

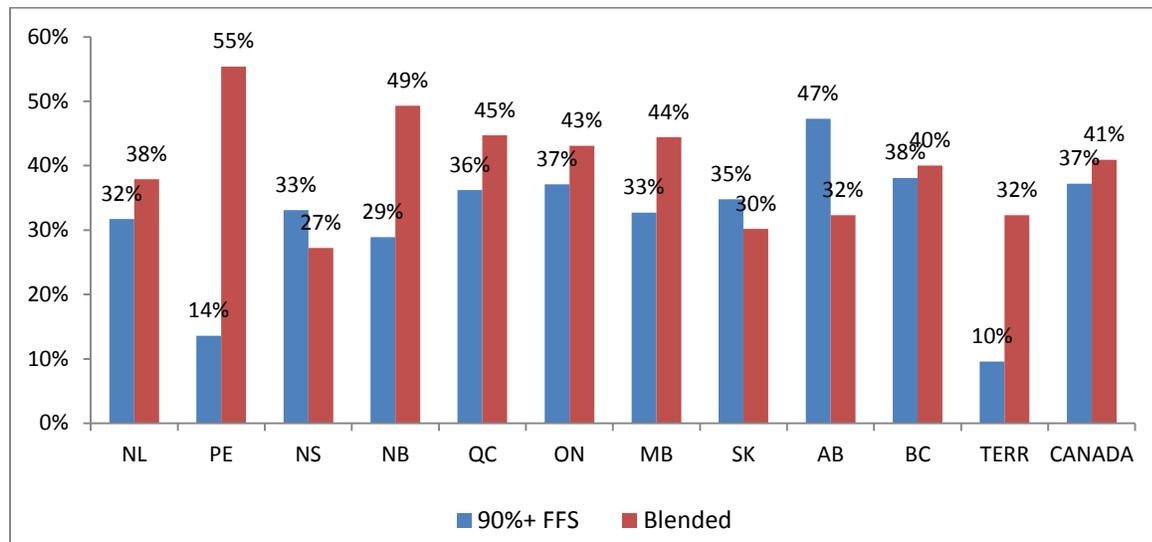
Compensation among Physicians in Canada – Results of the 2013 National Physician Survey

Primary methods of remuneration

The era of most physicians being paid solely by the fee-for-service method is over as illustrated by the results of the 2013 National Physician Survey¹ where 38% reported receiving 90% or more of their professional earnings from fee-for-service compared to two thirds of all physicians in 1996. Being paid by more than one method (blended) is now equally prevalent at 41%.

As in the past, Alberta and British Columbia had the largest proportion receiving at least 90% of their professional earnings from fee-for-service compared to other jurisdictions. The territories and Newfoundland and Labrador had the highest percentage on salary (35% and 20% respectively) with Saskatchewan not far behind at 17%. A blended or mixed form of remuneration was most prevalent in PEI at 55% and New Brunswick at 49%. See Figure 1.

Figure 1: Percentage of physicians by fee-for-service versus blended methods of remuneration



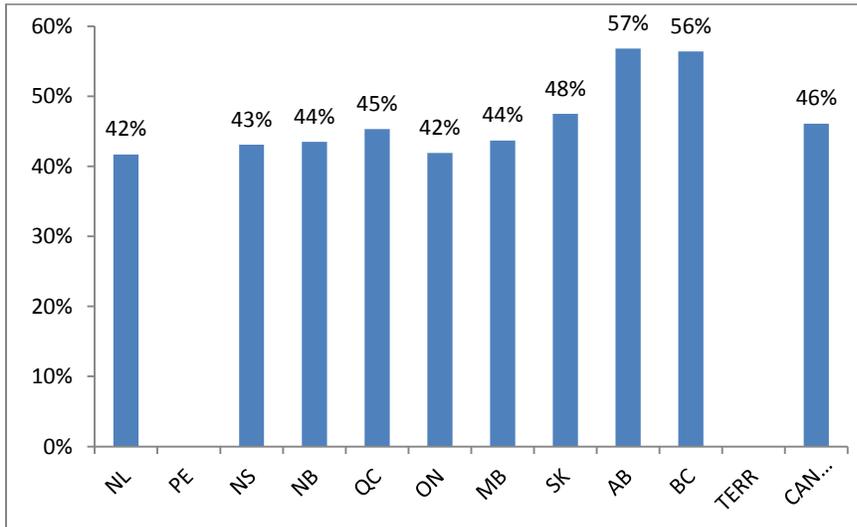
However, fee-for-service is by no means gone. Those being paid by a “blended” method received half of their income from fee-for-service billings. See Figure 2. The remainder of their income came from salary,

