

FAMILY PRACTICE PROGRAMS POLICY MANUAL



DEPARTMENT OF HEALTH AND COMMUNITY SERVICES

Program Description

The Department of Health and Community Services (hereinafter referred to as the “Department”) has launched the *Family Practice Programs* consisting of two new initiatives to improve access to primary care in the province. The *Family Practice Start-up Program* and the *New Family Physician Income Guarantee* aim to attract and retain new, qualified family physicians to provide primary healthcare services in Newfoundland and Labrador on a fee-for-services (“FFS”) basis. These funding programs are designed to support new family physicians in opening or taking over an existing family practice by helping to alleviate financial barriers associated with these processes. The Department notes that the terms and conditions of the *Family Practice Programs* are subject to change.

Definitions

Default: Failure to complete the Service Agreement, in part or in whole, or failure to comply with any term or condition of the Service Agreement.

Funding: Financial assistance provided under the *Family Practice Programs* to a Recipient in return for the Recipient’s commitment to fulfill a service obligation.

Medical Services Division: The Medical Services Division is part of the Department of Health and Community Services, and is responsible for administration of the *Family Practice Programs*.

Recipient: A family physician who is eligible for Funding under this Program Manual, has been selected for receipt of the Funding and who enters into a Service Agreement to receive the Funding.

Provincial Health Authority (PHA): operating as NL Health Services, a body established pursuant to the Provincial Health Authority Act, RSNL 2022, c P-30.1.

Service Agreement: An agreement entered into by a Recipient and the Department, setting out the terms and conditions of the Funding and of the service obligation.

Eligibility Criteria

The *Family Practice Programs* are limited to FFS family physicians that are setting up a new family practice or joining an existing family practice in a permanent capacity. Recipients will receive funding in exchange for a Service Agreement.

The eligibility criteria for funding under the *Family Practice Programs* are as follows:

- New family physicians who will be practicing in Newfoundland and Labrador, including:
 - Physicians entering a FFS family practice for the first time.
 - Physicians practicing family medicine in another province who intend to relocate to Newfoundland and Labrador to practice FFS family medicine.
- Full or provisional licensure under the **Medical Act, 2011**.

- Note: provisional licensure requires PHA sponsorship, and applicants are responsible for arranging and maintaining sponsorship for the duration of their provisional licensure.
- Certification from the College of Physicians and Surgeons of Newfoundland and Labrador.
- Family physicians can apply before opening or joining a family practice or if they have opened/joined a family practice since November 2022.
- Medical residents are eligible to apply in any year of their residency program.

Family physicians currently completing a Service Agreement under the Medical Resident Bursary Program are eligible to apply to roll into the Family Practice Start-up Program (Service Agreements to run concurrently), and are eligible to apply to the New Family Physician Income Guarantee.

Recipients are permitted to simultaneously apply for/hold both Family Practice Start-up Program funding and New Family Physician Income Guarantee funding with Service Agreements to run concurrently.

Family Practice Start-up Program

The Family Practice Start-up Program provides funding to new FFS family physicians that are setting up a clinic or joining an existing family practice in Newfoundland and Labrador in exchange for a five (5) year provincial Service Agreement.

Individual awards of \$150,000 will be available on a one-time basis to new family physicians who meet the eligibility criteria, or an amount of up to \$150,000 for current Medical Resident Bursary program recipients as detailed further herein in the Medical Resident Bursary Program Rollover. Recipients of the Family Practice Startup Program funding will receive a lump sum payment of Funding upon signing the Service Agreement. Funding received under this program may be used at the discretion of the Recipient.

New Family Physician Income Guarantee

The New Family Physician Income Guarantee provides new FFS family physicians who open a new family practice or join an established family practice with a guaranteed minimum income over their first two years of practice equivalent to that of a salaried family physician (\$198,724 per annum).

New family physicians who open a new clinic or join an established clinic billing on a fee for services (FFS) basis, and are accepted for funding under this program, will for the first two years of family practice have their income guaranteed to be at least equivalent to the minimum level paid to a salaried physician (Step 1 of the Family Physician Salary Scale under the Memorandum of Agreement between the Newfoundland and Labrador Medical Association and the Department).

Where the total of FFS billings submitted to MCP plus any income or other financial incentives from the Department or PHAs over each full year of practice are less than the Step 1 salary over the same period, funding recipients will be paid the difference between these amounts (note: Family Practice Start-up Program Funding will not be included in income guarantee calculations). If this total exceeds the salaried amount, the income guarantee will not apply. Income guarantee payments will occur semiannually, and will be dependent on FFS billings and other financial or income sources during that period. Recipients must submit FFS billings to the Medical Care Plan (MCP) within ninety (90) days of service delivery.

