

Physicians' Guide to Non-insured Services



NEWFOUNDLAND AND LABRADOR
MEDICAL ASSOCIATION

Physicians' Guide to Non-insured Services

This Guide to direct billing is designed to provide guidelines and information to help Newfoundland and Labrador physicians carry out the direct billing process in an efficient and professional manner. It was produced by the NLMA's Working Group on Non-insured Services and approved by the NLMA Board of Directors.

The NLMA will address inquiries regarding fees charged by physicians for non-insured services and provide information regarding policies on non-insured services; however, NLMA will not become involved in disputes between physicians and third parties.

Contact the Newfoundland and Labrador Medical Association (NLMA) by mail at 164A MacDonald Drive, St. John's, NL, A1A 4B3; by telephone at 709-726-7424 or toll-free at 1-800-563-2003; or by e-mail at nlma@nlma.nl.ca.

The Guide and patient information poster is available on the NLMA website. The address is: www.nlma.nl.ca/publications/guides

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Introduction

This Guide provides guidance on third party requested services, other non-insured services, suggested fees and relevant policies. Non-insured medical services are not covered by MCP (Medical Care Plan) and may be charged directly to the patient (or third party) at the discretion of the physician. Physicians should inform the patient or the person(s) financially responsible about such charges prior to rendering the service and should make an appropriate record (as required) of the non-insured service they provide.

In this Guide,

“Insured Services” means service covered by the Newfoundland and Labrador Medical Care Plan (MCP); “Non-insured Services” means services which are not “insured services”;

“Third Party” means a person other than the patient;

“Third Party Services” means any service requested by a Third Party or which is in whole or in part necessary for the production or completion of a document or transmission of information to satisfy the requirements of a Third Party.

A service may be billed directly to the patient if it is **not** covered by the provincial Medical Care Plan (MCP) or some other insuring body. Using MCP as the frame of reference, there are two scenarios under which the physician may bill the patient directly: an non-insured service or an non-insured patient.

These scenarios are described below:

- A non-insured service is one requested by an insured patient that is not included in the range of entitled services under MCP. A complete list of non-insured services is located in the [Physician's Information Manual](#). The *Physician's Information Manual* also includes a list of itemized supplies and materials that are not insured.

http://www.health.gov.nl.ca/health/mcp/providers/pim_nsured_and_non_insured_services.pdf

It is important to note that any “third party” request is not insured by MCP.

- A non-insured patient is anyone who is not included as a beneficiary of the MCP System under the *Medical Care and Hospital Insurance Act*. Examples include: regular members of the Canadian Armed Forces; persons serving a term of imprisonment in a penitentiary maintained by the Government of Canada; or international patients.

In addition to MCP, the Newfoundland and Labrador Medical Association (NLMA) has Agreements on fees with WorkplaceNL. Therefore, this Guide does not apply to WorkplaceNL rates.

Ethical Considerations

When billing a patient directly, physicians must keep in mind ethical considerations. Members should consider the following excerpts from the CMA Code of Ethics:

- Consider first the well-being of the patient.
- Practise the profession of medicine in a manner that treats the patient with dignity and as a person worthy of respect.
- Do not exploit patients for personal advantage.
- In determining professional fees to patients for non-insured services, consider both the nature of the service provided and the ability of the patient to pay, and be prepared to discuss the fee with the patient.
- In providing medical services, do not discriminate against any patient on such grounds as age, gender, marital status, medical condition, national or ethnic origin, physical or mental disability, political affiliation, race, religion, sexual orientation or socio economic status. This does not abrogate the physician's right to refuse to accept a patient for legitimate reasons.

https://www.cma.ca/Assets/assets-library/document/en/advocacy/policy-research/CMA_Policy_Code_of_ethics_of_the_Canadian_Medical_Association_Update_2004_PD04-06-e.pdf

In addition, the College of Physicians and Surgeons of Newfoundland and Labrador (CPSNL) Practice Guideline expects physicians to adhere to the following guidelines when determining whether to charge a patient a fee for a non-insured service:

- The fee charged should be reasonable. A physician should take into consideration his/her professional and administrative costs, as well as the patient's ability to pay.
- Inform patients of any fee to be charged in advance of providing the non-insured service.

