

# SEAMO NEWSLETTER

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## **Appendix L funding adjustments** ***“Where is the money?”***

SEAMO funded clinical teachers have expressed concern about the failure of SEAMO to receive as yet incremental funding under the “Appendix L” provision of the funding agreement.

The SEAMO funding agreement provides for increases in funding based on penetration of the changes in the Ontario fee codes. While SEAMO’s base budget remains fixed, increases negotiated by the OMA are to pass to SEAMO through shadow billing. The fee code adjustments, listed in Appendix L of the OMA/Ministry framework agreement, are to apply to SEAMO. This has not occurred as yet.

At the time the Ministry agreed to the SEAMO contract it believed that the OHIP system could provide the details of all fee code adjustments and apply these to SEAMO’s shadow billing. This was not the case. The Ministry is unable to calculate directly the amounts owing SEAMO and, as a result, no Appendix L payments to SEAMO have been made. The OMA has recommended a temporary percentage increase be applied to SEAMO’s shadow billing with an end-of-year reconciliation based on the actual practice patterns observed by the shadow billing method. SEAMO, the OMA and the Ministry agreed in principle to this. CTAQ has reviewed the proposed method and has requested additional explanation.

### *Why not a fixed percentage adjustment?*

It has been suggested that SEAMO specialties receive the mean percentage increases for each specialty expected in the fee schedule. It is the belief of SEAMO management that this would seriously disadvantage several clinical departments. Appendix L increases reward differentially hospital based work. For specialties with a mix of community and hospital practice, the use of the overall mean would result in lower funding than would application of hospital based activity.

Last week, the Ministry’s Alternative Payments Programs Unit again confirmed their commitment to developing a calculation of Appendix L money owed to SEAMO.

All parties regret the unexpected delay in receipt of these funds. While SEAMO management, the Ministry, OMA and CTAQ consider how best to accomplish this, we ask clinical teachers to be patient.