

# INFOBulletin

Keeping health care providers informed of payment, policy or program changes

**To:** All Physician  
Hospitals  
Indendent Health Facilities

**Published by:** OHIP Division, Ministry of Health and Long-Term Care

**Date Issued:** March 28, 2019

**Bulletin #:** 4721

**Re:** Kaplan Board of Arbitration Award Phase One Award Elimination of  
Payment Discounts Effective April 1, 2019

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The Ministry of Health and Long-Term Care has been working with the Ontario Medical Association (OMA) toward achieving a new Physician Services Agreement under a Binding Arbitration Framework.

Phase One of the February 2019 Award from the Kaplan Board of Arbitration includes the elimination of the following physician payment discounts through amendments to physician compensation under contracts and under Reg. 552 of the *Health Insurance Act* effective April 1, 2019.

- The removal of the 0.50% discount applied to physician compensation from the 2012 Physician Services Agreement; and
- The removal of the 3.95% discount on all fee for service (FFS) and 2.65% discount on some non-fee for service (FFS) payment contracts (primary care and specialists) to physician compensation made in 2015.

## OHIP Claims System Payments

Discounts will be removed for payments where the service is rendered by the physician on or after April 1, 2019. This includes:

- professional and technical fee-for-service physician payments, including technical fees paid for hospital-based services and facility fees paid to Independent Health Facilities; and
- specialist physician contract payments which are tied to the OHIP claims system through shadow billing.

**Please Note:** Discounts will continue to be applied and reported on the Remittance Advice (RA) after April 1, 2019 for any fee for service (FFS) billings and shadow billing premiums with a service date that is prior to April 1, 2019.

## **Program and Specialist Contract-Based Payments**

Discounts will be removed from these payments effective April 1, 2019.

The removal of the physician payment discounts will be applied to the clinical funding of the following contract-based physician payment programs:

- Academic Health Sciences Centres Alternative Funding Plan Contracts
- Alternative Payment Plan Contracts
- Anaesthesia Care Team (Kensington Eye Institute)
- Assertive Community Care Treatment Program
- Community Palliative Care On-Call
- Divested Provincial Psychiatric Hospitals Funding
- Emergency Department Alternative Funding Agreements
- Enhanced Care for the Frail and Elderly
- Genetics and Infectious Diseases Funding
- Hospital On-Call Coverage Program (Base and Review Funding)
- Complex Continuing Care On-Call Coverage
- Hospital Paediatric Stabilization Program
- Laboratory Uniform Minimum Level of Compensation
- Mental Health Sessional Payments
- Mental Health Sessional Fee Supplement
- Mental Health Sessional Rates Alignment through Health Board Secretariat
- Psychiatric Stipend Funding
- Northern Specialist Locum Programs (excludes travel funding)
- Ontario Psychiatric Outreach Program
- Physician On-Call in Long-Term Care Homes
- Public Health Physicians
- Rural Family Medicine Locum Program (excludes travel funding)
- Rural Medicine Investment Program
- Rural and Northern Physician Group Agreement Vacancy Locum Program

- Specialty Review Funding
- Visiting Specialist Clinic Program (excludes travel funding)
- CNIB – Ontario Medical Mobile Eye Care Unit

## **Removal of Discounts for Primary Care Payments**

Effective April 1, 2019, the 0.50% and 2.65% discounts will be removed from clinical payments under the various primary care agreements, including physician payments for salary, sessional, per diem and capitation-based mechanisms.

The discounts will no longer be applied where the service date is April 1, 2019 and later. Where the service date is prior to April 1, 2019, the appropriate discounts will continue to be applied.

The following Primary Care models and programs will be affected by this change:

- Aboriginal Family Health Team (AFHT)
- Aboriginal Health Access Centres (AHAC)
- Blended Salary Model (BSM)
- Blended Salary Model (BSM) – Income Stabilization
- Community Health Centres (CHC)
- Comprehensive Care Model (CCM)
- Family Health Group (FHG)
- Family Health Network (FHN)
- Family Health Network (FHN) – Income Stabilization
- Family Health Organization (FHO)
- Family Health Organization (FHO) – Income Stabilization
- Family Health Team Specialist Sessional Groups (FHTSSG)
- General Practitioner Focus Practice – Care of the Elderly Model 1 (GPFP-COE1)
- General Practitioner Focus Practice – Care of the Elderly Model 2 (GPFP-COE2)
- General Practitioner Focus Practice – HIV (GPFP-HIV)
- General Practitioner Focus Practice – Palliative Care (GPFP-PC)
- Group Health Centre (GHC)
- Group Health Centre (GHC) - Specialists
- Inner City Health Associates (ICHA)
- Shelter Health Network (SHN)
- Sherbourne Physician Group (SPG)
- New Graduate Entry Program (NGEP)
- Rural and Northern Physicians Group Agreement (RNPGA)
- Sioux Lookout Regional Physicians Services Inc. (SLRPSI)
- St. Joseph's Health Centre (SJHC)

- Toronto Palliative Care Associates (TPCA)
- Weeneebayko Area Health Authority (WAHA)

A Primary Care INFOBulletin with further implementation details will be issued in the near future.

