



Physician Remuneration in Canada: Trends and Prospects

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Outline

Trends in Physician Remuneration

Emerging Issues

- New Models of Funding/Delivery
- Pay-for-Performance
- Productivity

Health Ministers' Banff Agreement, January, 1992

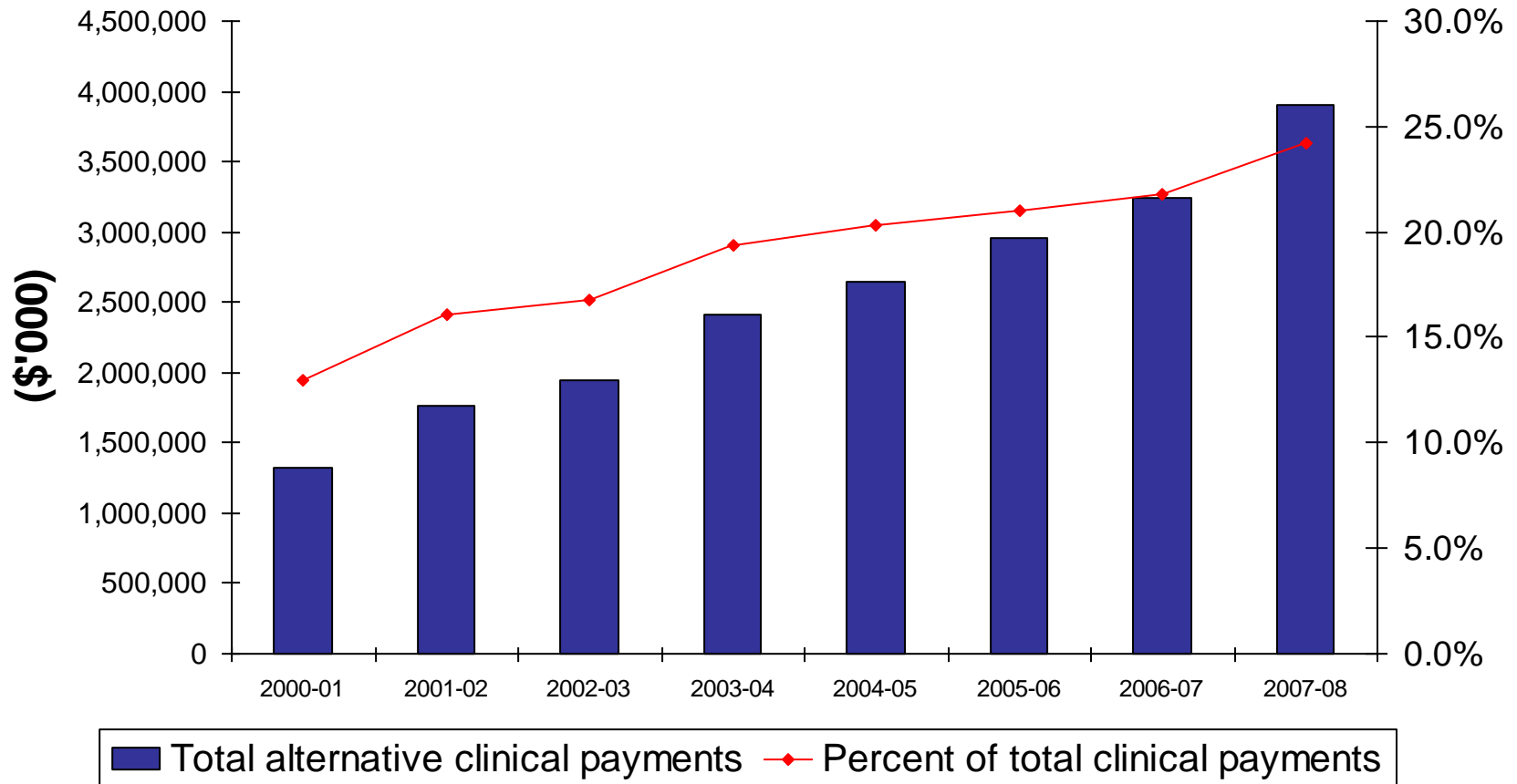
Coordinated Provincial Policy Directions

2. TO REPLACE FEE-FOR-SERVICE WHEREVER THAT METHOD OF PAYMENT ALIGNS POORLY WITH THE NATURE OR OBJECTIVE OF THE SERVICES BEING PROVIDED.

INTENT

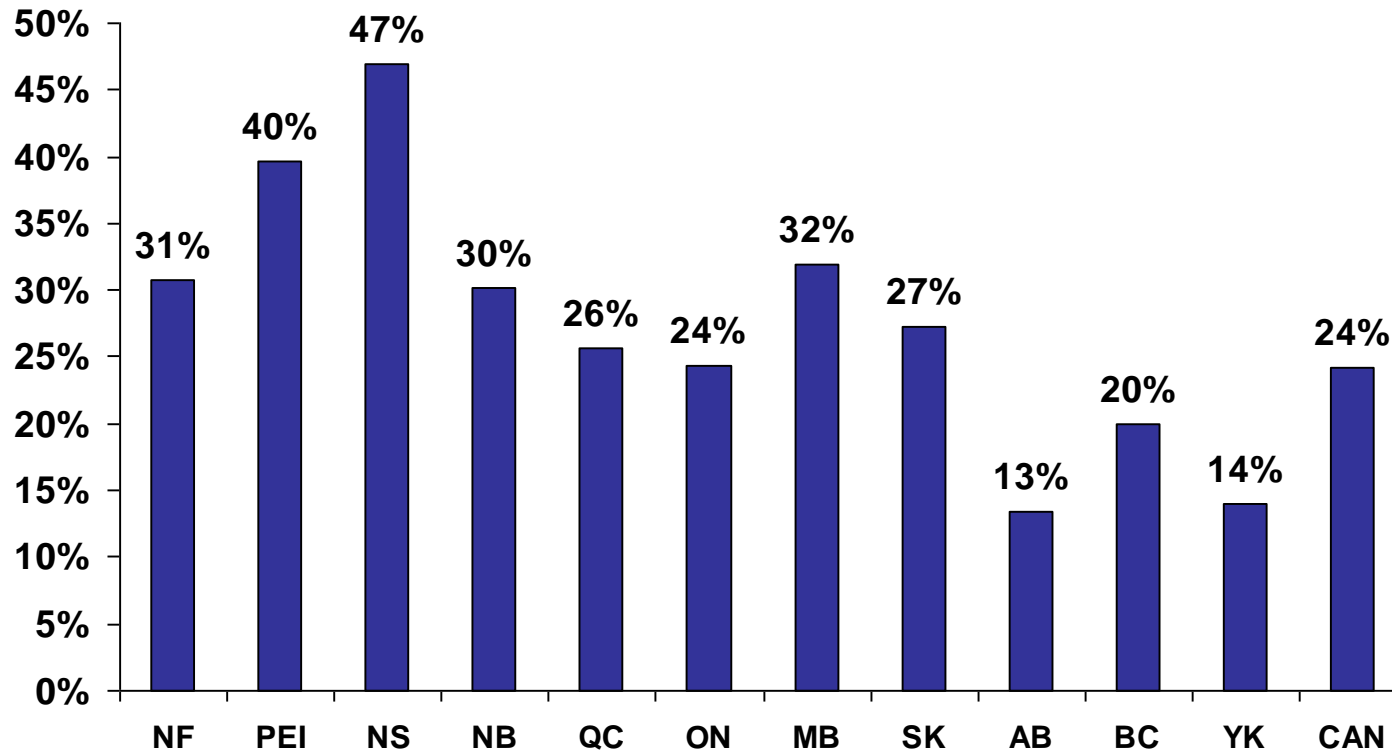
- encourage the efficient and effective use of physician resources

