



# Implementing an Uninsured Services Program

**A Guide for Physicians**



## Implementing an Uninsured Services Program

The purpose of this reference guide is to provide a general overview on how to implement an efficient and effective Uninsured Services Program (USP) in a physician office, including the relevant policies and interpretation of regulations applicable to the implementation of such programs. **This guide is for information only and should not be interpreted as legal or financial advice<sup>1</sup>.**

<sup>1</sup> *Disclaimer: Every effort has been made to ensure that the contents of this Guide are accurate. Members should, however, be aware that the laws, regulations and other agreements may change over time. The Ontario Medical Association assumes no responsibility for any discrepancies or differences of interpretation of applicable Regulations with the Government of Ontario including but not limited to the Ministry of Health and Long-Term Care (MOHLTC), and the College of Physicians and Surgeons of Ontario (CPSO). Members are advised that the ultimate authority in matters of interpretation and payment of insured services (as well as determination of what constitutes an uninsured service) are in the purview of the government. Members are advised to request updated billing information and interpretations – in writing – by contacting their regional OHIP office.*

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# A. Introduction

The *OMA Physician's Guide to Uninsured Services*<sup>2</sup> defines uninsured services as “services which are not insured services”. Uninsured medical services are not covered by the Ontario Health Insurance Plan (OHIP) and may be charged directly to the patient (or third party) at the discretion of the physician.

The demand for uninsured medical services is increasing. If physicians are not compensated for the time required to provide these services, their offices can gradually become overwhelmed with the extra administrative costs. An Uninsured Services Program (USP) can provide an opportunity to raise practice revenue and offset unpaid work, without resorting to the common strategies of increasing daily patient volume or practice roster size – options which can create unmanageable service levels. A USP is an overall strategy that a medical office implements in order to bill and collect for uninsured services. The purpose of this guide is to assist physicians with implementing and sustaining an effective USP.

An effective USP may generate increased practice revenue and help offset overhead expenses, while promoting practice efficiency. Development and implementation of a USP requires a methodical and careful educational process for both patients and office staff. It is imperative that both groups clearly understand the reasons for the need to charge for uninsured services. The *OMA Physician's Guide to Uninsured Services* is a valuable resource offering guidance on billing for uninsured services. The College of Physicians and Surgeons (CPSO) maintains the policy on *Block Fees and Uninsured Services*<sup>3</sup> which provides guidelines that physicians must adhere to when constructing and carrying out a USP.

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<sup>2</sup> <https://www.oma.org/wp-content/wp-private.php?filename=physiciansguideuninsuredservices.pdf>

<sup>3</sup> CPSO Policy #3-10: <http://www.cpso.on.ca/policies-publications/policy/block-fees-and-uninsured-services>

## B. Implementing a Block Fee Billing Plan (BFBP)

The CPSO defines a **block fee** as “a flat fee charged by a physician for a pre-determined set of uninsured services” during a pre-determined period of time (no less than three months and no more than one year). Not all physicians are in a position to charge a block fee due to the nature of their practice and/or specialty. Physicians are not required to offer a block fee option but can instead charge patients on a fee-for-service basis for uninsured services. Physicians who choose to offer a block fee must also offer uninsured services separately at individual costs to patients. Patients cannot be required to pay a block fee.

The CPSO policy on *Block Fees and Uninsured Services* states that physicians may use third party companies to assist in the administration of a BFBP or payment for uninsured services. Any communication to patients should identify the fact that a third party is involved. Third parties who are asked to administer a BFBP or payment for uninsured services are acting on the physician’s behalf. Physicians are responsible for ensuring these companies adhere to the same standards required of physicians.

The CPSO policy also states that patient decisions regarding payment for uninsured services must not affect patients’ ability to access health care services. Physicians must not:

- Require that patients pay a block fee before accessing an uninsured service;
- Offer to treat patients preferentially because they agree to pay a block fee;
- Terminate a patient or refuse to accept a new patient because that individual chooses not to pay a block fee.

The following are suggested steps that will help physicians to implement a successful Block Fee Billing Plan:

### ▶ Step 1: Inform patients of the BFBP

The first communication about the BFBP provided to patients should include:

- A personalized letter informing the patient of the change in billing practices regarding uninsured services and that choosing to be in the BFBP is optional. See [Appendix A](#) for a sample letter.

