The Alberta Perspective

Best Practices Focus on Relationships

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Columbus and the Egg

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OUTLINE

- The History of Hospitalist Medicine in Alberta
- A Paradigm Shift - Stronger Together Than Apart
- What is an Alternate Relationship Plan (ARP)
- How Does the Calgary ARP work
- The Advantages of Two Funding Streams
- Looking to the Future

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What Problem?

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A GP's Alberta Overview

The Lay of the Land by the Late 1990's

MD's looked to government and administration to fix the growing problems of:

- Fragmentation of Patient Care by Specialization
- Increasingly Complex Aging Population
- Escalating Cost of Health Care
- GP's Feeling Unheard and Under Supported in Acute Care
- Low Remuneration for Hospital Work
- Fewer Family Physicians Providing Inpatient Care
- Increasing Numbers of Unattached Patients
- Little Input into Hospital Restructuring

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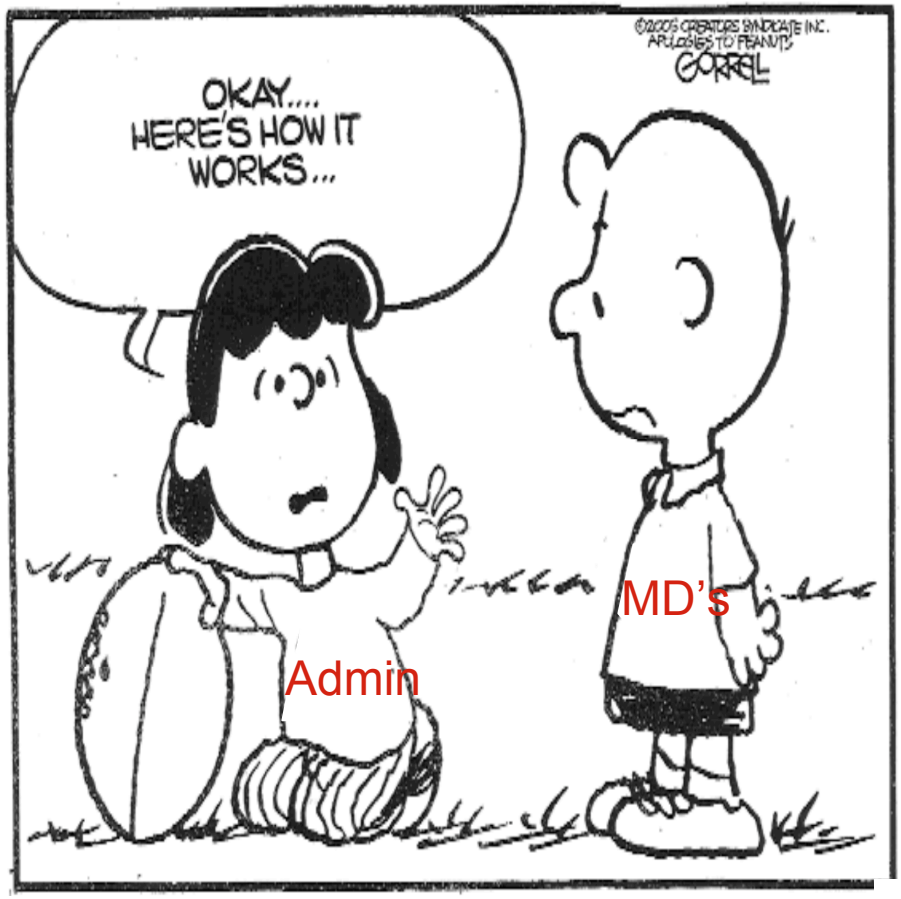
Family Physician Perspective



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Admin's Alberta Overview

On the other side of the Table

Hospital Administration Looked at a Similar Growing List Problems:

- Physicians and Nurses Exiting the Province in Droves
- Increasingly Complex Aging Population
- Escalating Cost of Health Care
- Increasing Physician and Support Staff Demands
- Budget Cuts - Requiring them to do more with less
- Fewer Family Physicians Providing Inpatient Care
- Increasing Numbers of Unattached Patients
- Politically Motivated Government Imposed Restructuring

