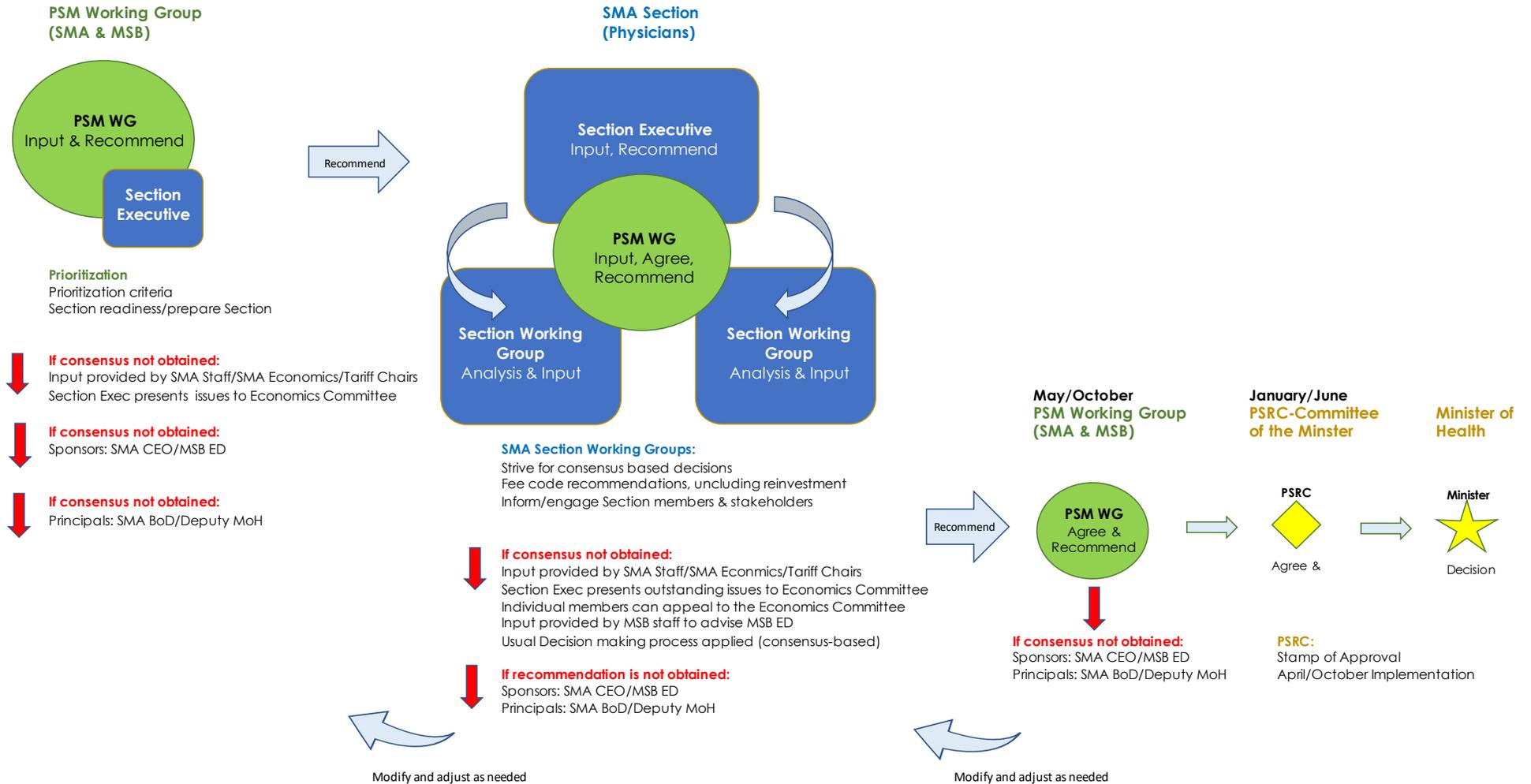


# Payment Schedule Modernization (PSM)

## Appendix A: Decision-Making Process Schematic



## **Payment Schedule Modernization Decision-Making Process December 2019**

1. The Payment Schedule Modernization (PSM) decision-making process is designed to meet the timelines of the semi-annual January and June meetings of the Payment Schedule Review Committee (PSRC). Modernized fee codes will be recommended by Section Executives and the SMA/MSB Payment Schedule Modernization Working Group (PSM WG) in advance of the semi-annual PSRC meetings.

