



News Release

For Immediate Release

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Ministry Needs to Improve Oversight of Physician Billing and Payment Models: Auditor General

(TORONTO) Payment models implemented by the Ministry of Health and Long-Term Care (Ministry) to encourage family physicians to see more patients have not always led to more timely access to care, Auditor General Bonnie Lysyk says in her *2016 Annual Report*.

In 2015/16, 57% of Ontarians reported having to wait two or more days to see their family physician, an increase from the 51% reported in 2006/07. In 2014/15, about 40% of patients used walk-in clinics or other physicians outside of their family physician's group practice. This resulted in duplicate payments of \$76.3 million cumulatively over the five years up to fiscal 2014/15. Physicians in most group practices worked an average of between 3.4 and four days a week, and many did not work the number of weeknight or weekend hours required by the Ministry.

"Payment models should be designed to ensure patients are receiving the best level of health care when they need it the most," Lysyk said today after her Report was tabled in the Legislature.

In 2014/15, there were about 243,000 visits to hospital emergency rooms for conditions that could have been treated by family physicians. In addition to putting more strain on emergency room operations, these visits cost the province \$62 million, including \$33 million for patients whose family physicians had already been compensated to provide the same services.

Other significant findings in the Report include:

- The Province paid physicians under the most popular group practices (Family Health Organizations) about \$522 million more in 2014/15 than it would have using the traditional fee-for-service model. For example, in 2014/15, 1.78 million of 5.4 million patients enrolled in a group practice did not visit their family physician once during the year, but physicians still received an estimated \$243 million for having these patients enrolled.
- The Ministry did not investigate anomalous or inappropriate billing and did not have a cost-effective way to recover overpayments made to physicians. The audit identified, for example, that the Ministry did not investigate billings for nine specialists who claimed to work over 360 days in 2015/16; six of these billed for the full 366 days. Since the beginning of 2013, the Ministry has not proactively pursued recovery of overpayments.
- The Ministry does not assess whether large variances in gross payment (under the fee-for-service model) to physicians of the same specialty are reasonable. In 2014/15, for example, ophthalmologists at the higher end of the pay range received an average of \$1.27 million each while ophthalmologists in the middle of the pay range each earned approximately \$553,000.
- Concerns raised by the Ontario Association of Cardiologists about cardiac-care spending published in an open letter to the Auditor General were valid. For example, in October 2014, the Ministry became aware of fee-for-service claims for two cardiac rhythm monitoring tests that were inappropriately claimed and paid to physicians. It determined that approximately 70 physicians were overpaid by at least \$3.2 million between April 2012 and May 2015.

- Taxpayers continue to pay significant amounts for the rising cost of physician medical liability (\$145 million in 2013; \$329 million in 2016). A Joint effort between the Ministry, the Ontario Medical Association and the Canadian Medical Protective Association to review the legal context surrounding the dramatic increase in medical malpractice trends is long overdue.

-30-

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