

LEGISLATIVE ASSEMBLY OF THE

NORTHWEST TERRITORIES

5TH COUNCIL, 27TH SESSION

SESSIONAL PAPER NO. 5-27

TABLED ON JUNE 2, 1964



NORTHWEST TERRITORIES

SESSIONAL PAPER NO. 5, 1964 (First Session)

ANNUAL REPORT OF
TERRITORIAL HOSPITAL INSURANCE SERVICES BOARD
FOR THE YEAR DECEMBER 31, 1962.

**Northwest
Territories**



**ANNUAL
REPORT**
of
**Territorial
Hospital
Insurance
Services
Board**

1962

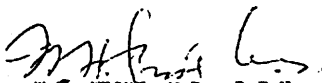
December 1, 1963.

TO B.G. SIVERTZ, ESQ.,
Commissioner of the Northwest Territories.

SIR:

The undersigned has the honour to present
herewith the Annual Report of the Territorial Hospital Insurance
Services Board for the year 1962.

Respectfully submitted,


W.H. FROST, M.D., D.F.H.,
Chairman.

ANNUAL REPORT
of
TERRITORIAL HOSPITAL INSURANCE SERVICES BOARD
FOR THE YEAR ENDED DECEMBER 31, 1962

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ANNUAL REPORT

of

TERRITORIAL HOSPITAL INSURANCE SERVICES BOARD

FOR THE YEAR ENDED DECEMBER 31, 1962

General Introduction

This, the third report of the Territorial Hospital Insurance Services Board, reviews the operation of the Hospital Insurance Plan for the year 1962. As the Plan has now operated for two full calendar years, it is possible to compare directly the experience of two years.

At the end of December 1962, as shown in Table 1, the number of hospital beds available in the Northwest Territories was 68 for tuberculous cases and 324 for general cases. This represents 2.7 tuberculous beds and 13 general beds per 1,000 population. At the end of 1961 there were 229 tuberculous beds (9 per 1,000) and 321 general beds (13 per 1,000). The reduction in tuberculous beds reflects the tendency to treat these cases in the South where better facilities for treatment are available.

Coverage

Under the Territorial Hospital Insurance Plan, a person who is legally entitled to remain in Canada, and who makes his home and is ordinarily present in the Territories, is entitled after three months' residence in the Territories to insured services at any approved hospital or nursing station of his choice, including a hospital outside the Territories.

A resident who is temporarily absent from the Territories continues to be covered during a period of 12 months (or longer if he is prevented from returning to the Territories because of illness or other reason acceptable to the Board).

A resident of the Territories moving to another province is covered under the Plan during time of travel and for the period it takes to become eligible for insured services in the new province.

Certain residents who have other entitlement to the same type of services as provided under the hospital insurance program, are not covered by the territorial program. These include members of the armed forces and of the Royal Canadian Mounted Police. In addition, where residents are entitled to services under statutes such as Workmen's Compensation, their entitlement under such laws excludes them from entitlement to the same service under the hospital insurance program.

Benefits

A resident who required care as an in-patient, was entitled to receive for \$1.50 per day the following services in a hospital approved by the Plan:-

- (a) accommodation and meals at the standard or public ward level;
- (b) necessary nursing services;

- (c) laboratory, radiological and other procedures together with the necessary interpretations for the purpose of assisting in the treatment of any injury, illness or disability;
- (d) drugs, biologicals and related preparations when administered in the hospitals;
- (e) use of operating room, case room and anesthetic facilities including necessary equipment and supplies;
- (f) routine surgical supplies;
- (g) use of radiotherapy facilities, where available;
- (h) use of physiotherapy facilities, where available; and
- (i) services rendered by persons who receive remuneration from the hospital.

An insured person was entitled, without charge, to emergency out-patient treatment in a hospital for injuries arising out of an accident, provided treatment was obtained within 24 hours of the accident. In unusual circumstances, this period could be extended by the Board.

