

Blended Capitation Group Governance Checklist

The Blended Capitation Group Governance Checklist is a step-by-step approach to support physicians with discussions and decision-making when developing their Practice Agreement.

The checklist prompts Blended Capitation Groups to discuss key elements, including common questions and challenges, to promote transparency and shared governance which will promote a positive practice working relationship in the long term.

The FPRP has developed this checklist as a practical support for physicians to advance their internal practice agreement conversations. FPRP does not provide specific financial or legal advice.

This checklist does not replace the value of getting specific practice advice from the clinics' legal and financial advisors.

How to use the checklist

The checklist is divided into three sections:

1. Group Governance,
2. Financials, and
3. Accountabilities

Each section identifies key elements with guiding questions that may be used as you develop your practice agreement, as well as space to record your discussions.

This list is not exhaustive but rather is meant to provide a starting point that can be adapted to the specific context of your practice.

Links to additional resources are included in each section and at the end of the checklist. A brief list of common definitions follows.

Group Governance

- Physician group management
- Legal structures and arrangements
- Sharing of responsibilities within the BCG
- Expectations for time required in the group, on-call, and after-hours
- Decision-making processes
- Management of disputes and conflicts
- Disciplinary actions
- Management of new physicians
- Physician termination
- Retirement and withdrawal

Elements	Key Questions
<ul style="list-style-type: none"> • Physician group management 	<ul style="list-style-type: none"> • What is the forum for physicians to meet (when, where)? • Will you hold regular group meetings and record decisions in writing? • Is there a formal process to discuss physician leadership opportunities/roles within the practice?
<ul style="list-style-type: none"> • Legal structures and arrangements 	<ul style="list-style-type: none"> • What type of legal structures are currently in place within the group? • What type of practice arrangement is appropriate for your new blended capitation group? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool</p>
<ul style="list-style-type: none"> • Sharing of responsibilities within the BCG 	<ul style="list-style-type: none"> • What are the key responsibilities that need to be shared? • Are responsibilities equally distributed? • Is the distribution based on the percentage of time worked? • Are there differences in how responsibilities are shared for owners and non-owners? • Will there be a 'managing physician' or a medical director? • Will this role be a paid position or a rotating position? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool Schedule R of the Memorandum of Agreement (MOA)</p>

Elements	Key Questions
<ul style="list-style-type: none"> Expectations for time required in the group, on call and after-hours coverage 	<ul style="list-style-type: none"> What are the work schedule parameters for practicing physicians? What are the on-call and after-hours commitments required? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool Schedule R of the Memorandum of Agreement (MOA)</p>
<ul style="list-style-type: none"> Vacation and leave allowances 	<ul style="list-style-type: none"> What are the vacation/leave allowances? How is sick time handled? Are there criteria/expectations for Locum coverage? What are cross-coverage expectations? What patient care is to be covered when a physician is on leave? How will capitation payments be handled when patient care is covered during a physician's leave? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool Schedule R of the Memorandum of Agreement (MOA)</p>
<ul style="list-style-type: none"> Decision-making processes 	<ul style="list-style-type: none"> What is the approach when making decisions? (e.g., simple majority, consensus)? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool</p>
<ul style="list-style-type: none"> Management of disputes and conflicts 	<ul style="list-style-type: none"> What is the decided-upon process for managing disputes and conflicts? What is the process if agreement cannot be reached? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool</p>
<ul style="list-style-type: none"> Disciplinary actions 	<ul style="list-style-type: none"> What are the internal steps in managing a license revoked or suspended? What are the defined steps and processes for

	<p>following up on formal disciplinary actions?</p> <ul style="list-style-type: none"> • What are the defined steps and processes for following up on failure to adhere to practice agreement parameters? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool</p>
<ul style="list-style-type: none"> • Management of new physicians 	<ul style="list-style-type: none"> • What are the steps in managing the admission and supervision of new physicians?
<ul style="list-style-type: none"> • Physician termination 	<ul style="list-style-type: none"> • What are the criteria for expulsion of a physician from the group? • Are there considerations if a physician dies or suffers a physical/mental incapacity? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool</p>
<ul style="list-style-type: none"> • Retirement or voluntary withdrawal from the group 	<ul style="list-style-type: none"> • What are the steps for retirement or voluntary withdrawal from the group? • What are the required notice periods? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool</p>
<p>Discussion Notes</p>	

Financials

- Operating and overhead costs
- Staffing costs, ratios and human resource management
- Physician and staff benefits
- Revenue sharing and income distribution
- Budgeting and reconciliation
- Financial arrangements and taxes

