Members continue to ask how the advanced payment from the province will be viewed by the Canada Revenue Agency (CRA). At this time, the OMA is looking to gain clarity from the CRA on the tax status of this payment.

When looking at it from an accounting point of view, the facts support it not being income as it specifically arose from the COVID-19 pandemic and it must be repaid from future earnings. Unfortunately the accounting and tax treatment of items is not always consistent, therefore the need to gain clarity from the CRA.

On April 22, 2020, the Ministry of Health issued a bulletin announcing its COVID-19 Advance Payment Program. It is important to note that this program was developed by the Ministry of Health and has not been negotiated with the Ontario Medical Association.

This FAQ does not represent the endorsement of this program by the OMA; rather, the FAQ was developed in response to questions that the OMA received from many of its members based on clarifications it received from the Ministry.

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A. General Questions

1. **What is the COVID-19 Advance Payment Program?**
   This program provides monthly, interest-free, automated advance payments to eligible physicians in May, June and July 2020 that will be recovered from physicians' billings in six equal monthly installments starting in February 2021.

2. **Who qualifies for this Program?**
   Physicians whose monthly payment is below the 70% of average payments over the previous 12 months (April 1, 2019 to March 31, 2020).

3. **Do I have to qualify in each month of May, June and July?**
   Yes.

4. **What is the amount of this payment?**
   The amount of this payment is the difference between the 70% of average payment over the previous 12 months (April 1, 2019 to March 31, 2020) and your current monthly payment in each month of the program.

5. **Do I have to apply for it?**
   No. The program will automatically top up eligible physicians' payments to 70% of the historical monthly average for each month of the 3 months that the program is in place starting in May 2020.

6. **How will I know the amount of the payment?**
   The payment will report and pay on the physicians Remittance Advice under Accounting Transactions, "EMERG ADVANCE PAYMENT (COVID19)".

7. **When will I receive this payment?**
   Payments will be added to monthly RA payment in May, June and July 2020, provided you are eligible (i.e. your current monthly payment is below 70% of last year's monthly average.

8. **How will I receive this payment?**
   The payment will report and pay on the physicians Remittance Advice under Accounting Transactions, "EMERG ADVANCE PAYMENT (COVID19)".
9. **Can I opt out and if so how?**
   The option to opt out is no longer available. Physicians who still want to opt out can do so by returning their payment to the ministry by submitting a cheque to the Financial Management Branch, 49 Place d’Armes, 3rd Floor Kingston, Ontario K7L 5J3. The cheque is to be made payable to the Minister of Finance. Providers should also indicate this cheque is for the re-payment of the advance payment, including the specified month. For other options to return the payment, please contact the [Service Support Contact Centre](#) at 1-800-262-6524.

10. **When do I have to pay it back?**
    The total amount of the advance payments will be recovered in six equal installments against future OHIP payments from February 2021 to July 2021.

11. **Does this loan has to be used for a specific purpose (e.g. overhead expenses)?**
    No. The loan is intended to assist eligible physicians to address any cash flow issues that may arise during the COVID-19 outbreak.

12. **How will this be calculated if I worked only part of the last year?**
    The average payment is calculated by dividing your total billings over the last 12 months by 12. If you practiced only part of the last year and need advance payment, you can contact the [Service Support Contact Centre](#) at 1-800-262-6524.

13. **Will I receive a payment if I do not work at all at this time, i.e. have no billings, or only have virtual billings that are not in the system yet?**
    Yes, you will receive a payment that represents 70% of your average billings in the last 12 months.

14. **I practice in a group where some payments go to individual physicians and some go to the governing group. How is this processed?**
    The eligible payments are based on all claims submitted under the physician’s billing number, regardless of whether it is billed with or without a group number.
15. **What is included in the calculation of the average payment?**
All payments that are claimed under physician’s billing number, including all professional fee-for-service billings, all primary care payments (e.g. capitation, shadow billings, preventive care bonuses, and premiums), and shadow billing premiums for physicians in the alternative payment plans. Technical fees were included in some instances for determining eligibility for the May payment. However, the Ministry will not be including technical fees for purposes of determining eligibility for the June and July payments.