Effective April 1, 1962, the Plan was extended to include as benefits X-ray, laboratory, and other diagnostic services provided by a hospital to either in-patients or out-patients.

Exclusions

Admission for dental care was not paid unless there was a condition certified by a medical practitioner as making hospitalization necessary. Accounts for the services of a private nurse requested for the convenience of the patient were not acceptable. Private or semi-private accommodation when requested by the patient was not included as a benefit. Excluded also were drugs, biologicals and related preparations, which were intended for use after discharge from the hospital. The cost of ambulance service was excluded, as were the fees for doctors except those engaged by a hospital.

Utilization of Hospital Benefits by the Territorial Residents

The number of insured persons admitted to hospitals during the calendar year 1962 increased by about 23% as compared to 1961, although the average length of stay in hospital showed a small decrease. In 1962, 6,421 insured admissions received 60,247 insured days of in-patient care, or an average of 9.4 days each. This compares with 5,220 patients receiving 49,449 days of care, or 9.5 days each, in 1961. No great change was noticeable in the number of newborn infants. This was 857 in 1962 as compared to 844 in 1961. Details of these figures and a breakdown by category of hospitals can be seen in Table 2. When compared with insured population figures of 22,264 for 1961 and 24,000 for 1962, the rate of insured admissions per 1,000 population was 234 for 1961 and 265 for 1962.

The Plan paid for 1,027 emergency out-patient visits during 1962, as compared to 573 visits during 1961. A breakdown of these figures is given in Table 3.

During the period April 1, 1962 to December 31, 1962, 833 patients, as shown in Table 4, received out-patient diagnostic services at the expense of the Plan.

As the financing of the Plan was influenced by the usage of hospital services by registered Indians and Eskimos, a study was made of the percentage usage by these patients. DIAGRAM I indicates the percentage distribution of patient days according to category of hospital and patient status. The registered Indian and Eskimo residents, comprising 60% of the insured population accounted for 67% of the total patient days. The percentage distribution of the number of patients discharged indicated that 59% of the patients were registered Indian and Eskimo status and 41% of the patients were white status. DIAGRAM II presents a graph of this information.

Financing

During the calendar year 1962, the patient, the Territorial Government and the Federal Government continued to share in the financing of hospital care in the Northwest Territories. The total cost of this care was \$1,248,408.

The patient's share of the cost of hospitalization remained as a co-insurance charge of \$1.50 per day payable to the hospital. The co-insurance paid by the Federal Government through Northern Health Service on behalf of registered Indians and Eskimos for the year 1962 was \$61,506.00. The co-insurance paid by individuals was \$36,907.00.

The cost shareable by the Federal Government under the Hospital Insurance and Diagnostic Services Act is the aggregate in the year of 25% of the per capita cost of in-patient services in Canada and 25% of the per capita cost of in-patient services in the Northwest Territories less the amount of authorized charges (co-insurance paid by or on behalf of patients), multiplied by the average for the year of the number of insured persons in the Territories. The insured population in 1962, as estimated by the Dominion Statistician, was 24,000.

Advances against the estimated federal contribution were received each month on the basis of the above formula modified to effect a holdback by using 23% instead of 25% in the calculation of the amount based on the national per capita cost. These advances amount to \$472,800, leaving \$30,217 still payable; hence the Federal share of the Plan was \$503,017 or 40% of the amount paid to the hospitals for insured services.

The special grant to cover the cost of hospital care for indigent Indians and Eskimos, payable through the Department of Northern Affairs and National Resources, is estimated at \$384,376.00 for 1962.

The cost to the Territorial Government from General Revenue for 1962 is estimated at \$262,602.00.

A summary of this information is appended as Table 5.

Methods of Payment to Hospitals

For payment purposes, listed hospitals are grouped into four categories:-

1. Approved Hospitals
2. Contract Hospitals
3. Federal Hospitals
4. Hospitals outside the Territories.

A list of the hospitals in the Northwest Territories, giving the rated bed capacity and types of beds, may be seen in Table 1.