**Appendix A** provides a schematic for the PSM Decision-Making Process.

**Appendix B** provides the PSM governance for the Decision-Making Process.

**Appendix C** provides the PSM prioritization criteria.

**Appendix D** provides tools for building consensus.

The RAPID ® Method<sup>1</sup> (Figure 2, page 5) is referenced in the steps below to explain the various roles and activities in decision making.

### **2. PSM Working Group (PSM WG) provides Input and Recommends the fee code prioritization and Section readiness**

- PSM Working Group establishes priorities for each PSM cycle based on pre-established criteria.
  - Engages with Section Executive to determine section readiness, timelines, scope, proposal feasibility, and ability to implement within current PSM cycle.
  - Decisions regarding priorities are ideally be obtained via consensus of the Section Executive and PSM WG. Consensus is a “general agreement” to proceed (i.e. agree in principle), by most involved in the development of the recommendations. **Appendix D** provides information regarding obtaining consensus.
  - When options to reach consensus are exhausted and the Section Executive concludes that consensus on priorities is not achievable:
    - The Executive will seek the expert advice of SMA staff and chair of the Economics committee. This may involve convening a special meeting where the issues are presented, discussed and advice provided.
    - If consensus is still deemed not achievable, priority may be presented to the Economics Committee where a decision will be made to proceed, amend, or not proceed with the Section priority while using the Committee’s usual decision-making processes.

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<sup>1</sup> Mulder, P. (2017). *RAPID Decision-Making Model*. Retrieved February 2019 from ToolsHero: <https://www.toolshero.com/decision-making/rapid-decision-making-model/>

- If all options to obtain consensus are exhausted, outstanding issues may be escalated to SMA CEO and MSB Executive Director (ED).
- If consensus is still not obtained, outstanding issues may be escalated the SMA Board of Directors through the SMA Chief Executive Officer (CEO) and the Deputy Minister through the MSB ED for advice and a decision.

### 3. **Section Executive provides Input and Recommends**

- Section Executives will lead, provide input and recommend changes to fee codes and areas for reinvestment to the PSM WG using the following process:
  - The Section Executive (or delegated Section representatives/working groups) will compile relevant facts, observations, opinions, data and analysis to share with Section colleagues and the PSM WG (SMA and MSB staff will support this process).
  - The Section's input is intended to raise various perspectives within the Section, the proposal's feasibility, practical implications and alignment with the principles of modernization.
  - It is the responsibility of the Section Executive, along with help from SMA staff and MSB staff, to adequately consult with and provide information to Section members (the degree of consultation may vary, dependent on the number of stakeholders and potential risks and impacts to members). Some items may require consultation with more than one section.
  - **Section Executives will inform Section members at the Representative Assembly regarding progress/recommended changes to the payment schedule codes.** The RA is an opportunity for the Section Executive to engage and communicate with its members not only regarding the recommendations for change to fee codes, but other aspects of PSM including any steps remaining in the decision-making process, the impacts and risks of the proposed changes, and prospectively gathering input for the next cycle of preparations of PSRC. The RA is not seen as a decision-making milestone in the PSM process; rather an opportunity for communication and feedback.
  - Decisions regarding recommendations will ideally be obtained via consensus of the Section Executive.
  - Consensus is a "general agreement" to proceed (I.e. Agree in principle), by most involved in development of the recommendations. **Appendix D** provides tools in obtaining consensus.
- When options to reach consensus are exhausted and the Section Executive concludes that consensus on recommendations is not achievable:

- The Executive will seek the expert advice of SMA staff and chairs of the Economics and Tariff committees. This may involve convening a special meeting where the issues are presented, discussed and advice provided.
- If an individual section member(s) disagrees, the member can appeal directly to the Economics Committee 60 days prior to PSRC (Jan/Jun).
- If consensus is still deemed not achievable, the recommendations may be presented to the Economics Committee where a decision will be made to proceed, amend, or not proceed with the Section recommendations while using the Committee's usual decision-making processes.
- If all options to obtain consensus are exhausted, outstanding issues may be escalated to SMA CEO and MSB Executive Director (ED).
- If consensus is still not obtained, outstanding issues may be escalated the SMA Board of Directors through the SMA Chief Executive Officer (CEO) and the Deputy Minister through the MSB ED for advice and a decision.

