

Board of Directors

Annual Reports

2014-2015

Governance and Nominating Committee Report

The purpose of the Governance and Nominating Committee is to provide a focus on board governance that will enhance Doctors Manitoba's performance by assessing and making recommendations regarding board effectiveness, the recruitment of board members, and the selection of the President of the Board of Directors, Board Officers and the Board Chair.

Key activities of the Governance and Nominating Committee:

- Board Composition – Succession Planning
- Board Recruitment and Needs Assessment
- Board Representation on Operational Committees
- Nominations/Appointments for Doctors Manitoba Executive
- Nominations/Appointments for CMA Committees
- Board Self-Evaluation Process

Members of the Governance and Nominating Committee:

- Dr. Darcy Johnson (Chair)
- Dr. David Cram
- Dr. Barbara Kelleher
- Dr. Albert Chudley
- Dr. Brian Rumbolt
- Mr. Scott Baldwin (QSM Consulting)
- Dr. Robert Kippen (ex-officio)
- Mr. Robert Cram (ex-officio)



Finance and Audit Committee Report

The purpose of the Finance and Audit Committee is to coordinate the Board of Directors financial oversight responsibilities by recommending policy to the Board and monitoring its implementation. The Committee also provides board oversight of Doctors Manitoba's annual financial audit.

Key activities of the Finance and Audit Committee:

- Review Annual Audit Plan
- Receive and review audit presentation from Auditor
- Review Quarterly Financial Statements
- Review Annual Budgets
- Reviewed financial reporting protocols and timelines
- Review and recommend investment for Doctors Manitoba reserve funds

Audited Financial Statements

We are pleased to report that Doctors Manitoba continued its strong financial position in 2014, recording a surplus of **\$376,090** (2013 - \$284,269) and net assets of **\$7,519,617**, an increase of 5.3% (2013 - \$7,143,527).

At August 31, 2014, Doctors Manitoba net assets consisted of **\$2,958,252** in Capital Assets (building), **\$4,561,365** in Unrestricted Net Assets (in the form of cash and investments).

Overall revenue in 2014 (\$3,941,156) increased by 3.2% from 2013 (\$3,820,672), mainly due to a \$61,218 increase in Memberships Dues (2014 - \$2,970,433 vs. 2013- \$2,909,215) and a \$34,768 (2014 - \$432,814 vs. 2013 - \$398,046) increase in interest earned on reserves held by Insurers and insurance administration allowances.

Note that approximately 75% of the Association's revenue is derived from Membership Dues (2014 - \$2,970,433) and that another 10% is derived from Benefit Program Administration Fees (2014 - \$350,000). These steady and predictable revenues provide the Association with a consistent cash flow year to year.



Overall expenses in 2014 increased by \$297,550 (2014 - \$3,701,524 vs. 2013 - \$3,403,974). Two initiatives in 2014, per our Strategic Plan, contributed to the increased expenses – sponsorship of the Fit Kids Healthy Kids program with Sport Manitoba (\$150,000) and the development Phase 2 of the Doctors Care TV series (\$167,000).

As a result of the continued financial strength of Doctors Manitoba, membership dues will remain unchanged for 2015-16. Doctors Manitoba membership fees have not been raised since 2007. A full-time member will continue to pay **\$1,145**.

Members of the Finance and Audit Committee:

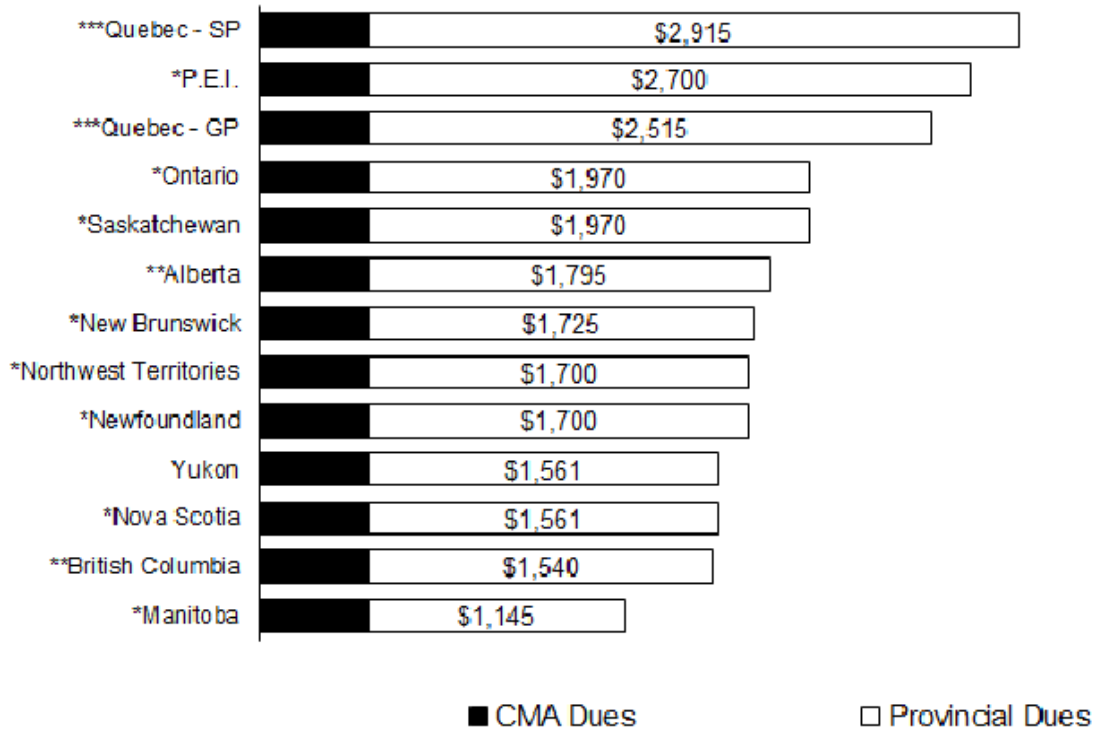
- Dr. Barbara Kelleher (Chair)
- Dr. David Cram
- Dr. Aaron Chiu
- Mr. Harold Dueck (CA)
- Dr. Robert Kippen (ex-officio)
- Mr. Robert Cram (ex-officio)

Membership Report

The trend of increased membership in Doctors Manitoba continued last year. At December 31, 2014 there were 4,172 physicians registered in Manitoba, which is a net gain of 2.4% over the previous year (2013 – 4,075).

	DEC31-2014		DEC31-2013	
	Member	Affiliate	Member	Affiliate
Full-Time	2,146	161	2,121	122
Resident	548	23	541	19
Retired	183	12	182	7
Part-Time	82	15	89	10
Non-Resident	-	264	-	244
Student	431	-	433	-
Honorary	46	-	48	-
Salaried	190	41	187	41
Other	17	13	4	27
TOTAL	3,643	529	3,605	470

Provincial/Territorial Medical Association Membership Dues
Comparison (JAN-2015)



Note: All provincial dues are represented in the Canadian Medical Association Fee Schedule. CMA dues are \$495 for a Full-Time Member for 2015.

- * *Payment of provincial dues is compulsory by law*
- ** *Physicians must either be members or pay an administrative fee to receive benefits.*
- *** *Quebec physicians pay dues on a compulsory basis to either the General Practitioners Federation or the Specialists Federation at the rates shown. The Federations represent Quebec physicians in fee negotiations with the province, not the QMA. The rates shown also include non-compulsory dues of \$315 to the QMA.*

Doctors Manitoba Dues were last increased effective September 1, 2007 from \$945 to \$1145.

Health and Wellness Committee Report

Doctors Manitoba established a Physician Health and Wellness Committee in December 2012. The Committee's main goal is to provide assistance and guidance to all Manitoba physicians for wellness activities.

