

Similar to other international and Canadian jurisdictions, B.C.'s public expenditures on healthcare services have increased rapidly over the last five years. The B.C. Ministry of Health's Annual Service Plan Report listed total expenditures for the Fiscal Year 2015/16 at \$17.4 Billion, an increase of \$2.7 Billion from Fiscal Year 2010/11. There is growing interest around minimizing unnecessary consumption of health services and increasing both the efficiency and quality of health services delivery. This report studied the current compensation method for B.C. physicians, Fee-For-Services, and developed an alternative compensation model, capitation model. In order to support government moving forward seeking and implementing alternative compensation method, I also propose feasible ways to adjust the risks.