Understanding the New
Acuity Modifier Payments for FHOs

INTRODUCTION:

Effective April 1st 2024, FHO and FHN doctors will receive payment based on the complexity of their enrolled patients.

- It is worth the time to do the OMA's self-directed course here.
    - Plus, you get CME credits.
    - It includes background references (downloadable PDFs)

- The OMA's FAQ page is here, which also answers many common questions.

THE NEW CAPITATION PAYMENTS AND BANDS:

The official tables are on the OMA's page here.

I further analyzed the numbers in spreadsheets:

MALES

New Annual FHO capitation payment rates - 2024

Age Group	Current age-sex model	Band 1		Band 2		Band 3		Band 4		Band 5	
0 - 4	$145.77	$148.13	1.6%	$149.39	2.5%	$149.39	2.5%	$149.72	2.7%	$150.99	3.6%
5 - 9	$77.44	$78.51	1.4%	$79.12	2.2%	$79.72	2.9%	$80.43	3.9%	$81.86	5.7%
10 - 14	$62.63	$63.30	1.1%	$63.82	1.9%	$64.43	2.9%	$65.18	4.1%	$66.76	6.6%
15 - 19	$65.81	$66.79	1.5%	$67.28	2.2%	$67.90	3.2%	$68.80	4.5%	$70.96	7.8%
20 - 24	$65.02	$65.92	1.4%	$66.60	2.4%	$67.62	4.0%	$69.07	6.2%	$72.95	12.2%
25 - 29	$70.28	$71.23	1.4%	$71.95	2.4%	$73.11	4.0%	$74.87	6.5%	$79.20	12.7%
30 - 34	$82.06	$83.30	1.5%	$83.97	2.3%	$85.13	3.7%	$87.01	6.0%	$91.53	11.5%
35 - 39	$100.54	$101.97	1.4%	$102.74	2.2%	$104.00	3.4%	$106.01	5.4%	$110.60	10.0%
40 - 44	$113.17	$114.72	1.4%	$115.67	2.2%	$117.01	3.4%	$119.16	5.3%	$123.81	9.4%
45 - 49	$123.71	$125.33	1.3%	$126.44	2.2%	$127.87	3.4%	$130.10	5.2%	$134.83	9.0%
50 - 54	$143.45	$145.24	1.2%	$146.47	2.1%	$147.95	3.1%	$150.24	4.7%	$155.10	8.1%
55 - 59	$162.78	$164.69	1.2%	$166.08	2.0%	$167.65	3.0%	$170.05	4.5%	$175.08	7.6%
60 - 64	$180.00	$182.00	1.1%	$183.51	1.9%	$185.14	2.9%	$187.57	4.2%	$192.62	7.0%
65 - 69	$231.17	$233.83	1.2%	$235.34	1.8%	$236.94	2.5%	$239.27	3.5%	$244.30	5.7%
70 - 74	$269.71	$272.62	1.1%	$274.22	1.7%	$275.85	2.3%	$278.15	3.1%	$283.15	5.0%
75 - 79	$328.04	$331.25	1.0%	$332.95	1.5%	$334.60	2.0%	$336.90	2.7%	$341.85	4.2%
80 - 84	$354.58	$358.12	1.0%	$359.93	1.5%	$361.62	2.0%	$363.92	2.6%	$368.79	4.0%
85 - 89	$420.57	$424.50	0.9%	$426.38	1.4%	$428.07	1.8%	$430.33	2.3%	$435.14	3.5%
90+	$524.65	$528.84	0.8%	$530.77	1.2%	$532.40	1.5%	$534.56	1.9%	$539.16	2.8%
		Avg =	1.2%	Avg =	2.0%	Avg =	2.9%	Avg =	4.2%	Avg =	7.2%

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FEMALES

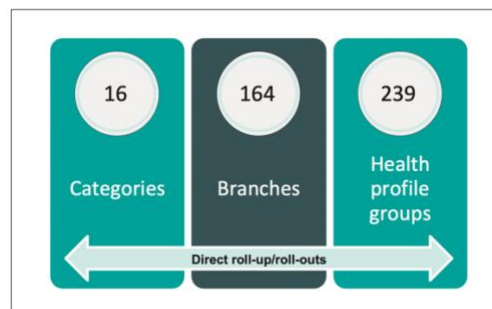### New Annual FHO capitation payment rates - 2024

