November 7, 2019

- It is time to commit to our mutual vision of a Patient’s Medical Home for all of Alberta’s patients.
- It is time to commit to the hard decisions required to fund necessary primary care investments.

As part of the Income Equity Initiative and in anticipation of the upcoming physician Master Agreement negotiations, overhead calculations have been an ongoing focus for our association. And, as witnessed by the numerous difficulties with the Deloitte Overhead Study, it remains a considerable challenge to obtain objective data reporting on overhead amounts required by the various specialties and practices.

An additional significant hurdle identified by our Section of Family Medicine has been that the data that is being collected represents a “status quo” overhead, not an evidence-based “model office” overhead. Current overhead estimations could be said to be more a reflection of what can be afforded under the existing SOMB (Schedule of Medical Benefits); not what has undergone evidence-based analysis regarding what is required to support quality medical practice in any given specialty. This quickly results in a “catch-22 spiral” where overhead as currently funded drives what can be afforded, and the overhead that can be afforded is measured to determine what should be supported. And around and around we go…in a self-fulfilling spiral that does not move our profession any closer toward our shared objectives of quality, evidence-based patient care.

It has been very encouraging that the Patient’s Medical Home (PMH) concept continues to gain acknowledgement and support by the AMA and by Alberta Health, as well as via third-party expert panel recommendations such as the McKinnon Blue Panel Report. The PMH is not a theoretical concept: it is an evidence-based and proven model that has been utilized in multiple health jurisdictions to offer sustainable, patient-centered and quality care via a comprehensive and integrated primary health care system. And yet, the challenge is that while the PMH is widely acknowledged as the “model” to which our primary clinics should evolve, the financial supports to operate a true PMH are both higher and able to be utilized differently than per our current methodologies of measuring and compensating for overheads.

Herein lies the fatal flaw of measuring “status quo” overhead rather than what’s needed for a true “model” office. If the evidence, the AMA, the Alberta government and third-party reports all agree that the PMH is the standard to which our primary clinics should evolve, then our clinics need the financial supports to be able to do so. Without new investment or deliberate shifting around of current health spending, it is simply not feasible for Family Physicians to fund the team and infrastructure needed for the PMH. Our most progressive clinics in terms of “PMH-ness” have demonstrated that it is possible within Alberta’s health system to achieve significant patient and system benefits through advancing concepts such as continuity and optimizing team-based care.

However, additional investments and a re-structuring of “overhead” was necessary for those
advanced PMH model clinics to change their practice and business models to achieve these improved health and system outcomes.

Recognizing that status quo overhead measurements and the current funding/SOMB allocations will never achieve this PMH vision, the Section of Family Medicine contracted an external consultant to create a true “PMH model office” overhead estimator. The PMH estimator was built based on academic evidence in terms of the alternate health provider and support staff team, as well as surrounding infrastructure requirements to operate a true PMH – a goal that has been agreed upon and supported by multiple stakeholders within government and the health care system. It is our hope that rather than continuing to use inherently limiting status quo overhead estimates, this evidence based PMH “model office” will be adopted and utilized by the AMA and by Alberta Health for future overhead calculations and estimations.

If we are all in agreement that the PMH is the ultimate goal, it is time for all health system stakeholders to put our “money where our mouth is.” Time to make the hard decisions necessary to be able to fund the additional primary care investments. And it is time to enable this mutually agreed upon vision of the Patient’s Medical Home for all of Alberta’s patients.

Best regards,

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President, AMA Section of Family Medicine