

**From:** Attride-Stirling, Jennifer  
**Sent:** Tuesday, January 23, 2018 9:35 PM  
**To:** Wilson, Kim N.  
**Cc:** Kennedy, Catherine L.; Attride-Stirling, Jennifer  
**Subject:** RE: MEDIA QUERY: BDC settlement

Minister - Here are draft responses for Bernews/Jeremy Deacon for your review and approval:

1. Can you confirm that Ewart Brown/Brown Darrell clinic had threatened/sought to take legal action over the level of consultation re the payments for MRIs and CT scans.

The Ministry can confirm that a letter before action was received in relation to the fee levels. However, as the matter was settled via legal counsel, details about the particulars of the action will not be provided.

2. When was this action threatened?

The letter before action was received on ... XX October 2017

3. Was Government advised by counsel/the AG to settle this case before it reached court?

No.

4. Why was it settled?

On reviewing the history and background the Government determined that the fee levels set by the previous Government had been excessively low. The fees could not be reversed as that would have resulted in premium increases mid-year. Instead, the Government determined that to avoid premium increases, it would award a special financial grant to the three facilities affected to mitigate the impact of the low fees for MRI and CT; namely, the Brown Darrell Clinic, Bermuda Health Care Services and the Bermuda Hospital Board.

5. Dr Brown suggests that Government settled this case without going to court by giving the \$778,000, is that correct?

The \$778,000 figure is an estimate based on the 2016/17 utilisation. If the same number of MRI and CT procedures were done this year, the total payment would be of that amount. However, the amount being paid is based on actual claims for procedures performed, so the final figure will not be known until the end of the fiscal year.

6. Is this a one-off payment or were terms agreed whereby there would be follow-up payments

Per above, terms were agreed.

7. Who decided the payment and on what the amount based on

The payment format was approved by Cabinet, based on the relative value method to determine the fee levels.

8. Have other medical practices threatened legal/are threatening legal action over the levels of consultation

One other practice joined Dr Brown in the letter before action. There was no grounds to that claim.

9. The Minister has said that a review of fees is on-going

Yes. The BHB fee schedule is being revised to apply a rational, transparent relative value method to all fees.

J Attride-Stirling, PhD

Record of Official Meetings of the Minister of Health

66 Healthcare facility	13-Sep-17 MOH	Dr JJ Soares, Brief the Minister KNW, JAS on new facility	Dr Soares briefed the Minister on his new urgent care centre. Will bill the same as a doctor's visit (\$138 at his current practice). Will offer transport too, and have all diagnostics under one roof, including X-ray, MRI (the only truly open one), and CT, presenting the benefits on his new powerful open MRI. JS stated that the argument that more equipment increases costs is a false one, stating that it is the way the equipment is used is what drives costs. KNW advised Section 13 will not be pursued. JS was pleased noting the way to control costs is to ensure equipment is not overused. JS asked the Minister to support the project as it will provide an extension of needed service after hours and in during weekends. But the UCC will only work if he has the full range of diagnostic services. He asks if the Minister can't endorse it to at least not put anything in place that will thwart it. The Minister thanked him for the presentation, noting the issue with MRI and CT fees remains a pending issue. Minister asked whether insurance coverage will be needed, yes. JS estimated the cost impact of his MRI, the electricity bill alone will be \$17,000 per month, so a \$450 fee for a brain MRI is just not enough. There are staggering costs associated with it.	None
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67 Hospice care 20-Sep-17 MOH