Medical Resident Bursary Program Rollover

Medical residents who are currently receiving funding under the Medical Resident Bursary Program in exchange for a service agreement with the PHA may apply to the New Family Physician Income Guarantee and the Family Practice Start-up Program, in accordance with this Program Manual and subject to the eligibility criteria for each of these new initiatives.

Service years completed under the Medical Resident Bursary Program will be counted towards the Recipient's Family Practice Start-up Program Service Agreement, and will total no more than five (5) service years between these two programs. Funding for Medical Resident Bursary Program rollover recipients under the Family Practice Start-up Program will vary depending on their resident bursary service agreement, and will total no more than \$150,000 between these two programs. Resident bursary funding recipients can only apply for rollover funding, and are not eligible for full funding under the Family Practice Start-up Program.

As an example, if a family medicine resident received \$50,000 under the Medical Resident Bursary Program in exchange for a three (3) year Service Agreement, they would receive an additional \$100,000 in return for an additional two (2) year Service Agreement upon rolling into the Family Practice Start-up Program. Thus, they would receive a total of \$150,000 in funding for five (5) years of service.

Recipients will be required to enter into a new two (2) year Service Agreement under the New Family Physician Income Guarantee. Service years completed under the Medical Resident Bursary Program cannot be rolled over into the New Family Physician Income Guarantee, however the Service Agreements for these programs can be completed concurrently.

Service Agreements for the New Family Physician Income Guarantee, the Family Practice Start-up Program, and the Medical Resident Bursary Program will total no more than five (5) service years between the three programs.

Community of Practice

The selection of the practice community location is at the discretion of the Recipient. The practice community must be located within the province of Newfoundland and Labrador. Upon signing the Service Agreement, Recipients are required to provide comprehensive primary care

in the community declared in the funding application for the duration of the term outlined in the Service Agreement. If the need arises for the Recipient to change practices and/or practice locations during the term of the Service Agreement, they are required to notify the Medical Services Division in writing.

Application Process

Applicants are required to coordinate with the PHA regional physician recruiter to submit the following to the Medical Services Division:

- A completed and signed *Family Practice Program* Application Form; and,
- A letter providing further details relating to the new practice as outlined in the following paragraphs.

If joining an existing family practice: The applicant is required to provide a letter of offer from an established family practice outlining the start date, location of practice, and confirmation of the amount of time that will be dedicated to providing comprehensive, continuous care to patients at the practice.

If starting a new family practice: The applicant is required to provide a letter outlining the approximate opening date, location of practice, and confirmation of the amount of time that will be dedicated to providing comprehensive, continuous care to patients at the practice.

Applications can be obtained by contacting the PHA physician recruiters or the Medical Services Division, or by visiting the Department's website. Forms should be sent by mail or email to:

Medical Services Division
Department of Health and Community Services
1st Floor, West Block, Confederation Building
P.O. Box 8700
St. John's, NL A1B 4J6
MedServicesPrograms@gov.nl.ca

Evaluation Process

The Medical Services Division will review all applications, and will confirm eligibility of applicants under the Family Practice Programs. The Medical Services Division will send a letter of approval and a Service Agreement to each successful applicant.

Applicants must sign and return the Service Agreement to the Medical Services Division within thirty (30) days of receiving the agreement to receive funding under the *Family Practice Programs*. Recipients are required to contact the Medical Services Division if they need additional time to review and sign the Service Agreement. The Medical Services Division will send the Service Agreement to the Deputy Minister of the Department for signature. The Medical Services Division will keep the original signed Service Agreement, and provide a copy to the Recipient.

Establishment or Joining of a Family Practice

Recipients of funding under the *Family Practice Programs* will establish or join a family practice as per the Service Agreement no later than six (6) months after signing of the Service Agreement and/or obtaining a medical licence. If the Recipient has not joined or established a family practice after the six (6) month period, they are required to contact the Medical Services Division to discuss options for extension.

Recipients will contact the Medical Services Division within thirty (30) calendar days of practice being established/joined to advise that practice has commenced and to provide updated contact information, if necessary. Recipients are responsible for informing the Department of any change in contact information such as name, address, email, and phone number that were provided at the time of signing the Service Agreement.

