

Questions & Answers

Keeping health care providers informed of payment, policy or program changes

To: Independent Health Facilities (IHF)

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Re: Details Regarding the Implementation of the 2.65% Payment Reduction

1. What is the 2.65% payment reduction?

The 2.65% payment reduction effective February 1, 2015 is a reduction against all payments made to licensees of Independent Health Facilities in respect of services set out in the Schedule of Facility Fees.

2. How long is the 2.65% payment reduction in effect?

The 2.65% payment reduction is effective until further notice. It may be reduced in future should OHIP budgetary pressures ease or other savings are found.

3. What is happening to the 0.5% payment reduction on facilities fees that started in April 2013?

The 0.5% payment reduction remains in effect. The 0.5% and the 2.65% payment reductions will be reported on the IHF Remittance Advice.

4. Do Independent Health Facilities have to reduce their facility fee billings by 2.65%?

Independent Health Facilities do not have to make any changes to their OHIP billing software or their facility fee claims submissions in response to the implementation of the 2.65% payment reduction. OHIP will apply the 2.65% payment reduction against the total monthly remittance and report the reduction amount on the monthly Remittance Advice.

5. When will the 2.65% payment reduction be applied to facility fee payments?

The 2.65% payment reduction processing will be effective February 1, 2015 and will be calculated against eligible payments issued through the claims processing system and applied to the April 2015 remittance.

6. How is the 2.65% payment reduction being applied?

The 2.65% payment reduction is being applied by reducing the total payment at the remittance level via a debit accounting transaction and reporting the reduction amount on the Remittance Advice. Individual facility fee claim items are not being reduced by 2.65%.

7. Why is the 2.65% payment reduction not being applied at the claim item level?

The 2.65% payment reduction is not being applied at the claim item level because it is not a fee value decrease but is a reduction on all payments.

8. How will the 2.65% payment reduction amount be reported on the Independent Health Facility monthly Remittance Advice (RA)?

The 2.65% and the 0.5% payment reduction amount will be reported together on the IHF Remittance Advice in an RA report titled “Discount Accounting Transaction Summary Report”.

9. Are payments for Workplace Safety and Insurance Board related medical services subject to the 2.65% payment reduction?

Payments for facility fee claims that are submitted with the “WCB” payment program type are not subject to the 2.65% reduction.

10. Where can inquiries be directed for additional information about the 2.65% payment reduction process?

For questions about the application of the 2.65% payment reduction or any reporting or RA issues IHF licensees and their staff may contact their designated Centre of Excellence at:

- Hamilton – 905-521-7100
- Oshawa – 905-576-2870 or 1-855-250-3696
- Toronto – 416-314-7770 or 1-855-645-1282

If additional information is required, IHFs may contact the IHF Program Unit by:

- email at IHFP@Ontario.ca or
- telephone at (613) 548-6637 or

Licensees and their staff can also visit the IHF webpage for information about the IHF Program at: <http://www.health.gov.on.ca/en/public/programs/ihf/>