Age Group	Current age-sex model	Band 1		Band 2		Band 3		Band 4		Band 5	
0 - 4	$138.79	$140.95	1.6%	$142.25	2.5%	$142.25	2.5%	$142.56	2.7%	$143.79	3.6%
5 - 9	$75.87	$76.88	1.3%	$77.44	2.1%	$78.08	2.9%	$78.79	3.8%	$80.23	5.7%
10 - 14	$65.76	$66.47	1.1%	$66.98	1.9%	$67.59	2.8%	$68.37	4.0%	$70.07	6.6%
15 - 19	$114.17	$115.69	1.3%	$116.19	1.8%	$116.96	2.4%	$118.09	3.4%	$120.74	5.8%
20 - 24	$142.37	$144.37	1.4%	$145.34	2.1%	$146.56	2.9%	$148.19	4.1%	$152.17	6.9%
25 - 29	$147.88	$149.93	1.4%	$150.92	2.1%	$152.26	3.0%	$154.08	4.2%	$158.36	7.1%
30 - 34	$149.22	$151.63	1.6%	$152.57	2.2%	$153.86	3.1%	$155.70	4.3%	$160.14	7.3%
35 - 39	$161.97	$164.48	1.5%	$165.62	2.3%	$167.00	3.1%	$168.96	4.3%	$173.62	7.2%
40 - 44	$167.43	$170.03	1.6%	$171.35	2.3%	$172.84	3.2%	$174.99	4.5%	$179.97	7.5%
45 - 49	$182.23	$184.91	1.5%	$186.37	2.3%	$187.98	3.2%	$190.33	4.4%	$195.69	7.4%
50 - 54	$203.98	$206.84	1.4%	$208.43	2.2%	$210.14	3.0%	$212.65	4.3%	$218.21	7.0%
55 - 59	$206.22	$208.92	1.3%	$210.71	2.2%	$212.59	3.1%	$215.30	4.4%	$221.05	7.2%
60 - 64	$211.13	$213.68	1.2%	$215.57	2.1%	$217.50	3.0%	$220.24	4.3%	$226.02	7.1%
65 - 69	$254.80	$258.05	1.3%	$259.86	2.0%	$261.74	2.7%	$264.40	3.8%	$270.09	6.0%
70 - 74	$274.74	$278.18	1.3%	$280.08	1.9%	$281.98	2.6%	$284.63	3.6%	$290.21	5.6%
75 - 79	$334.44	$338.07	1.1%	$340.11	1.7%	$342.09	2.3%	$344.80	3.1%	$350.41	4.8%
80 - 84	$363.36	$367.20	1.1%	$369.36	1.7%	$371.37	2.2%	$374.07	2.9%	$379.53	4.5%
85 - 89	$444.02	$448.07	0.9%	$450.30	1.4%	$452.27	1.9%	$454.88	2.4%	$460.15	3.6%
90+	$557.61	$561.34	0.7%	$563.59	1.1%	$565.40	1.4%	$567.79	1.8%	$572.64	2.7%
		Avg =	1.3%	Avg =	2.0%	Avg =	2.7%	Avg =	3.7%	Avg =	6.0%

The overall average increase is 3.3%

CIHI's Population Grouping Methodology:

If you read the all the reference materials in the OMA's self-directed course, there is a document that summarizes "CIHI's Population Grouping Methodology 1.4".

You will see summaries for different "Categories" and "Branches" and "Health Profile Groups":

You will see Appendixes A, B, C, that list all of the different items:

Appendix A: 226 health conditions

Health condition code	Description
A01	Congenital malformation of the nervous system (including spina bifida)
A02	Hereditary/degenerative condition of the nervous system
A03	Muscular dystrophy/other myopathy
A04	Parkinson's disease/parkinsonism
A05	Multiple sclerosis/other demyelinating disease of the central nervous system
A06	Cerebral palsy
A07	Paralytic syndrome/spinal cord injury
A08	Disorder of the peripheral nervous system (including carpal tunnel, Bell's palsy)
A09	Epilepsy
A10	Other cerebral and spinal disease/disorder
A11	Other disease of the nervous system
A41	Stroke
A42	Cerebrovascular disorder (excluding stroke)
A43	Transient ischemic attack
A44	Intracranial injury
A45	Skull fracture
A46	Concussion
A47	Infection/inflammation of the nervous system
A48	Nerve injury
A81	Coma, unspecified
A82	Seizure
A83	Migraine/other headache
A84	Neurological, sensory, cognitive sign/symptom
B01	Cataract/lens disorder
B02	Retinopathy
B03	Strabismus

