

mcp newsletter

July 7, 2020

20-08

**TO: ALL APPLICANTS OF THE FFS PHYSICIAN WORK DISRUPTION POLICY
FOR PANDEMIC EVENT**

RE: RECONCILIATION OF MAY 20, 2020 ADVANCE PAYMENT

Applicants to the FFS Physician Work Disruption Policy (PWDP) for the COVID-19 Pandemic Event whose applications were received by the Department of Health and Community Services by May 5th, 2020 received a \$10,000 Advance Payment on May 20th, 2020 (Pay Period 20-04).

The Department of Health and Community Services issued the Advance Payment to early applicants to provide temporary financial relief to physicians while the Department of Health and Community Services was undertaking the necessary baseline work to begin administration of this program.

The Advance Payment, where applicable, has been recovered against the disruption top-up amounts for the first 85 days of the PWDP (March 18th to June 10th). For the majority of applicants who received the Advance Payment, this has indeed been the case. The Advance Payment would then be deducted from future 80% Disruption Top-Up amounts, as per explanation in the payment plan (MCP Newsletter 20-07).

However, some applicants who received the Advance Payment have maintained their MCP billings near or above their 80% earnings threshold for the first 85 days of the PWDP and therefore, have not adequately reconciled the \$10,000 Advance Payment of the PWDP.

The recovery of the Advance Payment, as per MCP Newsletter 20-07, is to occur in three phases:

- \$5,000 recovered from the 80% Disruption Top-Up #1 processed on June 3rd for the 43 days from March 18th to April 29th.
- \$2,500 recovered from the 80% Disruption Top-Up #2 processed on July 15th for the 42 days from April 30th to June 10th.
- The final \$2,500 is to be recovered off 80% Disruption Top-Up #3 covering the 26 days from June 11th to July 6th.

Update on the Recovery of the Advance Payment

Recovery of the Advance Payment began with the 80% Disruption Top-Up #1 (June 3rd payment). Recovery occurred from providers whose eligible top-up amount equaled or surpassed \$5,000.

If the provider's June 3rd top-up was **less than \$5,000**, then no recovery occurred and the Top-Up amount was paid out in full at that time. As such, no monies were recovered from those providers for the Advance Payment on June 3rd.

Beginning with the 80% Disruption Top-Up #2 on July 15th (for the 42 day period from April 30 to June 10), the necessary recovery of the Advance Payment (up to a maximum of \$7,500) will occur regardless of whether the provider qualifies for a top-up. The recovery amount is limited to the excess billings over the physician's 80% average in the 42 days from April 29th to June 10th (i.e. Pay Periods 20-05 to 20-07).

Monies not recovered to reconcile the Advance Payment though the top-up will now be recovered directly from billings in step with the issuance of Disruption Payments. To date the recovery amounts equal no more than \$7,500 per provider. The final \$2,500, or any individual outstanding recovery amounts will be recovered with the final 80% Disruption Top-Up payment.

Where a provider retains an outstanding balance from the Advance Payment, after the PWDP finalizes, appropriate recovery steps will then be made.

Processing and payment of the 100% Additional Services Top-Ups remains a separate transaction for which work is continuing.

Links to Relevant MCP Newsletters:

MCP Newsletter 20-07 – "Payment Plan for FFS Physician Work Disruption Top-Ups":
https://www.health.gov.nl.ca/health/mcp/providers/mcp_newsletters/Newsletter_20-07.pdf

Questions relating to the content of this Newsletter should be directed to Matthew Pinsent, Manager of Fee for Service Physicians by email at matthewpinsent@gov.nl.ca