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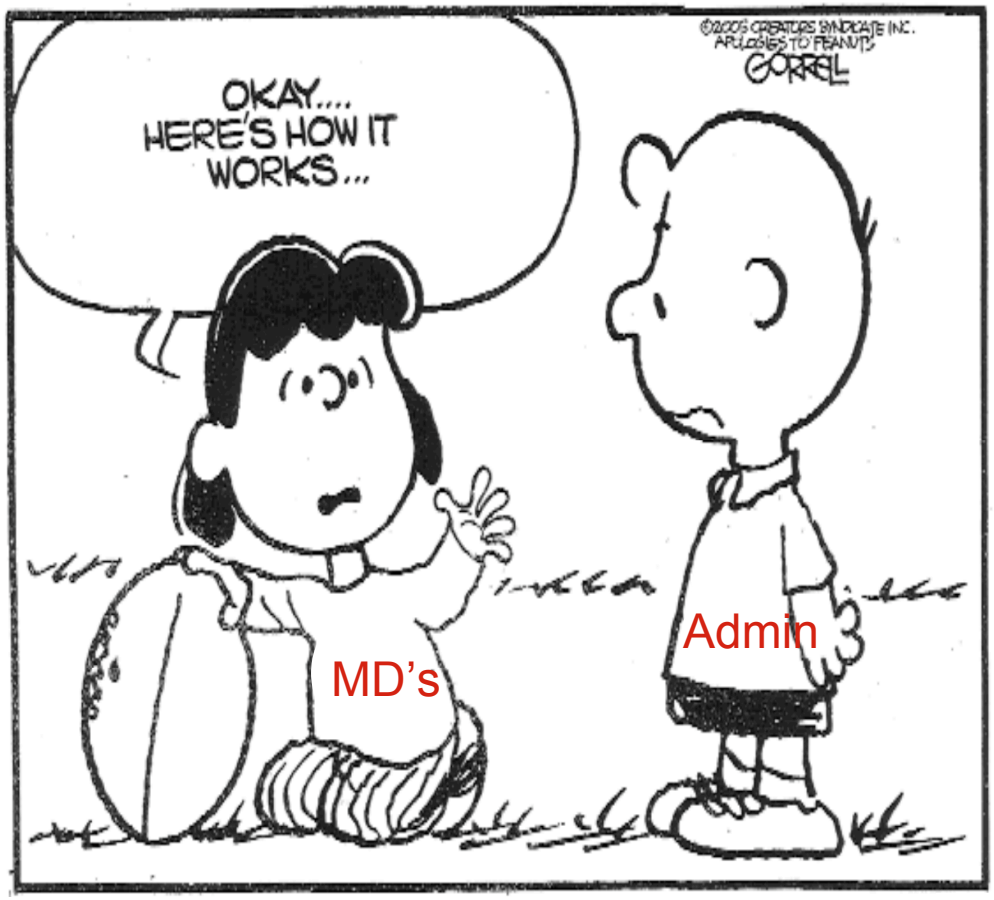
Administrations Perspective



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The EPIPHONEY of Hospitalism

Why did it happen in Alberta:

- A Paradigm Shift was desperately Needed and Wanted
- In a moment when a menial task allowed the mind to wander into areas of irrationality

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What did the Hospitalist Learn in the First few Years?

1. Physicians need Administrators and Administrators need Physicians
2. If you can get past the language barrier the goals are often the same.
3. Two revenue streams are better than one.
4. We are Good at this and are getting Better!

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What is Hospitalist Medicine in Calgary?

- It is a Specialty Organized around a Site of Care
  - Similar to Emergency Medicine or an Intensivist
  - Unlike a specialty organized about an organ system (cardiologists, or gastroenterologists
- The Acute Care Hospital and all its complexity is our home
- We take a Holistic view of how the patient and the hospital fit into the Healthcare system

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What are Hospitalist Doing?

Medical Roles

- Acute Care Admissions
- Chronic Disease Management
- Palliative Medicine
- Seniors/ Geriatrics Med.
- Complex Chronic Disease Management Clinics
- Teach - students, families, administration and our Allied Health Professionals

Administrative Roles

- Leadership
- Quality Improvement
- Patient Flow
- Reducing Readmissions
- Coordination of Inpatient and Outpatient Resources
- Funding
- Systems Integration

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How to Compensate Hospitalist?

- Fee For Service (FFS) is predicated on one on one interactions or procedure based interactions.
- Much of what make hospitalists more than "a daily doctor on-call" cannot be classified as discrete one on one interactions.

- Value added by Hospitalists that are not covered by FFS:
  - Increasing patient flow
  - Reducing readmission rates
  - Systems Integration
  - Facilitating inpatient to outpatient communication
  - Quality Improvement work
  - Program Development

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What are the Alternatives to FFS

I see only 3 alternatives to a FFS only model.

1. FFS + Supplementation from the Hospital or Zone.
2. Bulk Purchasing of Services by the Hospital or Zone.
3. Alternate Relationship Plan with Government

Alternate Relationship Plan (ARP)

“People are very open-minded about new things - as long as they're exactly like the old ones.”

