

APPENDIX VI

**Measurement of a Full-Time Equivalent (FTE) Physician:
National Physician Database**

A brief summary of the historical background to the national measurement of a full-time equivalent (FTE) physician, the current conceptual model, and data sources used by the Canadian Institute for Health Information are provided in the publication *Full-time Equivalent Physicians Report Canada, 1989/90 to 1993/94*. (pp. 3-11, Ottawa, Ontario: Canadian Institute for Health Information, 1998). For reference purposes here, the following outlines only the basic elements of FTE computation, as provided in the CIHI publication just cited:

- for physicians providing fee-for-service care under the Canadian medicare system, gross income per physician is used to measure output or workload
- the 40th to 60th percentiles of fee adjusted, nationally defined payment distributions are used as the benchmarks within which to measure full-time equivalence
- physicians with payments less than the lower benchmark are counted as fractions of a FTE
- physicians within the benchmarks are counted as one
- physicians above the upper benchmark are counted as more than one FTE
- as illustrated below: a linear association between fee-for-service income and FTE value is employed for physicians below the lower benchmark; an algorithm incorporating logarithms (i.e. a non-linear association) is used to determine the FTE value of a physician whose income is above the upper benchmark
- to provide consistency across provinces, payments to each physician are standardized for interprovincial fee differences to compute national benchmarks for a base year, the national benchmarks are converted to provincial values, and then, each year, provincial benchmarks are indexed by specialty specific fee increases or decreases

