



# SGP BULLETIN

December 19, 2016

## December Update

Dear Family Physician Colleague,

### Thank you for the feedback

Over the past couple of weeks, SGP leadership has received a lot of correspondence regarding the SOMB Rules Initiatives, the Blended Capitation Demonstration Project, and the rumours around limiting PraeID numbers. I have also had the pleasure of having conversations with several physicians, in-person and by phone, regarding the above issues.

SGP Executive recognizes the concerns GPs have around these issues. I want to be clear that all of us at SGP Executive realize the impact the SOMB Rules Initiative has on family physicians since we are all practising family physicians ourselves.

Negative or positive, we appreciate all feedback and concerns regarding these issues. I apologize that we may not be able to respond to all emails in a timely fashion, but we will continue to review all correspondence and respond as best we can.

### Blended Capitation

To address some of the common questions...SGP has no expectation or agenda that all family physicians will transition to a blended capitation model. Nor do we believe the current model is perfect – if such a thing is even possible. We do, however, believe that we should be open to looking at new models of delivery, providing there is appropriate framework around the models with fairness and transparency. To that end, we are focused on enabling physicians interested in the new model to get a comprehensive assessment of what it means for their practices. If and when some physicians choose to enroll, we will be working hard to ensure a fair and complete evaluation.

### Limiting Billing Numbers

Regarding the limitation of PraeIDs, be assured that we have not received any formal communication to our Section from Alberta Health regarding this issue. I'm concerned that speculation would be irresponsible and not respectful of our ratified Agreement with Alberta Health. It could destabilize any proper work on Physician Resource Planning and create reactive disengagement by family physicians.

As Dr. Carr pointed out in his [most recent letter](#), we require a 'needs-based' approach to physician resources. For family physicians, this process should include input from

physicians, our clinics, and potentially our PCNs. We cannot deny the fact that there are physician resource issues within our province, but rather than simply limiting PraCIIDs, we will be strongly advocating for a more comprehensive and inclusive approach to identifying strategies to address these issues.

### **SOMB Rule Changes**

We also recognize – and have recently communicated to the AMA Board – some of the issues that concern GPs regarding the SOMB Rules Initiatives:

1. Despite the willingness of our Section to equitably share the cost reductions by rule changes, we need to address the expanding gap in income between primary and specialty care. Data shows that family physicians are among the lowest compensated in the profession; and the trend continues.
2. With the inevitable loss of the Retention Benefit, this disproportionately affects family physicians which further expands the income gap.
3. 44% (\$16.7 million) of Batch 1 contributions are linked to primary care for a cumulative impact even to 1.25% to total GP billings (\$5033 per physician) vs. 1.1% (\$7125 per specialist) impact to total specialist billings. This does not account for the impact of the suggestions from SGP that were deferred to Batch 2.
4. It was clear that both the Ad Hoc committee and Alberta Health were looking at primary care to be a significant contributor to Batch 2. In addition to the deferred Batch 1 suggestions, we received information that Alberta Health was considering proposing a cap on GP visits as well as changing the price on the Periodic Health Visit. The irony of this request is that Alberta Health is looking to further reduce SGP utilization, yet there is a glaring gap in the growth of utilization rates of primary and specialty care. Historically some specialists have been able to make up for fee reductions by increased utilization. Our concern is that our Batch 2 suggestions will further increase the equity gap between primary and specialty care.

These items were discussed at the recent SGP Executive meeting when we met to discuss submitting Batch 2 SOMB rule change suggestions. In the [November 2<sup>nd</sup> SGP Bulletin](#) we mentioned what was brought forward by SGP for rule changes recommendations for Batch 1.

For the above reasons, SGP Executive did not provide any further suggestions for Batch 2. Included in this, we have withheld any suggestions for capping. Although capping would offer significant cost savings (and also improve our section accountability), we feel this policy would unfairly target GPs at this time. To be clear, no section has the ability to veto any consideration by either the Ad Hoc committee or Alberta Health, however, SGP Executive used the opportunity to make a strong statement to both the AMA Board and Alberta Health that GPs had already contributed their share.

The SOMB Rules Initiative was not meant to be an equity exercise, but unfortunately it

has an impact on equity. We need to ensure there is a transparent process that does not further impact GPs inequitably. [Dr. Carr's recent letter](#) addressed the potential impact these changes may have on equity and stated, "...the Board will make it a priority to seek opportunities in the Reconciliation Process and future allocations to recognize the degree that sections have been impacted and the contributions they have made." We accept this as reassuring, but also look forward to further details around specifics.

### **Pace of Development**

The above issues seem to be coming at a 'fast and furious' pace to GPs. We understand that the timing of the release of the Blended Capitation Model right along with the SOMB Rules Initiative feels like we are getting pressed with hastened decisions. As I wrote in an earlier SGP Bulletin, there is a lot of work to be done in a short time. We remain committed to holding both our funder and our colleagues to a high standard of decisions regardless of timelines.

### **Keeping you informed**

We at SGP Executive will continue to keep you posted on issues through the SGP Bulletin. We value any and all feedback you have on issues and other concerns you may hear about. I hope everyone has a safe and happy holiday over the next couple of weeks, and we will update you again in the early new year.

Regards,



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President - AMA Section of General Practice

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