Physicians' alternative clinical payments in Canada and % of total clinical payments



Source: National Physician Database 2007-2008, Data Release, CIHI

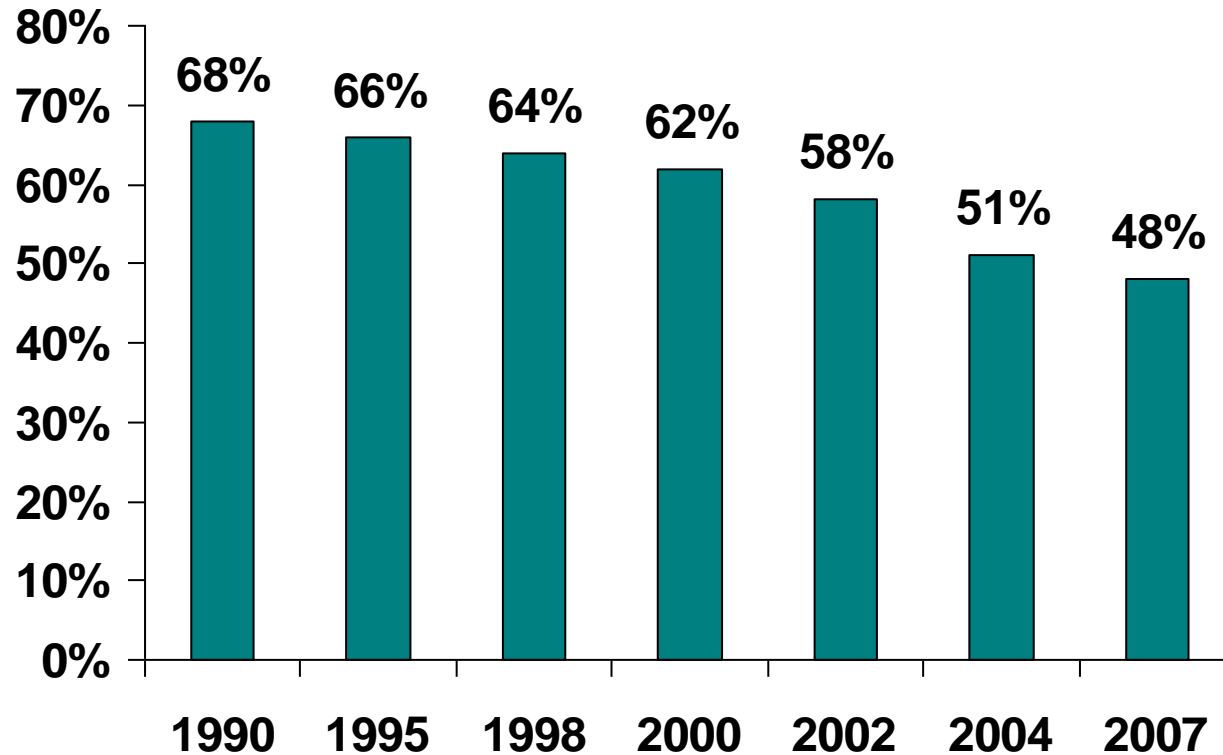
Alternate payments as % of total clinical payments, 2007-08



Note: **NWT=94%**, NU=not available

Source: Analysis in Brief, CIHI. March 2010

Percentage reporting 90%+ fee-for-service remuneration



Source: 1990 to 2002 CMA Physician Resource Questionnaire; 2004 & 2007 National Physician Survey (CFPC, CMA, RCPSC)