Element	Key Questions
<ul style="list-style-type: none">• Operating and overhead costs	<ul style="list-style-type: none">• How will you cover costs as a Group?<ul style="list-style-type: none">◦ Fixed costs◦ Variable costs◦ Capital expenses◦ Technical/EMR• Will all physicians pay the same portion of costs?• Are there adjustments for the percentage of income earned per physician?• How will you pay for any required renovations?• How will you determine the quality and associated costs of furnishing/equipment, etc.?• How will you manage unexpected costs? <p>Helpful Tool Preferred tool - FPRP Group Governance Agreement Tool</p>
<ul style="list-style-type: none">• Staffing costs and ratios• Human Resource Management	<ul style="list-style-type: none">• What is our staff budget?• What is the agreed staffing matrix /ratio for the group?• How do we determine when to add new staff?• What is our wage grid for staff by position? <p>Helpful Tool Practice Manual Checklist - pending</p>
<ul style="list-style-type: none">• Physician and Staff Benefits	<ul style="list-style-type: none">• Are we offering physician and staff health or pension benefits?• How is this managed?• How do we cover benefit costs?
<ul style="list-style-type: none">• Revenue sharing and Income Distribution	<ul style="list-style-type: none">• What are the key criteria and processes for income distribution? <p>Helpful Tools Preferred tool - FPRP Group Governance Agreement Tool</p>

<ul style="list-style-type: none"> Budgeting and reconciliation 	<ul style="list-style-type: none"> What are the budgeting and cost reconciliation processes (Monthly, Yearly)? Who manages the budgeting and reconciliation processes?
<ul style="list-style-type: none"> Financial Arrangements and taxes 	<ul style="list-style-type: none"> What are the designated banking arrangements? How will financial records be managed? Who manages the financial records for the group? Who has access to financial records? Who files business taxes? What CRA implications do we need to be aware of? (may vary)

Discussion Notes:

Accountabilities

- Licensing and certification
- Insurance
- Documentation and follow up
- Privacy, information management, and data sharing
- Quality improvement
- Policies and Procedures

Elements	Key Questions
<ul style="list-style-type: none">• Licensing and certification	<ul style="list-style-type: none">• What is our process to verify each physician has maintained licensure with CPSNL? (e.g. copy submitted to the clinic)• What supervision will be provided for physicians with a provisional license?• Are there certifications that physicians must obtain and maintain? <p>Helpful Tool College of Physicians and Surgeons of Newfoundland and Labrador</p>
<ul style="list-style-type: none">• Insurance	<ul style="list-style-type: none">• What are the agreed-upon insurance commitments for individuals and the practice?<ul style="list-style-type: none">○ Professional liability?○ Practice liability?○ Disability insurance?○ Overhead insurance?
<ul style="list-style-type: none">• Documentation and follow-up expectations	<ul style="list-style-type: none">• What are the core expectations and criteria for physicians around:<ul style="list-style-type: none">○ Submission of billings and timelines?○ Medical records maintenance, charting, and documentation completion and timelines?○ Referral letter completion and timelines?○ Clinical care follow-up - pt phone calls, messages, abnormal test results, etc.?○ Handoffs to other physicians and staff when on leave?
<ul style="list-style-type: none">• Privacy, information management, and data sharing	<ul style="list-style-type: none">• What key agreements regarding privacy, information management, and data sharing are required?<ul style="list-style-type: none">○ Privacy Clauses for the group○ Privacy agreements (cloud and local)○ Information management agreement with third parties• Who is the Privacy Officer?

	<ul style="list-style-type: none"> • What is their function (protecting medical records and patient info, implementing privacy policy, and establishing safeguards)? <p>Helpful Tools</p> <p>NLCHI - Privacy and Security Webpage eDOCSNL Privacy Resources NL Government - Access to Information and Protection of Privacy Office</p>
<ul style="list-style-type: none"> • Quality improvement initiatives and activities 	<ul style="list-style-type: none"> • What quality initiatives and processes will help us be the best practice possible? • What expectations are there to participate in quality initiatives as individuals and as a group? • How will we share leadership and champion quality improvement? • What data will be collected? (access, continuity, process, and clinical outcomes)? <p>Helpful Tool</p> <p>MyQ: Quality in Family Practice</p>
<ul style="list-style-type: none"> • Policies and Procedures 	<p>Helpful Tool</p> <p>FPRC Policy Guide on the Blended Capitation Group Model</p>
<p>Discussion Notes</p>	

Additional Supports and Resources

[FPRP – Blended Capitation Program](#)

[CMA Joule: Practice Management Curriculum](#)

Definitions

Fixed Costs - costs or expenses intended to be one-time or long-term costs for the benefit of all physicians; medical equipment, IT equipment, electronic medical records software/subscriptions; and telephone and audiovisual equipment.

Variable Costs - medical and office supplies and equipment, office renovations and maintenance, lease or mortgage; payroll, benefits, utilities.

Operating Costs - fixed and variable costs collectively.

Medical Director - appointed by the BCG; delegated managerial decisions during the period between regular business meetings and to oversee the operations of the practice; areas of delegated decision making and remuneration, if any, will be determined by the BCG members.

Privacy Officer - appointed by the BCG; responsible for protecting the practice's medical records and patient information, implementing a privacy policy as well as establishing safeguards to mitigate risk of confidential information from being inadvertently disclosed.

Adapted from: *A guide to group governance agreements*. Doctors of BC.

https://www.doctorsofbc.ca/sites/default/files/a_guide_to_group_governance_agreements.pdf