It is important for physicians to consider whether the rate being charged is excessive and that failure to do so may result in the College of Physicians and Surgeons of Newfoundland and Labrador (CPSNL) considering whether the physician is guilty of professional misconduct. (Ref. CPSNL By-Law 5.)

Timeliness of response

CPSNL Bylaw 5 considers failing without reasonable cause to prepare a report or certificate relating to an examination or treatment performed by the medical practitioner to the patient or the patient's authorized representative within 42 days after the patient or the patient's authorized representative has requested such a report or certificate, to be conduct deserving of sanction. If physicians are unable to comply with this timeframe, either due to the complexity of the report, or for another appropriate reason, physicians should discuss the matter with the third party and reach an agreement for a reasonable extension.

https://www.cpsnl.ca/WEB/CPSNL/By-Law/By-Law_5_Code_of_Ethics.aspx

Non-insured Services and Suggested Fees

A physician's office policy on direct billing for non-insured services should be specific and detailed so that it is understood by staff and patients. It should also allow sufficient flexibility to adapt to unique or unexpected circumstances that may be encountered. Once an office policy has been established, it should be put in writing and distributed to staff. When billing directly for services provided, physicians should:

- Establish and maintain a simple and clear office policy and procedure for direct billing;
- Inform staff of this policy and procedure and keep them apprised of any changes;
- Maintain up-to-date accounts;
- Collect payment from patients at the point of service as often as possible;
- Follow-up in an orderly and consistent manner;
- Always discuss fees with the patient before providing the service.

Physicians may decide to either bill patients based on specific fees for services, or based on the time required to provide a particular service.

Fees for services:

Physicians may bill non-insured clinical services on a per-item of service basis at a rate of two (2) times the published MCP fee for that service.

Hourly Rate:

Physicians (GPs and Specialists) may opt to bill based on an hourly rate of \$350-\$425 for non-insured clinical services and medical administrative services provided at the request of a patient.

Physicians (GPs and Specialists) may opt to bill for Medical-Legal reports based on an hourly rate of \$425 - \$500. (See Medical-Legal Reports (Page 15))

Offering a Block Fee

A block fee is defined as a flat fee charged by a physician for a predetermined set of non-insured services during a predetermined period of time (no less than three months and no more than one year). A block fee may be a more convenient and/or economical way for patients to pay for non-insured services, and for physicians to administer fees for these services. Physicians are not required to offer a block fee option but can rather charge patients on a fee-per-item basis, or hourly rates basis, for non-insured services. Physicians who do choose to offer a block fee should also offer non-insured services separately at individual costs to patients. Patients cannot be required to pay a block fee.

It is not permissible to charge a block fee in order to cover administrative or overhead costs associated with providing insured service as a block fee is merely a way of facilitating payment for non-insured services.

To ensure patients are able to make fully informed choices regarding payment for non-insured services, physicians who choose to offer a block fee should:

- Offer a block fee in writing. In doing so, physicians must:
 - Indicate that payment of a block fee is optional and that patients may choose to pay for non-insured services as they are provided;
 - Indicate that the patient’s decision to pay for non-insured services as they are provided or through a block fee will not affect their ability to access health-care services;
 - Identify those services that are covered by the block fee, provide a list of fees that will be charged for each service should the block fee option not be selected, provide examples of those services (if any) that are not covered, and indicate for which services (if any) the fee is simply reduced if the block fee option is selected;
 - Invite patients to consider whether payment of a block fee is in their best interest given their needs or usage of non-insured services.
- Ensure that patient questions about the block fee are answered, ensure that help is available to patients to determine if the block fee is in their best interest, and be available to answer questions or provide assistance upon request.
- Obtain written confirmation if the block fee option is chosen and maintain it as part of the patient’s medical record.

Third Party Examinations

Complete Physical Examination	\$80-\$170
Complete Disability Examination	\$130-\$170
Insurance physical	\$130-\$170
Driver’s Examination	\$80 - \$130

Requested forms/reports

The Canadian Medical Association’s policy (2017) on third-party forms is available at <https://www.cma.ca/En/Pages/third-party-forms.aspx>.