Canada – Remuneration Modes

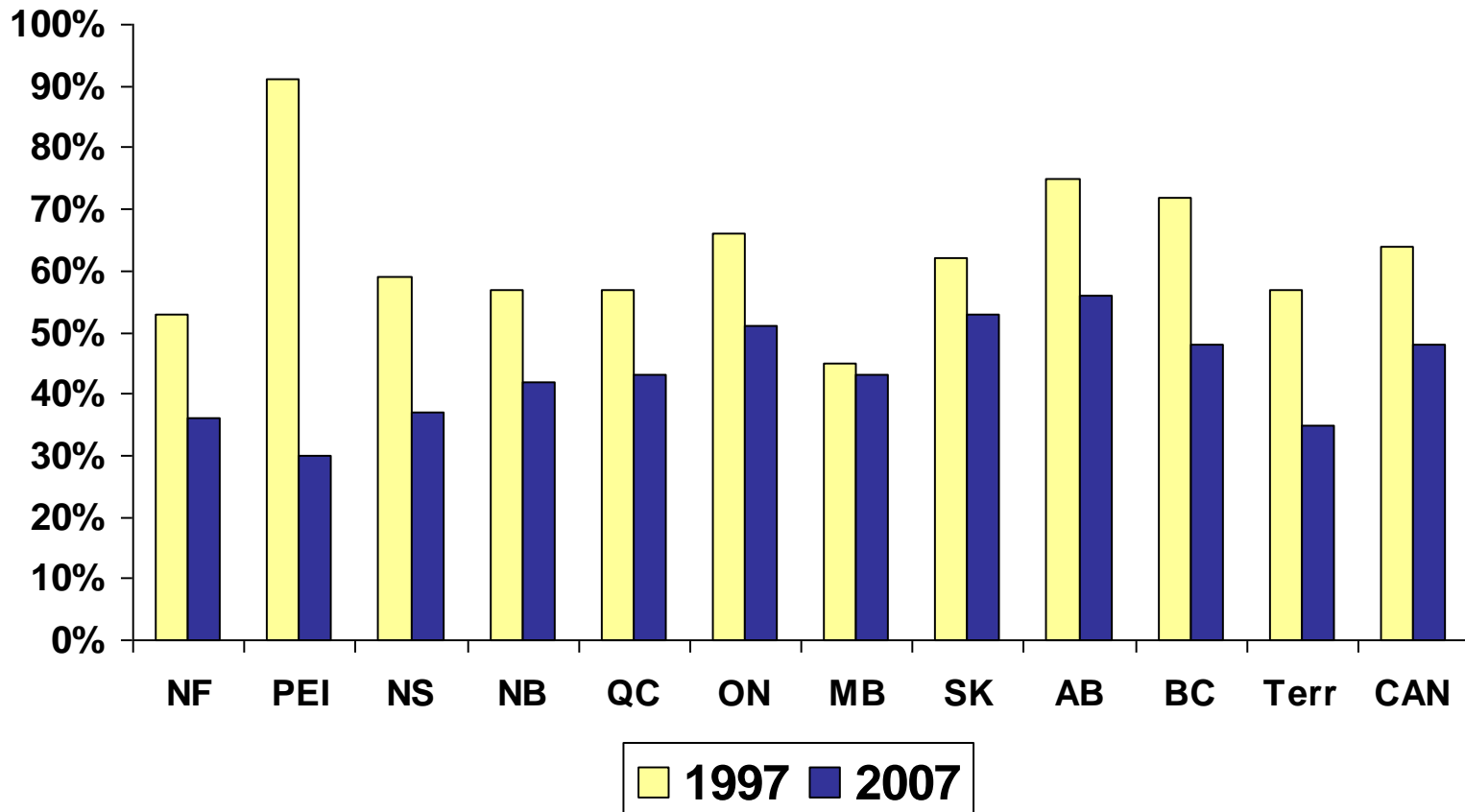
Remuneration modes	% of MDs paid this way	Avg % of prof income*
F-F-S	83.5%	77.8%
Salary	26.1%	53.7%
Capitation	4.2%	39.1%
Sessional	27.3%	34.8%
Service contract	13.2%	37.9%
Incentives/premium	11.8%	8.4%
Other	14.6%	26.5%

* For those who earned at least one dollar by this method

Canada – Fee-for-Service billings are less than 90% of income or zero (43% of all physicians).

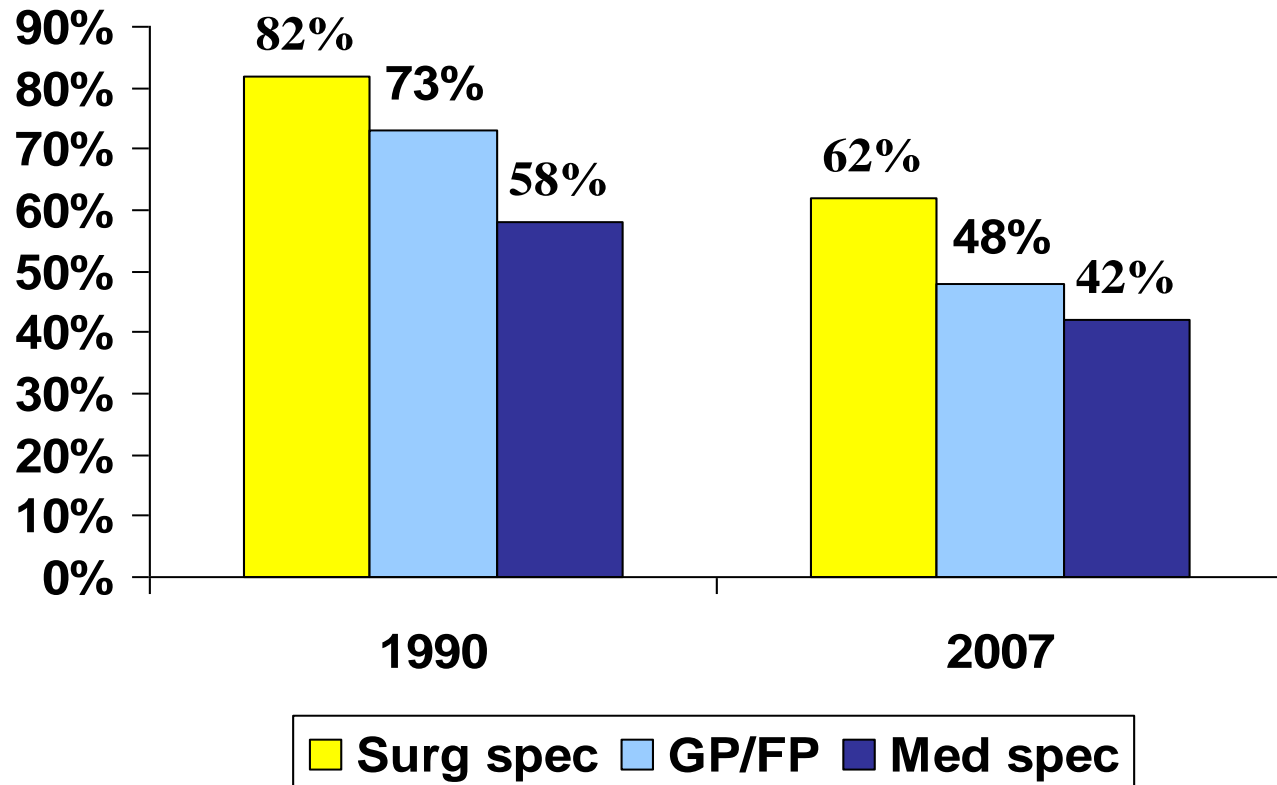
Remuneration modes	Average % of prof income
F-F-S	32.6%
Salary	27.5%
Capitation	3.2%
Sessional	18.3%
Service contract	9.7%
Incentives/premium	1.5%
Other	7.2%
Total	100.0%

Percent of physicians remunerated primarily by fee-for-service (90%+)



