

## Changes needed in Ontario's deal with doctors

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In 2012, the Ontario government is expected to begin the process of creating a new deal with the province's doctors in efforts to shift toward a more sustainable model of health-care spending.

On Monday, it is expected that Auditor-General Jim McCarter will warn Dalton McGuinty's Liberals and their health officials of the problems related to how the province pays family doctors.

Ontario has made an effort to shift doctors from fee-for-service to "capitation", which sees them paid an annual fee for each patient. This was initiated in 2005. Providing financial incentives for doctors to join "family health teams" has aimed both to improve access for patients and to provide the provincial government with more cost certainty.

Large numbers of doctors have made the shift, indicating that there has been success in this shift. By the government's estimate, at least 500,000 more Ontarians now have a family doctor.

However, doctors are paid for patients who are "enrolled" with them, even if those patients don't make any visits - so by the auditor's calculation, they received \$123-million in 2009-10 for treating people they never actually saw. There also appears to be leeway and incentive for doctors to de-enlist patients with medical conditions that require frequent visits, then shift them back to the fee-for-service model.

Examples like those help explain why, at a time when health spending is threatening to eat the rest of the provincial budget, doctors are reportedly earning 25 per cent more under capitation than they were under fee-for-service. Not coincidentally, total annual funding to family physicians went up by 32 per cent between 2006-07 and 2009-10, from \$2.8-billion to \$3.7-billion. And despite the higher costs and the ostensibly improved access, the health ministry was unable to provide any evidence that wait times for physicians have gone down.

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The shift away from fee-for-service hasn't necessarily been a mistake. There will always be oversights and unintended consequences that require adjustments when governments go down new paths. However, if the government wants to flatten the health spending increases in 2012 in their attempt to claw out of a \$16 Billion deficit, they must have clear goals and keep close tabs on the progress made to achieve those goals.