Approved Hospitals

An approved hospital, known commonly as a "Budget Review" hospital, is paid its approved budget, including the cost of new equipment. The Stanton Yellowknife Hospital at Yellowknife was the only Budget Review Hospital. The hospital submitted to the Board, in advance of the calendar year, its annual budget for the ensuing year. That portion of the approved budget related to the cost of insured services, which is inevitable regardless of patient occupancy, was paid to the hospital in twelve monthly instalments. That portion of the operating costs which varied with patient occupancy was paid to the hospital monthly on the basis of the number of patient days for insured services reported by the hospital.

Contract Hospitals

Contract hospitals are those hospitals or other facilities in the Territories with which T.H.I.S. Board has contracted for the provision of the insured services to insured persons.

In 1962 this group comprised the following:-

Chesterfield Inlet	Ste-Therese de l'Enfant Jesus Hospital
Fort Resolution	St. Joseph's Hospital
Fort Simpson	St. Margaret's Hospital
Fort Smith	St. Ann's Hospital
Hay River	H.H. Williams Memorial Hospital
Norman Wells	Norman Wells Hospital (Imperial Oil Limited)
Pangnirtung	St. Luko's Hospital
Rae	Farad Hospital
Rankin Inlet	Rankin Inlet Infirmary (North Rankin Nickel Mines Limited)

In addition, the Red Cross Blood Depot in Edmonton, Alberta, served as a contract facility for the supply of blood and blood products. The payment for this Service in the period 1 January to 31 December, 1962, was \$994.33.

Federal Hospitals

Federal hospitals are hospitals in the Territories owned or operated by the Government of Canada. Payments were made by the Board at agreed per diem rates. During 1962 this arrangement applied to the following hospitals and other facilities operated by Northern Health Service, Department of National Health and Welfare:

Aklavik Nursing Station	Aklavik
Baker Lake Nursing Station	Baker Lake
Cambridge Bay Nursing Station	Cambridge Bay
Cape Dorset Nursing Station	Cape Dorset
Coppermine Nursing Station	Coppermine

Eskimo Point Nursing Station	Eskimo Point
Fort Good Hope Nursing Station	Fort Good Hope
Fort Liard Nursing Station	Fort Liard
Fort McPherson Nursing Station	Fort McPherson
Fort Norman Nursing Station	Fort Norman
Fox Nursing Station	Melville Peninsula
Frobisher Bay Hospital	Frobisher Bay
Inuvik General Hospital	Inuvik
Rankin Inlet Nursing Station	Rankin Inlet
Spence Bay Nursing Station	Spence Bay
Tuktoyaktuk Nursing Station	Tuktoyaktuk

Hospitals Outside the Territories

When treatment was obtained in a hospital in another province or territory, payment was made by the T.H.I.S. Plan at the rate established for such hospital by the province or territory, less co-insurance charge of \$1.50 per day. The rate payable outside Canada was determined by the Board, but could not exceed the maximum rate payable to the Stanton Yellowknife Hospital less the co-insurance charge which must be paid directly to the hospital by the patient or on his behalf by some agency other than the Plan.

During 1962 most hospital care outside the Territories to beneficiaries of the Plan continued to be given in Alberta, Manitoba and Quebec.

Payment to Hospitals

Payment made by the T.H.I.S. Plan to hospitals for insured services was as follows: the Approved Hospital received \$181,950; the Contract Hospitals received \$312,448, the Federal Hospitals received \$304,953, and the Hospitals outside of the Northwest Territories received \$350,644.00. Comparative information may be found in Table 6.