Timely communication is important to ensure that the service obligation period is accurately calculated. The Medical Services Division will monitor the fulfillment of service obligations as outlined in the Service Agreement and will be responsible for notifying the recipient of default or completion of the service obligation.

Service Deliverables

Funding Recipients are expected to establish long-term patient attachment, continuity of care, and comprehensiveness of care. Funding Recipients are encouraged to avail of Family Practice Renewal Program (FPRP) initiatives for support in opening or joining a family practice. Recipients are also encouraged to be aware of and engaged in Primary Health Care reform in the province, and to implement the new directions that may arise from the recommendations of the Health Accord Task Force NL.

Funding Recipients are expected to fulfill the service deliverables as outlined in the Service Agreement, including:

- Open a new family practice or join an established family practice in a community in Newfoundland and Labrador within six (6) months of signing of the service agreement and/or obtaining licensure.
- *New Family Physician Income Guarantee*: commit to practicing in the community as a family physician for a period of two (2) years (the “Service Obligation”).
- *Family Practice Start-up Program*: commit to practicing in the community as a family physician for a period of five (5) years (the “Service Obligation”).
- Provide the full range of primary healthcare services appropriate to a family practice, including preventive, acute, and chronic care services.
 - Service commitments to the PHAs are permitted under the Family Practice Programs.
- Maintain provisional or full licensure under the *Medical Act, 2011*, and certification from The College of Physicians and Surgeons of Newfoundland and Labrador for the duration of the service agreement.

- Maintain sponsorship from the PHA (*provisionally licensed recipients only*).
- If on-call or other services are not required by the PHA, Recipients are expected to provide after-hour care options to their patients through their clinic as part of their comprehensive care.
- Connect with the FPRP to obtain membership in a Family Practice Network (FPN), where one exists.
- Implement the use of EMR/electronic documentation and HEALTHe NL, where appropriate to the practice.
 - Recipients are also encouraged to avail of current technology enablers, including telehealth, remote patient monitoring, self-management programs, virtual care platforms and 811.
- Provide primary care services for a minimum patient panel size. Patient panels are expected to be balanced in composition and reflective of the practice community (i.e., age, sex, complexity). Panel size targets are intended to reflect the timeline required to build a family practice.

For Recipients that have committed to 44 week of service at their practice, patient panel size targets are as follows:

Year 1: minimum panel size of 800 patients.

Years 2+: minimum panel size of 1,200 patients.

For Recipients that have committed to 44 week of service at their practice, and who also have service commitments to the PHA, patient panel size targets are reduced by ~25% as follows:

Year 1: minimum panel size of 600 patients.

Years 2+: minimum panel size of 900 patients.

- Recipients are required to notify the Department of the number of patients registered with their family practice over such period(s) as may be specified by the Department. The Department may also, on occasion, review patient panel size information included in MCP accounts submitted by the Recipient to the Department's Audit Division.
- If minimum panel size targets are not met by the Recipient in any year of the service agreement, they will be required to meet with the Department to discuss panel characteristics and barriers to meeting minimum panel size requirements. Remedial measures may be required by the Department to help the Recipient increase patient panel size in subsequent years.
 - If the Department is dissatisfied with the actions being taken to increase patient panel size by the Recipient, the Department has the right to terminate the Agreement and arrange re-payment of the funds by the Recipient.
- Comply with all policies under the *Family Practice Programs*.
- Complete the *Family Practice Program* exit survey upon completion or termination of service agreement.

Time at Practice

Recipients are expected to provide 44 weeks of service at their practice each year. Recipients can choose to reduce their yearly service commitment in exchange for pro-rated funding and patient panel size targets. The minimum yearly service commitment permitted under the Family Practice Programs is 22 weeks of service at the practice each year.

Recipients are asked to advise the Department when less than the pre-agreed yearly amount of service will be provided, so that the Service Agreement can be appropriately extended. The Department will also monitor MCP claims data to verify the number of weeks worked each year. Requests for extension must provide the reason for postponement. Eligible reasons include serious personal or family illness, maternity/parental leave, death of a family member, or request for additional training.

Transition to Blended Capitation

Recipients of funding under the *Family Practice Programs* are eligible to transition from FFS to a future blended capitation model of payment while completing their Service Agreement. Recipients must provide three (3) months' notice to the Medical Services Division prior to transitioning payment modalities.

