The role of the public on physician remuneration in Canada: the cases of British Columbia and Ontario

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Abstract

In Canada, publicly funded universal healthcare incorporates many stakeholders including provincial governments, healthcare professionals, and the general public. A recent move to openly disclose the dollar value billed each year by each healthcare provider in Ontario has received divided feedback. While this disclosure holds healthcare professionals accountable for their billing, it provides an exaggerated surrogate measure for their take-home salary. It is important to determine how well the public understands this limited information as public perception, through political pressure, may have important consequences for future determinations of healthcare policy, physician remuneration, and the quality of public healthcare as a whole.

Currently only British Columbia, Manitoba, Ontario, and New Brunswick publicly disclose physician names and their respective billing amounts.[1] This holds important implications for the determination of future financial contracts between provincial governments and their respective medical associations. For example, as the Ontario government aims to reassess remuneration for healthcare billing following a new financial contract between legislators and the Ontario Medical Association (OMA), it is essential that any changes to the contract between physicians and policy makers are evidenced-based and in the best interest of both the public seeking medical care and the healthcare providers.

The current four-year healthcare compensation contract in Ontario outlines an average health service billing increase of 1% per year. However, this increase does not account for the overhead costs of running a medical practice, such as staff salary, office space rental, supplies, and equipment, all of which continue to increase with inflation (~3% per year).[2,3] To mitigate the discrepancy between government billing and the associated overhead costs of a medical practice, physicians will be required to see more patients to maintain the same take-home salary. With a growing and aging population in Canada, there is already an increased demand for healthcare services; as such any subsequent increase in patient volume will likely come at the expense of physician work-life balance and/or decreased quality of patient care, including decreased duration of appointments. Moreover, the Supreme Court of Canada has declined an appeal by the OMA to prevent the public disclosure of the highest billing Ontario physicians by name.[4] While the public disclosure of such information will maintain transparency and accountability already present for many physicians, the true context of how the billing relates to healthcare practitioner income may be lost, particularly within specific specialties or towards specific physicians. For example, medical specialties like Ophthalmology and Orthopaedics incur greater operational costs, therefore it is important to also determine whether public perception may be skewed for specific specialties.[5]

Meanwhile in British Columbia, the Medical Services Commission has released their annual report (colloquially known as the "Blue Book") since 1986 while the current financial agreement between legislators and B.C. physicians is in place until 2022.[6] Listing B.C. physicians alphabetically, the "Blue Book" presents each physician's total yearly billing for the healthcare services they provided but does not list the remuneration of salaried physicians. Physician remuneration in British Columbia has received substantially less media attention than recent changes in Ontario, although B.C. physicians continue to make less than the national average.[7] Based on their current financial agreement, the discrepancy in financial compensation between B.C. physicians and their provincial counterparts may be further exacerbated in the coming years. The current Physicians' Master Agreement in British Columbia only allocates a 0.5% annual increase in billing rates per year,[6] whereas across the other provinces excluding Quebec, yearly billing increases range from 1% to the respective province's annual increase in cost of living (~2.5–3%).[8–12] Despite a one-time payment of $7500 to physicians who earned over $75,000 in 2018, the financial agreement is not conducive to recruiting physicians from other provinces to practice in British Columbia.[6] In addition, the exaggerated discrepancy will likely set B.C. healthcare professionals behind their colleagues and could ultimately result in B.C. physicians seeking job opportunities elsewhere. However, this is speculative and the relocation of practicing Canadian physicians between provinces is a topic which requires further investigation. With a reduced number of working physicians, there could be additional strain on the B.C. healthcare system including longer waiting times and increased physician burnout. Public support for potential B.C. physician advocacy groups during financial contract discussion could serve as an avenue for the public to reduce the discrepancy between British Columbia and the rest of Canada and potentially reduce wait times and improve patient care in British Columbia through physician recruitment and retention.

Importantly, a potential next step as provinces look to further openly disclose their physicians' billing amounts is for future research to be aimed at determining the public's understanding of healthcare provider remuneration. Evidence-based policy making serves as a contemporary effort to match government expectations to relevant on-the-ground conditions.[13] As such, determining public opinions on physician remuneration can serve to direct future changes at the legislative level and ensure that healthcare professionals are accurately compensated.[14,15] Moreover, in an effort to maximize physician health and the care of their patients, it is essential to assess how public perception affects remuneration for healthcare billing across all specialties and their respective patient visits/procedures.[1] Providing a base of verified information from which the public can make informed decisions can help direct the governing bodies concerning physician compensation.

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Ultimately, provincial governments across the country should continue to work with their respective healthcare providers to determine fair compensation. In addition, there exists a role for the public to support healthcare providers by advocating for fair healthcare compensation to their local governments. First, it is essential that the public is fully informed as to the manner and degree in which healthcare providers are compensated in order to form well-informed opinions. In particular, when publicly disclosing information pertaining to remuneration of its employees, governments should openly include all pertinent information including the operating costs of a practice and whether the physician is salaried or compensated on a billing/fee-for-service platform. Providing contextual information in combination with the specific billing values would thereby provide the public with the full picture of physician remuneration. Altogether, open transparency on the part of physicians and governments can inform decisions that result in improving patient care countrywide.

Conflict of interest

The author has declared no conflict of interest.

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