Total Cost of Insured Services

The cost of insured services to the Hospital Insurance Plan was \$1,149,995, and the amount paid for co-insurance by self-pay patients or agencies was \$98,413, making a total of \$1,248,408 paid to hospitals for services covered by the Plan. The average cost to the Plan per patient day of insured services was \$18.53 for adults and children and \$3.17 for newborn. The total cost per patient day, including the amount paid in co-insurance was for an adult or child \$20.03, and for a newborn \$4.67. Using the population figure of 24,000 for the Northwest Territories, as supplied by the Dominion Bureau of Statistics, the average cost of insured services per capita was \$52.02 for the period 1 January to 31 December, 1962. Comparative information is given in Table 7.

APPENDIX A
NORTHWEST TERRITORIES

LOCATION OF ACCOMMODATION UTILIZED - 1962

HOSPITAL



NURSING STATION



CLOSED DURING 1962



SCALE 1 INCH = 250 MILES

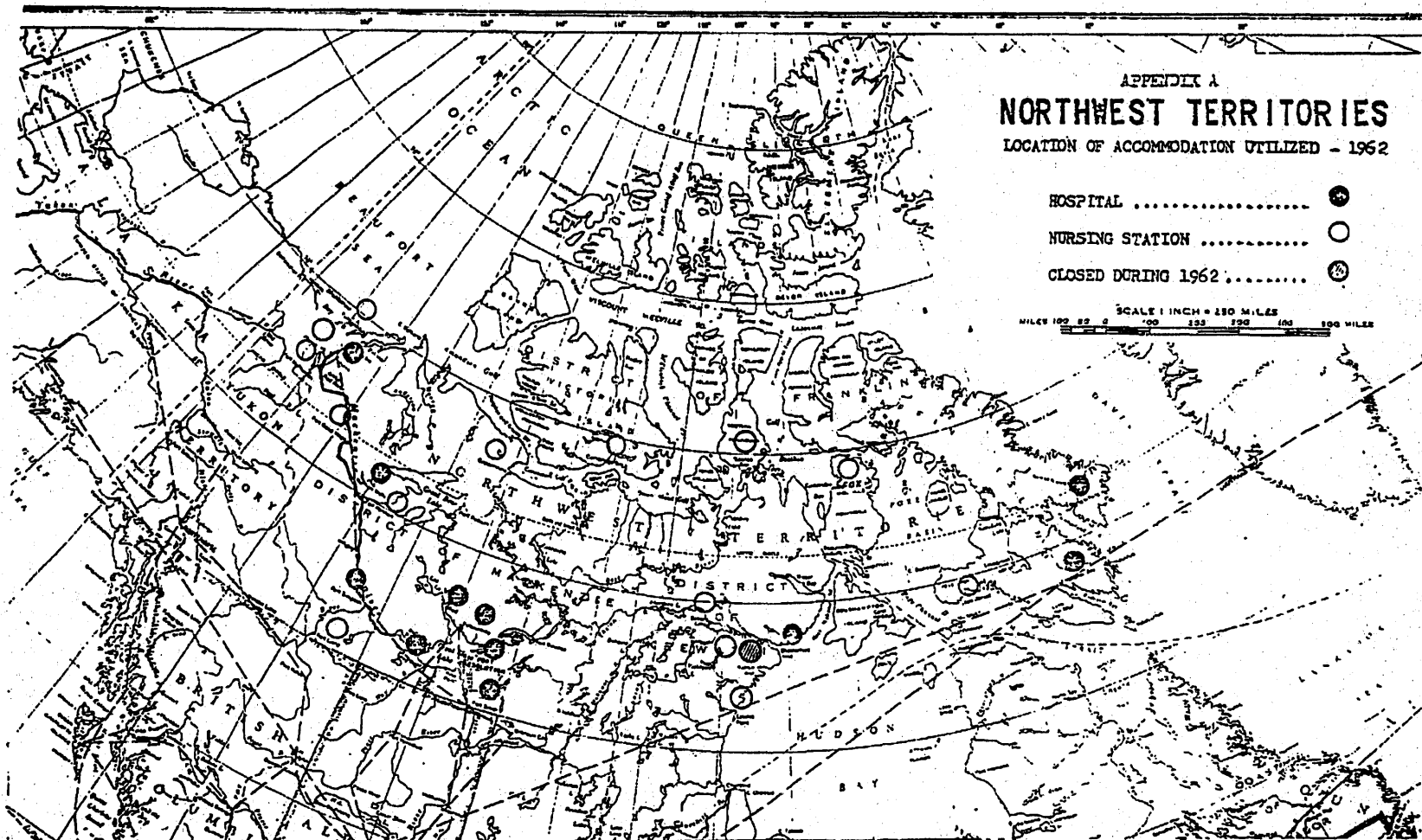
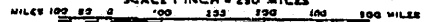


