



# Best Practices in Family Physician Remuneration Reform

Family physicians are the backbone of the health care system, yet underfunding, rising inflation pressures, and poor working conditions<sup>1</sup> are resulting in many family physicians leaving primary care.<sup>2</sup>

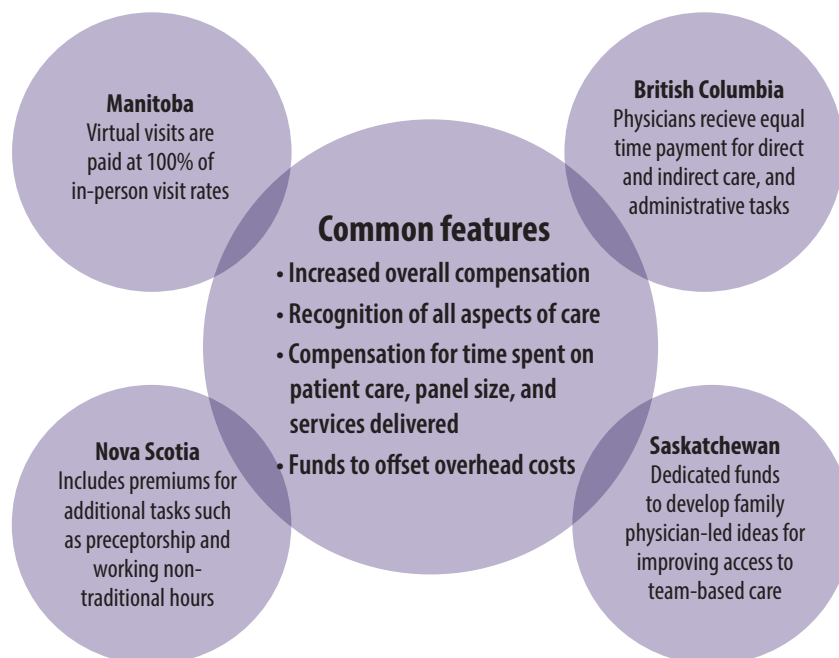
The CFPC advocates for fair physician remuneration that improves the appeal and sustainability of family medicine and incentivizes team-based practice and complexity of care.<sup>3</sup> Since 2023 there have been new provincial agreements adopted by British Columbia, Saskatchewan, Manitoba, and Nova Scotia, outlining compensation for physicians. These agreements include measures that provide examples of how to better support family physicians across Canada.



## Alternative Payment Models: Empowering family physicians, enriching patient care

The new compensation structures include longitudinal family practice payment models and blended capitation models with elements that are grounded in the **Patient's Medical Home (PMH) vision**.<sup>4</sup> Key components from the provinces are depicted in Figure 1, with shared elements in the centre of the diagram.<sup>5,6,7,8</sup> Known outcomes of alternative payment models include an increase in access to primary care,<sup>9</sup> a more efficient use of resources (by using all members of the health care team and diverting patients from emergency rooms), and attracting physicians to the primary care sector through better working conditions.<sup>10,11</sup>

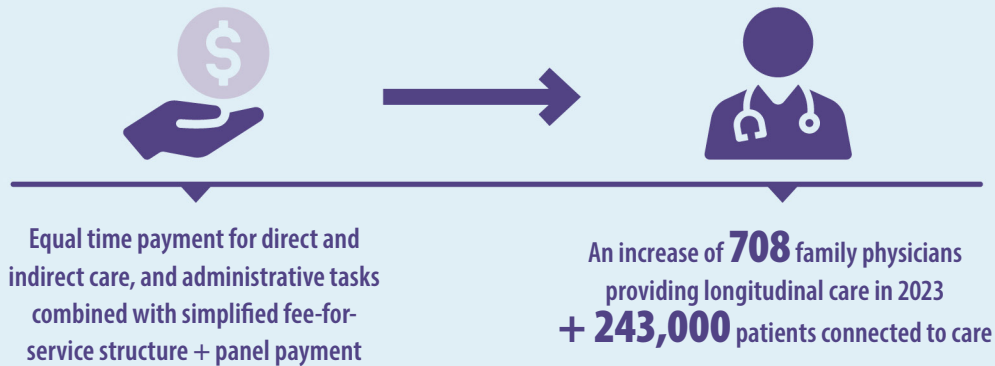
**Figure 1.** Provincial agreement elements—per province and common