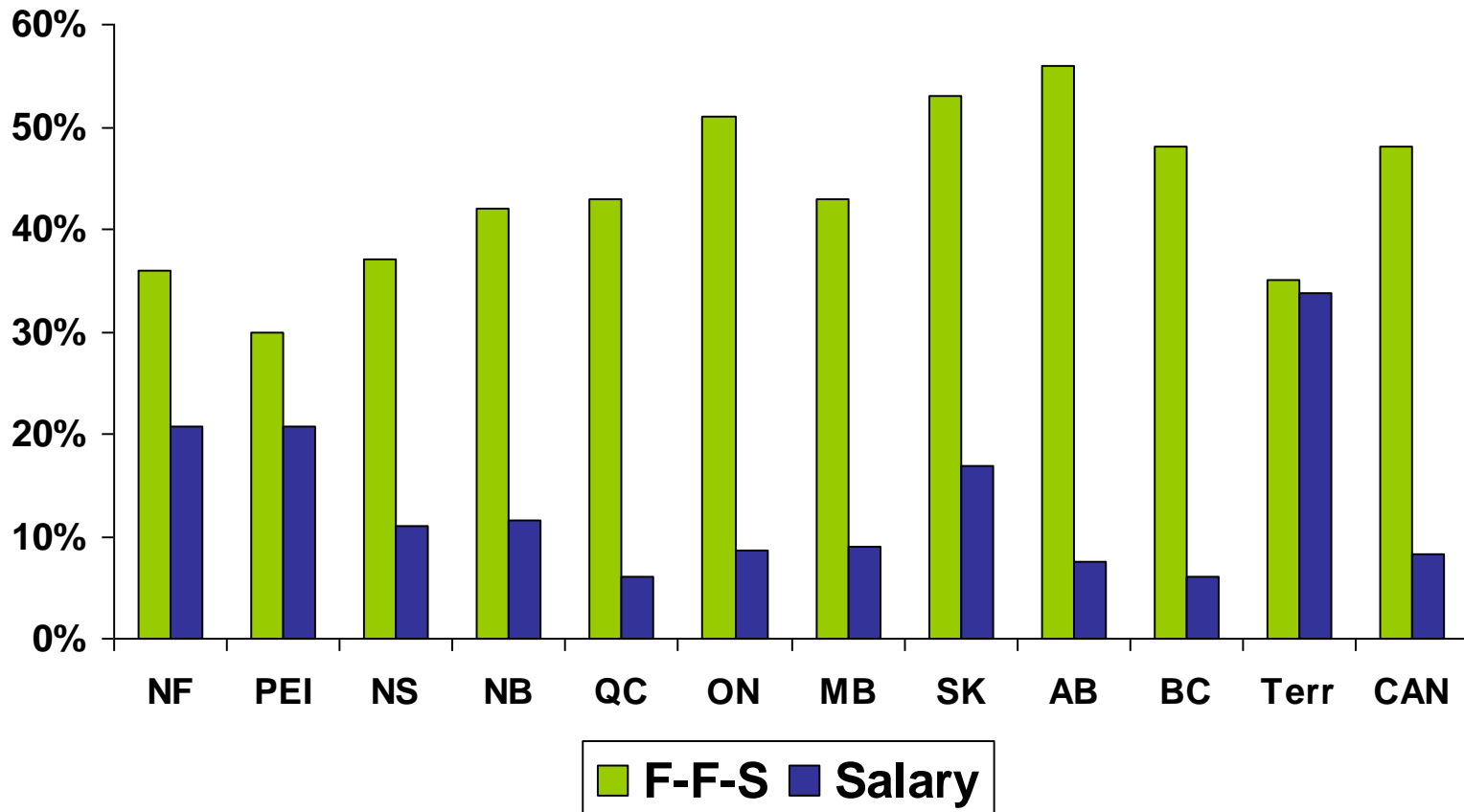
Source: 1997 CMA Physician Resource Questionnaire;
2007 National Physician Survey, CMA, CFPC, RCPSC

Percent of physicians remunerated primarily by fee-for-service (90%+)



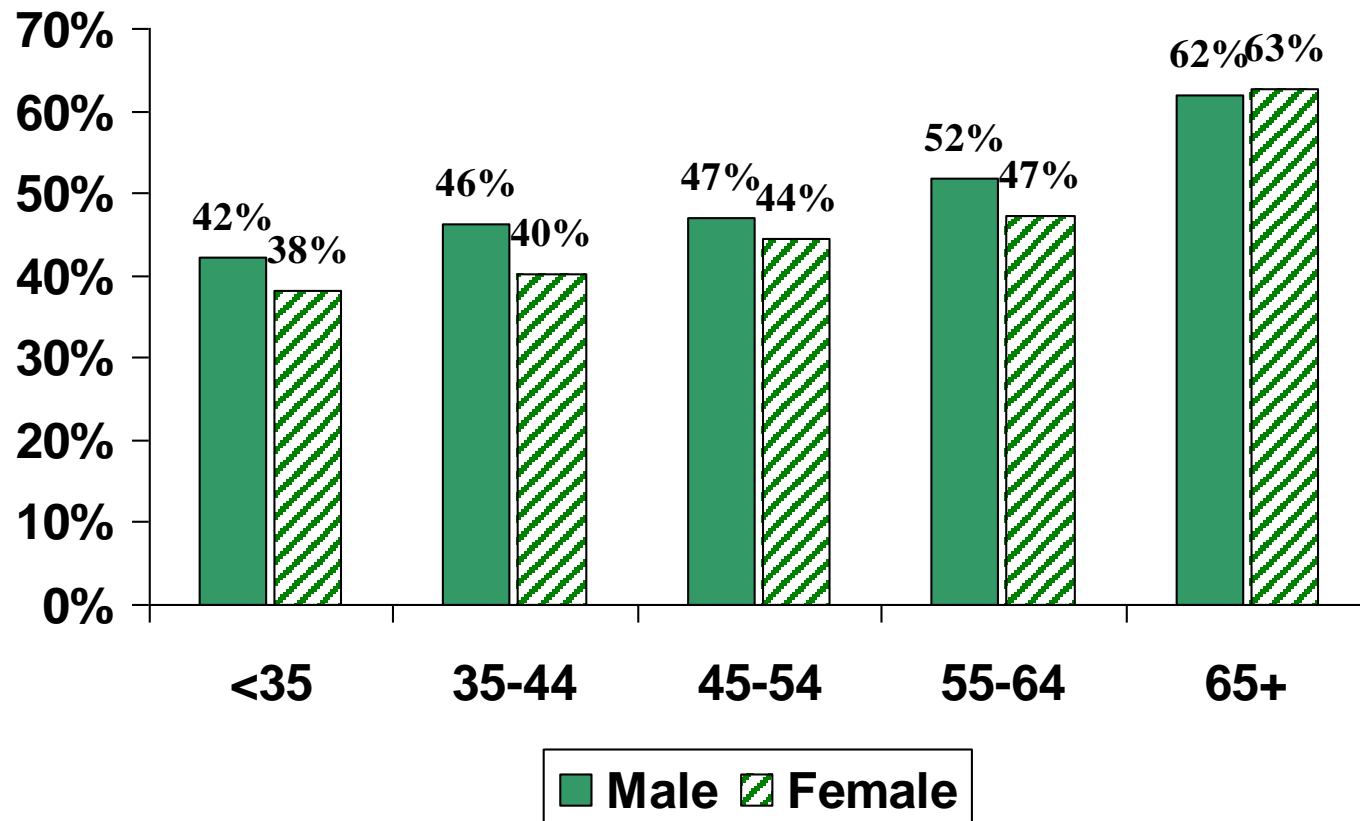
Source: 1990 to 2002 CMA Physician Resource Questionnaire; 2004 & 2007 National Physician Survey (CFPC, CMA, RCPSC)