- The effective date for the new policy.
- A list of the uninsured services that will be covered in the BFBP.
- A timeframe for the BFBP cycle (e.g. January 1 to December 31). The BFBP cannot cover a period of less than three months or more than twelve months.
- This initial communication should not include a request for payment.

### ▶ Step 2: Provide an enrolment form for the BFBP

A follow up communication should be sent to patients approximately two to three weeks following the first, and should include:

- A follow-up personalized letter. See [Appendix B](#) for a sample letter.
- A BFBP enrolment form, which also indicates payments options. See [Appendix C](#) for a sample enrolment form.
- The date that the BFBP will become effective.
- A copy of the physician’s Uninsured Services Fee Schedule (developed by the physician, see [Appendix D](#) for a sample), using the guidelines in the OMA Physician’s Guide to Uninsured Services.
- Information on how patients can access the CPSO policy on Block Fees and Uninsured Services. It is mandatory to provide this policy to patients when offering a BFBP<sup>4</sup>.

### ▶ Step 3: Update the patient record

- Once the BFBP enrolment form is completed and returned by the patient, indicate the preferred payment option in the patient’s record.
- Code each patient record by indicating those who have enrolled and those who prefer to pay for services individually, as they are rendered.

### ▶ Step 4: Develop a standard process for charging for uninsured services

- Use a “charge slip” for billing and collecting for each uninsured service provided to patients not enrolled in the BFBP. Physicians should inform the patient or the

person(s) financially responsible about such charges prior to rendering the service. See **Appendix E** for a sample charge slip.

- Ensure that the practice has equipment that permits different payment methods, (e.g. point-of-service for debit or credit card).

#### ▶ **Step 5: Remind and renew the BFBP**

- When a patient, who is not a member of the BFBP, is billed for an uninsured service, remind the patient about the availability of the program.
- Renewing the BFBP for those already enrolled, and initiating Step 1 for those who have not yet enrolled, should begin approximately two months prior to the chosen annual renewal date.
- In accordance with the regulations under the *Medicine Act*<sup>5</sup> regarding professional misconduct, the fee for a patient joining the plan mid-year should be prorated to ensure that the patient is being charged a reasonable amount for the block fee.

#### ▶ **Step 6: Evaluation of the BFBP**

Review the BFBP annually to ensure:

- It adheres to provincial regulatory guidelines.
- A physician's personal "Uninsured Services Fee Schedule" is updated as per the OMA Physician's Guide to Uninsured Services

<sup>4</sup> CPSO Policy #3-10, part 2(a) *vice*.

<sup>5</sup> Regulation 856/93: <https://www.ontario.ca/laws/regulation/930856>

<sup>6</sup> The OMA Physician's Guide to Uninsured Services is updated annually, effective January 1.

## C. Developing a Personal Uninsured Service Program Policy and Uninsured Services Fee Schedule

The following are suggested steps that will help physicians to develop a personal USP Policy and Uninsured Services Fee Schedule:

- Identify any uninsured services provided by the practice;
- Decide which services to charge for;
- Determine the prices (refer to the *OMA Physician's Guide to Uninsured Services* for guidance);
- Develop and implement policies related to uninsured services (e.g. when to apply charges, when to waive fees, etc.);
- Develop and implement communication strategies surrounding the USP (both internally with practice staff, and externally with patients);
- Determine how to go about fee collection (e.g. point of service, billing by mail, etc.); and
- Develop strategies to deal with payment collection issues.

## D. Patients' Ability to Pay for Uninsured Services

There are some instances where patients claim economic hardship and an inability to comply with the fees they are charged for the uninsured services rendered. When calculating fees, physicians should consider the financial burden that such charges might place on the patient and should decide whether it is appropriate to reduce, waive or allow flexibility based on these considerations as applied to the circumstances of each case.

The Canadian Medical Association's Code of Ethics<sup>7</sup> states under paragraph 16 that "*an ethical physician will consider, in determining professional fees, both the nature of the service provided and the ability of the patient to pay, and will be prepared to discuss the fee with the patient*". Additionally, the Medicine Act<sup>8</sup> Prohibits physicians from "*charging a fee that is excessive in relation to the services performed*".

