

INFOBulletin

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

To: Physicians, Hospitals, Clinics and Laboratories

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Bulletin #: 4652

Re: Implementation of 2.65% Physician Payment Reduction

In follow-up to the previously issued INFOBulletins listed below, this INFOBulletin provides further information regarding implementation of the 2.65% reduction on payment for physician services.

- #4647 (February 12, 2015): Continuing Medical Education Reimbursement Program
- #2105 (February 12, 2015): Independent Health Facilities
- #4648 (February 12, 2015): Non-Fee-For-Service Physician Payment Programs
- #11125 (February 12, 2015): Primary Care Physician Payments
- #4646 (February 12, 2015): Schedule of Benefits of Physician Services

The above bulletins are published at:

<http://www.health.gov.on.ca/en/pro/programs/ohip/bulletins/>

The 2.65% payment reduction is in addition to the 0.5% payment reduction which has been effective since April 1, 2013.

The sections in this bulletin are:

1. Implementation Schedule and Process (page 2)
2. Remittance Advice Reporting (page 2)
3. Payments Subject to the 2.65% Payment reduction (page 2)
4. "WCB" and "RMB" Payment Programs are Excluded (page 3)
5. Opted Out Physicians Process (page 3)
6. APP, AFP and AHSC Funding Agreements (page 3)
7. Primary Health Care Models (page 3)
8. Other Physician Payment Programs (page 5)
9. Questions & Answers (page 5)

1. Implementation Schedule and Process

The 2.65% payment reduction processing will be effective February 1, 2015. The April 2015 Remittance Advice (RA) will include an additional 2.65% payment reduction applied to claims with a service date of February 1, 2015 or later.

The 2.65% payment reduction is being applied by reducing the total payment at the remittance level via applicable debit accounting transactions and reporting the payment reduction amount on the RA.

Individual claim items are not being reduced by the 2.65% payment reduction and the fees listed in the "Schedule of Benefits for Physician Services" (*Physician Schedule*) are not being reduced by 2.65%.

2. Remittance Advice (RA) Reporting

One or more of the following four accounting transaction messages will be included in a new RA report titled "Discount Accounting Transaction Summary Report" to include the total of the 2.65% and 0.5% payment reduction amounts and will be reported only if the applicable payment reduction has been applied to the remittance:

- "Payment Reduction Automated Premiums"
- "Payment Reduction Opted-In"
- "Payment Reduction Opted-Out"
- "Payment Reduction Primary Care"

As well, a RA report titled "Physician Payment Discount Totals To Date" will be provided to show the:

- Current month's total payment amount subject to the payment reduction
- Total amount of the payment reduction (2.65% and 0.5%) for the current month
- Totals-to-date for both of the above

The payment reduction reports for the group RA will include a breakdown of the payment reduction amount applicable to each group physician. These two new reports will replace the "0.5% Discount Accounting Transaction Summary" and "0.5% Physician Payment Discount Summary" Reports.

Finally, each line which reports the payment reduction will only show a single payment reduction of 3.15%.

3. Payments Subject to the 2.65% Payment Reduction

Payments subject to the following high level categories are subject to the 2.65% payment reduction:

- All fee-for-service professional and technical services listed in the *Physician Schedule* and any applicable automated premiums*
- All facility fees listed in the "Schedule of Facility Fees for Independent Health Facilities"
- Alternative Payment Program clinical funding

- Primary Health Care funding (see section 6 below)

(* Includes fee-for-service claims and premiums paid by OHIP on behalf of the Ontario Telemedicine Network and other Ontario ministries)

4. Excluded Payment Programs

The following programs or services are not subject to the 2.65% payment reduction:

1. The Hospital On-Call Coverage (HOCC) program
2. Community Palliative Care On-Call (CPOC) program
3. Payments for services claimed with the “RMB” (Reciprocal Medical Billing) and the WCB (Workplace Safety and Insurance Board) payment program types
4. Non-clinical payment items that were not subject to the 0.5% payment reduction

5. Opted-Out Physician Process

Patients of opted-out physicians will be reimbursed at 100% of the fee value listed in the *Physician Schedule* and the 2.65% payment reduction will be recovered directly from the opted-out physician.

