Subject: Changes to Payment Thresholds for Ontario Physicians

Based on recommendations made by the Physician Services Committee, the following items are being implemented to the physician payment threshold system for services effective fiscal year 2002/03:

New Threshold Payment System

The introduction of a new threshold payment system that eliminates the first and third threshold levels of the current three level system, combines separate GP and Specialist threshold classifications into one threshold classification level for all physicians, and provides additional exemptions from threshold reductions for hospital-based services and critical care services.

The new singular threshold payment reduction amount is 66.7% and occurs for all professional fee-for-service billings over $455,000.

<table>
<thead>
<tr>
<th>Reduction Rate</th>
<th>Old Payment Amounts</th>
<th>New Payment Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>33.3%</td>
<td>66.7%</td>
</tr>
<tr>
<td>GPs</td>
<td>350,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Specialists</td>
<td>430,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Office locations

Barrie
34 Simcoe St.
Suites 201
L4N 8T4

Etobicoke
3300 Bloor St. W., Unit 142
M6X 2W8

Hamilton
119 King St. W
P.O. Box 2280, Stn. A
L8N 4C8

North Bay
101-447 McKeown St.
P1B 9B9

Oakville
Oakville Town Centre II
202 North Service Rd. W.
Unit PR030
L6M 2Y3

Sarnia
452 Christina St. N.
NTT 5A4

Toronto
47 Sheppard Ave. E.
5th floor
M2N 7E7

Windsor
1427 Ouellette Ave.
N8K 1K1

Kitchener
1400 Weber St. E. Unit B2
N2A 3Z8

London
217 York St., 5th Floor
P.O. Box 5700
Terminal A
N6A 1B7

Ottawa
Fuller Building
75 Albert Street
K1P 5Y9

Scarborough
2063 Lawrence Ave. E.
M1R 2Z4

Sudbury
199 Larch St.
Suite 801
P3E 5R1

Owen Sound
981 2nd Avenue E.
N4K 2H6

Peterborough
590 Lansdowne St. W.
K9J 8J8

St. Catharines
321 St. Paul St.
Mezzanine Level
L2R 7W4

Sault Ste. Marie
Roberta Border Place
70 Foster Dr., Suite 100
P6A 6V4

Timmins
38 Pine St. N., Suite 110
P4N 8K6

Toronto
47 Sheppard Ave. E.
5th floor
M2N 7E7

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N8K 1K1

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Additional Exclusions to Thresholds

Acute care "C" prefix hospital in-patient services including the listings for consultations, assessments and visits rendered to registered bed patients for services billed with a "C" prefix are excluded from the threshold.

The following critical care codes are also exempted from the threshold:

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<tr>
<td>G211</td>
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<td>G407</td>
<td>G523</td>
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<td>G405</td>
<td>G521</td>
<td>G557</td>
<td>G600</td>
<td>G603</td>
<td>G611</td>
<td>G800-06</td>
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</tbody>
</table>

The General Preamble, Appendix E has been updated to reflect these new exclusions. Please note, the General Preamble, Appendix E pages 3E and 4E are dated March 31, 2003, for identification purposes only.

Effective Date

These changes are effective for fiscal year 2002/03. The new threshold payment system will be applied automatically to all claims submissions for services provided between April 1, 2002 to March 31, 2003 as early as April Remittance Advice.

SRI Program

The ministry is in the process of reviewing SRI Program applications and will communicate with all applicants regarding the impact of these changes.

Communication

Bulletins and the updated version of the Schedule are available on the Ministry of Health and Long-Term Care web-site at [www.gov.on.ca/health/](http://www.gov.on.ca/health/).

These Schedule pages will be mailed separately.