TABLE I

Rated Bed Capacity - Hospitals in the Northwest Territories - 1962

<u>APPROVED (Budget Review)</u>		<u>T.B.</u>	<u>GEN.</u>	<u>BASSINETS</u>
Yellowknife	Stanton Yellowknife	-	44	4
TOTAL AT YEAR-END		-	44	4
<u>CONTRACT</u>				
Chesterfield Inlet	Ste-Therese de l'Enfant Jesus	-	31	3
Fort Resolution	St. Joseph's	-	15	5
Fort Simpson	St. Margaret's	-	32	5
Fort Smith	St. Ann's	-	40	5
Hay River	H.H. Williams Memorial	-	8	4
Norman Wells	Imperial Oil	-	13	1
Pangnirtung	St. Luke's	18	15	2
Rae	Farsud	-	25	3
Rankin Inlet	North Rankin Nickel Mines (1)	-	(9)	(1)
TOTAL AT YEAR-END		18	179	28
<u>FEDERAL</u>				
Aklavik	Nursing Station	-	4	1
Baker Lake	Nursing Station	-	4	1
Cambridge Bay	Nursing Station	-	7	2
Cape Dorset	Nursing Station	-	4	1
Coppermine	Nursing Station	-	4	1
Eskimo Point	Nursing Station (2)	-	4	1
Fort Good Hope	Nursing Station	-	4	1
Fort Liard	Nursing Station	-	2	1
Fort McPherson	Nursing Station	-	4	1
Fort Norman	Nursing Station	-	4	1
Frobisher Bay	Frobisher Bay General	-	14	5
Inuvik	Inuvik General	50	30	16
Melville Peninsula	Fox Nursing Station	-	4	1
Rankin Inlet	Nursing Station (3)	-	4	1
Spence Bay	Nursing Station (4)	-	4	1
Tuktoyaktuk	Nursing Station	-	4	1
TOTAL AT YEAR-END		50	101	36
<u>TOTAL RATED BED CAPACITY AT YEAR-END</u>		68	324	68

(1) Closed October, 1962.

(2) Opened July, 1962.

(3) Opened October, 1962, replacing North Rankin Nickel Mines Hospital.

(4) Opened November, 1962.

TABLE 2⁽¹⁾

In-Patient Insured Services and Related Length of Stay by
Category of Hospital and Patient Status
1961 and 1962