Appendix B: 239 health profile groups

HPG code	Description
A001C	Paralytic syndrome with condition other than stroke without significant comorbidities
A002C	Paralytic syndrome with condition other than stroke with significant comorbidities
A003C	Paralytic syndrome with stroke
A004C	Congenital malformation of the nervous system (including spina bifida) without significant comorbidities
A005C	Congenital malformation of the nervous system (including spina bifida) with significant comorbidities
A006A	Stroke without paralytic syndrome without significant comorbidities
A007A	Stroke without paralytic syndrome with significant comorbidities
A008A	Other cerebral and spinal disorder (including benign neoplasms) without significant comorbidities
A009A	Other cerebral and spinal disorder (including benign neoplasms) with significant comorbidities
A010C	Parkinson's disease/parkinsonism without significant comorbidities
A011C	Parkinson's disease/parkinsonism with significant comorbidities
A012C	Cerebral palsy without significant comorbidities
A013C	Cerebral palsy with significant comorbidities
A014C	Major chronic nervous system condition without significant comorbidities
A015C	Major chronic nervous system condition with significant comorbidities
A030A	Cerebrovascular disorder (excluding stroke) without significant comorbidities
A031A	Cerebrovascular disorder (excluding stroke) with significant comorbidities
A032A	Seizure
A033A	Disorder of the peripheral nervous system (including carpal tunnel, Bell's palsy) without significant comorbidities
A034A	Disorder of the peripheral nervous system (including carpal tunnel, Bell's palsy) with significant comorbidities
A035C	Epilepsy without significant comorbidities
A036C	Epilepsy with significant comorbidities
A037C	Multiple sclerosis/other demyelinating disease of the central nervous system without significant comorbidities
A038C	Multiple sclerosis/other demyelinating disease of the central nervous system with significant comorbidities
A039A	Transient ischemic attack
A050A	Neurological, sensory, cognitive sign/symptom (including insomnia)

Appendix C: 16 health profile group categories

HPG category code	Description
01	Palliative
02	Major Acute
03	Major Chronic
04	Major Newborn
05	Major Mental Health
06	Major Cancer
07	Moderate Acute
08	Moderate Chronic
09	Other Cancer
10	Other Mental Health
11	Obstetrics
12	Minor Acute
13	Minor Chronic
14	Healthy Newborn
15	Health System User With No Health Conditions
16	Health System Non-User

GOOD NEWS !

You can simply ignore all of those lists.

They have no relevance to our billings, ICD9 codes,
or any strategies to maximize your acuity payments.

## HOW DO ICD9 DIAGNOSTIC CODES GET MAPPEE TO COMPLEXITY BANDS?

There is a master summary of how the ICD9 diagnostic codes get mapped.
- However, it is CIHI's proprietary property and will not be shared.
- Plus, it's not as simply as an algorithm for just ICD9 codes. The mapping is also affected by other overriding variables.
- There's also all the hospital codes, specialist billings, and all the other data inputs to consider.

Ultimately, there are so many variables to consider that **there are 5.7 million different permutations**!

- It is not as simple as saying "Patients with Diabetes are put into Band 2", or "Patients with Diabetes and Anxiety and Cancer go into Band 4."
- It's also not as simple as saying Anxiety is more complex than Hypertension, for example.
- Rather, there are 5.7 million different possibilities.

If you then listed all 5.7 million permutations from most complex down to least complex, and then split that list into quintiles (20% each), that is how patients land in a particular band.

