
Family Health Teams

Advancing Primary Health Care

Guide to Independent Health Facilities Licensing

July 4, 2005

Purpose

This is one of a series of guides developed to assist those in the process of forming Family Health Teams (FHTs). This guide has been developed to provide basic information to groups interested in establishing Family Health Teams with integrated diagnostic or specialized ambulatory treatment services.

Family Health Teams may require diagnostic services (radiology, ultrasound, nuclear medicine, pulmonary function studies) to support the primary health care provided by the FHT practitioners and provide easier access to their patients. In addition, some Family Health Teams which are integrating specialists into their group may wish to provide some treatment services such as out of hospital minor day surgery. Some diagnostic and ambulatory treatment services such as these require a licence under the Independent Health Facilities Act (IHFA).

Definitions

What is the Independent Health Facilities Act (IHFA)?

The IHFA provides a funding and licensing mechanism for certain needed community-based facilities. It requires licensed facilities to participate in a quality assurance program to protect patient care and prohibits charging facility fees, as defined in the Act, to anyone other than the Minister of Health and Long-Term Care or a person designated in the regulations.

What is the Role of the College of Physicians and Surgeons of Ontario (CPSO)?

To assist health care providers in their clinical decision-making, the Ministry has funded the College of Physicians and Surgeons of Ontario (CPSO) to develop and publish Clinical Practice Parameters (CPPs) and Facility Standards for each type of licensed IHF service. The CPPs are also designed to assist IHF operators in developing their own quality management program by providing guidelines for assessing the quality of patient care provided in the facility. The Act requires every licensed facility to establish a method of monitoring the care and treatment it provides.

The Act contains provisions for the appointment of inspectors and assessors.

Each assessment is carried out at the request of the Director of Independent Health Facilities. Under the Act, assessors are appointed by the professional regulatory body for the type of health care professional whose services are licensed at IHFs. Currently, the CPSO appoints assessors because the majority of procedures provided in IHFs are delivered by physicians or provided under their direct supervision.

Where other related health professionals also provide care in the facility, the CPSO has agreed to participate with the relevant professional regulatory bodies to ensure the proper assessment of care in IHFs.

The Minister of Health and Long-Term Care (the minister) appoints ministry inspectors who may inspect IHFs to ensure that they comply with all provisions of the legislation and with their conditions of licence. The Registrar of the CPSO may also appoint inspectors where the Director is of the opinion that there is reasonable ground for belief that facility fees are being charged in unlicensed facilities.

Types of Services that Require a Licence under the IHFA

What types of services require a licence under the IHFA?

An IHF is defined in the legislation as a place in which one or more members of the public receive health services for or in respect of which facility fees are charged or paid, or a health facility or class of health facilities designated by the Minister of Health and Long-Term Care. A health facility is defined as a place in which one or more members of the public receive health services and which includes an IHF. A facility fee is a charge or fee or payment for or in respect of, a) a service or operating cost that supports, assists and is a necessary adjunct to an insured service but which is not part of the insured service, or b) a service or class of services designated by the minister. Therefore a licence is required where facility fees are to be charged.

Licensed IHFs are funded by the ministry to provide services for which the costs of carrying out the procedure are not included in the OHIP fee paid to physicians. The Schedule of Benefits for Physician Services identifies services that are not fully funded by the professional fee and for which a facility fee may be charged by a licensed IHF. Licensed IHFs may be:

1. diagnostic facilities that provide specific classes of diagnostic imaging, pulmonary function, MRI/CT or sleep study tests.
2. ambulatory care facilities that provide surgical and therapeutic procedures. Currently licensed ambulatory facilities include dialysis, abortion, laser dermatological surgery and ophthalmic, vascular, plastic and gynaecologic surgery.

Facilities may be established in a variety of settings, e.g., they may be completely free-standing, located on the site of an existing health facility (e.g., public hospital, community health center or doctor's office), or located in a multi-office complex. Some facilities are operated on a mobile basis at specifically approved sites.

Why is a licence required to offer these services?

The IHFA, which was proclaimed in 1990, established a licensing scheme for community-based health facilities. The IHFA was designed to address a number of specific concerns. The IHFA provides for the co-ordinated and planned development of facilities with the participation of stakeholders. It provides a mechanism to regulate the establishment of these facilities and imposes controls on the location and on volumes of services provided.