Category	Separations				Days of Care				Average Length of Stay			
	Adults and Children		Newborn		Adults and Children		Newborn		Adults and Children		Newborn	
	1961	1962	1961	1962	1961	1962	1961	1962	1961	1962	1961	1962
All Insured Residents												
Approved	845	889	144	142	6,324	5,989	947	834	7.5	6.7	6.6	5.9
Contract	1,958	2,529	295	284	14,516	18,626	1,790	1,860	7.4	7.4	6.0	6.5
Federal	1,466	1,915	276	322	10,877	14,286	1,493	1,668	7.4	7.5	5.4	5.2
Outside N.W.T.	951	1,088	129	109	17,727	21,346	1,260	1,000	18.6	19.6	9.8	9.2
Total	5,220	6,421	844	857	49,444	60,247	5,490	5,362	9.5	9.4	6.5	6.2
Registered Indian and Eskimo Status												
Approved	246	282	33	36	2,082	2,395	210	226	8.5	8.5	6.4	6.3
Contract	1,120	1,292	152	123	9,293	10,801	992	741	8.3	8.3	6.5	6.0
Federal	1,162	1,592	185	230	9,039	12,434	982	1,196	7.8	7.8	5.3	5.2
Outside N.W.T.	554	642	58	55	12,505	14,797	690	572	22.6	23.0	11.9	10.4
Total	3,082	3,800	428	444	32,919	40,427	2,874	2,735	10.7	10.6	6.7	6.1
White Status												
Approved	599	607	111	106	4,242	3,594	737	608	7.1	5.9	6.6	5.7
Contract	838	1,237	143	161	5,223	7,825	798	1,119	6.2	6.3	5.6	6.9
Federal	304	323	91	92	1,838	1,852	511	472	6.0	5.7	5.6	5.1
Outside N.W.T.	397	446	71	54	5,222	6,549	570	428	13.2	14.7	8.0	7.9
Total	2,138	2,613	416	413	16,525	19,820	2,616	2,627	7.7	7.6	6.3	6.4

(1) See also Diagram I and II

TABLE 3

Emergency Out-Patient Treatment
By Category of Hospital and Patient Status
1961 and 1962

Category	Number of visits					
	Total		Registered Indians & Eskimos		White Status	
	1961	1962	1961	1962	1961	1962
Approved	186	353	24	27	162	326
Contract	235	453	60	130	175	323
Federal	151	217	58	97	93	120
Outside N.W.T.	1	4	-	1	1	3
Total	573	1,027	142	255	431	772

TABLE 4

Out-Patient Diagnostic ServicesBy Category of Hospital and Patient Status1962⁽¹⁾

Category	Number of patients examined		
	Total	Registered Indians & Eskimos	White Status
Approved	362	24	338
Contract	272	37	235
Federal	196	80	116
Outside N.W.T.	3	-	3
Total	833	141	692

(1) As of April 1, 1962.

TABLE 5

Payment for Insured Services by Responsible Agencies1961 and 1962

Responsibility for Payment	1961		1962	
	Amount	%	Amount	%
<u>Federal Government</u>				
Contribution under Hospital Insurance and Diagnostic Services Act (1)	385,802	41	\$ 503,017	40
Co-insurance - Indigent Indians and Eskimos	51,005	6	61,506	5
Special Grant for Indian and Eskimo Costs (1)	279,174	30	384,376	31
<u>Territorial Government</u>	188,705	20	262,602	21
<u>Insured Patients</u>				
Co-insurance	31,395	3	36,907	3
Total	3936,081	100	\$1,248,408	100

(1) This amount is subject to adjustment on the final payment of the contribution under the Hospital Insurance and Diagnostic Services Act.

TABLE 6

Payment to Hospitals for Insured Services1961 and 1962

Category of Hospitals	T.H.I.S. Plan		Co-insurance		Total	
	1961	1962	1961	1962	1961	1962
Approved	176,178	181,950	10,906	10,234	187,084	192,184
Contract	154,216	312,448	24,459	30,729	178,675	343,177
Federal	245,316	304,953	18,555	23,931	263,871	328,884
Outside N.W.T.	277,970	350,644	28,481	33,519	306,451	384,163
Total	853,680	1,149,995	382,401	398,413	936,081	1,248,408

