in Council may make regulations

(a) respecting the types and amounts of property that a board may transfer to a foundation and the circumstances under which such property may be transferred;

(b) exempting any person who at the commencement of section 77(2) is operating a hospital foundation, including a corporation referred to in that subsection, from compliance with that subsection as it relates to all or part of this Part or the regulations;

(c) subject to section 78, governing the winding-up of a foundation.

Nursing Homes Act

6(1) The Nursing Homes Act is amended by this section.

(2) Section 4 is amended

(a) in subsection (1), by adding “and appointments to” after “membership on”;

Nursing Homes Act

6(1) This section will amend chapter N-14 of the Revised Statutes of Alberta 1980.

(2) Section 4(1) and (2) presently read:

4(1) If the auxiliary hospital district in respect of which an application is received has not been incorporated, nominations for membership on the

(b) in subsection (2), by striking out “nominations” and substituting “appointments”.

(3) The following is added after section 23(v):

(v.1) designating a council for the purposes of section 3 of the Local Authorities Election Act.

Provincial General Hospitals Act

7(1) The Provincial General Hospitals Act is amended by this section.

(2) The following is added after section 1:

**PART 1
HOSPITALS**

(3) Section 18 is repealed.

(4) The following is added after section 20:

**PART 2
HOSPITAL FOUNDATIONS**

21 In this Part, “foundation”, except in sections 30 and 32(b), means a foundation established under this Part.

22(1) A board may by by-law establish a hospital foundation.

(2) A foundation, on its establishment, is a corporation.

(3) A foundation consists of the following, who are the trustees of the foundation:

(a) the chairman of the board,

first district board shall be made as provided in section 7 of the Hospitals Act.

(2) After the required nominations have been made, the application may be referred to the Lieutenant Governor in Council for an order under section 8 of the Hospitals Act incorporating the district

(a) with all the powers mentioned in that section, except the power mentioned in subsection (2)(d) thereof, and

(b) with the power to provide for nursing home facilities in the district in accordance with this Act.

(3) Additional regulation making power.

Provincial General Hospitals Act

7(1) This section will amend chapter P-21 of the Revised Statutes of Alberta 1980.

(2) Making most of the present Act Part 1.

(3) Section 18 presently reads:

18(1) In this section "foundation" means a corporation established to receive, hold, administer and apply any property or the income from it for purposes or objects in connection with a Provincial General Hospital.

(2) When any real or personal property is held by a board for any purpose or object similar to those of a foundation, the board,

(a) with the approval of the Minister, and

(b) on any terms, not inconsistent with any trust or condition under which the property is held, that it considers expedient,

may transfer or assign the property to the foundation.

(3) Subsection (2) applies to property acquired or accumulated before or after the commencement of this section and whether acquired by gift, bequest, devise or otherwise.

(4) Hospital Foundations for Provincial General Hospitals.

(b) 2 other persons who are members of and are appointed trustees by the board, and

(c) 2 persons who

(i) are residents of Alberta,

(ii) are not members of the board, and

(iii) are appointed trustees by the board.

(4) Appointments referred to in subsection (3)(b) and (c) shall be made for terms not exceeding 3 years.

23 The trustees shall appoint a chairman of the foundation from among themselves.

24(1) The trustees may make by-laws governing the procedure and business of the foundation, including the expenses referred to in section 27(2).

(2) Notwithstanding subsection (1), the trustees shall meet at least once a year on a date which, unless fixed by the by-laws, shall be fixed by the chairman of the trustees.

25 The objects of a foundation are

(a) to solicit and receive by gift, bequest, devise, transfer or otherwise, property of every nature and description,

(b) subject to any prior trust conditions imposed on the use of the property and to the extent that public funds are not available for the purpose, to hold, use and administer the property generally for maintaining and enhancing hospital care for the people of Alberta, and, in particular, to finance or assist in the financing of the construction, equipping, operation, maintenance and management of the hospital or facilities forming part of the hospital, and

(c) to further health care education in Alberta.

26 A foundation may, subject to any prior trust conditions, transfer any of its property to the board on any terms that it considers expedient.

27(1) The payment of any dividend or remuneration out of the funds of a foundation to any of the trustees is prohibited.

(2) A trustee may be reimbursed out of the funds of a foundation for the travelling and living expenses provided for in the by-laws that are necessarily incurred by him in the performance of his duties.

28(1) The Auditor General is the auditor of a foundation.

(2) The fiscal year of a foundation is the period from April 1 to the next following March 31.

(3) At the end of the fiscal year a foundation shall prepare and submit to the Minister an annual report which shall include the audited financial statements and any other statements and reports that the Minister may require.

29 Notwithstanding anything in the *Trust Companies Act*, a foundation shall not be considered to be a trust company for the purposes of that Act.