Disability Form	\$55-\$80
Sick note or certificate of short term illness	\$15-\$25
Third party requested letters/questionnaires on patient attended, including insurance company assessment	\$160 +\$.50/pg. photocopy

(An additional fee may be charged depending on the complexity of any required report)

Forms required for prescription drug (private) insurance (non-NLPDP):

Drug Coverage Special Authorization Forms for private insurers . . . \$15-\$40

Complete disability report, including CRA Disability Forms (follow-up requests may also be billed) \$130

Canada Pension Plan (CPP) Forms

CPP forms are paid by Service Canada as per the amounts below:

Canada Pension Disability Form \$85

Narrative Medical Report \$150

The Narrative Medical Reports are usually initiated by correspondence from staff at the Income Securities Branch of Human Resources and Skills Development Canada.

Upon receipt of a physician's invoice and confirmation that the individual concerned has submitted an application, Service Canada will reimburse:

- Up to \$85 for the initial medical report;
- Up to \$25 for the reassessment medical report;
- Up to \$50 for the "Scannable Impairment Evaluation";
- Up to \$25 for the "Medical Report – Recurrence of the Same Medical Problem"; and
- Up to \$150 (depending on complexity and time required for completion) if Service Canada medical adjudicators request other information in the form of a narrative report.

The narrative reports require:

- Medical history
- The date of onset of each medical condition
- An examination of findings
- Various excerpts of consultation reports
- Diagnosis
- Copies of test results
- Prognosis
- Course of future action

For additional information, contact Service Canada at 1-800-277-9914.

Administrative

Prescription renewal \$15-\$35

(Charges for prescription renewal also apply to phone requests, requests for non-present family member (e.g. child), etc. This fee cannot be charged in conjunction with an MCP insured visit)

Missed appointment 50%-100% of visit fee

Rebooking tests at hospital \$15-\$25

Travel..... \$0.55/km plus hourly rate per quarter hour

Access Request and PHIA

The Personal Health Information Act of Newfoundland and Labrador (PHIA) establishes the right of a patient to examine and obtain a copy of all information in their medical record, with very limited exceptions. This is reinforced in CPSNL *Bylaw 6 Medical Record*. This includes information in the record prepared by other physicians and third parties. The record, whether paper or electronic, is the property of the physician, however the information is the property of the patient.

The physician must not provide to the Patient, or their authorized representative, access to any information that would reveal information about a third person who is not a health care provider without the second person's consent. Nor may the physician provide the information if it was compiled for a standards or quality care committee evaluating health care practices or for a regulatory body who will use it for disciplinary or quality of care standards.

The Physician may refuse access to the personal health information when access could result in a risk of serious harm to the mental or physical health or safety of the individual.

For all refusals to provide a patient with access to or a copy of their record, the Physician must redact the information to be held and provide the patient with the remaining information.

Physicians may provide patients will access to their personal health information by a verbal request or a written request. In either case a note should be made in the patient's record of the request. Custodians should have a standard application form for patients to use to request access to their own information. The form should include all information the Physician needs to find the correct information. Copies of information given to patients should be clearly marked "patient copy".

The Physician must confirm the identity of the person making the request, preferably with a government issue ID, in addition to an MCP card.

<http://assembly.nl.ca/Legislation/sr/statutes/p07-01.htm>

Fees

PHIA confirms that the Physician may charge a reasonable fee for providing a copy of a record in response to a request for access, and that the fee shall not exceed the maximum fee set by the minister. A fee may also be charged to have a knowledgeable person sit with the patient to review the record. The Physician must consider the patient's ability to pay when charging a fee.

Providing Copies of Medical Records

General Information

The provision of copies of patient medical records is a non-insured service. Physicians should not charge a fee for providing copies of their medical records until they first give the individual an estimate of the fee that will be charged.

Often the physician must review the records before providing copies of them to the patient. If this is necessary, the physician may charge professional fees for his or her review.