Percent of physicians remunerated primarily by fee-for-service or salary (90%+), 2007



Source: 2007 National Physician Survey, CMA, CFPC, RCPSC

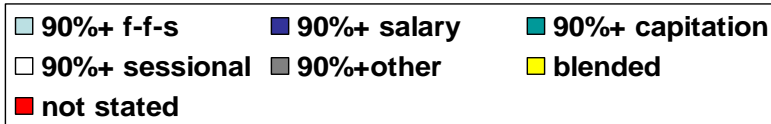
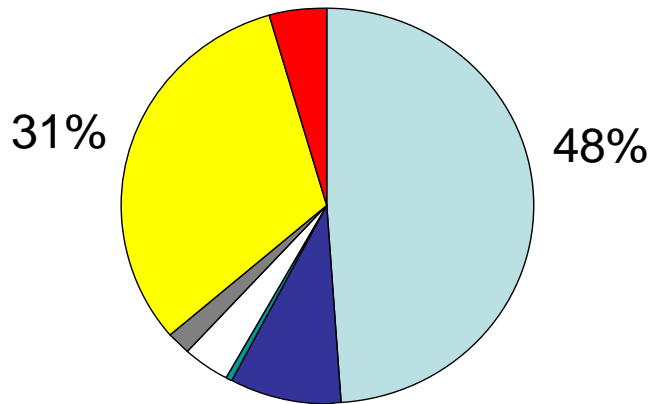
Percent of physicians remunerated primarily by fee-for-service (90%+)



Source: 2007 National Physician Survey (CFPC, CMA, RCPSC)

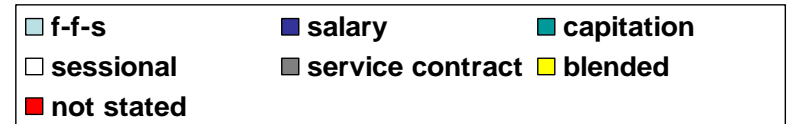
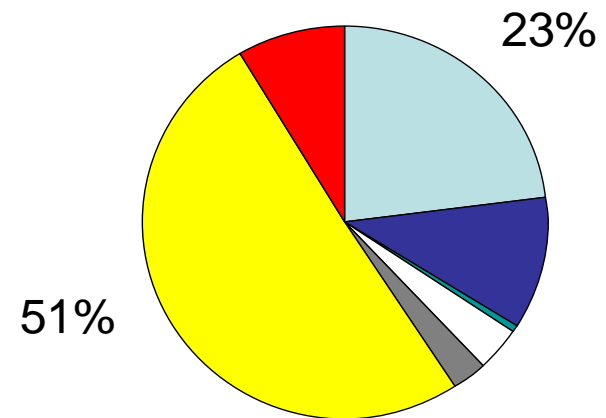
Remuneration Modes, 2007

