

August 2, 2019

COR/2019/081085

Dear Applicant:

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act [Our File #: HCS/101/2019]

On July 5, 2019, the Department of Health and Community Services (the Department) received your request for access to the following records:

"In the Departmental Estimates binder for 2019 it states: "Three approved efficiency initiatives related to physicians were implemented, with the following funding removed. ??? Development of Physician Hiring Approval Committee-(\$3,240,000); ??? Salaried Physician Compensation-Benefits in Lieu-(\$1,732,400); and ??? Limiting the Use of Salaried Physician Locum Coverage-(\$1,850,000). While implementation has commenced, the full realization of the savings has not been achieved due to phased in implementation." Can you please provide details on these three approved efficiency initiatives including any background information, briefing notes, total savings, phased in implementation period, breakdown by RHA, etc."

On July 11, 2019, it was agreed that a summary of the initiatives would be provided. I am pleased to inform you that a decision has been made by the Department to provide the following information:

Geographic Full Time (GFT) Physician Benefits

- The Auditor General (AG) Report of November 2016 stated that: "salaried physicians working in both a clinical and academic capacity receive annual remuneration that exceeds what is required to be paid per the Memorandum of Agreement between the Province and the Newfoundland and Labrador Medical Association by 14 per cent. This additional remuneration relates to an unsupported payment in lieu of benefits."
- As part of the 2017-18 Budget, the Department of Health and Community Services (HCS) reduced payment in lieu of benefits from 14 per cent to five per cent, for 91 Geographic Full Time (GFT) physicians. \$1,732,400 of annualized funding was removed from the budget.
- Depending on the years of service, physicians were provided notice periods of three, six, or 12 months (21 were given notice for June 28 2018, 32 were given notice for September 28 2018, and 38 were given notice for March 29, 2019).
- The Newfoundland and Labrador Medical Association has filed a Statement of Claim regarding these changes, on behalf of all affected physicians.
- Actual savings are estimated to be \$614,000 in 2018-19 and \$1,732,400 in 2019-20 and subsequent years.

Salaried Physician Approval Committee

- The AG report of November 2016 recommended that "the Department of Health and Community Services should require the Regional Health Authorities and Memorial University of Newfoundland to provide well documented, needs-based justifications for each

salaried physician hiring request and the Department should base their approval decision on this needs-based information.”

- In response, HCS established the Salaried Physician Approval Committee (SPAC) on March 21, 2018 to ensure that there is needs-based justification for every salaried position. RHAs are now required to submit a needs-based analysis to SPAC for approval to hire. If SPAC determines that a position is not needed, it is eliminated.
- A target of 12 (non-specific) salaried positions was identified for reduction through attrition. Savings were based on an average cost per salaried physician of \$270,000, and \$3,240,000 of annualized funding was removed from the budget.
- While SPAC has met the requirement of the AG’s recommendations it has not achieved the projected savings. The net result of meetings to date is that funding for a combination of 18 fee-for-service and salaried positions have been reallocated to new positions of defined service needs. Also, an additional 2.6 positions have been created through SPAC, while requests for 2.5 were not approved.

Salaried Physician Locum Coverage

- The Auditor General Report of November 2016 states, “Given the competing demand for health care dollars and the significant amount of money being spent on salaried physicians, it is important that the Department of Health and Community Services, Regional Health Authorities and Memorial University of Newfoundland know whether they are receiving value for money from salaried physicians.”
- A locum (short for locum tenens) is a physician who temporarily fulfills the duties of another physician who is unavailable.
- In response to the AG report, and based on a scan of other Canadian jurisdictions, HCS made changes to bring locum policies in line with other jurisdictions. The Locum Policy was revised to limit the use of salaried locums having duration of three days or less. Changes to the Locum Policy took effect on June 25, 2018.
- \$1,850,000 of annualized funding was removed from the budget.
- The need for locums is unpredictable and depends on the number, type, and duration of physician vacancies present in the province. There are also seasonal differences, with locum needs being higher in the summer when there is more vacation leave. These factors, combined with a normal three-month lag in invoice processing for locum reimbursement to RHAs, means it is not yet possible to identify if savings have been achieved.

Please be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the *Access to Information and Protection of Privacy Act* (the *Act*). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive



Government of Newfoundland and Labrador
Department of Health and Community Services

P. O. Box 13004, Stn. A
St. John's, NL. A1B 3V8
Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the *Act*.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have any further questions, please contact the undersigned by telephone at 709-729-7010 or by email at MichaelCook@gov.nl.ca.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Cook".

Michael Cook
ATIPP Coordinator
/Enclosures

Access or correction complaint

42. (1) A person who makes a request under this Act for access to a record or for correction of personal information may file a complaint with the commissioner respecting a decision, act or failure to act of the head of the public body that relates to the request.

(2) A complaint under subsection (1) shall be filed in writing not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16 (2).

(3) A third party informed under section 19 of a decision of the head of a public body to grant access to a record or part of a record in response to a request may file a complaint with the commissioner respecting that decision.

(4) A complaint under subsection (3) shall be filed in writing not later than 15 business days after the third party is informed of the decision of the head of the public body.

(5) The commissioner may allow a longer time period for the filing of a complaint under this section.

(6) A person or third party who has appealed directly to the Trial Division under subsection 52 (1) or 53 (1) shall not file a complaint with the commissioner.

(7) The commissioner shall refuse to investigate a complaint where an appeal has been commenced in the Trial Division.

(8) A complaint shall not be filed under this section with respect to

(a) a request that is disregarded under section 21 ;

(b) a decision respecting an extension of time under section 23 ;

(c) a variation of a procedure under section 24 ; or

(d) an estimate of costs or a decision not to waive a cost under section 26 .

(9) The commissioner shall provide a copy of the complaint to the head of the public body concerned.

Direct appeal to Trial Division by an applicant

52. (1) Where an applicant has made a request to a public body for access to a record or correction of personal information and has not filed a complaint with the commissioner under section 42 , the applicant may appeal the decision, act or failure to act of the head of the public body that relates to the request directly to the Trial Division.

(2) An appeal shall be commenced under subsection (1) not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16 (2).

(3) Where an applicant has filed a complaint with the commissioner under section 42 and the commissioner has refused to investigate the complaint, the applicant may commence an appeal in the Trial Division of the decision, act or failure to act of the head of the public body that relates to the request for access to a record or for correction of personal information.

(4) An appeal shall be commenced under subsection (3) not later than 15 business days after the applicant is notified of the commissioner's refusal under subsection 45 (2).