Charles Kettering

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Timeline for the Creation of the ARP

- In 2004 Dr. Peter Jamieson was appointed Acute Care Division Chief, Department of Family Medicine
- The ARP concept was originally floated by the AMA during contract negotiations in 2004
- In June 2005 our application for an ARP was submitted and approved and was set for implementation once funding became available.
- However, all ARP's were put on hold by AH&W in late 2005.
- Funding was finally implemented in December 2007, but we were not notified until February 2008.
- Actual implementation of the ARP was September 2008 with a contract extension until March 2011.

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Peter received great support for an ARP from then Department of Family Medicine Chief Dr. Wendy Tink and the Executive Medical Director (equivalent to a CMO) Dr. Sid Viner. Both these doctors had experience working with the hospitalist.

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ARP Contract

- It is a contractual agreement to provide a basket of services in exchange for a sum of money
- In Calgary's case all 3 adult acute care sites are managed together.
- ARP funds are used to pay overhead, site-based funds and an hourly rate for physicians
- Decisions related the funding mechanism are made by the CHGA Board
- The CGHA has an arrangement with the region for accounting and fund holding

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ARP Contract Structure

Funding Agreement

- Between AH&W, CHR, AMA and CGHA
- This describes the conditions needed for the funding to flow to the ARP Trust Account.
- It includes a description of the types of patients served and the type of services provided

Service Agreement

- Between the CHR and an individual physician
- Describes how the work will be done
- Describes the rules for payment of the work

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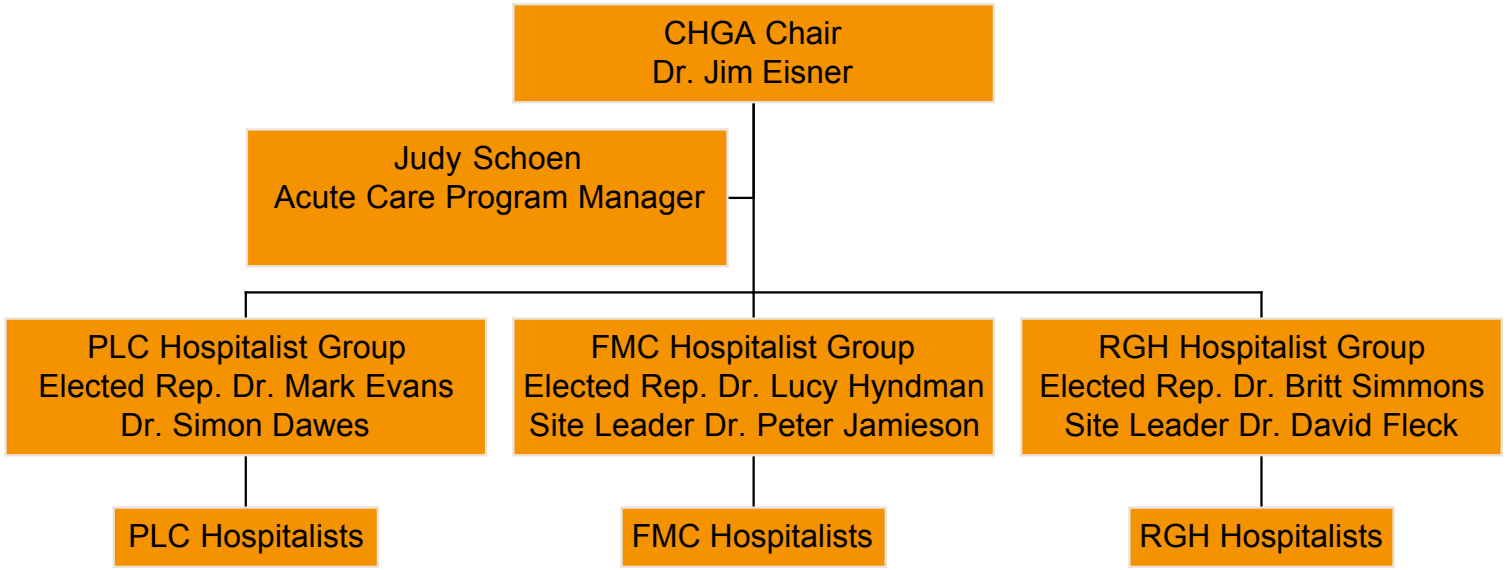
GOVERNANCE

