To: Blended Salary Model (BSM) Physicians  
BSM Income Stabilization  
Physicians and BSM Administrative Leads

Published By: Primary Health Care Branch

Date Issued: August 14, 2013  
Bulletin #: 11092

Re: 0.5% Discount on Salary, Benefits and Locum Payments

Background

Section 1 of the 2012 Physician Services Agreement (PSA), between the Ministry of Health and Long-Term Care (MOHLTC) and the Ontario Medical Association (OMA) includes a provision for a 0.5% Discount on Salary, Benefits and Locum payments effective April 1, 2013. INFOBulletin 4597 outlines this implementation and can be found at the ministry’s website at:

[OHIP - Bulletins - Health Care Professionals - MOHLTC](#)

BSM Implementation

The 0.5% Discount processing was commenced in July and paid and reported on your July FHT Compensation Report at the group level for payments made in April, May and June under Funding Category “Reduction”. The ministry identified a problem with this implementation which resulted in an incorrect 0.5% Discount amount being applied as well as reporting under the wrong Funding Category. See example below:

<table>
<thead>
<tr>
<th>Funding Category/ Provider Type</th>
<th>Discipline/Specialty</th>
<th>Payment Period</th>
<th>Current Period Payment Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction</td>
<td>-</td>
<td>One-Time</td>
<td>-$123.45</td>
</tr>
<tr>
<td><strong>Total BSM Adjustment Payment:</strong></td>
<td></td>
<td></td>
<td><strong>-$123.45</strong></td>
</tr>
</tbody>
</table>
Resolution

The ministry has resolved the calculating and reporting problem and in the August FHT Compensation Report will be refunding the 0.5% Discount made in July under the Funding Category “Other” and applying the correct amount under the Funding Category “PSA 2012 Discount”. The discount applied in August will be for the months of April, May, June and July. See example below:

BSM Adjustment Payment – Monthly

<table>
<thead>
<tr>
<th>Funding Category/Provider Type</th>
<th>Discipline/Specialty</th>
<th>Payment Period</th>
<th>Current Period Payment Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>-</td>
<td>One-Time</td>
<td>$123.45</td>
</tr>
<tr>
<td>PSA 2012 Discount</td>
<td>-</td>
<td>One-Time</td>
<td>-$234.56</td>
</tr>
<tr>
<td><strong>Total BSM Adjustment Payment:</strong></td>
<td></td>
<td></td>
<td><strong>-$111.11</strong></td>
</tr>
</tbody>
</table>

The FHT Compensation Report will be accompanied by a new report (0.5% Discount Report). This new report will break down the 0.5% Discount payments by physician and group as follows:

- Physician Salary Paid
- Physician Benefits Paid
- Group Locum Paid

(See Appendix 1 attached)

Going forward, the reporting and payment of the 0.5% discount will be calculated on the payments made on the month before the payment month (ie. In September, the 0.5% Discount Report and payment will be for the month of August).

If you have any questions, please call your ministry contact.