<sup>7</sup> [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](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)

<sup>8</sup> Regulation 856/93, section 1(1) 21: <https://www.ontario.ca/laws/regulation/930856>

## E. Patients' Ability to Pay for Uninsured Services

Many patients are surprised to discover that not all of their medical needs are covered under the Ontario Health Insurance Plan (OHIP), and that they must pay their provider directly for certain uninsured services. This misunderstanding can lead to situations that are frustrating and uncomfortable for the patient and physician, as well as medical office staff, particularly if the patient learns about the cost **after** the service has been rendered.

To prevent this from happening, a practice should consider adopting one or more of the following communication strategies for making patients aware of its policy regarding uninsured medical services and related fees.

### ▶ 1. Place signage in the office

Place a sign or OMA's poster (refer to the end of this document) in the office waiting area and/or exam rooms to inform patients that certain services are uninsured, and list the most commonly requested uninsured services (e.g. request for medical records).

### ▶ 2. Have patients sign a letter of acknowledgement

Have patients sign a letter or form that acknowledges, and hence confirms, their awareness of the fact that some medical services are uninsured.

### ▶ 3. Dedicate a section on "Uninsured Services" in the office newsletter and/or office website (if applicable)

Consider dedicating a section in the office newsletter and/or office website to the issues and costs associated with uninsured services provided by your practice. Include information on which methods of payment will be accepted by the practice (e.g. debit, credit), and encourage patients to ask questions and obtain more information from the physician or office staff. A patient information pamphlet can also be created and distributed, communicating the uninsured services offered and their respective fees.

### ▶ 4. Have staff talk to patients

Educate the office team about uninsured services so that they can educate patients. Providing staff with a clearly laid out uninsured services fee listing, and ensuring they are well-versed on payment procedures, is an effective and direct method of communicating with patients. This process will involve counselling staff on which questions to ask patients at the time of rostering, and/or when an appointment is being booked, so that staff are better equipped to advise patients about any associated uninsured fees. Staff should also inform patients about acceptable methods of payment so that patients are better prepared to pay at the time of the appointment.





## F. Tools to Support an Uninsured Services Program

The old standard for collecting fees was to mail invoices to patients and payment would be received if/when the patient mailed a cheque to the physician's office. The availability of electronic point-of-service (POS) terminals have made the task of obtaining payment for uninsured services much more efficient and convenient by allowing invoicing and collection to occur at the same time the service is provided. This increases office efficiency and decreases the number of unpaid bills, minimizing the need for collection of overdue accounts.

Point-of-service terminals can accept credit or debit card payments. They can be used to collect fees either in

person or over the phone, which is convenient for both patients and the medical practice. The POS payment process simplifies transactions and banking tasks, and, most importantly, significantly increases the collection rate.

It costs little to set up and maintain a POS system. There is usually an initial one-time setup fee, a monthly charge to maintain the account, and a per-transaction fee that is either a flat fee or a percentage of the transaction. Contact your financial institution to inquire about specific costs and how to acquire a system.

# Appendix A:

## Informing Patients of Change in Office Policy (Sample Letter)

<Insert physician name(s), office/clinic logo and address, other contact information and date>

Dear Patient:

This letter is to notify you of changes in our office policy. For your information, OHIP does not pay for all services that you request from your physician(s). Services that OHIP does not pay for are called “uninsured services” and it is illegal and fraudulent for physicians to bill OHIP for them. Effective <insert date>, this office will implement an Uninsured Services Program.

Every effort has been made to account for most of the commonly requested uninsured services in the attached information sheet. If the uninsured service you are requesting is not listed, please communicate this to me or the office staff for further clarification. To help speed up our service, please let my office staff know when you are making your appointment that you are requesting a service that is on the attached list or a service for which you have been charged in the past by this office or another physician’s office.

The fees contained in the attached list are in accordance with the <insert appropriate year> edition of the *OMA Physician’s Guide to Uninsured Services*. Note that you have the option of paying for each service as it is rendered or you can elect the block fee option, which is an annual fee for an unlimited number of the services listed. You will receive an enrolment form shortly, and you will be asked to indicate your preferred option.

