To: Physicians, Hospitals, Clinics and Laboratories

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Re: Implementation of 0.5% Physician Payment Discount

This INFOBulletin provides general information about the implementation of the 0.5% discount per section 1 of the 2012 Physician Services Agreement which is posted on the ministry’s website at:


For additional information about the 0.5% discount please refer to the following previously issued bulletins:
• #4591 (March 28, 2013): Hospital On-Call Coverage Program
• #11075 (April 4, 2013): Income Stabilization Payments
• #4594 (April 16, 2013): Physician On-Call in Long-Term Care Program

The above bulletins are published at:


The sections in this bulletin are:

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1. Implementation Schedule and Process
The 0.5% discount processing will commence in April 2013 and will be applied to eligible payments issued with the May 2013 remittance.

The 0.5% discount is being applied by reducing the total payment at the remittance level via applicable debit accounting transactions and reporting the discount amount on the Remittance Advice.

Individual claim items are not being reduced by 0.5% and the fees listed in the “Schedule of Benefits for Physician Services” (Physician Schedule) are not being reduced by 0.5%.

2. Remittance Advice (RA) Reporting
One or more of the following five accounting transaction messages will be included in a new RA report titled “0.5% Discount Accounting Transaction Summary” to identify the 0.5% discount amounts and will be reported only if the applicable 0.5% discount has been applied to the remittance:

- 0.5% Discount Automated Premiums
- 0.5% Discount Opted-In
- 0.5% Discount Opted-Out
- 0.5% Discount Primary Care

As well, a new RA report titled “0.5% Physician Payment Discount Summary Report” will be provided to show the:

- current month’s total payment amount applicable to the 0.5% discount
- total amount of the 0.5% discount for the current month
- totals-to-date for both of the above.

The 0.5% discount reports for the group RA will include a breakdown of the 0.5% discount amount applicable to each group physician.

3. Payments Subject to the 0.5% Discount
Payments applicable to the following high level categories are subject to the 0.5% discount:

- All fee-for-service professional and technical services listed in the Physician Schedule and any applicable automated premiums*
- All facility fees listed in the “Schedule of Facility Fees for Independent Health Facilities”
- Alternative Payment Program clinical funding
- Primary Health Care funding (see section 6 below)

(* Includes fee-for-service claims and premiums paid by OHIP on behalf of the Ontario Telemedicine Network and other Ontario ministries)
4. “WCB” and “RMB” Payment Programs are Excluded
Payments for services claimed with the “RMB” (Reciprocal Medical Billing) and the WCB (Workplace Safety and Insurance Board) payment program types are not subject to the 0.5% discount.

5. Opted-Out Physicians Process
Patients of opted-out physicians will be reimbursed at 100% of the fee value listed in the Physician Schedule and the 0.5% discount will be recovered directly from the opted-out physician.

An overview of the 0.5% discount process for opted-out physicians is provided in the answer to question 7 of the attached “Questions and Answers”. As well, a letter was recently sent by OHIP to each opted-out physician to provide details about the process.

6. APP, AFP, and AHSC Funding Agreements
The clinical funding for Alternative Payment Program (APP), Alternative Funding Program (AFP), and Academic Health Sciences Centre (AHSC) agreements are subject to the 0.5% discount in the same manner as the flowthrough of the 4.25% general fee increase of September 1, 2011.

7. Primary Health Care Models
Physicians in primary care models are subject to the 0.5% discount for the following incentives and premiums they are entitled to as part of their agreement:

- Base Rate Capitation and Reconciliation
- Comprehensive Care Capitation and Reconciliation
- Comprehensive Care Capitation Reduction Roster > 2400
- Long-Term Care Capitation and Reconciliation
- Comprehensive Care Premium (FHG Only)
- Blended FFS Premiums (shadow billed premium)
- Access Bonus Payment and Reconciliation
- All Salary and Base Payments
- Age Premium Payments
- After Hours codes (Q012A, Q016A, Q017A)
- Newborn Episodic codes (Q014A, Q015A)
- Heart Failure Management (Q050)
- Add-on Smoking Cessation Fee (Q042)
- FOBT Distribution Fee (Q150)
- HIV Management Fee (Q060)
- Well Baby Care (Q180)
- Medication Review and Blood Pressure Check (Q181)
- Diabetes Check (Q182)
- Cholesterol Check (Q183)
- Influenza sole visit premium (Q590)

**Stabilization Payments:** Physicians participating in the Income Stabilization Program are subject to the 0.5% discount; information has been communicated separately.

**Salary Payments:** Physicians in salaried models are subject to the 0.5% discount. Further information will be communicated separately.

The payments above are contained in the following contracts:

a) Aboriginal Health Access Centers (AHAC)

b) Comprehensive Care Management (CCM)

c) Community Health Center (CHC)

d) Community Sponsored Agreement Blended Salary Model (BSM)

e) Family Health Groups (FHG)

f) Family Health Networks (FHN)

g) Family Health Organizations (FHO)

h) Family Health Team (FHT) Sessionals

i) General Practice Focus Human Immunodeficiency Virus (HIV)

j) General Practice Focus Palliative Care (GPFPC)

k) Group Health Center (GHC)

l) Inner City Health Association (ICHA)

m) Rural and Northern Physician Group Agreement (RNPGA)

n) St. Josephs Health Centre

o) South Eastern Ontario Academic Medical Organization (SEAMO - BEAQ)

p) Toronto Palliative Care Associates (TPCA)

q) Weenebayko Area Health Authority (WAHA)
8. Other Physician Payment Programs
The 0.5% discount will be applied to the clinical funding of the various physician payment programs including:

a) Anaesthesia Care Team (Kensington Eye Institute)
b) Assertive Community Care Treatment Program
c) Community Health Centre Physicians
d) Divested Provincial Psychiatric Hospitals Funding
e) Enhanced Care for the Frail and Elderly
f) Hospital On-Call Coverage Program (Base and Review Funding)
g) Hospital On-Call Coverage Complex Continuing Care
h) Hospital Paediatric Stabilization Program
i) Laboratory Physicians (Hospitals)
j) Mental Health Sessional Payments
k) Mental Health Sessional Fee Supplement
l) Mental Health Sessional Rates Alignment through Health Board Secretariat
m) Mental Health Stipend
n) Northern Specialist Locum Programs
o) Ontario Psychiatric Outreach Program
p) Physician On-Call Funding
q) Public Health Physicians
r) Rural Family Medicine Locum Program
s) Rural Medicine Incentive Program
t) Specialty Review Funding
u) Urgent Care Centres
v) Visiting Specialist Clinic Program

9. Questions & Answers
We have attached some questions and answers to provide more details about the implementation of the 0.5% discount.
If you require additional information please call us toll free at: 1-800-262-6524 or (613) 548-7981 in the Kingston area.