Copies of medical records should only be provided to a third party with the necessary authorization, which may include consent from the patient or the patient's representative, a Court Order, or where required by law. (Please refer to section on PHIA in this guide.)

Suggested Charges for Providing Copies of Medical Records

There are three elements to the charge for providing copies of medical records:

1. Cost of the Provision of the Copy of the Medical Record at the request of, or on behalf of a patient.

The NLMA recommends physicians charge \$45 for the first 20 pages and \$.50 per page thereafter for the reasonable cost of copying, printing, reproducing or transmitting medical records, including electronic medical records (EMR), when the EMR (or portions thereof) are printed on paper. This amount includes clerical labour costs, equipment lease, toner and paper costs and other costs of a similar nature.

2. Out-of-pocket Disbursements

In addition to the actual copying or printing costs, the physician may charge for certain out-of-pocket disbursements directly related to the request for the provision of copies of the medical record. Examples of such disbursements may include fees for the retrieval of the medical record from storage, postage, or courier and/or long-distance fax charges for delivering the records to the patient.

3. Professional Review

It is recommended that the physician review the patient's medical records before providing copies. For example, if the patient requests copies of only certain portions of the records, (e.g. those records related to a vehicle accident), it may be necessary for the physician to review the chart to separate the requested records from the rest of the chart. If the patient's charts includes services of a psychiatric nature,

the physician must be extremely diligent when reviewing the type of information prior to providing a copy.

Further, a physician may refuse to provide a copy of all or portions of a medical record if he or she is of the opinion that access to those portions of the medical record could reasonably be expected to –

- result in a risk of serious harm to the treatment or recovery of the patient or a risk of serious bodily harm to the patient or another person,
- lead to the identification of a person who was required by law to provide information in the record to the physician, or
- lead to the identification of a person who provided information in the record to the physician explicitly or implicitly in confidence if the physician considers it appropriate in the circumstances that the identity of the person be kept confidential.

This professional review of the medical record is a non-insured service. The physician may charge the patient/third party for this service. The NLMA recommends that the physician charge for this service using the recommended hourly rate, keeping in mind that the fee charged should be reasonable.

In addition to the above fees, a physician may charge for any out-of-pocket disbursements related to this service (examples include postage, courier, or storage retrieval charges). Sometimes it is necessary for a physician to review a patient's medical record before providing copies. This professional review is non-insured, and a physician may charge for this service.

Electronic records transfer

When the record can be transferred without any associated cost via secure email or other electronic transfer, the fee associated with paper records would not apply. Professional review may still apply, based on the recommended hourly rate. In situations where there is a charge from the vendor to transfer a record, this cost could be passed on to the patient.

NOTE: *In June 1992, the Supreme Court of Canada rendered a judgement dealing with a patient's right of access to his/her medical records compiled in the office of a physician. It is important to note that this decision clearly states that although a physician may charge for transferring a patient's records, a physician cannot impede a patient's right to access their records based solely on their inability to pay. In addition, physicians should keep in mind that the health needs of the patient can often be addressed without transferring or copying the entire medical record. This should be discussed with the patient, and the patient should be advised of the fee that will be charged, before the physician proceeds with any copying.*

Harmonized Sales Tax and Non-insured Services:

Physicians who are HST registered are required to charge and collect tax at a rate of 15% on any taxable supplies of goods and services they supply in the province of Newfoundland and Labrador.

All physicians, whether registered or not, are required to pay HST at a rate of 15% on the purchase cost of most of their supplies (other than payments to employees). Physicians are required to register, collect and remit HST when their annual HST-taxable sales exceed \$30,000.

It is suggested physicians consult with an accountant prior to registering for HST.

The following non-insured services have, in the past, been considered by the CRA to be subject to HST and are likely to continue to be subject to HST:

- Cosmetic surgical procedures and all related medical services
- Medical reports based on chart review
- Witness fees for court appearances
- Medical examinations for which the primary purpose is not motivated by the protection, maintenance, or restoration of health.

