To: Eligible Patient Enrolment Models (PEMs):

- Comprehensive Care Model (CCM)
- Family Health Network (FHN)
- Blended Salary Model (BSM)
- Rural and Northern Physician Group Agreement (RNPGA)
- Weeneebayko Health Ahtuskaywin (WHA)
- Family Health Group (FHG)
- Family Health Organization (FHO)
- Group Health Centre (GHC)
- South Eastern Ontario Academic Medical Organization (SEAMO)
- St. Joseph’s Health Centre (SJHC)

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Re: Capitation Payment Reconciliation

Q1. Why was this reconciliation necessary?

A1. The Ministry of Health and Long-Term Care implemented a 3% General Fee Increase (GFI) in accordance with the OMA 2008 Physicians services agreement. The GFI payment was implemented for the period from October 1, 2008 – September 30, 2009 inclusive.

The OMA/Ministry approval of the capitation increases were delayed until March 2010; in order to not disadvantage the primary care physicians the Ministry continued to pay the 3% GFI to Primary Care Enrolment Model (PEM) physicians, until the new capitation rates were implemented effective April 1, 2010 and reported on the May RA. The contract effective date of the capitation increase was October 1, 2009; the reconciliation payment covers the period October 1, 2009 to March 31, 2010.
Q2. How do I confirm the capitation reconciliation payments and adjustment reported on the August 2010 RA are correct?

A2. The capitation reconciling payments and adjustments reported on the August 2010 RA were calculated as follows:

The accounting transaction “3% General Fee Payment Primary Care” that appeared on the RA between October and March have been reversed. The total of these reversals equals the amount in the accounting transaction on your August RA. The reversal could be positive or negative amount.

The accounting transaction, “Base Rate Payment Reconciliation Adjmt” can be reconciled using the detailed reports for the Base Rate and Long Term Care Rate (if applicable), calculated using the increased capitation rates for the reconciliation period.

The Comprehensive Care Reconciliation amount can be reconciled using the detailed report for the Comprehensive Care Capitation rates for the reconciliation period.

Q3. The 3% General Fee Payment Primary Care appears as a negative amount, is this correct?

A3. Yes, on the August 2010 RA the 3% GFI reconciling transaction may appear as a negative figure; the accounting transactions that appeared on the RA between October and March have been reversed. The total of these reversals equals the amount in the accounting transaction on your August RA. If the 3% GFI appears as a negative amount, as a result of the recalculation the positive payments will be reflected in the accounting adjustments for the Base Rate Payment and Comp Care Reconciliation payments. These transactions should, in most cases, offset the negative adjustment due to the increases in the capitation rates.

Q4. Where do I find the percentage increases that were used to recalculate these rates?

A4. Refer to the following two fact sheets issued in May 2010; Base Rate Capitation Rate Increases and the Comprehensive Care Capitation Rate Increase for the percentage increases.

For inquiries or more information contact your local District Office.