All uninsured services must be paid in full when rendered; office staff will provide a receipt upon settlement of your account. Should you be unable to pay for the uninsured service at the time it is provided, please let my office staff know when and how you intend to settle your outstanding account. We will make every effort possible to assist you in the settlement of your outstanding account. Please note that our office accepts <insert payment methods> payments.

Please acknowledge receipt and acceptance of the above office policy by signing below and returning the detachable portion by either fax, mail or in person to my office. Alternatively, you can deliver your acceptance via email to <insert email address>. Should you have any further questions, please contact <insert name of office staff person> at my office phone number.

Sincerely

<insert name and signature>

(Enclosed: Uninsured services offered and associated fees)

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I agree with the above policy and terms/conditions.

Patient Name \_\_\_\_\_

Patient Signature \_\_\_\_\_ Date signed \_\_\_\_\_

# Appendix B:

## Informing Patients of Change in Office Policy (Sample Letter)

<Insert physician name(s), office/clinic logo and address, other contact information and date>

Dear Patient:

Several weeks ago, I sent a letter advising you of changes in my office policy such that patients will be billed for services not covered by Ontario Health Insurance Plan (OHIP). The letter explained our new Uninsured Services Program in detail and also outlined the payment options available. We will be implementing the changes effective <insert date>.

Attached is the current list of uninsured services and their associated fees. Where possible, it is appreciated that you state the reason for your visit at the time of making an appointment. The office staff will endeavor to inform you at the time of your call what services are not covered by OHIP and what charges, if any, will be payable directly to you.

To help with the introduction of the Uninsured Services Program, our office needs to know whether you wish to select the block fee option or if you wish to pay for each uninsured service at the time it is rendered.

Please complete the attached form and return it to our office in the envelope enclosed for your convenience before <insert date>.

Sincerely

<insert name and signature>

(Enclosed: Uninsured services offered and associated fees and enrolment form)

# Appendix C: BFBP Enrolment Form (Sample)

Please select one of the following options:

If you decide to enroll in the Block Fee Billing Plan (BFBP), enclose a cheque payable to <insert physician's name> along with this form or you may pay in person at the office at your next visit. Payment should be paid no later than <insert date>.

It is your choice whether you select the BFBP or simply pay for each uninsured service as rendered.

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Patient Name: \_\_\_\_\_

- I prefer to pay for uninsured services for myself (and my family) each time services are rendered.
- I prefer the BFBP option selected below. My payment is enclosed.

Check one:

- |                                                                   |         |
|-------------------------------------------------------------------|---------|
| <input type="checkbox"/> Senior Adult (65 years or older)         | \$XX.XX |
| <input type="checkbox"/> Single Adult                             | \$XX.XX |
| <input type="checkbox"/> Family (2 adults and all under 18 years) | \$XX.XX |
| <input type="checkbox"/> Family (1 adult and all under 18 years)  | \$XX.XX |

Family Surname: \_\_\_\_\_

Family Member First Names: \_\_\_\_\_

Phone Number: \_\_\_\_\_

# Appendix D: Sample Uninsured Service Fee Schedule

UNSINSURED SERVICES FEE SCHEDULE (use the most current year)  
<Insert Physician's Name and year>

Service	Fee
Charges for Reproduction/Transmission of Medical Records (when not medically necessary):	
a. Copying or digital reproduction, at cost (includes first 15 minutes of professional review)	a. \$XX (first 20 pages) + \$0.XX per page thereafter
b. Out-of-pocket disbursements (where applicable)	b. At cost
c. Physician professional review of records (where applicable)	c. Physician's hourly rate, after first 15 minutes

## Completion on Uninsured Report Forms

Schools/Camps	\$XX.XX
Admission to daycare, preschool, university (including out of province and international universities) or any other educational institutions	\$XX.XX
Hospital/Nursing Home Employees	\$XX.XX
Back to Work Notes/Sick Notes	\$XX.XX
Certificate of freedom from communicable disease	\$XX.XX