**4. The Payment Schedule Modernization Working Group (PSM WG) Agree and Recommend the proposal**

- PSM WG is made up of members from the pertinent Section(s); Economics Committee (EC) and/or Tariff Committee (TC), SMA staff and Medical Services Branch staff.
- The PSM WG will use the recommendations and information submitted by the Section Executives to finalize a proposal to be submitted to PSRC. Finalizing a proposal is a collaborative process of the PSM WG.
- Proposals will consider change management strategies (e.g. communications, notice periods, transition plans, etc.) based on the expected impact and pacing of the changes.
- The PSM WG will strive for consensus and engage the Section Executives to revise recommendations as needed.
- If all options to achieve consensus are exhausted, outstanding issues may be escalated to the SMA Chief Executive Officer (CEO) and MSB Executive Director (ED) who will seek the advice and/or decision of their respective Principals, the SMA Board of Directors, and the Minister of Health, through the Deputy Minister.

**5. The Payment Schedule Review Committee (PSRC) Agree and Recommend the proposal**

- Once recommendations/proposals are agreed upon by the PSM WG, they are forwarded to PSRC for formal approval.
- The PSRC is a committee of the Minister of Health; its purpose is to consult the SMA and serve as the single point of accountability. PSRC meetings occur semi-annually in January and June.
- The PSRC process makes recommendations to the Minister for final approval.

**6. The Minister of Health makes the Decision**

- **If the recommendation is approved**, it commits the Ministry and SMA to implement the decision.
- The PSRC monitors the impacts of recommendations and makes amendments when necessary (minimum two years of monitoring before officially signing-off on items).

**7. Various stakeholders Perform the tasks to implement the decision**

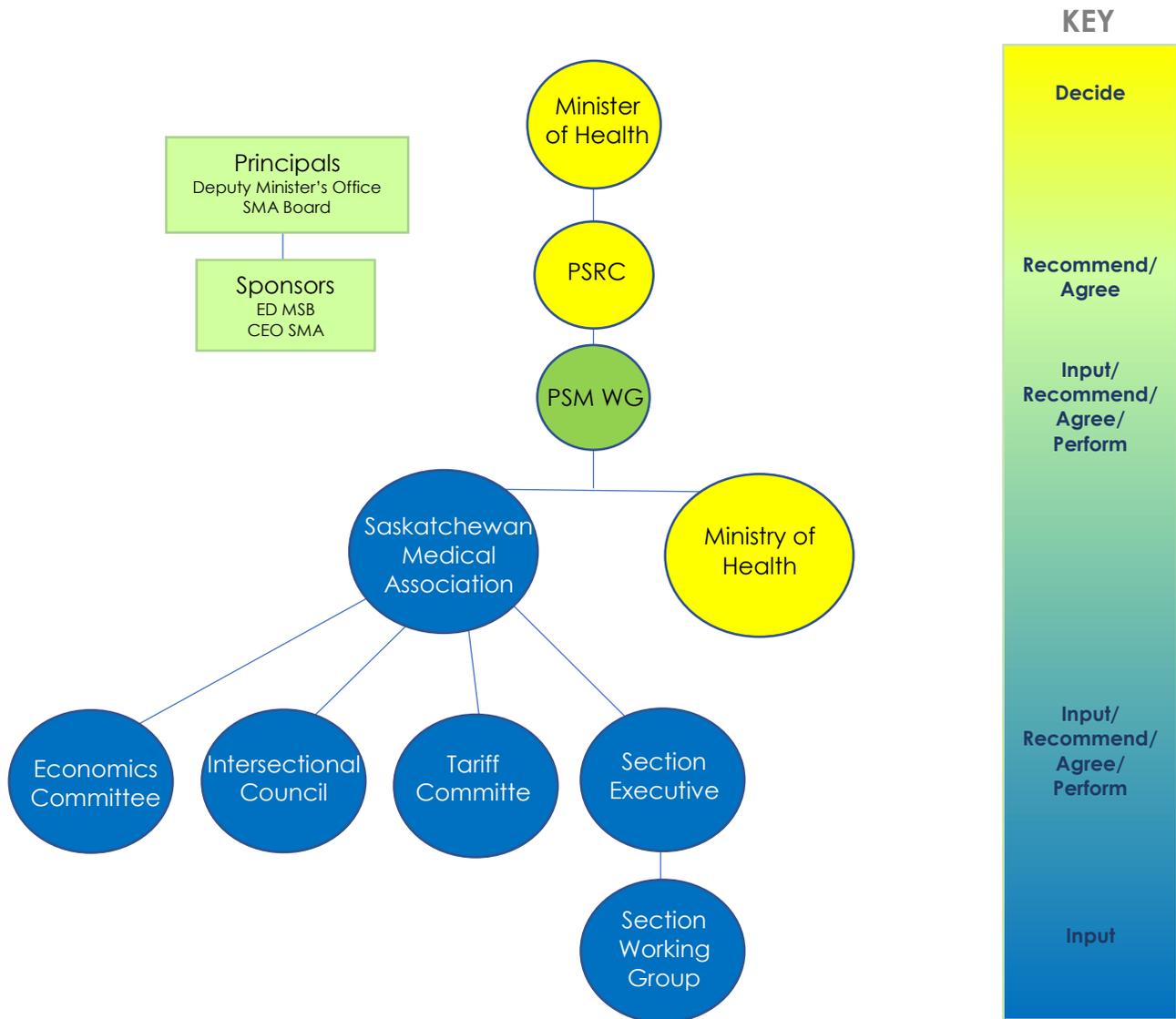
- MSB will work to complete the technical and administrative requirements promptly and effectively for April and October.
- The PSM WG will communicate the decision to key stakeholders once it is made and implement any change management strategies.
- Section Executive and members will align their practices and billing with the modernized Payment Schedule.
- As noted above, implemented changes will be monitored by PSRC for at least two years prior to amend or reach official sign-off, to ensure the changes have had the desired effect and align with the principles of modernization.
- During this period of monitoring, if there are unintended consequences where feedback is needed, stakeholders may raise concerns about the implemented changes to the PSM WG to resolve accordingly.
  - If solutions to the unintended consequences are not deemed as adequately addressed, they may be escalated to the SMA Chief Executive Officer (CEO) and MSB Executive Director (ED) who will seek the advice and/or decision of their respective Principals, the SMA Board of Directors, and the Minister of Health through the Deputy Minister.