Physician health has traditionally been centered on stress and burnout, but the emphasis is now shifting towards wellness promotion and encouraging doctors to look after their long-term health. As such, the Committee has been working on developing a master plan that provides a broad range of assistance and training to its members for wellness activities.

The Board of Directors first set out the terms of reference for the Committee that included the following:

- Develop Education/ Workshops for Manitoba physicians
- Develop an EAP program for Manitoba physicians
- Develop a Wellness program for Manitoba physicians
- Develop a physician connection line for Manitoba physicians to access a Family Physician
- Complete a Survey of Manitoba Doctors

The Physician Health and Wellness Committee identified some strategic initiatives in 2014 for action. These initiatives included:

- Facilitate the hosting of the Canadian Conference on Physician Health in Winnipeg in 2015.
- Organize and offer as many health and wellness related workshops as possible
- Work with an insurance company to introduce a Physician Assistance Plan to all Manitoba physicians, residents and medical students.
- Create a Doctors Manitoba Physician Health and Wellness website to raise awareness of the importance of physician health and promote wellness initiatives

During 2014 (and early 2015), the Health and Wellness committee presented a number of health and wellness workshops including:



1. Disruptive Behaviour offered through the CMA's Physician Management Institute
2. Introduction to Mindfulness instructed by Dr. Melanie St. Hilaire
3. Sustainable High Performance workshop instructed by Dr. Cal Botterill, Mr. Aman Hussain and Dr. Jason Brooks

Members of the Health & Wellness Committee:

- Dr. Flordeliz Osler (Chair)
- Dr. Terry Babick
- Dr. Mark Prober
- Dr. Rebecca Renkas
- Dr. Philippe Erhard
- Dr. Derek Fewer
- Dr. Jarrett Loblely
- Dr. Ann Loewen
- Mr. Shan Pirzada
- Dr. Cornelia Van Ineveld
- Dr. David Cram
- Dr. Robert Kippen (ex-officio)



Negotiated Benefits Program Update

Continuing Medical Education Program (CME)

Paid CME claims for year ended December 31, 2014 were 1,537, totaling \$3,996,707. Total claims for the year increased by 2.3% over the previous year (1,537 vs. 1,502 in 2013). The maximum benefit of \$3,500 was claimed by 42% of physicians. The year-end cash position of the fund at December 31, 2014 was \$4,696,207.

Professional Liability Insurance Fund (PLIF)

PLIF Program rebates for year ended May 31, 2014 totaled \$4,613,236. The 2014 year-end surplus amount is \$296,561.

Maternity/Paternity Benefit Program

Paid maternity/paternity claims for the year ended December 31, 2014 totaled \$957,843. Claims included 72 new claims plus 15 claims that began in 2013 and carried over into 2014. The year-end cash position of the fund is \$28,909.

Physician Retention Program

Physician Retention payments for the year ended March 31, 2014 totaled \$2,460,990. This amount was paid to the physicians who reached their five-year milestone during the year plus death and disability benefits during that year. The audited fund balance at March 31, 2014 was \$13,256,750.



Insurance Program Update

The insurance plans administered by Doctors Manitoba continue to provide members with well-priced coverage while providing continued financial stability. Programs are currently operating with fully funded reserves.

Disability Income Plan

For the year ended May 31, 2014 the Disability Income Plan had a deficit of \$428,799. The Disability Trust Account balance at December 31, 2014 was \$2,267,012 of which \$428,799 was transferred to the Insurer (Manulife Financial) to fully fund reserves. The balance in the Disability Trust Account at May 31, 2015 will be approximately \$1,838,200. This reserve will be used to ensure stable rates in future plan years with a negative experience.

Office Overhead Expense Plan

For the year ended May 31, 2014 the Office Overhead Expense Insurance Plan generated a surplus of \$46,471, allowing for a 70% refund of the 2013/2014 experience-rated premium (\$61,855) to members (138) participating in the plan for 2015/2016. The balance in the Office Overhead Expense Account at May 31, 2015 will be approximately \$253,400. This reserve will be used to provide future rebates and to ensure stable rates in future plan years with a negative experience.

