

FACT SHEET

Birth by Non - BC Residents

ISSUE

Media article that birth tourism is on the rise in Vancouver and Richmond.

KEY FACTS

In January 2015, the Vancouver Sun reported that birth tourism was on the rise in Vancouver and Richmond and quoted statistics showing non-resident birth numbers increasing up three-fold since 2009. The article alluded to passport, birth certificate and Medical Services Cards being obtained for babies.

The Audit and Investigations Branch, Eligibility, Compliance and Enforcement Unit (ECEU), is aware of 26 private residences that provide room and board services to foreign pregnant women who choose to come to BC to give birth. These residences are referred to in the Asian community as "Baby Houses".

These residences are utilized by two groups of individuals:

- Individuals that are in Canada on a Temporary Resident document such as a tourist visa, work or study permit. These individuals come to Canada to deliver a baby, who by birth is then granted Canadian Citizenship status. These clients do not access Medical Services Plan (MSP) funded benefits, they declare themselves as self pay at hospitals and to doctors. Any misuse by Temporary Document holders falls under the Canadian Citizenship Act and is the jurisdiction of the Federal Government. These cases are not reported to ECEU and are the responsibility of the Federal Government.
- Individuals who have been granted Permanent Residence in Canada and are properly enrolled in the plan, but at some point cease to meet the definition of a resident under the *Medicare Protection Act*. They return to their country of origin, fail to communicate to MSP that they are no longer in BC and remain enrolled in the Plan. These individuals later return to BC to deliver a baby, and as they have active MSP coverage, all claims for the mother and child are billed to the plan. These individuals stay long enough to obtain a birth certificate, a Canadian passport and enrolment in MSP for the child, before returning to their country of origin.

ECEU conducts regular reviews of individuals who cease to meet the definition of a resident under the *Medicare Protection Act*. s.15

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FINANCIAL IMPLICATIONS

In fiscal 2013/14, the costs relating to non-resident births amounted to a total of \$1,037,702 for recovery by Health Authorities (HA), PharmaCare (PC) and MSP. Recovery of ineligible payments is the responsibility of each program. The Health Authorities recover approximately 50% of their amount outstanding, PharmaCare and MSP costs are recovered by the Ministry of Finance.

2013/14 Recovery Breakdown	
	\$1,037,702
HA 78.94%	\$819,125
MSP 21%	\$217,985
PC 0.06%	\$5925

Of the amounts identified for recovery, it is unknown what proportion is related to "baby houses" but is thought to be small. The cases investigated did not involve the use of forged or counterfeit CareCards or BC Services Cards nor did they present sufficient evidence to warrant a referral to law enforcement (no suspected fraud).

Approved by:

David Fairbotham, Audit and Investigations Branch; April 20, 2015

Manjit Sidhu, Finance and Corporate Services Division; [date approved]

Stephanie Power, Medical Beneficiary and Pharmaceutical Services Division; April 20, 2015

Barbara Walman, Medical Beneficiary and Pharmaceutical Services Division; April 21, 2015

FACT SHEET

MANIT APPROVED
FEB 02/16

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KEY FACTS

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- The Audit and Investigations Branch, Eligibility, Compliance and Enforcement Unit (ECEU), is aware of 26 private residences that provide room and board services to foreign pregnant women who choose to come to BC to give birth. These residences are referred to in the Asian community as "Baby Houses".
- These residences are utilized by two groups of individuals:
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 - Individuals who have been granted Permanent Residence in Canada and are properly enrolled in the plan, but at some point cease to meet the definition of a resident under the *Medicare Protection Act*. They return to their country of origin, fail to communicate to MSP that they are no longer in BC and remain enrolled in the Plan. These individuals later return to BC to deliver a baby, and as they have active MSP coverage, all claims for the mother and child are billed to the plan. These individuals stay long enough to obtain a birth certificate, a Canadian passport and enrolment in MSP for the child, before returning to their country of origin.
- ECEU conducts regular reviews of individuals who cease to meet the definition of a resident under the *Medicare Protection Act*.^{s.15}

s.15

FINANCIAL IMPLICATIONS

- In fiscal 2014/15, the costs relating to non-resident births amounted to a total of \$693,869.20 for recovery by health authorities, PharmaCare and MSP. Recovery of ineligible payments is the responsibility of each program. The health authorities recover approximately 50% of their amount outstanding, PharmaCare and MSP costs are recovered by the Ministry of Finance.

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2014/15 Recovery Breakdown	
\$693,869.20	
HA 85.58%	\$593,838.77
MSP 14%	\$99,665.67
PC 0.05%	\$364.76

- Of the amounts identified for recovery, it is unknown what proportion is related to “baby houses” but is thought to be small. The cases investigated did not involve the use of forged or counterfeit CareCards or BC Services Cards nor did they present sufficient evidence to warrant a referral to law enforcement (no suspected fraud).

