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## CCHE Seminar Series

### Primary Care Physicians' Referral Rates in Ontario



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**Date: Friday, February 19th, 2016**

**Time: 10 AM - 12 PM**

**Location: Health Sciences Building  
Room 100 (first floor)**

**Summary:** This study aims to understand the impact of transitioning from an enhanced FFS payment model, known as a Family Health Group (FHG) to a mixed capitated payment model, identified as a Family Health Organization (FHO), on referral patterns of primary care physicians to specialists in Ontario. Using five years of Ontario administrative data, it is found using propensity score weighted difference-in-differences fixed effects estimation that on average, the number of listed referrals of primary care physicians that join the FHO model is greater than that of physicians who remain in the FHG model, but the overall number of specialist visits of enrolled patients either remains constant or decreases once the physician joins the FHO model. Additional estimation shows that the difference in referral rates between FHG and FHO physicians is significant in years after the year of the switch. The results indicate that the blended capitation model seems to be successful in reducing the incentive of capitated physicians to increase their specialist referrals.

A second study examines how primary care models affect physicians' lab utilization, especially physicians that belong to an interdisciplinary health team where there is concern of greater lab test use. Results show that physicians do not significantly change their lab referrals, labs ordered, or total value of labs once they join the FHO model, but only if they are not affiliated with a Family Health Team (FHT). FHT physicians are shown to increase their lab utilization by approximately 10% for continuously rostered patients once switching from a FHG if the physician joined a FHT later in the sample period. Enrolment requirements and/or continuity of care improvements may contribute to increased laboratory utilization. Additionally, interdisciplinary teams may have a greater intensity of lab use.

Nadine Chami is a PhD student who earned her Honours B.A in Economics and M.A in Economics from McMaster University. Upon completion of her Honours B.A, she began working as a research assistant under the supervision of Professor Arthur Sweetman at McMaster University. Her research interests include health economics with a focus on physician practice structure and behaviour in primary care.