TABLE 7

Total Cost of Insured Services, Cost
Per Capita and Average Cost Per Patient-Day

1961 and 1962

	T.H.I.S. Plan		Co-ins.		Total	
	1961	1962	1961	1962	1961	1962
<u>Cost of Insured Services</u>						
In-Patient - Adults and Children	\$834,057	\$1,116,649	\$74,166	\$90,370	\$908,223	\$1,207,019
Newborn	16,179	17,026	8,235	8,043	24,414	25,069
Sub-Total	\$850,236	\$1,133,675	\$82,401	\$98,413	\$932,637	\$1,232,088
Out-Patient - Emergency	3,444	6,158	-	-	3,444	6,158
- Diagnostic	-	10,162	-	-	-	10,162
Total	\$853,680	\$1,149,995	\$82,401	\$98,413	\$936,081	\$1,248,408
<u>Cost Per Capita</u>	\$38.35	\$47.92	-	-	\$42.04	\$52.02
Insured Population (1)						
1961 - 22,254						
1962 - 24,000						
<u>Average Cost per Patient-Day</u>						
<u>Hospitals in the Territories</u>						
Adults and Children	\$17.62	\$19.75	\$1.50	\$1.50	\$19.12	\$21.26
Newborn	\$ 3.12	3.31	\$1.50	\$1.50	\$ 4.63	\$ 4.81
<u>Hospitals outside the Territories</u>						
Adults and Children	\$15.51	\$16.30	\$1.50	\$1.50	\$17.01	\$17.80
Newborn	\$ 2.30	\$ 2.56	\$1.50	\$1.50	\$ 3.80	\$ 4.06
<u>All Hospitals</u>						
Adults and Children	\$16.86	\$18.53	\$1.50	\$1.50	\$18.36	\$20.03
Newborn	\$ 2.94	\$ 3.17	\$1.50	\$1.50	\$ 4.44	\$ 4.67

(1) Population as certified by Dominion Statistician in accordance with definition of population contained in Hospital Insurance Regulations June 1st, 1958.