## Licensing Forms/Certificates

Driver's Medical Examination	\$XX.XX
Civil Aviation Medical Examination Report 26-0010E (001004)	At physician's hourly rate
Pilot's License Validation 26-0055 (01-91)	At physician's hourly rate

## Statutory Accident Benefits Schedule Claim Form

Disability Certificate (OCF-3)	\$XX.XX
Treatment Plan (OCF-18)	\$XX.XX
Determination of Catastrophic Impairment (OCF-19)	\$XX.XX
Treatment Confirmation (OCF-23)	\$XX.XX

## Insurance Forms

Travel Cancellation Insurance Form	\$XX.XX
Life Insurance Death Certificate	\$XX.XX
Medical Certificate for Employment Insurance Compassionate Care Benefits	\$XX.XX

## Life and Health Insurance Report and Assessment Fees

Attending Physician's Statement	\$XX.XX
System-Specific or Disease Specific Questionnaire	\$XX.XX
System-Specific Examination	\$XX.XX
Insurance Medical Examination	\$XX.XX

## Other Forms/Certificates

Revenue Canada, Federal Disability Tax Credit	\$XX.XX
Children's Aid Society (CAS) Application for Prospective Foster Parent	\$XX.XX

## Administrative Charges

Missed Appointment	\$XX.XX
Uninsured Telephone Medical Advice	\$XX.XX
Prescription Renewal Without a Visit	\$XX.XX

# Appendix E: Charge Slip (Sample)

<INSERT CLINIC NAME>

Dr: \_\_\_\_\_ Date: \_\_\_\_\_

Patient: \_\_\_\_\_

MOT Pilot License + Form

Foreign Travel Immunization

Revenue Canada Tax Credit

Long/Short Disability Form

Medical Report to: \_\_\_\_\_

Back to Work Note

School/Camp Medical + Form

\_\_\_\_\_

Charge:      \$10      \$15      \$25      \$50      \$\_\_\_\_

Dr: \_\_\_\_\_  
(Initials)

**Note:** A supply of these preprinted charge slips should be maintained in each examination room and completed by the physician each time an uninsured service is provided. The completed form should be given to the receptionist to ensure the fee is collected from the patient **before** the patient leaves the office.

# Uninsured Services

What you need to know.

The Ontario Health Insurance Plan (OHIP) provides coverage for a vast majority of physician services; however, there are some services that are not covered.

Physicians are pleased to offer these valuable services; however, the responsibility for payment lies with the patient or the third party requesting the service.

Quality health care, medical advice and timely access are priorities that Ontario's physicians intend to honour. Speak with your physician for more information about other health care services that are not covered by OHIP.



## EXAMPLES OF SERVICES NOT COVERED BY OHIP

### Medical Services

- Routine eye examinations for patients 20 - 64 yrs of age
- Examinations/diagnostic tests necessary to satisfy requirements requested by employers, insurance companies, government agencies, etc.
- Pre-adoption examinations
- Prescription renewals without a visit
- Travel medicine advice and services for travelling outside of Canada
- Telephone advice if initiated by the patient
- Cosmetic procedures and related examinations and diagnostic tests

### Completion of Forms and Medical Records

- Medical/legal reports
- Federal government forms
- Certificates for the purpose of travel, immigration, employment, etc.
- Driver's/aviation medical exam and other licensing forms/certificates
- Insurance forms, reports and certificates, such as:
  - Disability certificate
  - Treatment plan
  - Insurance medical examination report
- Completion of work and school related forms/notes, such as:
  - Sick or back-to-work notes
  - Admission to day care/schools/recreational
  - Employer requested reports/forms (e.g., form physicals)

### Administrative Services

- Copying medical records, reports and letters at the patient's request
- Transfer or summary of medical records at the patient's request
- Missed appointments without sufficient notice

### Block Fees

A block fee is defined as an optional flat fee charged by a physician for a predetermined set of services not covered by OHIP for a specific period of time. Not all physicians offer a block fee due to the nature of their practice and charge for each uninsured service when rendered. Speak to your physician for more information on block fees.

*Please note that some exceptions may apply.*





This document was prepared by the OMA Economics, Policy & Research and OMA Practice Management & Education departments.

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