The CRA has, in the past, considered the following non-insured services to be HST exempt, and is likely to continue to consider these services to be exempt:

- Consultative, diagnostic, treatment or other health care service by a physician to an individual, including:
 - Executive medical assessments carried out for the purpose of health care for the patient
 - Prescription renewal without a visit
- Preparation and transfer of Medical Records
- Medical Reports upon patients or upon a person who the physician has examined including the following provided that the exam also has the purpose of promoting, protecting or maintaining health:
 - Employment and pre-employment examinations/reports
 - Immigration examinations/reports
 - Employer Back-to-Work/Timely Return to Work/Modified Employment forms

Billing for Refugees (Interim Federal Health Program)

The Interim Federal Health Program (IFHP) provides limited, temporary coverage of health care benefits for specific groups of people in Canada who do not have provincial, territorial, or private health care coverage.

The coverage is paid for by Immigration, Refugees and Citizenship Canada (IRCC) and administered by Medavie Blue Cross. To become a registered Medavie Blue Cross provider for the IFHP, physicians may inquire at - <https://www.canada.ca/en/immigration-refugees-citizenship/services/refugees/help-within-canada/health-care/professionals.html>

Medical-Legal Reports

Introduction

Medical-legal reports are essential to the legal process of adjudicating claims for personal injury. A well prepared medical-legal report will contribute significantly to the proper and just resolution of a claim for personal injury, expedite the process, reduce cost and frequently obviate the necessity of a court appearance by the physician.

Preparing Medico-Legal Reports

Confidentiality

Given that the relationship between a patient and a physician is one of the highest confidentiality, a physician should insist on being provided with a valid and adequate written consent to the release of medical information.

Physicians as Witnesses

It is important to differentiate between physicians acting as an expert witness and treating physicians testifying as a fact witness in relation to the care they provided to a patient. Physicians are encouraged to seek clarification from the lawyer requesting their services, including regarding the appropriate fee based on the nature of the services being requested.

Non-treating physicians are often approached by lawyers or the Crown to testify as an expert witness and usually have never seen the patient prior to being contacted. After agreeing to act in such a capacity, physicians may examine the patient so as to establish an expert opinion regarding matters such as the patient's injuries or standards of previously provided medical care. The fees payable to an expert witness are a matter for negotiation between the expert witness and the lawyer seeking the expertise. In addition to a compensation arrangement for time spent in the courtroom, physicians should not neglect to agree on a fee, in advance, for reports that may be produced as well as travel time and other expenses incurred in the process of acting as expert witnesses. Whenever possible, it is recommended that physicians seek an agreement on their fees in writing.

A non-treating physician is under no obligation to agree to act as an expert witness. The expert witness will rarely receive a subpoena or summons to attend court since he or she has agreed to act as an expert in advance, and has secured satisfactorily remuneration for this expertise.

Physicians should refer to the CPSNL's Guideline on IMEs for direction on the preparation of non-treating medical examination reports.

https://www.cpsnl.ca/WEB/CPSNL/Policies/Guideline_-_Independent_Medical_Examinations.aspx

Medical Legal Services (not applicable to services requested by the Crown)

Physicians should discuss and confirm the number of hours required, the rates to be charged, and the date that the report and corresponding payment are required. You may want to confirm that payment is to be made at completion of the report, not settlement of the case. Note that these fees may be passed on to the patient as an add-on to the lawyer’s fees. Rates may vary based on the complexity of the report. A lawyer’s request for a medical report should include the patient’s consent to the transfer of information.

- Medical legal report, with opinion. \$425 - \$500/hr
- Extended or complicated I/C (independent consideration)
- Medical legal office briefing by arrangement between physician and lawyer (not involving court appearance) \$425 - \$500/hr
- Court appearance (including waiting time) \$425 - \$500/hr (minimum 3 hours)
- Cancellation of Court Appearance (without 1-2 working days’ notice) \$425- \$500/hr (minimum 3 hours)
- Copying of file on request of lawyer. \$55 + \$.50/pg
- Travel and Preparation Time \$425 - \$500/hr

Fees for Expert Witnesses when subpoenaed by the Crown

Experts witness fees (physician or otherwise) are paid in accordance with fees set out in legislation.