## British Columbia

The Longitudinal Family Physician Payment model was launched in 2023. It more fairly compensates family physicians who provide longitudinal family medicine care by recognizing the complexity of this type of care, valuing time spent with patients, and acknowledging the value of indirect and clinical administrative services, including teaching. Historically, tasks outside of direct care were not recognized.<sup>12</sup>



## Manitoba

A **21 per cent** increase in compensation for physicians working full time under the new Family Medicine Plus (FMP) payment model.<sup>13</sup> Physicians will also be able to add \$3.50 to in-person visits to help offset the overhead costs associated with running a clinic, up to \$42,000 per year.<sup>6</sup>

As in British Columbia, virtual visits will be paid at **100 per cent** of in-person rates, which **fairly recognizes the care delivered by the physician and will increase access to care for many Canadians.**



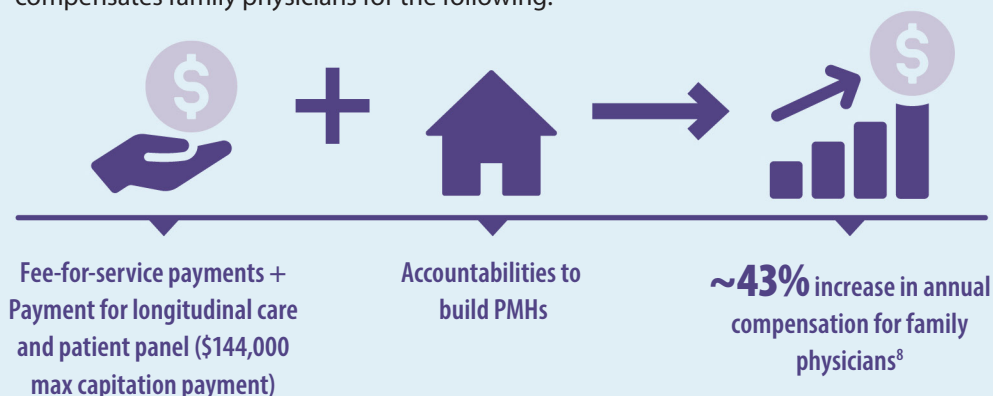
## Nova Scotia

The province has adopted a new longitudinal family medicine (LFM) payment model that supports team-based, patient-partnered care as part of the PMH.<sup>4</sup> It includes enhanced remuneration with dedicated increases for working evenings and weekends, and for time spent teaching, resulting in an estimated **33 per cent increase in the income potential**. Along with British Columbia and Manitoba, Nova Scotia includes an extended visit premium and age-adjusted panel payments.<sup>7</sup> This allows family physicians to provide more in-depth care for patients who need it, spending the extra time with patients who have complex health needs, mental health concerns, etc.



## Saskatchewan

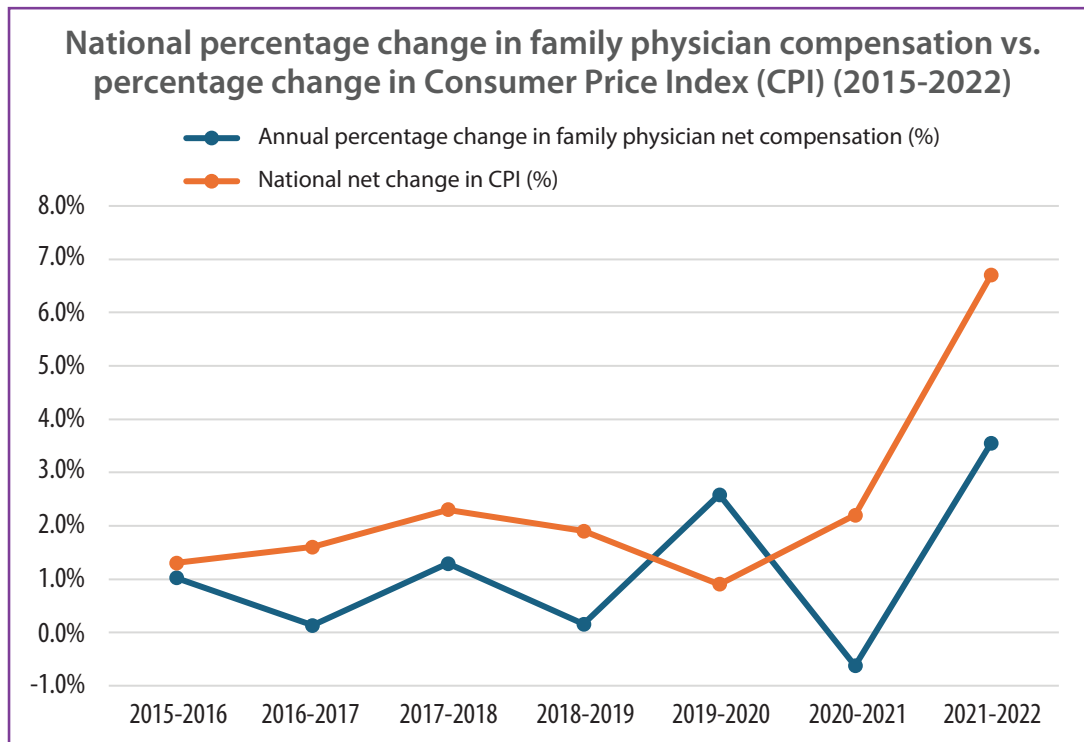
The new Transitional Payment Model (TPM)<sup>14</sup> is based on blended capitation and compensates family physicians for the following:



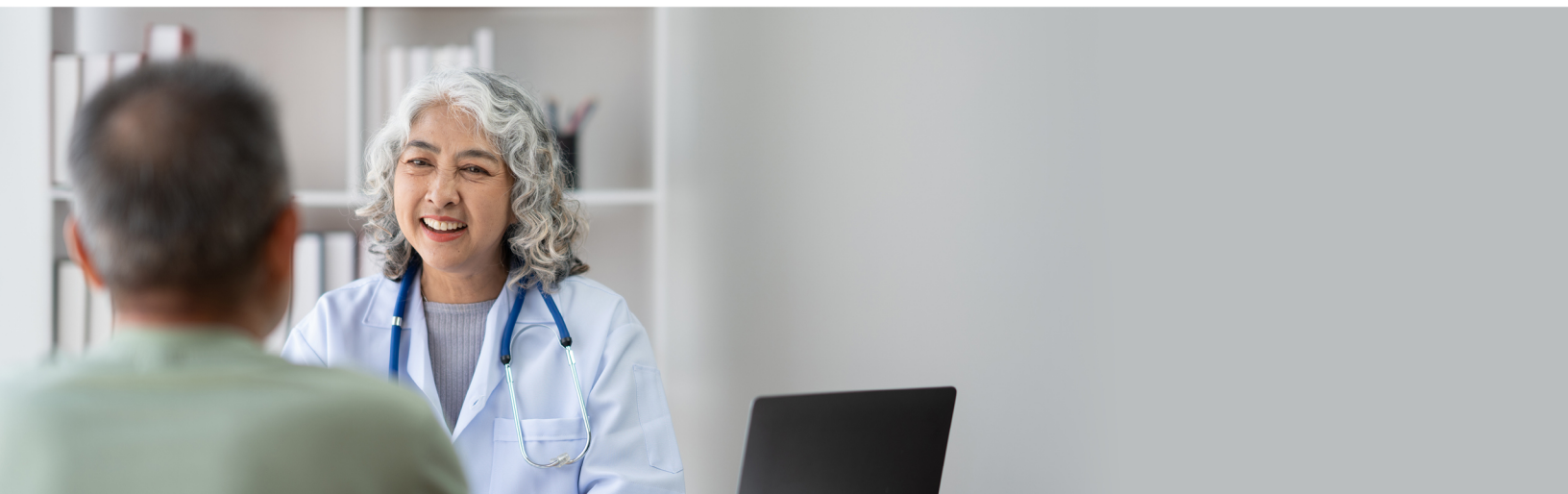
## Keeping up with overhead costs and inflation

With approximately 28 per cent<sup>15</sup> (and in some cases as high as 75 per cent)<sup>16</sup> of family physicians' gross income going toward overhead costs, it is promising that some provinces are addressing how overhead costs impact a physician's take-home pay. However, annual increases to family physician wages have not kept pace with inflation (see Figure 2).

**Figure 2.** Comparison of family physician compensation and the Consumer Price Index (CPI)



The CFPC applauds the progress being made in provinces that support fair and appropriate pay for family physicians, reflecting the **value they bring to the health care system and complexity of care they provide**.<sup>17</sup> These best practices provide templates for changes that can be adopted in other regions. The CFPC encourages other provincial and territorial governments to follow suit as they reexamine their respective physician payment models. This will improve family physician recruitment and retention and make sure more patients are connected with the care and expertise provided by a family doctor.



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