



GOVERNMENT OF  
NEWFOUNDLAND AND LABRADOR

Department of Health and Community Services  
Office of the Minister

JUN 28 2006

Dr. Kara Laing, Clinical Chief of Cancer Program  
Dr. P.K. Ganguly, Divisional Chief of Radiation Oncology  
Dr. Jehan Siddiqui, Divisional Chief of Medical Oncology  
Mr. Robert Ritter, NLMA Executive Director  
c/o Newfoundland & Labrador Medical Association  
164 MacDonald Drive  
St. John's, NL A1A 4B3

Dear Dr.'s Laing, Ganguly, Siddiqui and Mr. Ritter:

**Re: Provision of Provincial Oncology Services**

I am writing in response to your correspondence dated May 12, 2006, which outlined and summarized the various points of contention that your group has with the current Alternate Payment Plan in place for Radiation Oncology and other administrative issues, and as a follow-up to my telephone conversation with Dr. Ganguly on June 22, 2006.

Since receiving your letter, senior staff have reviewed and provided background to my office on the various issues as well as followed up with Eastern Health regarding such things as administrative requirements and policy.

I will address each of your issues in order, as well as provide direction on the Department's position regarding them, namely:

**Issue 1 - Workload Thresholds**

I heard what you had to say regarding the appropriate threshold to use for purposes of applying this Alternate Payment Plan. While there appears to be some inconsistencies between CARO information and thresholds used in other provinces, the Department is prepared to explore this area further, with more discussion required before any change to the current threshold can be considered. In this regard, I have asked that Dr. Cathi Bradbury follow-up with Robert Ritter at the NLMA to bring this matter to a conclusion in the shortest time possible. In this regard, it would be appreciated that you provide hard data to support the arguments you made in our meeting and subsequent correspondence.

FEED FAX THIS END

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| <b>FAX</b>            |                       |
| To:                   | <i>Cathi Bradbury</i> |
| Dept.:                |                       |
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| No. of Pages:         |                       |
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**Issue 2 - Interpretation of Agreement**

The Department is prepared to accept your proposal that payments continue to be made on a quarterly basis and that each physician will be required to carry over any negative entitlements into the next quarter with total payments reconciled annually and no deficit carried into the next year. This change in payment policy could come into effect with the next quarterly reconciliation.

I do not agree that we apply the Additional Workload Policy to your group. In the Radiation Oncology APP, payments are made for patient services in excess of the FTE threshold and, as such, are viewed as a replacement policy. If and when your APP is discontinued at the request of one or more of the signatures, your group will again qualify for consideration under the Additional Workload Policy.

**Issue 3 - Recognition of Administrative and Teaching Responsibilities**

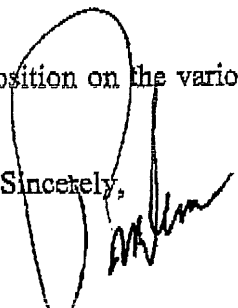
Based on Eastern Health's input, we are prepared to adjust the FTE of the Clinical Chief from the current 0.8 FTE to 0.6 FTE as of April 01, 2006, following successful closure of our discussions.

The Department has confirmed with Eastern Health that no physician within its organization who accepts the position of Divisional Chief receives additional compensation for these services. As such, I do not support adjusting the FTE for the two Divisional Chiefs within your program due to the precedent setting nature this would create at Eastern Health.

In closing, I wish to assure you that your group's payments have not been withheld pending resolution of the issues identified above. Because of the MCP claims processing rules and system, there will always be a time lag in the quarterly financial reconciliation of this APP.

I trust that this clarifies the Department's position on the various issues that you have regarding your current APP.

Sincerely,



**TOM OSBORNE**  
Minister

cc. Dr. Robert Williams  
Eastern Health