See Appendix Section III - <http://www.assembly.nl.ca/legislation/sr/regulations/RulesSc/rc86ru55.htm#top>

The Direct Billing Process

Keys to Efficiency

The following procedural guidelines are provided to enable you to carry out the direct billing process in a professional, efficient and timely manner:

- Establish and maintain a simple and clear office policy and procedure for direct billing. To achieve this you should first determine:
 - Those services for which patients will be directly billed
 - The fees attached to those services
 - Any exemptions, such as seniors or low-income patients
 - Bookkeeping and collection procedures

Your office policy on direct billing must be specific and detailed so that your staff and your patients fully and clearly understand it. At the same time, it should allow sufficient flexibility to adapt to any unique or unexpected circumstances you may encounter.

- Inform your staff of this policy and procedure, and keep them apprised of any changes.
- Maintain up-to-date accounts.
- Collect payments from patients at the point of service as often as possible.
- Follow-up in an orderly and consistent manner.
- Always discuss fees with your patients before providing the service.

Written Guidelines

Put your office policy in writing and distribute it to the staff. In addition, you should schedule regular meetings to update and remind staff about the direct billing process, answer any of their questions or queries, and to gain feedback on their experiences with patients. This will help you to evaluate the success of your policy and procedures. It will also aid you in identifying any emerging problems before they become serious enough to negatively affect your staff or patients.

Keeping Patients Well-Informed

Most difficulties between a physician and a patient arise from a lack of clear communication. Many patients simply do not realize that there are some services the Government does not pay for and they may become upset when presented with a bill. To prevent this from happening, you should ensure that your patients are well-informed about non-insured services, offer the patient a payment plan, consider reducing or waiving the fees.

Physicians should display the NLMA's Non-insured Services poster throughout their office. A copy can be download at – http://www.nlma.nl.ca/FileManager/Practice/docs/Non-insured_Services_Poster.pdf

Sample Letters

Medical Chart Transfer

Date

Dr. _____

Address

RE: MEDICAL CHART TRANSFER

Patient: *(Name Here)*

Dear Doctor,

Thank you for taking over the medical care of this patient. The signed request for the transfer of medical records was recently received in our office. As you know, the CMPA discourages the transfer of original records, but a copy of the chart will be forwarded to your office.

The fee charged for this service varies depending on the complexity of the chart. To cover costs of chart preparation and mailing, your new patient is responsible for forwarding

\$____ to this office at the above address.

Sincerely,

Dr. *(Name here)*

Request to Appear in Court

Date

To

Re: Request to appear in court

Client

Court date

The summons to appear in court regarding your client named above was received today. This letter is written to confirm that I will make appropriate arrangements to be available for court appearance on that date.

Please be advised that my medicolegal fees for case preparation is \$____ per hour. Also, court attendance will be billed at \$____ per hour, with a \$____ minimum charge per day. If this case is settled prior to court action, or it is otherwise decided that my appearance in court that day is no longer needed, I will require notification of this a full 24 hours prior to the proposed court date and time. Otherwise, the minimum charge of \$____ will apply. Early notification of cancellation is encouraged to minimize medicolegal charges.

If you have any questions regarding this matter, I may be contacted at the address and phone number above.

Third Party Requested Report

Dear *(Third Party)*,

Re: Request for *(type of report)* on *(name of person)*

This is to acknowledge your *(date)* request for this report. The cost of providing this information is not covered by MCP as an insured service. My fee for this service is \$ ____ .

Please acknowledge your acceptance of this fee by signing a copy of this request and returning it by mail or fax. The report will then be prepared and sent to you. Thank you kindly.

Collection letters

First Reminder

Dear *Patient name*,

Your payment of \$XX hasn't been received by our office. If there is an error in your statement, please call me so that we can correct it. If not, please send your cheque today so we can keep your account up to date.

Sincerely,
Signature & title of staff member responsible for billing

Second Reminder

Dear *Patient name*,

Payment for your bill of \$XX is now past due. If there is some problem, call me to discuss payment options.

Sincerely,
Signature & title of staff member responsible for billing



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