

**MEDICAL CONSULTANTS' COMMITTEE**

**ACTIVITY REPORT**

**2012-2013**

**July 30, 2013**

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# 1.0 Message from the Chairperson

I am pleased to provide the *2012-2013 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 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 committee, my signature below is indicative of the entire committee's accountability for the actual results reported herein.

Yours sincerely,



**BLAIR FLEMING MD**  
**Chairperson**  
**Medical Consultants' Committee**

## 2.0 Committee Overview

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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 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 Director of Physician Services, Assistant Medical Director and Dental Director are ex officio members.

Committee membership during 2012-13 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, it has met from one to four times a year. The committee holds its meetings at the Belvedere Building, 57 Margaret's Place in St. John's.

The 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 2012-2013 the committee met once. Total expenses for the meetings held were as follows:

Per Diems	\$2625.00
Travel*	\$1351.74
Food/Refreshments	\$233.59
Total	<u>\$4210.33</u>

\*Committee members who reside outside the Northeast Avalon are reimbursed for travel and accommodation expenses in accordance with Government travel policy. Dr. Karen Horwood and Dr. Robert Randell were eligible in 2012-13.

## 2.1 Mandate

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The committee is established pursuant to Sections 14 and 15 of the Medical Care Insurance Physicians and Fee Regulations under the *Medical Care Insurance Act, 1999*. 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

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The primary client of the committee is the Minister responsible for the Department of Health and Community Services.

## 2.3 Values

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The following values are considered to be important to the Department of Health and Community Services. The committee has adopted the Department's values. The Department's values are reflected daily as employees fulfil their roles and responsibilities in serving their clients. They are a key element of the Department's culture.

### **Professionalism**

Each person is qualified and competent, and supported in their work through a culture that encourages continuing education and employee development.

### **Excellence**

Each person makes decisions based on the best evidence available and follows proven best practices to ensure individual and departmental performance is maintained at the highest possible standard.

**Transparency and Accountability**

Each person takes their responsibilities to their clients seriously and contributes to a culture of openness and transparency in decision-making and reporting.

**Collaboration**

Each person engages others, both within and external to the department, in a positive manner, respectful of others and their different perspectives.

**Privacy**

Each person manages and protects information related to persons/families/organizations/communities and the department appropriately.

# 3.0 Report on Performance 2012-2013 \*

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## 3.1 Vision

The 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.***

## 3.2 Mission

The 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 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 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 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 a 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](mailto:healthinfo@gov.nl.ca) or visit <http://www.health.gov.nl.ca/health/publications> .

## Annual Objective 2012-2013

Over the course of the three year period from the beginning of fiscal 2011-2012 to the end of fiscal 2013-2014, the 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 engages in a form of performance measurement/monitoring which is one of the focus areas of the strategic direction for 2011-2017. It extends Government’s ability to ensure the prudent use of public resources which supports the strategic direction of “Accountability and Stability in the Delivery of Health and Community Services” (See Appendix A).

In 2012-2013, 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 DHCS 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 committee worked to fulfil the following annual objective:

**By March 31, 2013**, the 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 2012-2013 Planned Activity	Actual Activity in 2012-2013
Number of cases forwarded by the Audit and Claims Integrity Division of the Department of Health and Community Services.	By the end of the 2012-2013 fiscal year, the committee received three MCP billing audits on three fee-for-service physicians from the Audit and Claims Integrity Division.
Number of completed reviews of MCP billing audits on fee-for-service physicians.	The committee completed review of three MCP billing audits on three fee-for-service physicians. A total of \$69,900 was recovered.
Yearly reports provided	In 2012-2013, the committee submitted an annual performance-based activity report for the previous fiscal year (2011-2012) year.
Met a minimum of once annually	The committee met once in 2012-2013.

## **Discussion of Results (2012-2013):**

Cases prepared by the Audit and Claims Integrity Division were subject to reviews by a Medical Auditor, Management and the Medical Consultant to Audit. The committee's work represented an additional level of record review of the patterns of practice and billing procedures of participating physicians and the utilization of services by beneficiaries which 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.

### **3.4. Annual Objective 2013-2014**

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

**By March 31, 2014,** the 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.

## 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 per cent of all government expenditures with the largest percentage allocated to regional health services (74.8 per cent). 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
Evaluation of Programs, Legislation and Services	X			
Performance Measurement/ Monitoring	X			