As we continue to work through the implementation process, additional information will be communicated and all efforts will be made to ensure this transition is smooth for health care providers.

This INFOBulletin is a general summary provided for information purposes only.

For all other inquiries relative to the removal of discounts please contact Claims Services Branch at: 1-800-262-6524 or [SSContactCentre.MOH@ontario.ca](mailto:SSContactCentre.MOH@ontario.ca).

## **Questions & Answers**

**Info Bulletin #4721**

**Date Issued: March 28, 2019**

### **Implementation of the Kaplan Board of Arbitration Award Phase One - Removal of the Physician Payment Discounts**

#### **Questions Summary**

1. What is the change to physician discounts being implemented?
2. When will the removal of the physician payment discounts be effective?
3. Which Primary Care programs are subject to the removal of the discounts?
4. Which other Payment Programs are subject to removal of the discounts?
5. Will the discount be removed from telemedicine services and premiums?
6. Is the technical component of diagnostic services subject to the removal of the discounts?
7. How will the removal of the discounts be reported on the monthly Remittance Advice (RA)?
8. How will this effect physician compensation for physicians who submit claims through one or more physician groups?
9. Are payments for approved stale dated claims still subject to the discounts?
10. Where can inquiries be directed for additional information about the discount removal process or about the reports provided with the Remittance Advice (RA)?

1. What is the change to physician discounts being implemented?

On February 19, 2019, the Kaplan Board of Arbitration released the Phase 1 Binding Arbitration Award regarding the dispute over physician compensation between the ministry and the Ontario Medical Association (OMA).

The award provides a decision on matters relating to physician compensation for the term of the new Physician Services Agreement, effective April 1, 2017 to March 31, 2021.

The award specifically requires the removal of the following across-the-board payment discounts that apply to physician compensation covered under the Binding Arbitration Framework (BAF):

**2012 Physician Services Agreement**

- Per the 2012 Physicians Services Agreement (PSA), the ministry implemented a 0.50% across-the-board discount on all physician payments for services rendered on or after April 1, 2013.

**2015 Physician Payment Discounts**

- The ministry implemented a further 2.65% across-the-board discount on fee for service (FFS) payments for services rendered by a physician on or after February 1, 2015.
- The ministry also implemented a 2.65% discount to alternative payment plan contracts, emergency department alternative funding agreements, and academic health sciences centre alternative funding plan contracts effective June 1, 2015.
- The ministry increased the across-the-board discount on fee for service (FFS) payments by an additional 1.30% for services rendered on or after October 1, 2015.

2. When will the removal of the Physician Payment Discounts be effective?

The removal of the Physician Payment discounts will be effective April 1, 2019 and will be applied to May 2019 remittance advice.

The discounts of 0.50%, 2.65% and 3.95% will be applied to any claims for payment submitted for services performed on or before March 31, 2019.

For group payments made under alternative payment plan contracts, emergency department alternative funding agreements and academic health sciences centres alternative funding plan contracts, the removal of the discount will be effective April 1, 2019 and will be reflected in the April 2019 transfer payment.

3. How will the removal of the discounts be reported on monthly Remittance Advice (RA)?

Discounts will continue to be reported on Remittance Advice (RA) Reporting after April 1, 2019 for any fee for service (FFS) billings and shadow billing premiums with a service date prior to April 1, 2019.

4. Is the technical component of diagnostic services subject to the removal of the discounts?

Discounts will be removed for all previously discounted physician, technical and Independent Health Facility facility-fee payments.

5. How will this affect physician compensation for physicians who submit claims through one or more physician groups?

The Physician Payment discount will be removed from all of the above noted physician payments, including fee for service payments being made to groups per the Group Number that was indicated on the physician's claim.

6. Are payments for approved stale dated claims still subject to the discounts?

Payments for approved stale-dated claims are subject to applicable discounts for services rendered on or before March 31, 2019.

7. Will the discount be removed from telemedicine services and premiums?

Effective April 1, 2019, payment for services and premiums paid for Ontario Telemedicine Network (OTN) related services on or after April 1, 2019 will no longer be subject to the discounts. Discounts will continue to be applied to Ontario Telemedicine Network (OTN) services and premiums for periods prior to April 1, 2019.