16. **What is not included in the calculation of the average payment?**
Payments made to the group where the funding to each individual physician is not identified are not included. This includes, for example, the base payment of fully-converted APP/AFP models, on-call funding (e.g. HOCC, CPOC), and most programs (e.g. UAP funding). Further, payments that are not available directly on the Ministry of Health system are not included, such as the CHC payments, mental health sessional rates and stipends, DPPH, etc. For June and July payment, technical fees will also not be included. Physicians who may require advance payment and are affected by these considerations may contact the Service Support Contact Centre at 1-800-262-6524.

17. **What if I need advance payment but have not received it?**
Physicians who may require advance payment and are affected by the methodology to calculate the eligibility may contact the Service Support Contact Centre at 1-800-262-6524.

18. **Will payments for the advance payment program flow through group/governance RAs or individual physician solo RAs?**
Individual physician solo RAs.

19. **How will recoveries be done? Will physician be liable for recovery if he/she terminates their relationship with the group (e.g. governance organization, IHF, etc.)**
The physician is solely responsible to re-pay the advance payment, regardless of where they are working. As the payments are going through their solo account (where possible) the amount owing will follow them and not any associated group(s) they were working with at the time. If the physician only bills through a group, there is an option
to reduce their monthly group billings until this is repaid. That process is completed now with garnishments, third party demands, court orders, negative balance recoveries, etc. If the physician stops billing entirely, the usual negative balance process will take over (i.e. letters to them asking for re-payment; eventually the debt will go to collections). Coordination will be necessary with the HSB IHF Program area to ensure they do not process any licence changes that would impact the recovery of these payments. The ministry will contact the group prior to processing any changes that may have an impact.

20. **Do primary care and APP contractual agreements need to be amended?**
Primary Care and APP contract amendments are not required.

21. **Should I flow portion of my advance payments to the groups which typically would be recipients of FFS payments (e.g. IHFs or Hospitals)?**
The advance payment is not restricted to any specific purpose and physicians have discretion on how to use these funds. However, physicians receiving the advance payments will be responsible for their repayment effective February 2021.

B. **Specific Payment Models: Family Medicine**

22. **I am a FFS family physician. How will this affect me?**
If your monthly payments have dropped below 70% of last year's monthly average, the ministry will top up your billings in each of April, May and June of 2020 to 70% of your average monthly FFS billings in the previous 12 months (April 2019 to March 2020). This will show automatically on your May, June and July 2020 RA under Accounting Transactions, "EMERG ADVANCE PAYMENT (COVID19)". You do not need to apply for this program. This payment will be repaid in equal installments over the six months between February 2021 and July 2021, with no interest applied to the loan. If you wish to opt out, or have questions about your specific calculations, please contact the Service Support Contact Centre at 1-800-262-6524.
23. I am a family physician practicing in a patient enrolment model (e.g. FHO, FHN, FHG, CCM). How will this affect me?

   If your monthly payments have dropped below 70% of last year’s monthly average, the ministry will top up your billings in each of April, May and June of 2020 to 70% of your average monthly billings (including all FFS claims and all primary care payments that are listed in your RA, such as capitation payments, shadow billing premium, and incentives and bonuses) in the previous 12 months (April 2019 to March 2020). This will show automatically on your May, June and July 2020 RA under Accounting Transactions, "EMERG ADVANCE PAYMENT (COVID19)". You do not need to apply for this program. This payment will be repaid in equal installments over the six months between February 2021 and July 2021, with no interest applied to the loan. If you wish to opt out, or have questions about your specific calculations, please contact the Service Support Contact Centre at 1-800-262-6524.

24. I am a family physician practicing in an alternative funding agreement (e.g. HIV, Palliative Care, Care of Elderly, RNPGA, GHC, etc.). How will this affect me?