Actual Mode



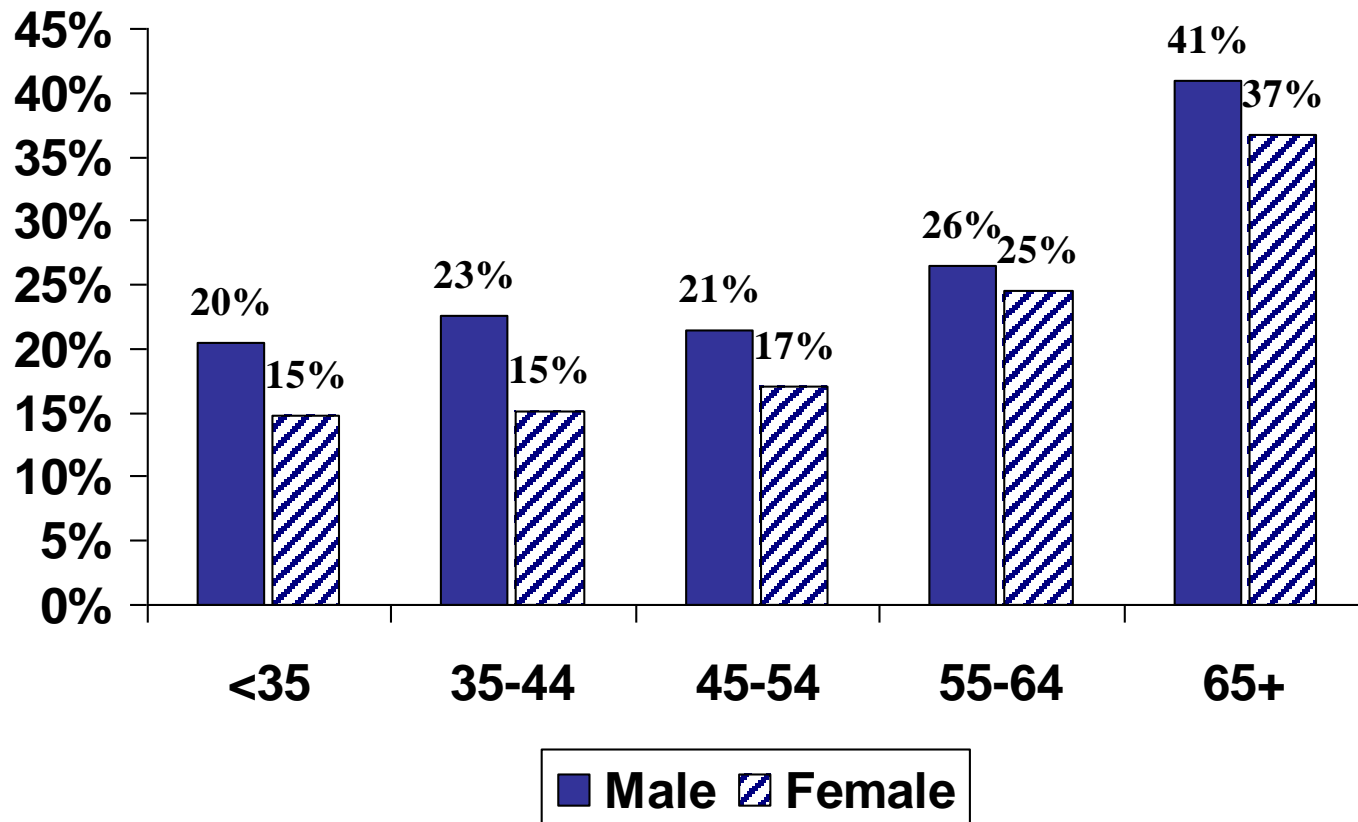
n= 19,239

Preferred Mode



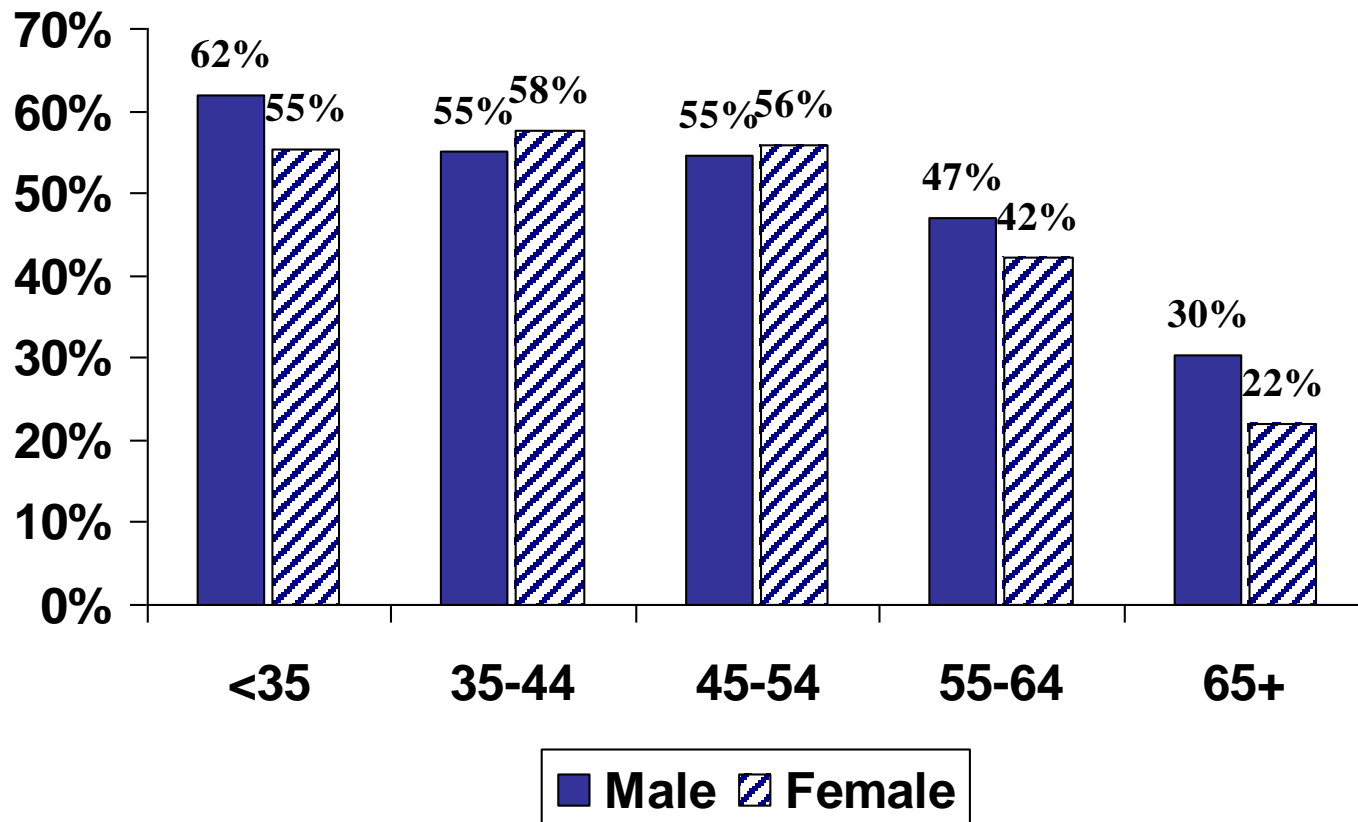
n= 7,347

Percentage preferring fee-for-service



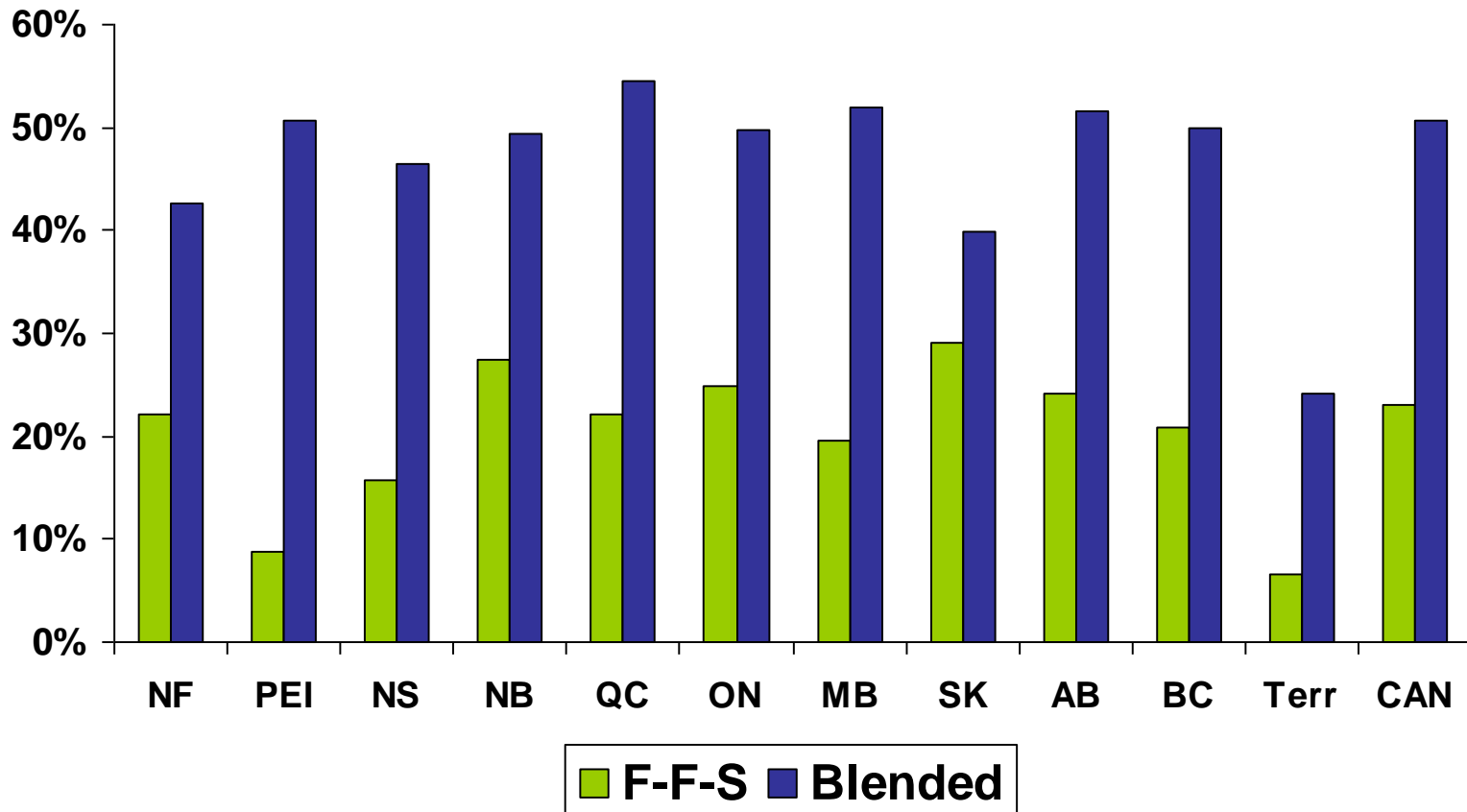
Source: 2007 National Physician Survey (CFPC, CMA, RCPSC)

Percentage preferring blended



Source: 2007 National Physician Survey (CFPC, CMA, RCPSC)

Percent of physicians preferring fee-for-service versus blended



Source: Analysis in Brief, CIHI. March 2010

Enrolment in Selected Primary Care Models: Ontario, 2009

Model	Groups Signed	Physicians Signed	Population Enrolled
Family Health Networks	49	451	461,185
Family Health Organizations	288	2,786	3,898,916
Family Health Groups	251	3,420	4,166,659
Community Health Centres	55	219	85,465
Grand Total*	711	7,530	9,204,564

* Includes other models

Source: Ontario Medical Association, Economics Department

Capitation Rates: Ontario FHN and FHO Models

Age and Sex Adjusted, Average Net Base Rate is as follows:

January 1, 2007 – March 31, 2007 - \$122.25

April 1, 2007 – December 31, 2007 - \$123.44

January 1, 2008 and thereafter - \$124.63

For enrolled patients in LTC, net base rate is \$941.16 per patient (rate is not age/sex specific).

PHARMACISTS' SCOPE OF PRACTICE, BY PROVINCE/ TERRITORY

Pharmacists	BC	AB	SK	MB	ON	QC	NB	N S	PE	NL	NT & NU	YT
Provide emergency prescription refills	•	•	•	•	•		•	•	•			
Renew / extend prescriptions for chronic conditions	•	•	•	•	•	• ¹	•	•				
