

Block Fees and Uninsured Services

INTRODUCTION

Patients may need some services that are not covered by the Ontario Health Insurance Plan (OHIP). Examples of these types of uninsured services include sick notes for work; copy and transfer of medical records; and prescription refills over the phone.

Physicians are entitled to charge patients for uninsured services, which take physician time and resources. To make it more economical and/or convenient for those patients who may use many uninsured services, physicians may offer patients a block fee.

The purpose of this policy is to set out the College's expectations of physicians who charge for uninsured services and/or offer a block fee.

PRINCIPLES

1. The physician-patient relationship is based on trust, and as such, the patient must be confident the physician will put the needs of the patient first.
2. Good communication is a fundamental component of a trusting physician-patient relationship.
3. Patient decisions about payment for uninsured services must not negatively affect the physician-patient relationship, or pose a barrier to accessing health care services.

DEFINITIONS

Insured services:

Services listed in the *Health Insurance Act* and the Schedule of Benefits for which physicians will be compensated by OHIP,¹ provided that the service is being rendered to an insured person.²

In many cases, an insured service is comprised of several constituent elements. Examples of constituent elements of an insured service include the referral of a patient to a specialist and the administrative processing for a new patient being accepted into a practice.³

Uninsured services:

Services provided by a physician to a patient which are not paid for by OHIP. This includes services provided to uninsured individuals.

Block fee:

A block fee⁴ is a flat fee charged for a predetermined set of uninsured services. This flat fee may also be called an 'annual fee' (if it covers a period of 12 months).⁵

POLICY

A physician cannot charge patients for insured services, including the constituent elements of these services.⁶ However, a physician may charge a reasonable fee⁷ for the performance of an uninsured service.

1) Charging for Uninsured Services: Individually or Block Fee

If physicians charge patients for uninsured services, they must make a list of fees⁸ available to the patient. This list must be available regardless of whether the fee will be paid on an individual per service basis, or in the context of a block fee.

a) Reasonable Fees

Physicians must ensure that the fees charged for uninsured services are reasonable, whether the fee is charge individually for services, as provided, or is included as part of a block fee.⁹ If physicians charge a block fee, the amount charged must be reasonable in relation to the services offered under the block fee.

Physicians should refer to the Ontario Medical Association document, *Physician's Guide to Third-Party & Other Uninsured Services*, for the recommended schedule of fees. Physicians are obligated to let patients know if they will be charging more than this guide.¹⁰

b) Limitations to Charging Fees¹¹

Physicians should be aware that there are several services

1. The services paid for by OHIP are set out in Section 11.2 of the *Health Insurance Act* and the Schedule of Benefits.

2. An insured person is entitled to insured services under the *Health Insurance Act* and its regulations.

3. For a complete list of the common and specific elements of insured services that are considered to be constituent elements of the insured medical services, see the preamble of the Ontario Ministry of Health and Long-Term Care, Schedule of Benefits: Physician Services under the *Health Insurance Act*.

4. Although section 1 (1) 23 of Ontario Regulation 856/93, as amended (made under the *Medicine Act, 1991*), lists "charging a block fee" as an act of professional misconduct, physicians are able to charge a block fee as this provision has been declared *ultra vires* and is of no force and effect.

5. This does not prevent physicians from calling a flat fee charge for a predetermined set of uninsured services by another name (i.e., 'Patient Supplemental Plan'), provided that it is not misleading.

6. A physician may charge patients for services if the physician opted out of OHIP prior to December 23, 2004; the patient is not eligible for OHIP insurance; or if the services are not insured services which would otherwise be paid for by OHIP.

7. For more information, refer to the 'Reasonable Fees' section of the policy.

8. Physicians cannot charge an administration fee if patients elect to pay per service.

9. Ontario Regulation 856/93, as amended (made under the *Medicine Act, 1991*), s.1(1) 21.

10. Physicians should be aware that it is professional misconduct to charge "a fee for a service that exceeds the fee set out in the then current schedule of fees published by the Ontario Medical Association without informing the patient, before the service is performed, of the excess amount that will be charged", under section 22 of Ontario Regulation 856/93, as amended (made under the *Medicine Act, 1991*).

11. Physicians should also be aware of other activities relating to fees which may constitute acts of professional misconduct under Ontario Regulation 856/93.