The funding provisions under the IHFA, linked to licensing, support the movement of surgical services from public hospitals to community-based facilities. This gives the ministry the means to fund costs related to the provision of services in non-hospital settings.

Finally, the prohibition on charging of facility fees, except under the authority of a licence, controls the charging of patients for facility costs associated with the delivery of insured services.

Options for Obtaining a Licence for Diagnostic Services

What are my options for obtaining a licence for diagnostic services?

There are a variety of options available for accessing diagnostic services. Individual Family Health Teams will need to make arrangements suitable to their circumstances and the needs of their patients.

If diagnostic services are currently available in the community, the Family Health Team:

1. may choose to access diagnostic services on a referral basis with existing licensed independent health facilities or hospital outpatient diagnostic departments. This could be done either through a formal agreement with the diagnostic service provider or through the normal referral process. Under this option, patients would be required to travel to the site of the diagnostic service provider to access services.
2. may be able to negotiate the relocation of an existing independent health facility to the site of the Family Health Team. This arrangement would need to be negotiated between the Family Health Team and the licensee of the existing IHF. The relocation would need to comply with all requirements under the IHFA and would require approval of the Director of Independent Health Facilities.
3. may be able to negotiate the purchase and relocation of an existing independent health facility. In this situation, the FHT would become the licensee of the IHF and would bill the ministry for the technical (facility) fees associated with the licensed services. The arrangements for purchase of the licence would need to be negotiated between the Family Health Team and the existing IHF licensee. The purchase of the IHF and the transfer of the licence would need to comply with all requirements under the IHFA and would require approval of the Director of Independent Health Facilities.

If diagnostic services are not currently available in the community, or the volume of services available does not meet local needs, then there may be potential to establish a new IHF licence to serve the Family Health Team.

How to obtain a new Independent Health Facilities Licence

How do I obtain a new Independent Health Facilities Licence?

The ministry can issue a new licence through either a directed or competitive request for proposals, depending upon the circumstances of the particular region and/or Family Health Team.

The ministry will consider licensing a new IHF to provide diagnostic services only if the area in question meets the IHF Program's definition of "under-serviced" for that particular service. The ministry defines an area as under-serviced if the service to population ratio is less than 50% of the provincial average. In deciding whether or not to request proposals for the licensing of a new facility or new services, the minister must consider the nature and availability of the services to be provided, the current and future need for these services, and the projected cost and availability of public money to pay for the establishment and operation of the IHF.

The FHT should provide the ministry with information supporting the necessity of licensing a new IHF.

Once the need has been identified for a new facility or service, the ministry will issue a licence through the request for proposal process (tendering for the service). Any request for proposals process to establish a new facility would need to comply with all of the requirements under the IHFA.

An RFP may take one of two forms:

1. A GENERAL request for proposals (RFP); this is open to all interested parties and must be advertised in the newspaper, or
2. A DIRECTED request for a proposal in which proposals are sought from one or more specific persons. Directed RFPs are intended to address a unique situation that might arise as a result of a hospital closure, an urgent need being identified in the community that can be best addressed by a specific individual/provider, or health service reorganization.

Respondents to the RFP must comply with all mandatory requirements specified in the RFP and are evaluated based on the criteria indicated in the RFP. The successful respondent is issued the licence to provide the services specified in the RFP document.

In some cases, where a service has been newly brought under the IHFA, any existing operators may be grandparented. In some cases, the ministry could designate the FHT as a grandparented facility, allowing the FHT to apply for an IHF licence.

Where to Get More Information

All potential Family Health Teams will be assigned a ministry FHT coordinator. This ministry contact person will be your guide to assist you to work through the details and options of establishing a FHT.

If you have not yet been assigned a coordinator, please contact the ministry at:

E-mail:	FHTinquiry@moh.gov.on.ca
Address:	Primary Health Care Team Ministry of Health and Long-Term Care 1075 Bay Street, 9 th Floor Toronto, ON M5S 2B1
Telephone:	416-212-6155
Toll Free Phone:	1-866-766-0266

For more information on Family Health Teams in general, please refer to the Family Health Team Fact Sheets or the Ministry of Health and Long-Term Care website at: http://www.health.gov.on.ca/transformation/fht/fht_mn.html