DIAGRAM I

PERCENTAGE DISTRIBUTION OF PATIENT-DAYS

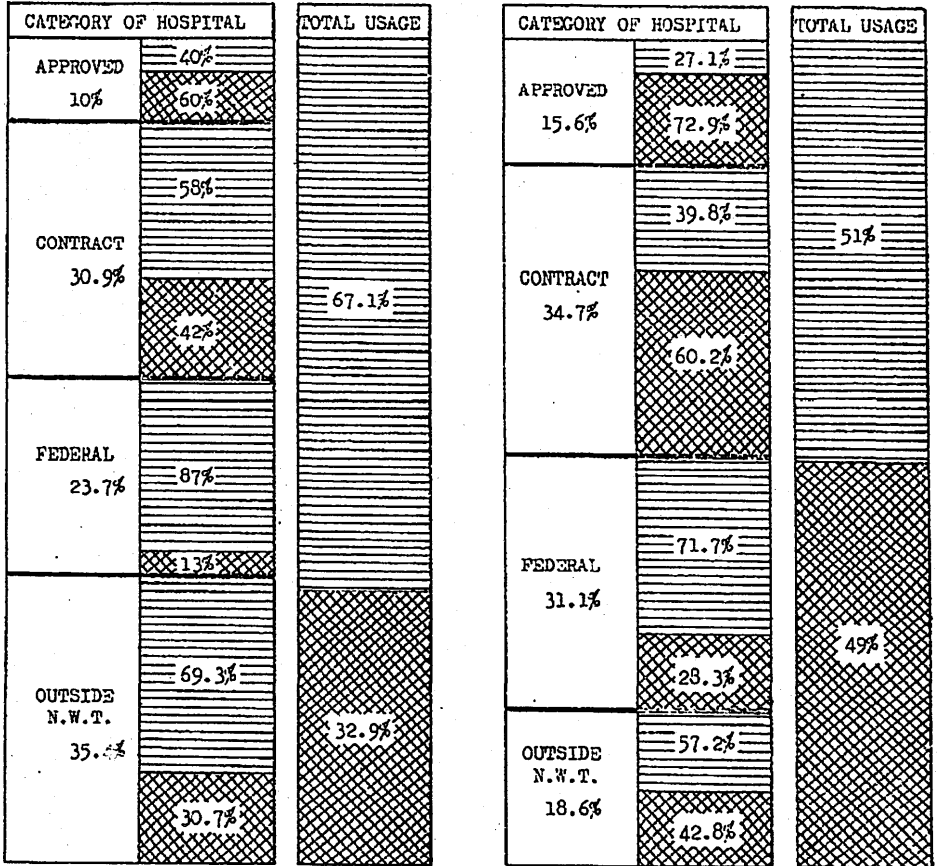
ACCORDING TO

CATEGORY OF HOSPITAL AND USAGE BY PATIENT STATUS

JANUARY 1, 1962 TO DECEMBER 31, 1962

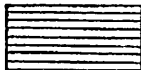
ADULTS AND CHILDREN

NEW-BORN

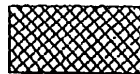


Estimated Insured Population

Indian & Eskimo Status	14,400	(60%)
White Status	<u>9,600</u>	(40%)
Total	24,000	



REGISTERED INDIANS & ESKIMOS



WHITE STATUS

DIAGRAM II

PERCENTAGE DISTRIBUTION OF SEPARATIONS

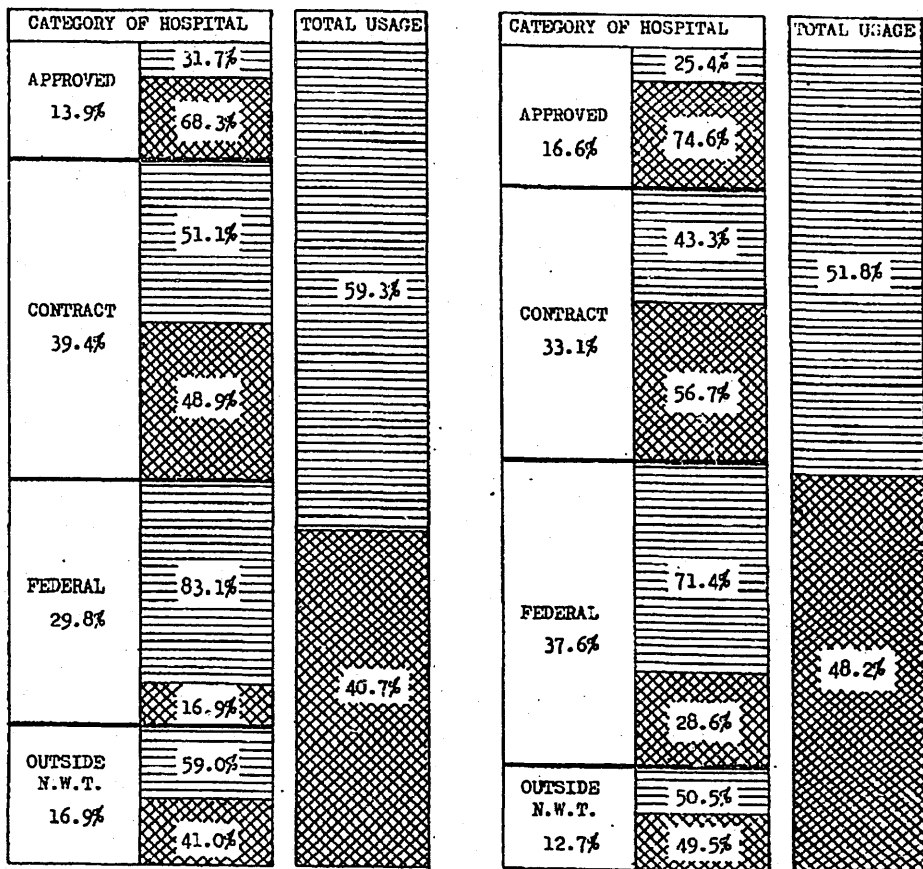
ACCORDING TO

CATEGORY OF HOSPITAL AND PATIENT STATUS

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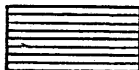
ADULTS AND CHILDREN

NEWBORN



Estimated Insured Population

Indian & Eskimo Status 14,000 (60%)
 White Status 9,600 (40%)
 Total 24,000



REGISTERED INDIANS & ESKIMOS



WHITE STATUS