Change drug dosage & formulation	•	•	•*	•	•	• ¹	•					
Make therapeutic substitutions			•*	•				•				
Prescribe drugs for minor illness		•	•	•				•				
Prescribe drugs for “lifestyle” conditions			•	•	•	•		•				
Fill incomplete prescriptions		•		•	•			•				
Manage drug therapy as per physician diagnosis		•*	•	•		• ¹						
Order lab tests			•	•	•			•				
Give vaccinations or injections	•*	•		•	•							
Prescribe non-rx drugs for insurance purposes	•							•				

Legend

• denotes that legislation allows this activity to be performed

Key

* indicates that this function must be performed in a collaborative health team environment

¹ When delegated by the physicians

Pay-for-Performance (P4P) Defined

Definition: The use of an incentive payment targeted at improvement in quality in processes and/or outcomes of care.

Application:

- Threshold payment for preventative practices (e.g., Screening)
- Payment for managing chronic disease according to a clinical practice guideline

P4P: The Evolving Canadian Landscape

- BC GP Services Committee Incentives – Chronic Disease Management Payments, Prevention Fees
- AB Performance and Diligence Indicator Fund (family physicians)
- SK Chronic Disease Management Fees
- MB Physician Integrated Network – Quality Based Incentive Funding
- ON Cumulative Preventative Care Management Payment
- NS Family Physician Chronic Disease Management Incentive Program

