

MEDICAL CONSULTANTS' COMMITTEE

ACTIVITY REPORT

2014-2015

September 1, 2015

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1.0 Message from the Chairperson

I am pleased to provide the *2014-2015 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 Activity Report provides an overview of the committee and the extent to which planned results 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,

A handwritten signature in black ink, appearing to read 'BF', is positioned above the typed name.

BLAIR FLEMING MD
Chairperson (Acting)
Medical Consultants' Committee

2.0 Committee Overview

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 2014-15 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. Daniel Hewitt, 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. During 2014-15 the committee held its meetings at the Confederation Building 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 2014-2015 the committee met twice. Total expenses for the meetings held were as follows:

| | |
|-------------------|-------------------|
| Per Diems | \$5,437.50 |
| Travel* | \$ 620.75 |
| Food/Refreshments | \$ 371.96 |
| Total | <u>\$6,430.21</u> |

*Committee members who reside outside the Northeast Avalon are reimbursed for travel and accommodation expenses in accordance with Government travel policy. Dr. Daniel Hewitt and Dr. Robert Randell were eligible in 2014-15.

2.1 Mandate

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

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

2.3 Values

The Medical Consultants' Committee has adopted the Department of Health and Community Services' values, which are reflected daily as employees fulfill their roles and responsibilities. They are a key element of the Department's culture.

| CORE VALUES | |
|--|---|
| Transparency and Accountability | Each person carries out their responsibilities while contributing to a culture of openness in decision making |
| Collaboration | Each person will work together in a positive manner with co-workers, partners and stakeholders, sharing knowledge and resources to identify potential solutions to priority issues |
| Innovation | Each person actively seeks new ways to develop and implement more effective and efficient programs and services in an effort to achieve better health outcomes for the people of the province |
| Privacy | Each person manages and protects information related to persons/families/organizations/communities and the department appropriately while at the same time promoting an environment of openness with each other and our partners, including the public we serve |
| Excellence | Each person demonstrates high professional standards, takes pride in performing every task with openness and integrity and willingly supports others to fulfill their roles |

3.0 Report on Performance 2014-2015

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 Medical Consultants' Committee's mandate is not broad enough to develop a separate mission, therefore it has adopted the Departmental Mission. The Committee contributes to the Departmental mission by providing an informed, professional assessment with respect to physician billing issues. This level of record review adds credibility to compliance audit findings and recommendations to the Minister.

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.

Note: For a complete version of the Department's mission statement, please contact the Department of Health and Community Services Tel: 709-729-4984 or email: healthinfo@gov.nl.ca or visit <http://www.health.gov.nl.ca/health/> .

Annual Objective 2014-2015

Over the course of the three year period from the beginning of fiscal 2014/15 to the end of fiscal 2016/17, the Medical Consultants' 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 further extends Government's ability to ensure the wise and prudent use of public resources. This supports the strategic direction of "Improved performance and efficiency in the health and community services system to provide quality services that are affordable and sustainable."

The Committee has developed the following annual objective to measure its performance in auditing fee for service physician billing practices. The defined mandate of this Committee results in the annual objective remaining the same for each year of this Activity Plan. Progress will be reviewed at the end of each year to determine if changes in the indicators are necessary. Please note that the indicators will remain the same for 2015-16. In compliance with the *Transparency and Accountability Act*, the Committee also intends to prepare annual activity reports (i.e. 2014-2015, 2015-2016 and 2016-2017) on the extent to which the annual objective has been achieved. This report is the first to report on the progress made under the 2014-17 Activity Plan. Subsequent reports will follow with the final report summarizing the indicators.

By March 31, 2015, 2016 and 2017 the Medical Consultant's 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 2014-2015 Planned Activity | Actual Activity in 2014-2015 |
|--|---|
| Number of cases forwarded by the Audit and Claims Integrity Division of the Department of Health and Community Services. | By the end of the 2014-2015 fiscal year the committee received five MCP billing audits on five fee-for-service physicians from the Audit and Claims Integrity Division. One audit on one fee-for-service physician was carried over from the 2013-2014 fiscal year. |
| Number of completed reviews of MCP billing audits on fee-for-service physicians. | The committee completed review of six MCP billing audits on six fee-for-service physicians. A total of \$229,069.77 was recovered. |
| Yearly reports provided | In 2014-2015, the committee submitted an annual performance-based activity report for the previous fiscal year (2013-2014) year. |
| Met a minimum of once annually | The committee met two times in 2014-2015. |

Discussion of Results (2014-2015):

Cases prepared by the Audit and Claims Integrity Division were subjected 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.