

APPENDIX F

ADJUSTMENTS TO FEES, SERVICE CONTRACT RANGES AND SERVICE CONTRACT RATES, SALARY AGREEMENT RANGES AND SALARY AGREEMENT RATES, AND SESSIONAL CONTRACT RATES

1.1 Compensation Changes in 2006/07

- (a) The adjustments described below that were effective April 1, 2006, represent full and final satisfaction of the physician compensation adjustments contemplated by Articles 4.1 and 4.2 of the 2004 Working Agreement, and those Articles of the 2004 Working Agreement have no further force or effect.
- (b) Effective April 1, 2006, Fees (excluding Laboratory Services Fees) will be increased, and Service Contract Ranges and Service Contract Rates, Salary Agreement Ranges and Salary Agreement Rates, and Sessional Contract Rates were increased, by 3% overall, subject to and in accordance with section 1.1(c).
- (c) Effective April 1, 2006:
 - (i) Sessional Contract Rates were increased by 8.34% over the Sessional Contract rates in effect on March 31, 2006;
 - (ii) Service Contract Ranges and Service Contract Rates, and Salary Agreement Ranges and Salary Agreement Rates were increased by 2.84% over those in effect on March 31, 2006; and
 - (iii) Fees (excluding Laboratory Services Fees) in effect on March 31, 2006 will be increased by an average of 2.84%, with such increase to be allocated pursuant to Articles 13 and 14 of the Physician Master Agreement.
- (d) A physician who is compensated through a Salary Agreement or Service Contract, and who is paid an annual rate that is above the range maximum for the applicable practice category on Schedule A or Schedule B to the Alternative Payments Subsidiary Agreement, will only be entitled to the compensation increases in sections 1.1(c), 1.2(a), 1.2(e) and 1.2(f) of this Appendix to the extent that the resulting rate is within the Salary Agreement Range or Service Contract Range applicable to that physician.
- (e) Effective April 1, 2006, the Government will increase annual funding by \$4 million, to be used to fund adjustments to be made by the Alternative Payments Committee to the Salary Agreement Ranges and the Service Contract Ranges (excluding the Service Contract Range for the Emergency Medicine practice category) to address:

- (i) income disparities among the practice categories listed in Schedules A and B to the Alternative Payments Subsidiary Agreement; and
- (ii) market comparisons.

Affected physicians under existing Service Contracts and Salary Agreements will be placed within the applicable amended Service Contract Range or Salary Agreement Range at the same level as their current placement (e.g. range minimum, mid-range, or range maximum). In no event shall the total cost to the Government under this section 1.1(e) exceed \$4 million in any one Fiscal Year.

- (f) Following the implementation of section 1.1(e) and/or section 1.2(b), in subsequent negotiation or re-negotiation of a Service Contract or Salary Agreement, a physician's placement within the relevant Service Contract Range or Salary Agreement Range will be governed by the terms of the Physician Master Agreement and the Alternative Payments Subsidiary Agreement. In no case will a physician's Salary Agreement Rate or Service Contract Rate be reduced as a result of the implementation of section 1.1(e) or section 1.2(b).
- (g) The Government has increased annual funding by \$9 million (\$4.5 million commencing on October 1, 2006 and \$4.5 million commencing on April 1, 2007), which has been and will be used to fund the creation of a Service Contract Range for the Emergency Medicine practice category for physicians (including General Practitioners and physicians with a CCFP-EM designation or a FRCP in emergency medicine designation) providing emergency medicine services in hospitals under Service Contracts. In no event shall the total cost to the Government under this section 1.1(g) for all Service Contracts existing as at April 1, 2006 for the provision by physicians of emergency medicine services in hospitals, exceed \$4.5 million in the Fiscal Year commencing April 1, 2006 and \$9 million in any one Fiscal Year thereafter.
- (h) The Government and the BCMA will conduct a review and, by March 31, 2008, make recommendations for any adjustment to non-MSP insured pathology fees and to assess their relative value compared to the Service Contract Range for the Pathology practice category.

1.2 Compensation Changes in 2007/08, 2008/09, 2009/10, 2010/11 and 2011/12

- (a) Effective April 1, 2007, Service Contract Ranges and Service Contract Rates, Salary Agreement Ranges and Salary Agreement Rates, and Sessional Contract Rates were increased by 2%. Effective April 1, 2007, Fees will be increased by an average of 2%, with such increase to be allocated pursuant to Article 13 and 14 of Physician Master Agreement.
- (b) Effective April 1, 2007, the Government will increase annual funding by \$4 million (in addition to the increase provided under section 1.1(e)), to be used to fund adjustments to be made by the Alternative Payments Committee to the Salary Agreement Ranges and the Service Contract Ranges in the same manner

and to the same intent as contemplated by section 1.1(e). In no event shall the total cost to the Government under this section 1.2(b) exceed \$4 million in any one Fiscal Year, and in no event shall the total cost to the Government under section 1.1(e) and this section 1.2(b) together exceed \$8 million in any one Fiscal Year.

- (c) Effective April 1, 2007, the reading fee for a screening mammogram is \$13.80 per screen. This reading fee for a screening mammogram will be increased by 2% on April 1, 2008 and 3% on April 1, 2009.
- (d) Effective April 1, 2007, existing MRI fees were standardized at one rate of \$143.00. This MRI fee will be increased by 2% on April 1, 2008 and 3% on April 1, 2009.
- (e) Effective April 1, 2008, Service Contract Ranges and Service Contract Rates, Salary Agreement Ranges and Salary Agreement Rates, and Sessional Contract Rates will be increased by 2%. Effective April 1, 2008, Fees will be increased by an average of 2%, with such increase to be allocated pursuant to Articles 13 and 14 of the Physician Master Agreement.
- (f) Effective April 1, 2009, Service Contract Ranges and Service Contract Rates, Salary Agreement Ranges and Salary Agreement Rates, and Sessional Contract Rates will be increased by 3%. Effective April 1, 2009, Fees will be increased by an average of 3%, with such increase to be allocated pursuant to Articles 13 and 14 of the Physician Master Agreement.
- (g) Effective April 1, 2010, and covering the period from April 1, 2010 to March 31, 2012, physician compensation (Fees, Service Contract Ranges and Service Contract Rates, Salary Agreement Ranges and Salary Agreement Rates, and Sessional Contract Rates) may be adjusted by agreement of the Government and the BCMA or, failing agreement by January 31, 2010, either the Government or the BCMA may refer the matter to binding arbitration pursuant to section 1.2(h).
- (h) If a reference to arbitration occurs pursuant to section 1.2(g):
 - (i) the Government and the BCMA will each appoint one member to a three member arbitration panel, the parties will agree on the third member of the panel who will be the chair of the panel, and if the parties are unable to reach agreement on the chair of the panel within 15 days after the referral to arbitration either of them may request the Chief Justice of the Supreme Court of British Columbia to make the appointment and the person so appointed will serve as the chair of the panel;
 - (ii) the panel will retain an independent expert to assist it in determining costing issues and verifying comparators;

- (iii) the panel will conduct the arbitration in accordance with procedures that it will determine and will issue a decision consistent with the provisions of the Canada Health Act;
- (iv) in reaching its decision, the panel must consider the following factors:
 - (A) the need to be consistent with the law;
 - (B) the Government's fiscal situation, including its ability to pay;
 - (C) the need to provide reasonable compensation to physicians for the services rendered; and
 - (D) the operational and medical resource needs of the Health Authorities; and
- (v) except as provided in section 15.2 of the Rural Practice Subsidiary Agreement, the decision of the panel will be final and binding upon the parties unless the Government rejects it through an Act of the Legislature.