Ontario Preventative Care Services Thresholds*

Influenza Vaccine

60% - \$220
65% - \$440
70% - \$770
75% - \$1100
80% - \$2200

Pap Smear

60% - \$220
65% - \$440
70% - \$660
75% - \$1320
80% - \$2200

Mammogram

55% - \$220
60% - \$440
65% - \$770
70% - \$1320
75% - \$2200

Childhood Immunizations

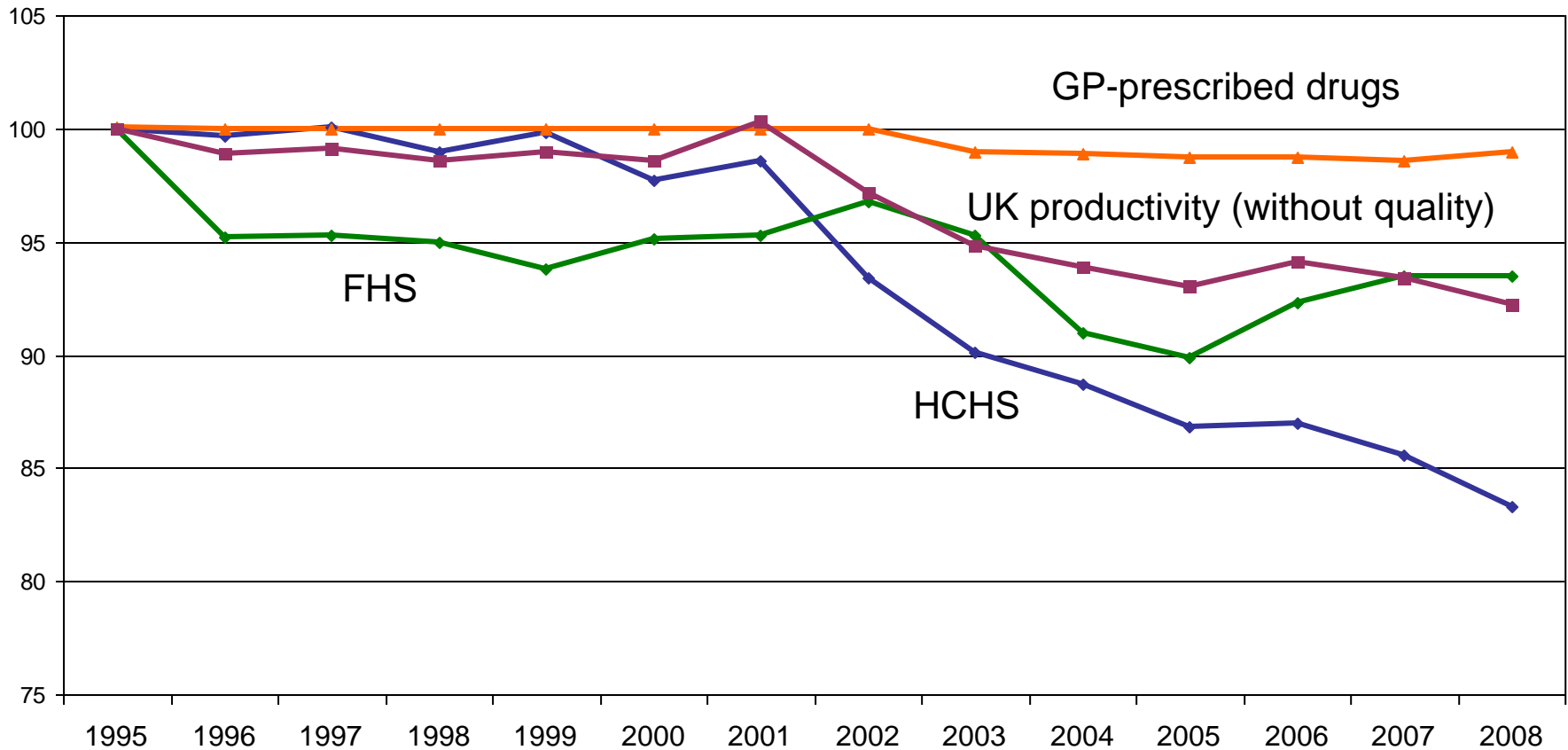
85% - \$440
90% - \$1100
95% - \$2200

Colorectal Screening

15% - \$220
20% - \$440
40% - \$1100
50% - \$2200
60% - \$3300
70% - \$4000

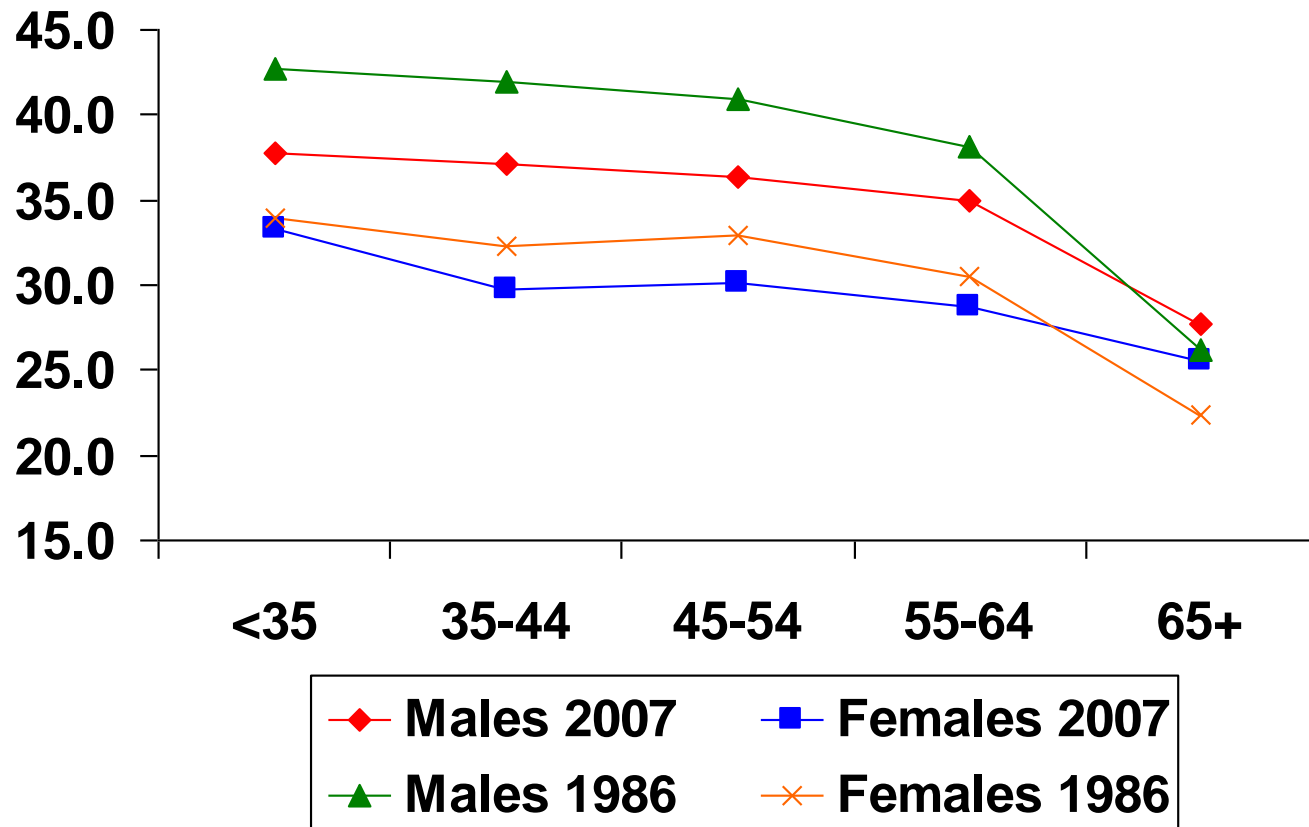
* Paid annually based on % of enrolled patients serviced (FHG, FHN, FHO, CCM)

Healthcare Productivity Main Components, 1995-2008, United Kingdom



Source: Office for National Statistics

Average direct patient care hours per week (excluding call)



Sources: 2007 National Physician Survey,
1986 CMA Physician Resource Questionnaire