The Green Shield Canada Incentives Policy

Background

Health care providers may consider the use of incentives as a way to attract business from potential patients. Green Shield Canada's experience has demonstrated that incentives may increase utilization rates for medically unnecessary benefits and, in some cases, can give rise to fraudulent activity. Although it is not the intent of GSC to restrict the manner in which health care providers conduct their business or provide patient services, GSC is required to protect the financial interests of plan sponsors, ensure that reimbursement is provided only for medically necessary services, and detect and prevent overutilization, abuse and fraud.

Our policy wording

GSC confirms that it will not reimburse or pay a benefit provider or a plan member for any claim where the transaction, or the relationship between the plan member and the benefit provider, includes either the offer of, or the receipt of, any form of incentive. An incentive includes, but is not limited to, currency, a discount, rebate, refund, trip, free goods or services or the similar exchange of goods. Incentives such as loyalty rewards and gifts of a nominal value (less than $30.00 and offered once per year) *may* not be subject to this policy in certain cases, but this is subject to GSC's sole discretion and determination, and pre-approval should be sought by either the benefits provider or plan member.

GSC retains the exclusive right to determine the following (and this determination is final):

a) whether an incentive is prohibited under the terms of this policy;
b) whether an incentive is related to the service being provided; and
c) the relationship between the plan member and the benefit provider

Providers who are found to have offered incentives to GSC plan members in violation of this policy, as determined by GSC in its sole discretion, will be subject to remedial action, including but not limited to the revocation of direct billing privileges, the revocation of assignment privileges, the recovery of paid claims where it is later discovered to include an incentive and the delisting of the service provider by GSC.

How incentives work

In an effort to attract new business, a health care provider might offer an incentive to a potential client. For example, a podiatrist may offer a free pair of shoes when a plan member orders and receives a set of orthotics. In these circumstances, the plan member may not necessarily require the orthotics; however the incentive of a new pair of designer shoes may motivate the plan member to acquire the orthotics as a means to obtaining the shoes. In certain cases the offered incentive may be the plan member's *only* motivation for utilizing the services of a health care provider.

Incentives may or may not be related to the health care service provided. An incentive which offers a new pair of shoes with the purchase of a set of compression stockings is an example of an incentive related to the health care service. However, incentives such as gift cards/certificates, personal electronics or clothing may also be offered. In these cases, the offered incentive is unrelated to the health care service. In both cases, the incentive has the potential to increase utilization by inducing plan members to obtain potentially unnecessary health care goods and services.

Plan members should also be aware that where incentives are a key part of a health care provider's business, the products or service the plan member receives may not be of the highest standard. A health care provider may not be able to supply a quality item if they are also offering an expensive incentive.