

MEDICAL CONSULTANTS' COMMITTEE

ACTIVITY REPORT

2011-2012

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1.0 Message from the Chairperson

I am pleased to provide the *2011-2012 Activity Report* for the Medical Consultants' Committee (the Committee) in accordance with the requirements of the *Transparency and Accountability Act* for a Category 3 Government Entity. This report addresses the Provincial Government's strategic directions, as communicated by the Minister responsible and as deemed relevant to the work of this Committee.

This Activity Report provides an overview of the Committee and the extent to which planned and actual objectives in the *2011-2014 Activity Plan* were met during the fiscal period covered by the report. As Chairperson of the Medical Consultants' Committee, my signature below is indicative of the entire Committee's accountability for the preparation of this report and for the achievement of the specific objectives contained therein.

Yours sincerely,



BLAIR FLEMING MD
Chairperson
Medical Consultants' Committee

2.0 Committee Overview

The Medical Consultants' Committee (the Committee) reviews the patterns of practice and billing procedures of physicians who submit claims to the Medical Care Plan (MCP) as well as the utilization of services by beneficiaries. The Committee advises the Minister of Health and Community Services of its findings. The Committee is a key component in the Department of Health and Community Services (DHCS) audit function. It can recommend recovery of funds billed in error and other corrective actions and serves to deter misbilling by fee-for-service physicians.

The Medical Consultants' Committee consists of seven members, as follows:

- Three physicians appointed by the Minister of Health and Community Services from a list submitted by the Newfoundland and Labrador Medical Association. These members serve for a period of up to five consecutive years.
- A chartered accountant appointed by the Minister. This member serves for a period of up to five consecutive years.
- The Department's Medical Director, Assistant Medical Director and Dental Director who are ex officio members.

Committee membership during 2011-2012 was as follows:

1. Dr. Blair Fleming MD, Assistant Medical Director, Department of Health and Community Services, Chairperson
2. Dr. Larry Alteen, Director of Physician Services, Department of Health and Community Services
3. Dr. Ed Williams DDS, Dental Director, Department of Health and Community Services
4. Dr. Karen Horwood, salaried General Practitioner
5. Dr. Robert Randell, Specialist
6. Dr. Richard Barter, non-salaried General Practitioner
7. Ms. Peggy Coady, Chartered Accountant

The Committee meets when one or more medical billing audits have reached the stage where they are ready for review by the Committee. Historically, the Committee has met from one to four times a year. The Medical Consultants' Committee holds its meetings at the Belvedere Building, 57 Margaret's Place in St. John's.

The Medical Consultants' Committee is not required to prepare an audited financial statement. Administrative support and remuneration of the Committee's members' expenses are provided by the Audit and Claims Integrity Division of the Department of Health and Community Services. In 2011-2012 the committee met three times. Total expenses for the meetings held were as follows:

| | |
|-------------------|----------------|
| Per Diems | \$5813. |
| Travel | \$3268. |
| Food/Refreshments | <u>\$907.</u> |
| Total | <u>\$9988.</u> |

2.1 Mandate

The Medical Consultants' Committee is established pursuant to Sections 14 and 15 of the Medical Care Insurance Physicians and Fee Regulations. The duties and responsibilities of the Committee include providing advice to the Minister as follows:

- Review the patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries.
- Where the Committee concludes that no corrective action is warranted beyond notification to the physician of a finding that a deviant pattern or unacceptable billing practice exists, that notification may be given or authorized by the Committee.
- Recovery of funds or other disciplinary or investigative action may be recommended by the Committee to the Minister.

2.2 Primary Client

The primary client of the Medical Consultants' Committee is the Minister responsible for the Department of Health and Community Services.

3.0 Highlights and Accomplishments

The Medical Consultants' Committee had a full complement of members during 2011-2012 and was thus able to meet more often (i.e. on three occasions) and completed more reviews than in any of the three previous years. This represented more than a 100 percent increase over the previous fiscal year in cases reviewed and increased efficiency and productivity in overall performance.

| Number of Completed Reviews | 2010-2011 | 2011-2012 | Total |
|--|------------------|------------------|--------------|
| MCP billing audits on fee-for-service physicians | 3 | 7 | 16 |

4.0 Report on Performance 2011-2012 *

4.1 Vision

The Medical Consultants' Committee supported the vision of the Department of Health and Community Services. The Committee worked to ensure the financial integrity of a key component of the health care system based on the belief that proper stewardship of public funds added strength to the Department's efforts to realize its vision.

The vision of the Department of Health and Community Services is for individuals, families and communities to achieve optimal health and well being.

4.2 Mission

The Medical Consultants' Committee's mandate was not broad enough to develop a separate Mission; therefore the Departmental Mission was adopted. The following is the mission from the Department's and the Medical Consultant's Committee's 2011-2014 respective plans:

By March 31, 2017, the Department of Health and Community Services will have provided leadership to support an enhanced health care system that effectively serves the people of the province and helps them achieve optimal health and well-being.