Term Life Plan

For the year ended December 31, 2013 the Term Life Insurance Plan generated a surplus of \$1,048,086. The Term Life Trust Account balance at December 31, 2014 was \$2,503,115 of which \$694,095 (50% of the 2013 experience rated premium) was refunded to members (1,700) participating in the plan in 2015.



Extended Health Care Plan

For the year ended June 30, 2014 the Extended Health Care Plan generated a surplus of \$207,076. A portion of the surplus was directed to the Rate Stabilization Reserve while the balance remains on deposit with Blue Cross to subsidize future rate increases or to fund benefit enhancements. Premiums in 2015 were reduced by 10% for plan participants (448).

NEGOTIATIONS UPDATE

The Master Agreement

This past year has marked the negotiation and ratification of a new Master Agreement between Doctors Manitoba and Manitoba Health, Healthy Living and Seniors.

The new four year Master Agreement became effective on April 1, 2015 and will expire in March 31, 2019. It includes all fee-for-service payments to physicians and services which are paid pursuant to 71 Doctors Manitoba negotiated alternate funded agreements. These agreements cover a wide variety of services from on-call to ICU coverage to employed physicians.

The new Master Agreement provides for increases of 1% in each year plus additional targeted money to both fee-for-service and alternately funded priority areas. Fee-for-service allocations were done by applying increases based on comparing fees to the Ontario-Prairie Average (the "OPA").

Other highlights include the introduction of Compressive Care Management tariffs which will come into effect in 2017, BMI premiums for various surgeries, and increases to the per diem rate for 24 hour off-site specialist on-call coverage from \$442.85 to \$500 through the term of the Agreement

Doctors Manitoba's benefits plans which are funded through the Master Agreement were also secured and strengthened for the duration of the Agreement. Increased funding to the



Paternity/Parental Benefits Fund and Continuing Medical Education Fund and continued funding to the Physicians Retention Fund was secured. Additionally the PLIF fund, which provides rebates for physicians CMPA dues, was renegotiated. Under a new negotiated model whereby the government and physicians each pay a set share of the CMPA dues, the government will more than double its previous funding commitment to this program.

There will be no fee-for-service cap, expenditure limit, income caps or thresholds for the duration of this Master Agreement.

In addition to the monetary gains, the Master Agreement will continue to contain language which acknowledges the OPA as a key factor in future deals.

The Master agreement was signed on February 12, 2015 and was unanimously endorsed by Doctors Manitoba's Board of Directors and overwhelmingly ratified by a vote of the membership.

The Master Agreement is not the only issue which kept negotiations staff busy over the past year. Doctors Manitoba continued to negotiate new funding for a wide range of Physician's Manual amendments, new fee tariffs, address billing disputes and provide negotiations services and advice to individuals and groups of physicians with regard to their remuneration with various RHAs and agencies.

Doctors Manitoba also continues to represent more than 500 residents and interns in their negotiations with the Winnipeg Regional Health Authority. Doctors Manitoba, on behalf of the Professional Association of Residents and Interns of Manitoba (PARIM) continues to work toward a negotiated settlement of this matter however in the event that negotiations are unsuccessful, arbitration is scheduled to commence on May 19, 2015.



AUDITS

Doctors Manitoba continues to represent both specialists and family physicians that are undergoing audits by Manitoba Health. Manitoba Health reviewed a wide variety of practices and tariffs including visits tariffs, psychiatric care, phone call tariffs and monthly monitoring tariffs. Where it was determined that a physician had been in violation of the Physician's Manual, settlements were negotiated by Doctors Manitoba. In other cases where, after investigation there appeared to be no wrongdoing on the part of the physician, Doctors Manitoba vigorously defended them against any claim for repayment made by Manitoba Health.

NEGOTIATIONS STAFF

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