UPDATE # 27

November 20, 2001

Response to Commission Draft Report

There has been steady response to the Commission's Draft Report and the Commissioners have begun reviewing written submissions. The deadline for written submissions is December 31, 2001. OMA Clinical Sections that have not scheduled their February meetings with the Commission should do so as soon as possible to maximize flexibility in choosing a time and date.

Submissions to the Commission should focus on methodology and relativity, not fees[J.A.1]

The Commission urges individuals and groups making submissions to focus on the methodology and the relative values contained in the Draft Report.

A small number of important issues have already been raised concerning the methodology and the Commission is committed to using this consultation period to explore these issues further with the profession and the Commission Technical Panel, and to make any necessary refinements to the methodology. The Commission is seeking feedback on aspects of the methodology that include:

- how intensity ratings have been converted into intensity units (i.e. application of common multiplier)
- the methodology used for determining and applying practice costs
- implementation and future Schedule review.

In addition, the Commission is seeking feedback and any supplementary information and data related to the time, intensity and practice cost data gathered to date that is contained in the report – specific to individual services, service groups as well as relativity between services.

The RBRVS process is limited to evaluating relative value – fees are not determined or set by the Commission [J.A.2]

A significant portion of the response to date has focussed on the issue of physician

remuneration and fees. General concerns about physician remuneration in Ontario and Canada may be shared by the Commissioners personally, however, physician funding is expressly not the mandate of the RBRVS Commission. Similarly, while the issue of fees is of obvious crucial importance in how the RBRVS or any other fee schedule is implemented by the OMA and the Ministry of Health and Long-Term Care (MOHLTC), it is also outside the mandate of the Commission.

The mandate given to the Commission is to recommend a methodology for measuring the relativity between medical services. The Commission is obligated, through the OMA - MOHLTC Agreement, to report its recommendations on a cost-neutral basis - in other words, to focus on relativity only. The objective is to put OHIP services into current and appropriate relativity by assigning a relative value to each service based on the physician requirements specific to that service today.

To assist in analyzing relativity, April 2001 OHIP pool and 1999-2000 service volume data were used to provide a preliminary cost-neutral fee estimate. The core question being asked is: Relative to one another, are the services in the Draft Report valued appropriately? If not, why?

The size of the fee-for-service pool and the rate of implementation will determine fees, not the RBRVS Commission or the RBRVS methodology

As the new Schedule is implemented, what actually happens to the fees for OHIP services depends on the OMA and the MOHLTC and, specifically, the pool of funding that they determine to be applicable over the course of implementation. The RBRVS methodology simply provides a mechanism for the distribution of funds using as its basis the relative value of each service.

The task of assigning relative values to services belongs to the Commission. The task of phasing-in the new Schedule, and thereby setting fees, belongs to the OMA and the MOHLTC.

The Commission recommends a phased-in transition

A phased-in strategy will permit a more gradual shift in fees while ensuring a defined end-date. Any new funding for fee-for-service physician services should apply directly to the implementation of the new Schedule and, specifically, the physician work component of each fee.

[J.A.1]I would be inclined to move this up to be the second paragraph??? Unless you feel you have to work them up to this.

[J.A.2]See comments in next paragraph.