   If your monthly payments have dropped below 70% of last year’s monthly average, the ministry will top up your billings in each of April, May and June of 2020 to 70% of your average monthly billings (including payments that are listed in your RA, such as base rate, capitation payments, shadow billing premium, FFS and incentives and bonuses) in the previous 12 months (April 2019 to March 2020). This will show automatically on your May, June and July 2020 RA under Accounting Transactions, "EMERG ADVANCE PAYMENT (COVID19)". You do not need to apply for this program. This payment will be repaid in equal installments over the six months between February 2021 and July 2021, with no interest applied to the loan. If you wish to opt out, or have questions about your specific calculations, please contact the Service Support Contact Centre at 1-800-262-6524.
C. Specific Payment Models: Specialists

25. I am a FFS physician. How will this affect me?
   The ministry will top up your billings in each of April, May and June of 2020 to 70% of your average monthly FFS billings in the previous 12 months (April 2019 to March 2020). This will show automatically on your May, June and July 2020 RA under Accounting Transactions, "EMERG ADVANCE PAYMENT (COVID19)". You do not need to apply for this program. This payment will be repaid in equal installments over the six months between February 2021 and July 2021, with no interest applied to the loan. If you wish to opt out, or have questions about your specific calculations, please contact the Service Support Contact Centre at 1-800-262-6524.

26. I practice in an Academic Health Science Centre, participate in the Phase III AFP and only bill FFS. How will this affect me?

   Physicians practicing under AHSC AFP have 60% of their FFS billings redirected to AMO. The remaining 40% is funded directly by the ministry to either a group/practice plan or to individual physician based on practice plan setup. Advance Payment in May will be calculated in one of the two ways:
   1) If a physician pools 40% of his/her billings in a group/practice plan arrangement then the Advance Payment will be calculated on 100% of their FFS billings (including both AMO and practice plan portion)
   2) If a physician receives 40% of his/her AHSC AFP billings directly from the ministry then the advance payment is calculated on just the value of the 40% that physicians claims under the AHSC AFP.

   All advance payments will be issued to a bank accounts linked with physicians’ OHIP billing numbers.

   For June and July, ministry plans to change the way that advanced payments are calculated for physicians who directly receive 40% of AHSC AFP payments. Calculations of Advance Payments in June and July will include the 60% redirection amount and therefore, the advanced payment will be calculated on the 100% value of their FFS claims.
27. I practice in an Academic Health Science Centre, participate in the Phase III AFP, are member of fully converted AFP/APP and have no billings outside the fully converted AFP/APP. How will this affect me?

The May advanced payment for majority of shadow billing groups was calculated using the value of the shadow billing premiums. Value or actual payments made for shadow billing premiums claimed under each individual physician’s billing number were used to determine both average billings and May’s billings. As with FFS, the ministry issued a advance payment in the amount of difference between the 70% of average payment over the previous 12 months (April 1, 2019 to March 31, 2020) and the current monthly payment.

Non-claim based payments (base, teaching, admin, etc.) are not included in advance payment calculations.

28. Will OHIP look at group billing and individual billing separately? So would an individual get the 70% top up to their own account (if on file) for work done outside of the hospital (e.g. locums, etc.) and 70% top up to the group billing number at the hospitals. This would be easier to handle if it were cleaner.

No. The ministry will undertake an advance payment calculation for each physician in each May, June and July and where eligible issue a single payment to bank account associated physician’s individual billing number. The payment will report and pay on the physicians Remittance Advice under Accounting Transactions, "EMERG ADVANCE PAYMENT (COVID19)".

D. Pregnancy and Parental Leave Program

29. I am currently on PPLB. Am I eligible? Is my advance payment reduced by the amount I receive from PPLB?

Yes, you are eligible as long as your current billings, if any, is less than 70% of your average monthly billings over the previous 12 months. Your advance payment will not be reduced by the amount of PPLB.