

BLENDED CAPITATION MODEL

WHAT IS BLENDED CAPITATION?

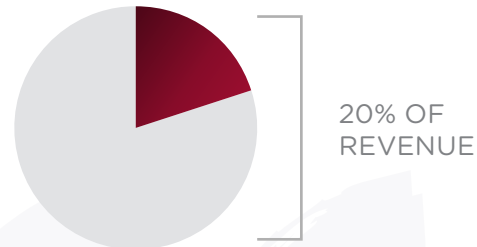
- Voluntary alternate payment model
- Designed for independent community family practice

HOW DOES IT WORK?

Each physician decides how many patients will be in their practice and rosters them (patients agree to belong). The physician receives an annual payment to provide comprehensive primary care to each patient, regardless of the number of patient encounters. When a patient is seen by the physician, a percentage of the appropriate FFS code is also paid to the physician.

COMPONENTS:

1. **Bi-weekly Capitation Payment:** Based on number of rostered patients – compensates physicians for all direct and indirect care provided to patients.
2. **Fee-for-service Payment:** 25% of the value of MCP billings for direct patient encounters.



3. **Physician and Patient Commitment:** Physicians provide access to a broad basket of primary care services; patients agree to seek all their primary care with the physician.
4. **Physicians Group Together:** Physicians act as a team in the provision of care (not necessarily in the same physical space) and offer a limited after-hours care service, which can be provided virtually or in person.

Blended Capitation will allow family doctors to focus on the needs of patients rather than the volume of patient visits.

This model aligns with the way that family medicine learners are trained to provide comprehensive, guideline-based care and patient education. It also gives doctors the flexibility to provide services in different ways so they can deliver a full range of care that encourages longer appointment times, health promotion, and teamwork with other health care providers. This is a professionally satisfying way to work. We believe it will help retain family doctors, as well as attract new physicians who want to practice under this model.

SUMMARY OF KEY COMPONENTS

- A. Blended Capitation Model established in *MOA*
- B. **21.8%** increase in clinical compensation for in-basket services, based on average family physician MCP billing rates
- C. One-time signing bonuses:
 - a. **\$10,000** Start-Up Grant in recognition of start-up costs, such as renovations, technology, training, and legal services
 - b. **\$11,250** Transition Grant upon acceptance into the Blended Capitation Model
- D. Income to pay two-weeks of locum coverage
- E. Annual bonuses for quality of care (**\$7,500**) and volume of procedures (**\$2,500**)
- F. eDOCSNL EMR subscription costs paid by Government (plus a grant for those transitioning from a different EMR)
- G. **Two-year income guarantee** while transitioning to new model, plus **10.9% premium** in the first year
- H. No negation (financial deduction) if a rostered patient receives care elsewhere
- I. Revenue for practices who wish to hire/contract with NPs or RNs
- J. Family Practice Renewal Program is main implementation arm
- K. Physicians maintain practice autonomy

SCHEDULE

April 3rd, 2023: Open for applications

September 1st, 2023: Start to issue notices of acceptance; thereafter 3 month processing time

April 1st, 2024: Billing system ready for testing-75 physicians

July 1st, 2024: Billing system open to all

More information on the model, eligibility and an application form is available on the NLMA website at: <https://nlma.nl.ca/blended-capitation/>