¹ 2013 National Physician Survey. College of Family Physicians of Canada, Canadian Medical Association, Royal College of Physicians and Surgeons of Canada. 2013. www.nationalphysiciansurvey.ca

² 1996 Taking the Pulse. The CMA Physician Resource Survey. Canadian Medical Association 1996.

sessional fees, service contracts, capitation, incentives, premiums, etc. The percentage of salaried physicians has been fairly steady over the years at 8% and capitation remains low at around 1.2% of all survey respondents.

Figure 2: Average percentage that fee-for-service billings represent of total professional earnings of physicians paid by a blended method.



Note: There were insufficient responders to this question in PEI and Territories to show.

In Ontario, capitation is an important component for the 51% of family physicians in that province that are paid by a mixed or blended form of remuneration. For those doctors, a third of their income came from capitation, i.e. an age/sex adjusted per patient per year. No other province has anywhere near the same level of capitated remuneration; Alberta being the second largest comprising only 2% of income of family physicians compensated through a mixed method.

Almost half (45%) of fee-for-service physicians indicated a private office/clinic as their main work setting and another 14% worked in community hospitals. Salaried physicians tended to be located in academic health science centres (27%) followed by community clinics (13%). Those with a mixed form of payment worked in private offices/clinics (34%) and academic health science centres (21%).

Looking at work setting from another perspective, 73% of all physicians who work at free standing walk-in clinics are paid fee-for-service. 70% of those who work primarily in research units are paid by a blended method as are 54% of those in community clinics. Half of the physicians whose main work setting is an administrative or corporate office are paid by salary.

Remuneration by Gender

The 2013 National Physician Survey showed that Female physicians were less likely to be paid predominately fee-for-service (35%) than their male colleagues (42%). A higher proportion of female physicians are on salary (10% vs 7% of males) and female physicians were slightly more likely to have a blended (44% vs 42% of males).

