

Canada Health Act

Purpose and Requirements

Purpose

The Canada Health Act aims to ensure that all residents of Canada have access to necessary health care on a prepaid basis. The purpose of the Canada Health Act is to establish criteria and conditions in respect of insured health services and extended health care services provided under provincial law that must be met before a full cash contribution may be made.

Criteria

1. **Public administration.** The health insurance plan of a province/territory must be administered and operated on a non-profit basis by a public authority accountable to the provincial/territorial government.
2. **Comprehensiveness.** The plan must insure all medically necessary services provided by hospitals and physicians and, where permitted, services rendered by other health care practitioners.
3. **Universality.** The plan must entitle 100 percent of eligible residents to insured health services on uniform terms and conditions.
4. **Portability.** Residents are entitled to coverage when they move to another province/territory and when they travel within Canada or abroad (with some restrictions).
5. **Accessibility .** The plan must provide reasonable access to insured hospital and physician services on uniform terms and conditions. Additional charges to insured patients for insured services are not allowed. No one may be discriminated against on the basis of income, age, health status, etc.

Conditions

1. **Provision of information.** Provincial/territorial governments are required by regulations to provide annual estimates and statements on extra-billing and user charges. They are also required to voluntarily provide an annual statement describing the operation of their plans as they relate to the criteria and conditions of the Act. This information serves as a basis for the Canada Health Act annual report.
2. **Provincial recognition of federal contributions.** Provincial/territorial governments are required to give public recognition of federal transfers.

Provisions on Extra-billing and User Charges

1. **Extra-billing** for an amount in addition to any amount paid or to be paid for an insured health service by the health care insurance plan of a province.
2. **User charge** for an insured health service that is authorized or permitted by a provincial health care insurance plan that is not payable, directly or indirectly, by the plan, but does not include any charge imposed by extra-billing.

Penalty Provisions

1. **Mandatory financial penalty** for extra-billing and user charges. Direct patient charges are subject to dollar-for-dollar deductions from federal transfer payments.
2. **Discretionary financial penalty** for non-compliance with the five criteria and two conditions. Financial penalties will reflect the gravity of the default.