Taxation

Funding paid to Recipients under the *Family Practice Programs* may be subject to income taxation. Recipients are responsible for taxes assessed by the Canada Revenue Agency in relation to payments made under these programs. Recipients have the responsibility and opportunity to seek, obtain, and consider advice from independent financial advisors and income tax professionals on the income tax treatment, income tax impact, and other financial implications associated with the receipt of Funding under these programs.

Service Agreement Provisions, Default, and Repayment

Service agreements are legally binding contracts. Key conditions in such agreements will include, but are not limited to, the following enumerated items.

1. Failure to comply with the Service Agreement constitutes a default of the Service Agreement and said default includes the following:
 - Having made a materially misleading or inaccurate statement in the funding application;
 - Purporting to confirm statements in the application and/or in the Service Agreement as being true when they are not in fact true;
 - Failure to comply with any term or condition of the Service Agreement;
 - Failure to maintain provisional or full licensure;
 - Failure to maintain provisional licensure sponsorship with the PHA;
 - Failure to complete the service obligation; or

- Termination of the Service Agreement by the Recipient.
2. Recipients must notify in writing the Medical Services Division of the decision to terminate the Service Agreement at least three (3) months prior to the termination date and arrange for termination of payments and/or re-payment of funding in accordance with the Service Agreement.
 3. If the Recipient defaults on their Service Agreement, they will be required to repay the prorated amount of the funding based on the number of months of unfulfilled service obligation and interest. In all instances where the Recipient will be charged interest under the Service Agreement, interest on the amount to be repaid by the Recipient will be calculated on the unfulfilled portion of the service obligation.
 - Interest on the amount to be repaid by the Recipient will be calculated retroactively from the date the money was advanced to or on behalf of the Recipient, and will compound on the outstanding balance as of the end of each month.
 - The interest rate will be the prime rate posted by the Bank of Canada for major lenders plus two percentage points.
 4. In the case of default or overpayment, the Medical Services Division will provide repayment details in writing to the Recipient describing the prorated amount owing, interest and the repayment procedure.
 5. Requests by the Recipient for extension of the Service Agreement require approval in writing by the Medical Services Division. All extension decisions will be communicated in writing to the Recipient.

Responsibilities

Recipient Responsibilities

The Recipient is responsible for the following:

1. Reviewing and complying with the terms and conditions of the *Family Practice Programs* and Service Agreement(s).
2. Providing written notification to the Medical Services Division if they are unable to fulfill their Service Agreement at least three (3) months prior to the termination date of the Service Agreement and arrange for termination and/or repayment of the funding in accordance with the Service Agreement.
3. Providing written notification to the Medical Services Division of any Leave in excess of what is permitted under their Service Agreement.
4. Providing written notification to the Medical Services Division of any change in contact information such as name, address, email and phone number provided at the time of signing the Service Agreement.
5. Providing written notification to the Medical Services Division of any changes in practice location.

6. Providing written notification to the Medical Services Division of any changes in practice payment modalities.

Medical Services Division Responsibilities

The Medical Services Division is responsible for the following:

1. Maintaining all policies, terms and documentation including updating approved changes to the Family Practice Programs.
2. Receiving and reviewing all applications submitted under the Family Practice Programs, and providing notification of approval to successful applicants.
3. Establishing a written Service Agreement with the Recipients of the Family Practice Programs.
4. Sending copies of signed Service Agreements to Recipients of the Family Practice Programs.
5. Arranging payment of Funding from the Department to Recipients under the Family Practice Startup Program.
6. Liaising with the Medical Care Plan (MCP) and the PHAs to arrange income guarantee payments for Recipients under the New Family Physician Income Guarantee.
7. Tracking the fulfillment of Service Agreements by Recipients funded under the Family Practice Programs.
8. Maintaining ongoing communication with Recipients funded under the Family Practice Programs while joining/opening a family practice and throughout Service Agreement completion.
9. Notifying the Recipient within thirty (30) days of any changes to the Family Practice Programs.
10. Enforcing collection of defaulted amounts for Recipients under the Family Practice Start-up Programs and transferring the collected amounts to the Provincial Government Department of Finance.
11. Distribution and collection of the Family Practice Programs exit survey upon completion or termination the Recipient's Service Agreement(s).
12. Maintaining a financial database of funding recipients, Service Agreement details (i.e. amounts, location, and service obligation), defaults and collections.
13. Preparing an annual report to the Deputy Minister of Health and Community Services. This report will include details of funds awarded that fiscal year, including the number, amount, location, service obligations, and fulfilled and defaulted Service Agreements.