The Medical Consultants' Committee contributed to improved accountability and stability in the delivery of health and community services within available resources. By reviewing patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries, the Medical Consultant's Committee utilized information to make decisions and in turn, the results from their review provided further evidence for improvements in physician billing practice and health system planning.

*Note: For an updated and complete version of the Department's and Medical Consultants' Committee 2011-2014 plans, which contains the above vision and mission, contact the Department of Health and Community Services Tel: 709-729-4984 or email: healthinfo@gov.nl.ca or visit <http://www.health.gov.nl.ca/health/publications> .

Annual Objective 2011-2012

Over the course of the three year period from the beginning of fiscal 2011-2012 to the end of fiscal 2013-2014, the Medical Consultants' Committee will meet at least once each year and review cases prepared by the Audit and Claims Integrity Division of the Department of Health and Community Services. In so doing, this Committee further extends the Provincial Government's ability to ensure the prudent use of public resources. This supports the strategic direction of "Accountability and Stability in the Delivery of Health and Community Services" (See Appendix A).

In the 2011-2012, the defined mandate of this Committee resulted in the annual objective remaining the same for each year. As well, there was little if any variation in the manner in which the Committee contributed to the Department of Health and Community Services' strategic directions. While the volume of work or number of reviews may vary, each review encompassed the patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries. The Medical Consultants' Committee worked to fulfil the following annual objective:

By March 31, 2012, the Medical Consultant's Committee will have reviewed the patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries in cases prepared by the Audit and Claims Integrity Division of the Department of Health and Community Services.

Measure: Reviews completed

| Indicators 2011-2012 Planned Activity | Actual Activity in 2011-2012 |
|--|--|
| Number of cases forwarded by the Audit and Claims Integrity Division of the Department of Health and Community Services. | By the end of the 2011-2012 fiscal year, the Committee received seven MCP billing audits on six fee-for-service physicians from the Audit and Claims Integrity Division. Note: one physician had two audits presented. |
| Number of completed reviews of MCP billing audits on fee-for-service physicians. | The Committee completed review of seven MCP billing audits on six fee-for-service physicians. The completed reviews included one that was carried over from 2010-2011. A total of \$388,875 was recovered. |
| Yearly reports provided | In 2011-2012, the Committee submitted an annual performance-based activity report for the previous fiscal year (2010-2011) year. |
| Met a minimum of once annually | The committee met three times in 2011-2012. |

Discussion of Results (2011-2012):

This additional level of record review of the patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries added further credibility to audit findings. The Committee reviewed all evidence presented by the Audit and Claims Integrity Division and recommended recovery of funds billed in error and other corrective actions that served to deter misbilling by all fee-for-service physicians. This focused review contributed to the prudent use of public resources and increased accountability and stability in the delivery of health and community services.

4.4. Annual Objectives 2012-2013 and 2013-2014

The defined mandate of this Committee resulted in the annual objective remaining the same for each reporting year.

By March 31, 2013, the Medical Consultant's Committee will have reviewed the patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries in cases prepared by the Audit and Claims Integrity Division of the Department of Health and Community Services.

Measure: Reviews completed

Indicators:

- Number of cases forwarded by the Audit and Claims Integrity Division of the Department of Health and Community Services.
- Number of completed reviews of MCP billing audits on fee-for-service physicians.
- Yearly reports provided.
- Met a minimum of once annually.

By March 31, 2014, the Medical Consultants' Committee will have reviewed the patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries in cases prepared by the Audit and Claims Integrity Division of the Department of Health and Community Services.

Appendix A: Strategic Direction

Title: Accountability and stability of health and community services

Outcome: Improved system performance and sustainability

Health is a priority of Government, such that record investments have been made for several consecutive years. In 2010, health and community services consumed approximately 42 percent of all government expenditures with the largest percentage allocated to regional health services (74.8 percent). The ability to sustain the provision of quality services requires the coordination and integration of services, increased standardization and monitoring of clinical practice and service, and innovation. A focus on increased monitoring and evaluation, the achievement of balanced budgets, the stabilization of health human resources and increased utilization of information for evidence based practice will lead to a more sustainable health system and contribute to improved health outcomes for the people of the province.

| Focus Areas of the Strategic Direction 2011-2017 | The Strategic Direction of Improved Accountability and Stability in the Delivery of Health and Community Services within Available Resources, is | | | |
|--|--|-----------------------------|-------------------------------|---|
| | Addressed by | | | |
| | Entities reporting to the Department | Department's strategic plan | Department's operational plan | Work plan of a branch/ division within the Department |
| Performance Measurement/ Monitoring | X | | | |