Remuneration by specialty

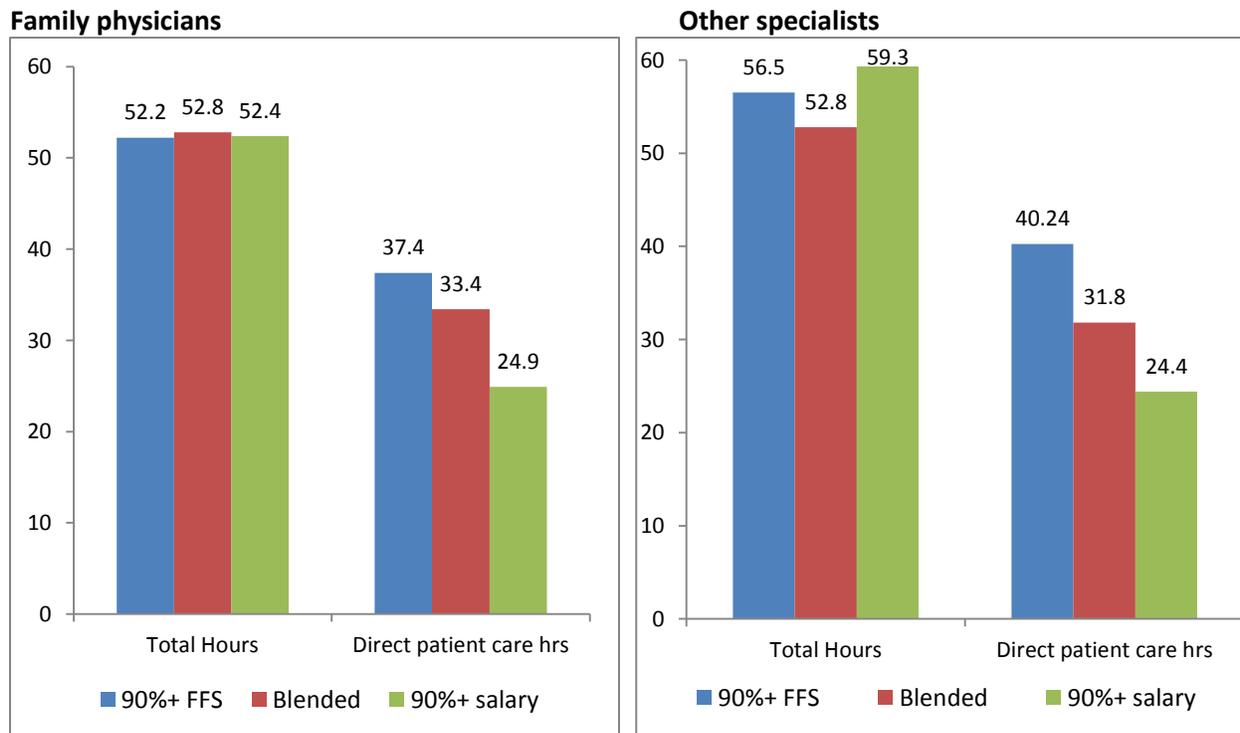
Diagnostic radiologists at 76% were most likely to receive at least 90% of their professional income from fee-for-service. Other specialties with high percentages were nuclear medicine (78%), ophthalmology (70%), urology, cardiology and otolaryngology all at 65%. Those disciplines most likely to be paid by multiple methods of compensation were: psychiatry (58%), plastic surgery (56%), microbiology & infectious disease (54%) and geriatric medicine (54%).

Workload differences by method of remuneration

For the most prevalent methods of remuneration among Family physicians, (fee-for-service, salary and blended) there was little difference in the total number of hours worked in a week. All respondents from these groups reported between 52 and 53 hrs/wk excluding on-call time. Where differences occurred was in the provision of direct patient care where those paid primarily fee-for-service logged significantly more hours (37 hrs/wk) compared to their salaried colleagues at 25 hrs/wk and those paid by multiple modes at 33 hrs/wk.

For other specialists, those paid mostly fee-for-service and by a blended method both worked on average 57 hours each week excluding on-call time, with salaried doctors exceeding them by a couple of hours (59 hrs/wk). This difference is due primarily to the extra teaching that salaried physicians report. As with FPs, gaps occurred when examining time spent on patient care with fee-for-service specialists averaging 40 hours a week compared to 32 hour for those remunerated by multiple methods and 24 hours for primarily salaried physicians. So while salaried specialists reported the most total hours of work, they spent 16 hours less per week providing direct patient care. See Figure 3.

Figure 3: Average hours worked per week (excluding call) by remuneration mode.



Compensation for teaching

For almost three quarter (74%) of the respondents, teaching was a part of their professional activities. Close to half of these physicians (45%) were not compensated for teaching beyond payment for the clinical service that may have been provided at the time of the teaching. Female physicians who taught were more likely to be paid (59%) than their male colleagues (53%).

Payment for uninsured services

Fee-for-service income is, for the most part, compensation paid to physicians for providing insured medical services to their patients. Overall, 57% of all the professional income received by physicians is fee-for-service remuneration for insured services. Only 3% of all physician income is payment for uninsured services. Compensation of this type is most prevalent among specialties such as plastic surgery (28% of their income), occupational medicine (26%), dermatology (17%) and physiatry (16%).

Summary

So while being paid fee-for-service is no longer a hugely dominant form of remuneration, it still comprises a significant proportion of the professional earnings of physicians who are paid now by multiple methods. The National Physician Survey results clearly show that there are significant differences in the hours spent on direct patient care depending on the way doctors are paid. Those whose payment model compensates them for activities such as administration, research and teaching may enable them to spend fewer hours providing direct patient care in order to meet expenses.

For more information, please visit www.nationalphysiciansurvey.ca or contact us at info@nationalphysiciansurvey.ca.

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