30(1) A board shall not establish a hospital foundation except in accordance with this Part.

(2) Except to the extent provided by the regulations, no person shall operate a hospital foundation established to benefit a hospital, including any corporation established before the commencement of this section to receive, hold, administer and apply any property or the income from it for purposes or objects in connection with a hospital, unless its operation complies with this Part and the regulations.

31(1) In the event of the winding-up of a foundation, the property of the foundation shall be used

- (a) firstly, in the payment of any costs incurred in the winding-up of the foundation,
- (b) secondly, in the discharge of all liabilities of the foundation, and
- (c) thirdly, to give effect, as far as possible, to any outstanding applicable trust conditions,

and the balance, if any, shall be transferred, in accordance with an order of the Lieutenant Governor in Council, to

- (d) the board, for the benefit of the hospital,
- (e) the Government, or
- (f) any charitable organization designated in the order.

(2) An order under subsection (1) must not be inconsistent with any trust or condition under which the property is held.

32 The Lieutenant Governor in Council may make regulations

- (a) respecting the types and amounts of property that a board may transfer to a foundation and the circumstances under which such property may be transferred;
- (b) exempting any person who at the commencement of section 30(2) is operating a hospital foundation, including a corporation referred to in that subsection, from compliance with that subsection as it relates to all or part of this Part or the regulations;
- (c) subject to section 31, governing the winding-up of a foundation.

University of Alberta Hospitals Act

8(1) The University of Alberta Hospitals Act is amended by this section.

University of Alberta Hospitals Act

8(1) This section will amend chapter U-8 of the Revised Statutes of Alberta 1980.

(2) *Section 3 is amended by striking out “Lieutenant Governor in Council” wherever it occurs and substituting “Minister”.*

(3) *Section 16(2) is repealed.*

University Hospitals Foundation Act

9(1) *The University Hospitals Foundation Act is amended by this section.*

(2) *The following is added after section 5:*

5.1 Notwithstanding anything in the *Trust Companies Act*, the Foundation shall not be considered to be a trust company for the purposes of that Act.

(3) *Section 12 is repealed and the following is substituted:*

12(1) In the event of the winding-up of the Foundation, the property of the Foundation shall be used

(a) firstly, in the payment of any costs incurred in the winding-up of the Foundation,

(b) secondly, in the discharge of all liabilities of the Foundation, and

(c) thirdly, to give effect, as far as possible, to any remaining applicable trust conditions

and the balance, if any, shall be transferred, in accordance with an order of the Lieutenant Governor in Council, to

(d) the Board, for the benefit of the hospitals,

(2) Section 3 presently reads:

3(1) The Board shall consist of

(a) the president of the University or, in his absence, a vice-president of the University designated by the president,

(b) the dean of the Faculty of Medicine of the University or, in his absence, an associate dean or assistant dean of that Faculty designated by the dean, and

(c) not more than 9 other persons appointed by the Lieutenant Governor in Council for a term of office specified by the Lieutenant Governor in Council.

(2) When a hospitals services utilization committee is established by the by-laws of the Board, the Lieutenant Governor in Council may also appoint one of the members of the medical staff of the hospitals, other than an employee of the Board, as a member of the Board and in that case

(a) the Board shall consist of the persons referred to in subsection (1) and the member appointed under this subsection, and

(b) the member so appointed ceases to be a member of the Board if he ceases to be a member of the medical staff of the hospitals.

(3) The Lieutenant Governor in Council shall appoint one of the members of the Board to be the chairman.

(3) Section 16(2) presently reads:

(2) An order or regulation so made and any matters incidental thereto have the same effect as if set out in detail in this Act.

University Hospitals Foundation Act

9(1) This section will amend chapter U-9 of the Revised Statutes of Alberta 1980.

(2) Disapplication of Trust Companies Act.

(3) Section 12 presently reads:

12(1) In the event of the winding-up of the Foundation, the assets of the Foundation shall be used

(a) firstly, in the payment of any costs incurred in the winding-up of the Foundation, and

(b) secondly, in the discharge of all debts and liabilities of the foundation

and the balance, if any, shall be transferred and assigned to the Crown in right of Alberta or to any charitable organization designated by the Lieutenant Governor in Council.

(2) An order under subsection (1) shall not be inconsistent with any trust or condition under which the asset is held.

(e) the Government, or

(f) any charitable organization designated in the order.

(2) An order under subsection (1) must not be inconsistent with any trust condition under which the property is held.

10 Sections 5(19) and 7 come into force on Proclamation.

In accordance with section 4(1) of the Interpretation Act, this Bill, except sections 5(19) and 7, comes into force on the date it receives Royal Assent.

