



April 14, 2023

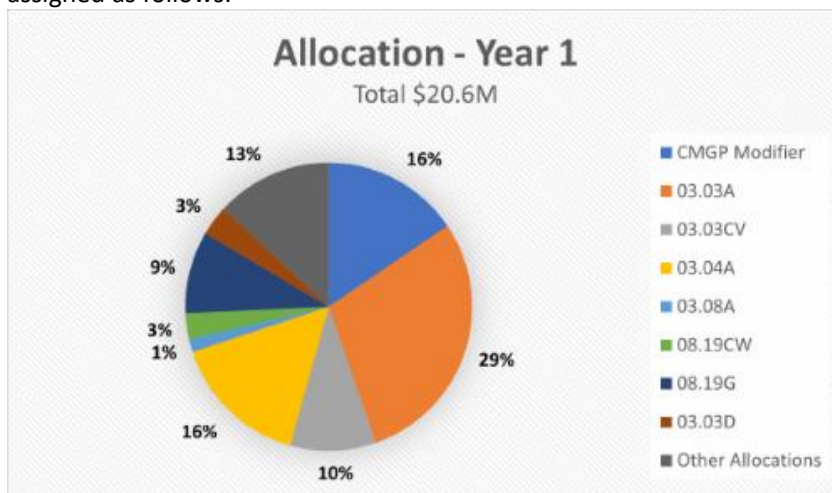
Dear Colleagues,

A recent [President's Letter](#) advised AMA members that Alberta Health had issued a [bulletin](#) letting physicians know that the year one allocation has been completed and a new Schedule of Medical Benefits (SOMB) was now available. Given that it has been some time since we have seen an increase to family medicine codes through an agreement and allocation, I thought it would be helpful to revisit some information about how decisions are made.

As many of you know, the AMA uses a macro and micro allocation approach. Macro-allocation determines how negotiated funding is distributed across sections and micro-allocation determines how the allocation amounts are applied to the SOMB. You can find more information on the allocation process [here](#) (member login required).

Our most recent negotiated agreement used the Income Equity Initiative Interim Measure to guide allocation, which bolstered increases for five sections identified as being on the low end of the income equity measure. Those sections included family medicine, neurology, obstetrics and gynecology, pediatrics and psychiatry.

For family medicine, this meant we received an allocation of \$20.6 million for Year 1. The SFM Executive, assisted by its SFM Compensation Working Group, made recommendations on how to allocate funds using the principles of Intra-sectional Relative Value (INRV), which reflects the intensity, complexity and time for each service. These recommendations were submitted by the SFM Executive to the AMA Fees Advisory Committee, which reviews submissions and forwarded them to the joint AH/AMA Rates Committee and Management Committee for approval. All recommendations were then ultimately approved by the minister of health on April 1, 2023 for implementation. Following that process, the most recent SFM allocation was assigned as follows:



Codes	Description	Amount
CMGP-Modifier	Complex-Modifier	\$3.2M
03.03A	Limited-Assessment	\$6M
03.03CV	Limited-Virtual-Assessment	\$2M
03.04A	Comprehensive-Assessment	\$3.2M
03.08A	Comprehensive-Consultation	\$300K
08.19CW	Virtual-Psychiatric-Treatment,-Palliative-or- Chronic-Pain-Visits	\$600K
08.19G	Psychiatry-Treatment,-Reassessment,-Counselling	\$1.9M
03.03D	Hospital-Visits	\$700K
Other-Allocations		\$2.7M
TOTAL		\$20.6M

In total, approximately \$17.9 of the \$20.6M went to core family medicine codes which are broadly billed by the vast majority of the membership. The remainder went to other family medicine codes and to pay our share of increases elsewhere in the Schedule of Medical Benefits (i.e., family physician use of codes owned by other sections).

### Changes to the Supportive Living Code 03.03NB

The 03.03NB code was identified for reduction by SFM several years ago and although information was shared with members at that time, the change was only implemented in the most recent allocation. The SFM Executive has received several questions about this code, and I apologize on our behalf for any stress caused for those of you who became aware of changes to fee codes through billing reconciliation.

The 03.03NA and 03.03NB codes were initially introduced to gather data about services provided at supportive living facilities. Now that the data has been gathered and reviewed, the section is moving forward with the plan to bring the 03.03NB in line with its appropriate relative value, in the context of the section's established INRV. The rationale being that the 03.03NA code is front-loaded with most of the overhead and inconvenience considerations. The INRV for the 03.03NB for the second and subsequent patients still considers the professional and adjusted overhead of providing the service in a DAL group home facility. The service is eligible for CMGP modifiers if additional time is required to provide care.


This reduction ranks the service appropriately with other similar services. It will continue to be adjusted until it reaches its functional value. The savings from this reduction are redirected to the section's envelope of funds and redistributed resulting in larger increases to priority items and the overall micro allocation. For context, this code was at one time slated to be reduced by AH without recuperating the funds back into the SOMB for use by family medicine. *This represents a change in the value of the code moving forward from April 1, 2023, and there will not be a retroactive adjustment or claw back.*

### Future Allocation

The SFM Executive strives to address the needs of our members, and is guided by fairness and functional value of the services provided. We will continue to carry on this work through multiple allocation cycles. We have submitted our fee priorities for year two allocation (expected to be implemented sometime later this year for the 2023-24 year) and will soon be working on identifying our year three items for the 2024-25 year, to be implemented April 1, 2024. This experience will help inform how we improve communication on allocations moving forward. We hope this clarifies the rationale for the changes made.

If you have questions on allocation or specific fee code changes, please contact [sfmpres@albertadoctors.org](mailto:sfmpres@albertadoctors.org).

Sincerely,



Dr. Jon Hilner, Acting President

*On behalf of your SFM Executive:*

Dr. Susan Byers, PLE, Ex-officio

Dr. Heidi Fell, Member-at-Large

Dr. Emmanuel Gye, Secretary-Treasurer

Dr. Peter Jamieson, Fees Representative

Dr. Katherine Kasha, Member-at-Large

Dr. Samantha Myhr, SRM President, Ex-officio

Dr. Van Thuy Nguyen, Member-at-Large

Dr. Jo Ann Robinson, Member-at-Large



© 2023 Alberta Medical Association; All rights reserved

*Our mailing address is:*

12230 106 Ave NW

Edmonton AB T5N 3Z1

Canada

[Canada Anti-Spam Legislation \(CASL\) - AMA compliance statement](#)