

June 11, 2025

Dear MSA Physician Executives,

In response to growing concerns about the increasing use of FE funds for ongoing physician lounge expenses, a funding guideline has been approved by the provincial Specialist Services Committee Facility Engagement Working Group (SSC FEWG). This new guideline provides clarity and an annual spending limit to MSAs for ongoing physician lounge costs.

Physician lounges have proven to be an important space for physician engagement and for cultivating meaningful connections and relationships in support of a positive work environment and patient care. Many MSAs have highlighted the value of these physician-focused spaces to the Facility Engagement Initiative (FE), and MSAs have utilized some of their allocated funding toward physician lounge improvements and renovations (capital expenses) since FE began.

It is important to balance these benefits, especially in the current fiscal environment, with the need to ensure FE funding is used appropriately and in alignment with the [Memorandum of Understanding on Regional and Local Engagement](#). While FE staff work with MSAs to encourage the investment of FE funds into meaningful engagement projects with defined, measured outcomes, the absence of a clear and consistent guideline for ongoing lounge expenses has created challenges and inconsistency across the province in terms of spending in this area.

While the [FE Funding Guidelines](#) have clear language regarding capital expenses (section 7), there has not been language regarding the allocation of FE funds toward ongoing lounge expenses and supplies. Section 7 has now been updated to include a **new subsection D** that is specific to ongoing physician lounge expenses:

7. Capital Improvements & Physician Lounge Expenses

D. Physician-focused spaces, such as physician lounges, provide important infrastructure for formal and informal connections and engagement to occur. In support of this, FE funds may be used in physician-focused spaces (i.e. physician lounges, on-call rooms) for purchasing supplies that support formal and informal physician engagement (e.g. coffee, tea supplies) to an annual limit of 5% of a MSAs annual site funding. Sites are also encouraged to use alternate sources of funding (e.g. MSA dues) to support ongoing lounge expenses. FE funds may not be used for on-site facility food provision (e.g. stocking lounge fridges) and/or for after-hours food provision for facility-based medical staff, regardless of whether the funding or provision on-site is considered inadequate. Exceptions to this policy must be pre-approved by the SSC FEWG Co-Chairs prior to any undertaking.

We recognize that this new guideline will require some MSAs who are spending higher amounts in this area to make changes to their budgets. For MSAs who wish to fund their lounges beyond the limits outlined in the guideline, alternative sources of funding can be explored such as MSA dues or other non-FE funding.

Please bring this updated funding guideline to the attention of your MSA's Facility Engagement working group members, MSA administrators and others who may be involved in the ongoing support of your physician lounges. We advise you to make the necessary adjustments within your FE budgets to come into alignment with this guideline as soon as possible. We also would like to remind MSAs to ensure that all ongoing physician lounge expenses are coded to *IOE – Physician Lounge Expenses and MSA Supplies* in the Facility Engagement Management System (FEMS). Expenses for approved physician engagement business, meetings or events are not impacted. For further guidance on meal expenses, please refer to section *16 - Eligible Expenses*, subsection *A. Meals*, of the FE Funding Guidelines.

Should you require support for this change or have additional questions, please connect with your Engagement Partner.

Sincerely,



Dr. Paris Ingledew

SSC FEWG Co-Chair

Doctors of BC Representative



Eric Bringsli

SSC FEWG Co-Chair

Ministry of Health Representative