CHGA
Organizational Structure



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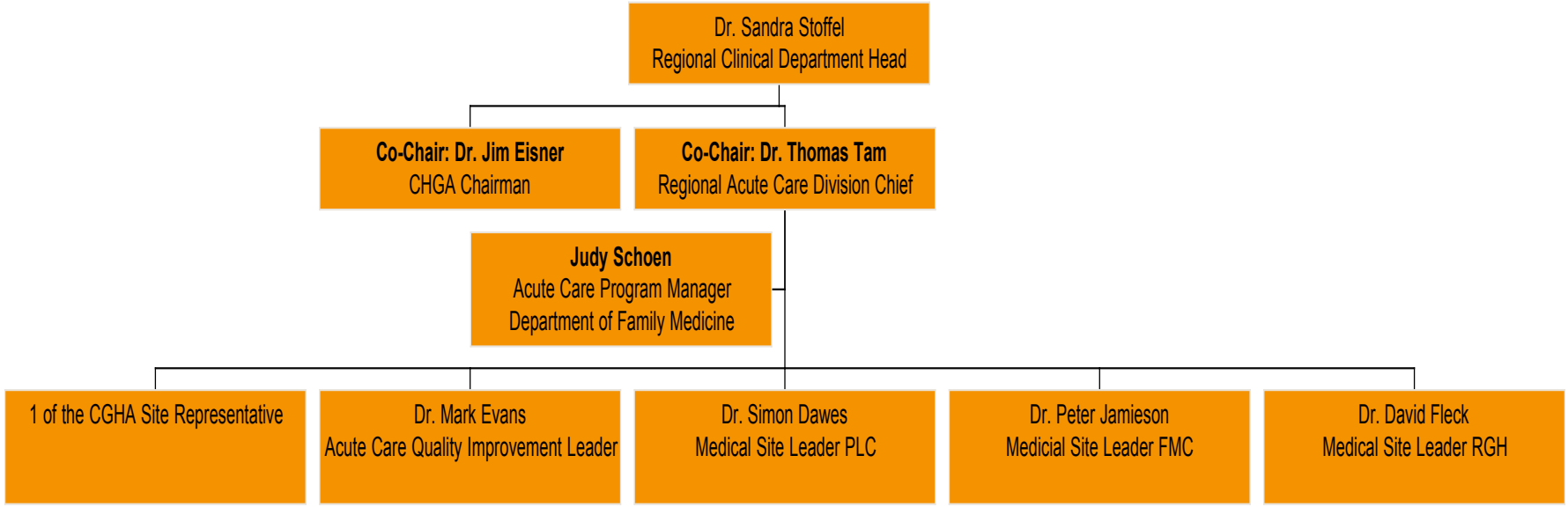
GOVERNANCE

Hospitalist Management Committee
Runs Parallel to the CHGA



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Physician Remuneration

- Based on a common definition of an FTE
- FTE = Full-time Equivalent
- An FTE as defined by AH&W is:
  - 1.0 FTE = A Family Physician billing for daytime work x 241days per year
- AH&W's definition of an FTE does not account for evening and weekend work nor does it account for 24/7 in house and on call coverage of an acute facility
- An FTE in the ARP is defined as:
  - Rounding on 3 patients during a weekday = 1 hours work
  - 1.0 FTE = 8 hours/day for 241 days/year (of daytime work) = 1928 hrs/ year
  - Weekend, Nighttime and On-call is paid on top of the hours calculated for rounding on inpatients

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Calculating Hourly Rates or Sessional Fees

- Take your provincial definition of what a FP makes per year for 1.0 FTE
- Then calculate backwards using the dollar value established by your province and you have what a hospitalist should make per hour.
- Add on ancillary hours, admitting hours, nighttime, weekend and on-call hours and you have a good definition of what hospitalist should/could get paid.
- At the very least you will have a common starting place and language to negotiate from.

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Predicting Future Costs

- These dollar amounts turn out to be quite stable and predictable when using workload software you can create or purchase to monitor and predict daily census, average length of stay and complexity factors.

- The hospital or zone no longer has to negotiate yearly increases because the ARP's funding is tied to the provincial increase to the Physicians Services Budget.

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How Does an ARP Help You?

- Funding for the ARP is through the Physicians Services Budget.
- By accessing the Physician Services Budget it frees up your Health Services Budget dollars for running the hospitals.
- Physicians and Administration become partners in creating and funding local initiatives.

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Physicians and Administrators Partnerships

Examples from Calgary:

1. AHS Calgary Zone recently requested that the CHGA consider expanding our ARP to include the physician groups managing patients in the rehabilitation facilities.

2. The amalgamation of the provinces health regions into one Mega-region resulted in almost all clinical departments in the Calgary Zone losing their QI funding for both physicians and regional employee QI consultants.

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SUMMARY

- ARP's are not as thrilling or dangerous as discovering a new world but there potential is exciting.
- Hospitalist Medicine is a specialty organized around a site of care not an organ system.
- Because Hospitalist take a holistic approach to both the patient and the system FFS remuneration systems grossly under sell the benefits Hospitalist add to the system.
- For Hospitalist Programs to grow and maximize their potential they have to have strong administrative leadership and mentoring.
- Alternate Relationship Plans provide Physicians and Administrators the opportunity to work as partners.

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Thank You

Any Questions?

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