

Information Release

The Need for Alternative Payment Models in a Post–COVID-19 Health System

(May 5, 2020, Mississauga, ON) The College of Family Physicians of Canada (CFPC) calls on policy-makers across the country to shift to blended physician remuneration models given the shortcomings of fee-for-service (FFS) models brought to light by the COVID-19 pandemic.

FFS payment models are common across Canada; however, they incentivize high-volume episodic care that does not adequately address social determinants of health or the complex needs of patients with chronic conditions. FFS is also linked to lower professional satisfaction and the greater use of unnecessary diagnostic tests compared with other models.¹

Although some provinces such as Alberta are adjusting their fee codes, these codes do not adequately account for complex patient care.¹ Reliance on FFS remuneration for the financial stability of practices is also failing during the pandemic, as billings have been significantly reduced and some payments have been made slowly.² In Ontario Medical Association survey results released in April, half of the 4,800 physician respondents said they had already laid off staff, with more anticipating having to do so.³ Further reductions in staff could lead to clinic closures and an increase in unattached patients.³

Blended payment models that combine FFS with other remuneration methods have shown positive effects on preventive care, collaboration, and continuity of care.⁴ It is imperative that these reforms are carried out in consultation with physician organizations to ensure doctors' experiences and perspectives are captured.

“The CFPC has long advocated for a shift toward blended remuneration models that better support continuity of care and our vision of team-based care provided in a Patient’s Medical Home,” says CFPC President Shirley Schipper, MD, CCFP, FCFP. “The pandemic is exposing the structural shortcomings of fee-for-service models and the resulting uncertainty for community practices.”

The COVID-19 pandemic is bringing to light several areas for improvement in the health care system, including the need for greater reliance on virtual care. The adoption of remuneration models that better meet the needs of patients and providers is an opportunity that should not be missed.

About the College of Family Physicians of Canada

The College of Family Physicians of Canada (CFPC) is the professional organization that represents more than 39,000 members across the country. The College establishes the standards for and accredits postgraduate family medicine training in Canada's 17 medical schools. It reviews and certifies continuing professional development programs and materials that enable family physicians to meet certification and licensing requirements. The CFPC provides high-quality services, supports family medicine teaching and research, and advocates on behalf of the specialty of family medicine, family physicians, and the patients they serve.

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¹ Lange TC, Carpenter T, Zwicker J. Primary care physician compensation reform: A path for implementation. *School Public Policy Publications SPP Res Paper*. 2020;13(4). Available from: www.policyschool.ca/wp-content/uploads/2020/04/Physician-Compensation-Lange-Carpenter-Zwicker.pdf. Accessed April 27, 2020.

² Dickson J. Physicians facing financial difficulty, struggle to keep practices running. *Globe and Mail*. April 20, 2020. Available from: www.theglobeandmail.com/politics/article-physicians-facing-financial-difficulty-struggle-to-keep-practices. Accessed April 27, 2020.

³ Ontario Medical Association. *Up to half of Ontario's doctors responding survey may have to close their offices* [news release]. Toronto, ON: Ontario Medical Association; 2020. Available from: www.oma.org/section/news-&-events/practice-impact-survey?type=news_items. Accessed April 27, 2020.

⁴ Wranik DW, Durier-Copp M. Physician remuneration methods for family physicians in Canada: Expected outcomes and lessons learned. *Health Care Anal*. 2010;18:35-59.