Research letter

Physician payment for the care of homeless people

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Although homeless people frequently have serious health problems,[1] they may experience difficulties obtaining primary health care at conventional sites.[2] Experts therefore recommend health outreach programs in which homeless patients are seen at shelters and drop-in centres.[3,4] This model of care may not be feasible under the fee-for-service system, because many homeless people do not have valid health insurance cards. We conducted a study to document how frequently physicians are not paid for the care they provide for homeless people in outreach settings in Toronto.

We examined the patient encounter and billing records of 3 family physicians who provide care at 3 facilities for homeless people in downtown Toronto. Shelter A has 60 beds for homeless youths, men and women and provides drop-in services for over 100 people daily. Shelter B accommodates 60 men, most of whom are chronically homeless and suffer from severe substance abuse or mental illness. Drop-in centre C serves about 100 adults daily, predominantly men. For each physician, data were abstracted for 15 consecutive clinical sessions during the fall and winter.

The duration of clinical sessions and the number of patients seen per session varied among the 3 sites (Table 1). Overall, physicians received payment for only 54% of patient encounters. The proportion of encounters with patients who did not have a valid health insurance card was 41% at shelter A, 63% at shelter B and 45% at drop-in centre C. Fee-for-service payments per clinical session were $123 on average (range $42–$191 across sites). The value of $42, at shelter B, does not take into account the fact that the physician at this shelter was subject to a 30% fee reduction for practising in an over-serviced area. This physician's actual payments per clinical session were $29 on average.

The provision of health care for homeless people in the outreach setting addresses a substantive need and can be professionally and personally fulfilling. However, this model of care is associated with financial disincentives for physicians. In addition to the high proportion of patients without valid health insurance cards, encounters with homeless people may last longer than average because of the complexity of their medical and psychosocial problems.

Table 1: Summary of clinical sessions and physician payment at 3 homeless shelters and drop-in centres in Toronto

Characteristic	Shelter A	Shelter B	Drop-in centre C	All
No. of clinical sessions studied	15	15	15	45
Mean duration of each clinical session, h	5.0	2.7	3.6	3.8
Mean no. of patient encounters per clinical session	11.6	4.0	6.9	7.5
Total no. of patient encounters	174	60	104	338
No. (and %) of encounters with patients without a valid health insurance card	72 (41)	38 (63)	47 (45)	157 (46)
Mean fee-for-service payments per clinical session, $	191	42	137	123

These financial disincentives can be addressed through various strategies. Physicians working at outreach sites could be paid on a per-session basis through globally funded programs such as the Shared Care/Hostel Outreach Program in Toronto.[5] Group practices may elect to underwrite the outreach activities of their members, as is now the case with the Department of Family and Community Medicine at St. Michael's Hospital. Efforts are also needed to help homeless people obtain and retain health insurance cards.

The physicians in our study were reimbursed for about half of the clinical encounters in the outreach setting. Special arrangements for physician remuneration may be necessary to ensure the long-term sustainability of health care outreach programs for homeless people.

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