Band 1
Band 2
Band 3
Band 4
Band 5

5.7 million permutations
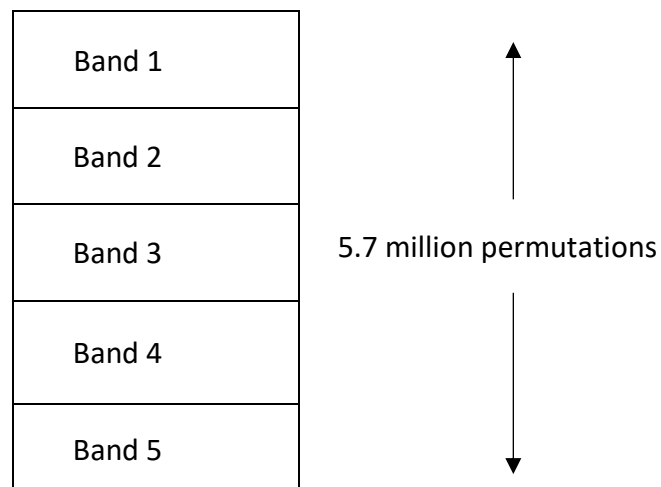
So, each band has over 1 million different possible "complexities" too.
Which is why it's impossible to be as simple as "Diabetic patients are in Band 3", for example.

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There's no sense worrying about whether you should bill 300 for Anxiety vs 413 for CAD in a particular visit.

Because ultimately, that won't move the complexity level up or down enough move a patient from one Band to another.

One General Tip:

It may help to use diagnostic codes that are more precise.

For example, billing 413 for "CAD" will better define complexity than billing 785 for "chest pain"

WHAT TIMEFRAME OF BILLING DATA IS BEING USED?

The billing data looks back:
- **5 years** for chronic conditions (i.e. mental health, cancer, diabetes)
- **2 years** for acute conditions (i.e. URTIs, UTIs, stiches)

DOES VISIT FREQUENCY AFFECT THE BANDS?

Key point: **NO**

- Visit frequency will NOT place a patient into one band versus another.
- You can still practice with multi-issue visits and that will not 'reduce' the patient's assigned complexity.

DOES THE SERVICE CODE AFFECT THE BANDS?

Key point: **NO**

- Billing K030 vs A007 vs K005 does NOT affect which band to which a patient is ultimately assigned.

A SPECIAL CONSIDERATION WITH DIABETES K030 BILLINGS:

K030 does **NOT** necessarily need to be billed with **diagnostic code "250"**.

- Family doctors need to bill a diagnostic code TWICE for the patient to be officially assigned that condition in the algorithm.

- So, you will want to make sure you bill "250" with a K030 at least TWICE every few years in order to have Diabetes accurately assigned to the patient.

- **BUT, if you do multi-issue visits along with your diabetes visits, you will also periodically want to mix in some of the patient's other diagnostic codes in order to better define that patient's complexity.**

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DOES ROSTER SIZE AFFECT THE NEW ACUITY PAYMENTS?

Key point: **NO**

Many people misunderstood this.

All roster sizes, including those less than 1000 patients, will all receive the new acuity payments.

The confusion stemmed from the following:

- **The preventative care bonuses for Child Immunizations and Flu Shots remain intact!** *(It is just the PAP, Mammo, and FIT bonuses that are ending).*

- But for practices with rosters under 1000 patients, those bonus amounts would be pro-rated based on roster size.
    - For example, if a FHO practice was only 500 patients, instead of receiving a $2000 bonus payment, it would be pro-rated to only $1000 (50%).
    - The rationale is that smaller practices would require proportionally less work to reach the bonus thresholds.
    - The money to fund the acuity modifiers had to be repurposed from somewhere.

WHAT OFFICIAL ICD9 CODE LIST SHOULD WE USE?

You will find variability in different ICD9 code databases.

i.e. Our EMR databases sometimes differ from the OMA app or other ICD9 databases.

Our hope is that either I or SGFP will officially update and release an ICD9 list and/or tools.

OVERALL SUMMARY:

- **Generally, all of the complexity calculations will happen automatically in the background. You should not spend too much mental energy worrying about optimizing the complexity modifiers.**

- **That said, try to use more precise ICD9 diagnostic codes. (i.e. use "413" instead of a generic "785").**

- **Periodically vary up the diagnostic code you bill with Diabetes K030 visits, assuming you address multiple other issues in those visits.**