*Figure 2:* The RAPID® decision-making model

Input	<ul style="list-style-type: none"> <li>• Provide input, valuable expertise, experience or information to the <b>R</b></li> <li>• People who need to be consulted before the decision is made</li> </ul>
Recommend	<ul style="list-style-type: none"> <li>• Make a recommendation to the <b>D</b> (80% of work happens here)</li> <li>• Gather and assess the relevant facts, relying on input from the <b>I</b>s</li> <li>• Drive <b>robust analysis</b> to select among alternatives</li> </ul>
Decide	<ul style="list-style-type: none"> <li>• Makes the <b>final decision</b> and commits organization to action</li> <li>• Provides single point of accountability (only one <b>D</b>)</li> </ul>
Agree	<ul style="list-style-type: none"> <li>• Agree with the decision being made, or escalate disagreement if needed</li> <li>• Typically limited to legal, finance or regulatory compliance</li> </ul>
Perform	<ul style="list-style-type: none"> <li>• Executes decision once made, accountable for making decision happen</li> <li>• May also be an <b>I</b></li> </ul>

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Source: Bain & Company

## Appendix B Diagram: PSM Governance & Decision-Making Structure



## Appendix C: PSM Prioritization Criteria

- (JMPRC) Joint Medical Professional Review Committee codes
- Frequently reviewed/rejected codes
- Relativity/Disparity
- Misalignment with PSM Principles
  - Patient-centered Care
  - Appropriateness: 1) Medically Required and 2) Value for Money
  - Fairness
- PSM Unintended Consequences
- Billing system limitations
- Physician/Section impacts - # of individuals, readiness/engagement – section governance, support and capacity
- Simultaneous cost/savings
- Outdated codes, abused codes, substituted codes/gaps
- Systemic vs. specific
- Cost impacts (broad vs narrow)

## Appendix D: Tools for Building Consensus

Consensus is a “general agreement” to proceed, by most involved in the development of the recommendations.

