

President's Letter

June 11, 2020



Charlene Fitzgerald
CCFP, FCFP, FRRMS
President

Department of Health to release MCP billings to the public

Dear Colleagues,

In 2016, the provincial government informed the NLMA that it had received an Access to Information Request for all MCP billings, listed by physician, and that it intended to release this information. The NLMA, relying on earlier decisions of the Office of the Information and Privacy Commissioner (Commissioner) accepting that billings of fee-for-service (FFS) physicians are "personal information", was opposed to the release. It was the NLMA's view that the *ATIPPA, 2015* legislation did not apply to FFS physicians in this context. The Department of Health and Community Services (the Department) agreed with the NLMA's position and decided not to release the information. The request applicant then appealed the Department's decision to the Commissioner. The Department and the NLMA filed separate submissions with the Commissioner objecting to the release of the requested information. Ultimately, the Commissioner recommended that the Department disclose all MCP billings listed by physician name. The Department accepted this recommendation and informed the NLMA of its intention to comply. In October 2016, the NLMA appealed the Department's decision to the Supreme Court of Newfoundland and Labrador.

With the agreement of the Department and the Commissioner, the appeal was held to await the determination of two related court cases pertaining to the Ontario Medical Association and the Newfoundland and Labrador Teachers Association (NLTA). The relevant provisions of the Ontario and NL legislation are similar. The Ontario Court of Appeal held that a physician's billing information is not "personal information" under the Ontario legislation. This decision provided guidance and clarity to other provincial medical associations. It also reflects the public's desire for increased transparency and accountability, a principle echoed by the NL Court of Appeal in the NLTA matter. In light of the above and the fact that similar billing information has been made publicly available in Ontario, British Columbia, Manitoba, New Brunswick and PEI, the NLMA Board of Directors decided to withdraw its appeal.

When the information is released to the public later this week, the NLMA will provide context to provincial media to ensure the public understands that MCP payments are not physician take-home pay. Rather, they represent the gross revenues of a physician's practice. We will also clarify that fee-for-service physicians are not employees of the provincial government. They are contractors operating their own small businesses and are reimbursed when services insured by MCP are provided directly to patients. We will also clarify that a significant portion of these payments are directed to overhead costs for running a private business, including occupancy costs like rent, utilities and maintenance, staff salaries for medical office assistants and/or other health providers, various professional services, licenses, fees, IT systems, medical equipment, office equipment, business taxes, and other costs associated with running a small business. Furthermore, as contractors, FFS physicians receive no sick leave benefits, no annual leave pay, no health or dental benefits, no life insurance, no employment insurance benefits and no pension upon retirement. These benefits are self-funded by FFS physicians.

According to a 2018 Deloitte study commissioned by the NLMA, family physicians in this province pay an average of \$80,823 a year in overhead costs, surgical specialties pay an average of \$114,342, and medical specialists pay an average of \$202,923 per year in overhead. Many practices pay overhead costs significantly above these averages.

Furthermore, clinical payments made to family physicians and specialists in Newfoundland and Labrador are below the Canadian average. According to the Canadian Institute for Health Information (CIHI), the average gross clinical payments for NL family physicians are the lowest of all provinces. Gross clinical payments to medical and surgical specialists are third lowest in the country.

<https://www.cihi.ca/sites/default/files/document/physicians-in-canada-2018.pdf>

It is essential that compensation for physicians in our province be competitive with other provinces, or else we will not be able to recruit and retain the doctors we need. The variations in FFS billing among physician groups in Newfoundland and Labrador are similar to other provinces. Furthermore, the biggest disparities are with the lowest billing groups and it is these areas where emphasis is needed to eliminate these gaps.

We also note that per capita health system spending in this province is about 25% above the national average. However, physician expenditure in this province is 5% below the national average.

Finally, we will ensure the public understands that physician billings are determined by demand and are a direct result of necessary medical services provided to Newfoundlanders and Labradorians.

The public continues to value the work of physicians in this province. Physicians continue to be held in high esteem. Public polling conducted by Narrative Research in May 2020 found that 87% of people in the province – a historic high – have a favorable opinion of doctors in Newfoundland and Labrador (only 7% are neutral and 6% unfavorable).

The NLMA understands the public's desire for transparency about how their health care dollars are spent. We will present the full picture to ensure this information is accurate and balanced.

Sincerely,



Charlene Fitzgerald, MD, CCFP, FCFP, FRRMS
President



**Newfoundland &
Labrador Medical
Association**
164 MacDonald Dr.
St. John's, NL
A1A 4B3
(709) 726-7424
Or 1-800-563-2003
Fax: (709) 726-7525
www.nlma.nl.ca
president@nlma.nl.ca