Approved by:

David Fairbotham, Audit and Investigations Branch; January 28, 2016

Manjit Sidhu, Finance and Corporate Services Division; February 2, 2016

FACT SHEET

Birth by Non - BC Residents

ISSUE

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KEY FACTS

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FINANCIAL IMPLICATIONS

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2014/15 Recovery Breakdown	
\$6983,869.20	
HA 85.58%	\$593,838.77
MSP 14%	\$99,665.67
PC 0.05%	\$364.76

- Of the amounts identified for recovery, it is unknown what proportion is related to “baby houses” but is thought to be small. The cases investigated did not involve the use of forged or counterfeit CareCards or BC Services Cards nor did they present sufficient evidence to warrant a referral to law enforcement (no suspected fraud).

Approved by:

David Fairbotham, Audit and Investigations Branch;
Manjit Sidhu, Finance and Corporate Services Division;

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KEY FACTS

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 - Individuals who have been granted Permanent Residence in Canada and are properly enrolled in the plan, but at some point cease to meet the definition of a resident under the *Medicare Protection Act*. They return to their country of origin, fail to communicate to MSP that they are no longer in BC and remain enrolled in the Plan. These individuals later return to BC to deliver a baby, and as they have active MSP coverage, all claims for the mother and child are billed to the plan. These individuals stay long enough to obtain a birth certificate, a Canadian passport and enrolment in MSP for the child, before returning to their country of origin.
- ECEU conducts regular reviews of individuals who cease to meet the definition of a resident under the *Medicare Protection Act*.^{s.15}

s.15

FINANCIAL IMPLICATIONS

- In fiscal 2013/14, the costs relating to non-resident births amounted to a total of \$1,037,702 for recovery by health authorities, PharmaCare and MSP. Recovery of ineligible payments is the responsibility of each program. The health authorities recover approximately 50% of their amount outstanding, PharmaCare and MSP costs are recovered by the Ministry of Finance.

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2013/14 Recovery Breakdown	
\$1,037,702	
HA 78.94%	\$819,125
MSP 21%	\$217,985
PC 0.06%	\$592

- Of the amounts identified for recovery, it is unknown what proportion is related to “baby houses” but is thought to be small. The cases investigated did not involve the use of forged or counterfeit CareCards or BC Services Cards nor did they present sufficient evidence to warrant a referral to law enforcement (no suspected fraud).

Approved by:

David Fairbotham, Audit and Investigations Branch; May 6, 2015

Manjit Sidhu, Finance and Corporate Services Division; May 7, 2015

Stephanie Power, Medical Beneficiary and Pharmaceutical Services Division; April 20, 2015

Barbara Walman, Medical Beneficiary and Pharmaceutical Services Division; April 21, 2015

FACT SHEET

Birth by Non-BC Residents

ISSUE

Media articles continue to claim that birth tourism is on the rise in Vancouver and Richmond.

KEY FACTS

- Media reported in July 2016 that 15 percent of births at Richmond Hospital are to non-residents.
- A Richmond resident has launched a petition calling for the federal government to eliminate birthright citizenship in Canada. Local MP Alice Wong has sponsored the petition.
- In January 2015, the Vancouver Sun reported that birth tourism was on the rise in Vancouver and Richmond and quoted statistics showing non-resident birth numbers increasing up three-fold since 2009. The article alluded to passport, birth certificate and Medical Services Cards being obtained for babies.
- The Audit and Investigations Branch, Eligibility, Compliance and Enforcement Unit (ECEU), is aware of private residences that provide room and board services to foreign pregnant women who choose to come to BC to give birth. These residences are referred to in the Asian community as “Baby Houses”.
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- ECEU conducts regular reviews of individuals who cease to meet the definition of a resident under the *Medicare Protection Act*.^{s.15}

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FINANCIAL IMPLICATIONS

- In fiscal 2015/16, the costs relating to non-resident births amounted to a total of \$1,478,432 identified for recovery by Health Authorities, PharmaCare and MSP. Recovery of ineligible payments is the responsibility of each program. The health authorities recover approximately 50% of their amount outstanding, PharmaCare and MSP costs are recovered by the Ministry of Finance.

2015/16 Recovery Breakdown	
	\$1,478,432
HA 84.82%	\$1,254,009
MSP 14.34%	\$211,969
PC 0.84%	\$12,452

- Of the amounts identified for recovery, it is unknown what proportion is related to “baby houses” but is thought to be small. The cases investigated did not involve the use of forged or counterfeit CareCards or BC Services Cards nor did they present sufficient evidence to warrant a referral to law enforcement (no suspected fraud).

Approved by:

Marie Thelisma, Audit and Investigations Branch; July 20, 2016

Manjit Sidhu, Finance and Corporate Services Division; July 25, 2016