### **Tips to help you manage decision-making points:**

- When the stakes are high, decision-making is rarely easy.
- Be clear on the process (i.e. input and decision-making) to be used right up-front. Explain any tools or techniques that will be used so people can use it correctly.
- Ask people what assumptions they're operating under, either about the issue or the organizational constraints. Note these and test them with the rest of the group.
- Conflict is a natural part of many decision-making discussions. Always draw out differences assertively and collaboratively. Don't strive to avoid conflict or accommodate by asking people to be nice and get along.
- Urge people not to fold or just give in when they feel they have important ideas. When everyone agrees just to make things run smoothly, the result is “group think.” This creates poor decisions made just to get it over with and is an attempt to ensure that everyone stays friends.
- When the group has chosen consensus because the issue is important, stick with it even if the going gets tough. Beware of the tendency to start voting, coin tossing, and bargaining to make things quicker - you'll lose quality.
- Be very particular about achieving closure on any items that get decided. Test for consensus and make sure things are final before letting the group move on to other topics.

- Stop the action if things start “spinning” or behaviors get ineffective. Ask: “What are we doing well? What aren’t we doing so well?” and “What do we need to do about it?” Then act on the suggestions for improvement.

**How to save time building consensus:**

- Make sure in advance that all the required information required is provided ahead of or at the meeting. If critical information is missing, work out what needs to be done to get them for the next meeting and move on.
- Split into parallel working groups to deal with several issues at once – each working group comes back with proposals for the whole group to decide on.
- Delegate a small group to synthesize everyone’s ideas into a few possible solutions to be discussed later by the whole group (this could be the PSM project team).
- Good facilitation – keep the group focused and stop people from going off on tangents.
- Keep accurate minutes to avoid having to revisit decisions (PSM project team).

**Guidelines for participants in consensus decisions:**

- If you don’t understand something, don’t be afraid to say so.
- Be willing to work towards the solution that’s best for everyone, not just what’s best for you. Be flexible and willing to give something up to reach an agreement.
- Help to create a respectful and trusting atmosphere. Nobody should be afraid to express their ideas and opinions. Remember that we all have different values, backgrounds and behaviour and we get upset by different things.
- Explain your own position clearly. Be open and honest about the reasons for your view points. Express your concerns early on in the process so that they can be considered in any proposals.
- Listen actively to what people are trying to say. Make a deliberate effort to understand someone’s position and their underlying needs, concerns and emotions. Give everyone space to finish and take time to consider their point of view.
- Think before you speak, listen before you object. Listen to other members’ reactions and consider them carefully before pressing your point. Self-restraint is essential in consensus – sometimes the biggest obstacle to progress is an individual’s attachment to one idea. If another proposal is good, don’t complicate matters by opposing it just because it isn’t your favourite idea! Ask yourself: “Does this idea work for the group, even if I don’t like it the best?” or “Are all our ideas good enough? Does it matter which one we choose?”.
- Don’t be afraid of disagreement. Consensus isn’t about everybody thinking the same thing. Differences of opinion are natural and to be expected. Disagreements can help a group’s decision, because with a wide range of information and opinions, there is a greater chance the group will find suitable solutions. Easily reached consensus may cover up the fact that some people don’t feel safe, or confident enough to express their disagreements.

**Effective Decision-Making Behaviors:**

- To make any decision process work, group members need to behave in specific ways. These behaviors should be viewed as guidelines in advance of any decision-making session.

<b>Behaviors That Help</b>	<b>Behaviors That Hinder</b>
Listening to others' ideas politely, even when you don't agree	Interrupting people in mid-sentence
Paraphrasing the main points made by another person, especially if you're about to contradict their ideas	Not acknowledging the ideas that others have put on the table
Praising others' ideas	Criticizing others' ideas, as opposed to giving them useful feedback
Building on others' ideas	Pushing your own ideas while ignoring others' input
Asking others to critique your ideas and accepting the feedback	Getting defensive when your ideas are analyzed
Being open to accepting alternative courses of action	Sticking only to your ideas and blocking suggestions for alternatives
Dealing with facts	Basing arguments on feelings
Staying calm and friendly towards colleagues	Getting overly emotional; showing hostility in the face of any disagreement

**References**

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- Seeds for Change, 2013, *Consensus Decision Making*.