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# The President's Letter

Dr. Darryl D. LaBuick



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November 16, 2007

Dear Member:

The Rural, Remote, Northern Program (RRNP), while still subject to some revisions, is closer to being finalized with the newly approved list of communities eligible for funding.

This important program was built on the early advocacy efforts of physicians in northern Alberta who alerted us to their challenges in rapidly growing communities. The Alberta Medical Association (AMA) then advanced the Clinical Stabilization Initiative (CSI) in the last negotiations. We are pleased that the RRNP recognizes the concerns of northern physicians, and goes further by recognizing the needs of all physicians practising in medically isolated communities.

The RRNP, one of three programs within the Clinical Stabilization Initiative, defines and addresses the relative degree of medical isolation in Alberta communities. Through financial incentives, the program supports recruitment and retention of physicians who live and practise in rural, remote and northern areas of the province.

RRNP payments are retroactive to September 1, the date the program became effective. Implementation of the RRNP will still take a considerable length of time as Alberta Health and Wellness (AHW) completes needed computer system changes. When the Business Costs Program is implemented, which is expected early in the new year, work will begin on the technology to deal with RRNP payments.

## **Eligible communities**

With two notable exceptions, eligible communities are identical to those in the Alberta Rural Physician Action Plan (RPAP). The exceptions are Fort McMurray and Grande Prairie, because these cities have been designated as "communities in crisis." Excluded communities are: Airdrie, Calgary, Devon, Edmonton, Leduc, Lethbridge, Medicine Hat, Red Deer, Sherwood Park, St. Albert and Stony Plain.

The list of eligible communities is posted on the AMA website. Click on <http://www.albertadoctors.org/FeesNegotiations/RuralRemoteNorthernProgram>. Log on with your AMA member number and password. Scroll down to the bottom of the page.

### **Criteria to determine relative medical isolation**

Relative medical isolation is determined by assigning points to each community based on seven criteria. These points are then translated into financial incentives. Points range from below three for communities closest to services to 41 points for those most isolated.

The criteria used to determine relative medical isolation are:

- Number of general practitioners practising within 35 km of the community
- Number of specialists within 70 km of the community
- Population – points are awarded if community's population is less than 30,000
- Distance from the regional centres: Calgary, Edmonton, Fort McMurray, Grande Prairie, Lethbridge, Medicine Hat, Red Deer
- Degree of latitude – points are allocated for communities at or above 54 degrees
- Location arc – points adjusted based on the distance from Calgary or Edmonton
- High growth communities – recognizes the impact of high population and economic growth on Fort McMurray and Grande Prairie.

### **RRNP incentive payments**

Incentive payment levels are determined by the points assigned to each community – the greater the medical isolation, the higher the points assigned, the greater the incentive payment for physicians. Annual RRNP incentive payments are capped at \$60,000 per physician.

There are two separate payment components, each based on the number of points assigned to a community.

- 1. RRNP premium payments applied automatically to claims for every insured health service** provided by any physician in an eligible community. This RRNP premium payment is applied as a percentage added onto the fee-for-service or alternate relationship plan (ARP) payments for insured health services. The percentage is based on the total points assigned to the community.
- 2. An additional flat fee** paid to a physician who provides services and resides in the community, provided his/her annual income from insured services is greater than \$50,000 for services provided in that community. This flat fee varies by community and is calculated as a dollar amount per point. Physicians will need to declare a home address to determine residency for RRNP purposes. More details will be provided at a later date.

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Please refer to the attached backgrounder for additional information and an example of RRNP incentive payments for Community X. If you have questions or concerns, contact Patrick J. Melia, AMA's Director, Physician Payment Services, by email at [patrick.melia@albertadoctors.org](mailto:patrick.melia@albertadoctors.org).

The RRNP is an important step in recognizing the challenges faced by physicians in rural, remote and northern parts of the province. Like you, I wish the program was up and running now, but reality dictates that it will be implemented as soon as the last details are ironed out and the computer changes needed to support the program are in place. We trust that this will be done as soon as possible.

Yours truly,

Darryl D. LaBuick, MD, CCFP  
President