8. Which Primary Care programs are subject to the removal of the discounts?

Effective April 1, 2019, the 0.50% and 2.65% discounts will be removed from clinical payments under the various primary care agreements, including physician payments for salary, sessional, per diem and capitation-based mechanisms.

The discounts will no longer be applied where the service date of the claim or payment is April 1, 2019 and later. Where the service date of the claim or payment is prior to April 1, 2019, the appropriate discounts will continue to be applied.

Primary Care models and programs affected by this change:

- Aboriginal Family Health Team (AFHT)
- Aboriginal Health Access Centres (AHAC)
- Blended Salary Model (BSM)

- Blended Salary Model (BSM) – Income Stabilization
- Community Health Centres (CHC)
- Comprehensive Care Model (CCM)
- Family Health Group (FHG)
- Family Health Network (FHN)
- Family Health Network (FHN) – Income Stabilization
- Family Health Team Specialist Sessionals Groups (FHTSSG)
- Family Health Organization (FHO)
- Family Health Organization (FHO) – Income Stabilization
- Family Health Team Specialist Sessionals Groups (FHTSSG)
- General Practitioner Focus Practice – Care of the Elderly Model 1 (GPFP-COE1)
- General Practitioner Focus Practice – Care of the Elderly Model 2 (GPFP-COE2)
- General Practitioner Focus Practice – Human Immunodeficiency Virus (GPFP-HIV)
- General Practitioner Focus Practice – Palliative Care (GPFP-PC)
- Group Health Centre (GHC)
- Group Health Centre (GHC) - Specialists
- Inner City Health Associates (ICHA)
- Shelter Health Network (SHN)
- Sherbourne Physician Group (SPG)
- New Graduate Entry Program (NGEP)
- Rural and Northern Physicians Group Agreement (RNPGA)
- Sioux Lookout Regional Physicians Services Inc. (SLRPSI)
- St. Joseph's Health Centre (SJHC)
- Toronto Palliative Care Associates (TPCA)
- Weeneebayko Area Health Authority (WAHA)

**9.** Which other programs and contract-based payments are subject to removal of the discounts?

The removal of the physician payment discounts will be applied to the clinical funding of the following physician payment programs:



<b>Physician Payment Program</b>	<b>Discount(s) to be Removed Effective April 1, 2019</b>
Academic Health Sciences Centres Alternative Funding Plan Contracts	0.5% and 2.65%
Alternative Payment Plan Contracts	0.5% and 2.65%
Anaesthesia Care Team (Kensington Eye Institute)	0.50% and 2.65%
Assertive Community Care Treatment Program	0.5% and 2.65%
Community Palliative Care On-Call	0.50%
Divested Provincial Psychiatric Hospitals Funding	0.50% and 2.65%
Emergency Department Alternative Funding Agreements	0.5% and 2.65%
Enhanced Care for the Frail and Elderly	0.50% and 2.65%
Genetics and Infectious Diseases Funding	0.50% and 2.65%
Hospital On-Call Coverage Program (Base and Review Funding)	0.50%
Complex Continuing Care On-Call Coverage	0.50% and 2.65%
Hospital Paediatric Stabilization Program	0.50% and 2.65%
Laboratory Uniform Minimum Level of Compensation	0.50% and 2.65%
Mental Health Sessional Payments	0.50% and 2.65%
Mental Health Sessional Rates Alignment through Health Board Secretariat	0.50% and 2.65%
Psychiatric Stipend Funding	0.50% and 2.65%
Northern Specialist Locum Programs (excludes travel funding)	0.50% and 2.65%
Ontario Psychiatric Outreach Program	0.50% and 2.65%
Physician On-Call in Long-Term Care Homes	0.50% and 2.65%
Public Health Physicians	0.5% and 2.65%

<b>Physician Payment Program</b>	<b>Discount(s) to be Removed Effective April 1, 2019</b>
Rural Family Medicine Locum Program (excludes travel funding)	0.50% and 2.65%
Rural Medicine Investment Program	0.50% and 2.65%
Rural and Northern Physician Group Agreement Vacancy Locum Program	0.50% and 2.65%
Specialty Review Funding	0.50% and 2.65%
Visiting Specialist Clinic Program (excludes travel funding)	0.50% and 2.65%
CNIB – Ontario Medical Mobile Eye Care Unit	0.50% and 2.65%

- 10.** Where can inquiries be directed for additional information about the discount removal process or about the reports provided with the Remittance Advice (RA)?

Inquiries about the discount removal process for specific programs or contracts as mentioned above can be directed to your usual program area contact.

For all other inquiries relative to the removal of discounts please contact Claims Services Branch at: 1-800-262-6524 or [SSContactCentre.MOH@ontario.ca](mailto:SSContactCentre.MOH@ontario.ca).