

Family medicine has become more complex

New funding model is a welcome first step



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In October 2022 the British Columbia government, along with Doctors of BC and BC Family Doctors, announced a new payment model for family physicians with the goal to “help protect, support and strengthen B.C.’s health-care system and patient care.”¹ The model came into effect on February 1, 2023, with voluntary registration.²

This model pulls away from the traditional fee-for-service compensation used across Canada by most family physicians. The new payment model instead applies a blended model of compensation, with components of fee-for-service, capitation, and salary contracts. In this new model, family physicians or practices providing longitudinal, community-based care receive an annual fee per patient in addition to a small visit fee. The model considers direct patient care as well as indirect care and the administrative tasks that family physicians are responsible for. In doing so, this new model recognizes that patients with more complex concerns require more services and that family physicians do more than just care for patients.

This new funding model is a welcome change to the current fee-for-service compensation that worked when 10-minute appointments were adequate to manage patients who came in for a single issue. Today’s patients are different: they are living longer and, as such, are developing comorbidities. Similarly, with the exponential increase in medical knowledge and advancements in technology, the scope of family medicine has also changed and become more complex, as has the health care system. In fact, evidence shows that family physicians are providing more services per patient^{3,4} than ever before, which means family physicians are seeing fewer patients and are only able to bill for a portion of the time they spend caring for them. The cumulative impact of all of these issues is fewer medical students choosing family medicine as a career.^{5,6}

Yet, the cost of running a business—rent, overhead, supplies, and staff—is increasing. Referencing data from the Canadian Medical Association and the Canadian Institute for Health Information, the CFPC notes in its position statement on remuneration that “as of 2017 approximately 28 per cent of family physicians’ gross income goes toward overhead costs,” making family medicine the lowest paid medical specialty in Canada.⁷

In a fee-for-service system, the only way to manage the rising costs of practice is to increase the number of

patients seen. Family physicians must either work more hours or decrease the time spent with each patient, both of which negatively impact patient care.

The fee-for-service model is an outdated compensation system and contributes to the crisis in family medicine,⁸ where family physicians are feeling burned out thanks to an increase in administrative burden and conditions that make them unable to provide the care that patients need.

While there isn’t a one-size-fits-all solution to funding for family physicians, the first step is ensuring equitable funding that includes payment for both direct and indirect patient care. In addition, blended funding models can be leveraged to support team-based,⁹ patient-centred care, as outlined in the Patient’s Medical Home (PMH) vision (<https://patientsmedicalhome.ca/>).

However, to transform the practice model effectively, we may need to go even further. Can we consider a primary care system where every resident in a community is attached to a family doctor in a PMH? Services provided in the PMH are determined by the needs of the community. And as the community grows, the services are resourced and adapted appropriately, with infrastructure funding flowing to the PMH and not to individual providers.

The time has come for Canada to address antiquated compensation models to achieve health system transformation that supports team-based models of care and encourages innovation to ensure everyone in Canada has timely access to the highest quality of care.¹⁰ 🌱

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Can Fam Physician 2023;69:295 (Eng), 296 (Fr). DOI: 10.46747/cfp.6904295