An overview of the 2.65% payment reduction process for opted-out physicians is provided in the answer to question 7 of the attached “Questions and Answers”. As well, a letter was recently sent by OHIP to each opted-out physician to provide details about the process.

6. APP, AFP, and AHSC Funding Agreements

The clinical funding for Alternative Payment Program (APP), Alternative Funding Program (AFP), and Academic Health Sciences Centre (AHSC) agreements are subject to the 2.65% payment reduction in the same manner as the 0.5% Physician Payment Discount.

7. Primary Care Models

Effective February 1, 2015 physicians in primary care models are subject to the 2.65% payment reduction for the following incentives and premiums they are entitled to as part of their agreement:

- Comprehensive Care Premium (FHG Only)
- Blended FFS Premiums (shadow billed premium)
- Age Premium Payments
- After Hours codes (Q012A, Q016A, Q017A)
- Newborn Episodic codes (Q014A, Q015A)
- Heart Failure Management (Q050)
- Add-on Smoking Cessation Fee (Q042)
- FOBT Distribution Fee (Q150)
- HIV Management Fee (Q060)
- Influenza sole visit premium (Q590)
- House Call Assessment Premiums

The payments above are contained in the following contracts:

- Comprehensive Care Model (CCM)
- Family Health Group (FHG)
- Family Health Network (FHN)
- Family Health Organization (FHO)
- Family Health Team (FHT) Sessionals
- Blended Salary Model (BSM)
- Group Health Centre (GHC)
- St. Joseph's Health Centre (SJHC)
- Weeneebayko Area Health Authority (WAHA)
- Rural and Northern Physician Group Agreement (RNPGA)
- Toronto Palliative Care Associates (TPCA)
- South Eastern Ontario Academic Medical Association (SEAMO)
- GP Focused – Palliative Care
- GP Focused – Care of the Elderly (COE)
- GP Focused – HIV
- Sioux Lookout Regional Physician Services Inc.
- Sherbourne Health Centre Physician Group
- Hamilton Shelter Health Network
- Inner City Health Associates (ICHA)
- Visiting Specialist Clinic Program (VSCP)
- Ontario Psychiatry Outreach Program (OPOP)
- Community Health Centre (CHC)
- Aboriginal Health Access Centres (AHAC)
- Canadian National Institute for the Blind (CNIB)

Timelines for the implementation of the additional 2.65% payment reduction for all elements of primary care agreements are summarized below:

Base Rate Capitation Payment and Reconciliation	June 1, 2015
Comprehensive Care Capitation Payment and Reconciliation	June 1, 2015
Comprehensive Care Capitation Discount	June 1, 2015
Access Bonus Payments and Reconciliation	June 1, 2015
Long-Term Care Capitation Payment and Reconciliation	June 1, 2015
Income Stabilization Payments	June 1, 2015
Salary Payments and Adjustments	June 1, 2015
House Call Assessment Premium 85%	February 1, 2015
Blended Fee for Service Payment	February 1, 2015
Blended Premium on Age Premium Payment	February 1, 2015
Specialist Shadow Billing FHT Specialists	February 1, 2015

8. Other Physician Payment Programs

The 2.65% payment reduction will be applied to the clinical funding of the various physician payment programs including:

- Anaesthesia Care Team (Kensington Eye Institute)
- Assertive Community Care Treatment Program
- Community Health Centre Physicians
- Complex Continuing Care On-Call Coverage
- Divested Provincial Psychiatric Hospitals Funding
- Enhanced Care for the Frail and Elderly
- Hospital Pediatric Stabilization Program
- Laboratory Physicians (Hospitals)
- 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
- Ontario Psychiatric Outreach Program
- Physician On-Call Funding (Long-term Care)
- Public Health Physicians
- Rural Family Medicine Locum Programs
- Rural Medicine Incentive Program
- Specialty Review Funding
- Urgent Care Centres
- Visiting Specialist Clinic Program

9. Questions & Answers

We have attached some questions and answers to provide more details about the implementation of the 2.65% payment reduction.

If you require additional information please contact the Service Support Contact Centre toll free at: 1-800-262-6524 or (613) 548-7981 in the Kingston area.