



THE CANADIAN
MEDICAL
PROTECTIVE
ASSOCIATION

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DE PROTECTION
MÉDICALE

MEDIA BACKGROUNDER

*The Canadian Medical Protective Association
2010 Annual Meeting*

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The CMPA announces membership fees for 2011

NIAGARA FALLS — As part of its Annual General Meeting, the Canadian Medical Protective Association (CMPA) announced the 2011 aggregate membership fee requirement for its three fee regions; Ontario, Québec and the Rest of Canada.

In setting membership fees, the CMPA estimates the future cost of medical liability protection for the care provided in that year. These actuarial calculations are done on a regional basis to ensure that each region is responsible for its own costs. In addition to differentiating fees by region, the calculations are also based on the type of work (family medicine, surgical specialty, trainee, etc.). This ensures that the fee structure reflects the risks inherent in each member's type of medical practice as well as regional differences in medico-legal costs.

In establishing membership fees, the CMPA's goal is to hold one dollar of asset for each dollar of anticipated liability, including awards, settlements, legal and administrative expenses. When the assets exceed the actuarial estimate of current and future liabilities, the CMPA generally allocates the remaining funds as fee credits. Conversely, when the estimated costs exceed assets, the aggregate fees are gradually increased to maintain the Association's fully funded status.

"Again this year, the CMPA's philosophy of maintaining a fully funded position has guided the development of the fee setting process. This approach ensures that the necessary funds are available to protect the professional integrity of members and provide compensation to patients harmed by negligent medical care," states Dr. John Gray, CEO of the CMPA.

For the year 2011, the aggregate fee requirement for the Québec region has been established at \$71,396,000, a 13% increase from 2010. In the Rest of Canada region, which includes the Atlantic and Western provinces as well as the territories, the aggregate fee requirement is set at \$83,709,000, a 15% increase from last year. The Ontario fee requirement has been set at \$76,037,000, which represents a decrease of 35% from 2010. The significant decrease in

Ontario reflects the application of substantial fee credits in that region, the result of positive funding experience in Ontario. As a result, it is anticipated that many Ontario physicians will see their membership fees decline in 2011.

While the overall approach to CMPA assistance and protection is consistent across the country, the membership fee model is designed to reflect the differences in medical liability costs in each region. Importantly, the medical associations and federations in each province and territory negotiated, with their respective provincial or territorial governments, arrangements that see physicians reimbursed some or all of their membership fees. These long-standing arrangements were negotiated by the medical associations and federations in lieu of other forms of compensation for clinical work – this unique arrangement has contributed to a stable practice environment for Canadian physicians.

Members will receive their individual fee requirements by mail in October. The 2011 fee schedule will also be posted on the CMPA website at **www.cmpa-acpm.ca** at that time.

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