

2004 Working Agreement

THIS AGREEMENT made as of the 21st day of July, 2005.

BETWEEN:

**The Government of the Province of British Columbia
(the "Government")**

AND:

**The British Columbia Medical Association
(the "BCMA")**

AND:

**The Medical Services Commission
(the "MSC")**

WHEREAS the parties have agreed to enter into this 2004 Working Agreement for the term April 1, 2004 to March 31, 2007.

NOW THEREFORE the parties agree as follows:

Article 1 Definitions

In this Agreement:

- 1.1 **"2004 Working Agreement"** means this Agreement and includes the following Subsidiary Agreements:
- (a) Subsidiary Agreement for Physicians in Rural Practice;
 - (b) Subsidiary Agreement for General Practitioners;
 - (c) Subsidiary Agreement for Specialists;
 - (d) Provincial Service Agreement;
 - (e) Provincial Salary Agreement; and

- (f) Provincial Sessional Agreement.
- 1.2 Words used in this 2004 Working Agreement that are defined in the Second Master Agreement have the same meaning as in the Second Master Agreement unless otherwise defined in the 2004 Working Agreement.
- 1.3 “**Act**” means the *Medicare Protection Act*.
- 1.4 “**Letter of Agreement (Related Matters)**” means the agreement between the Government and the BCMA, dated June 18, 2004.
- 1.5 “**Second Master Agreement**” means the agreement between the Government, the MSC, and the BCMA, dated February 28, 2001.

Article 2 Term

- 2.1 This 2004 Working Agreement shall be for a term beginning April 1, 2004 and expiring March 31, 2007.

Article 3 Continuation

- 3.1 If, by the **expiry** date of this 2004 Working Agreement, including the Subsidiary Agreements, the parties have not agreed upon the terms of its renewal, it will remain in full force and effect until such terms are agreed upon.

Article 4 Compensation

- 4.1 Effective April 1, 2006 physician compensation (fees, salaries, service contract rates and sessional rates) may be adjusted as a result of the process set out below.
 - (a) Negotiators for the Government and the BCMA will meet no later than October 1, 2005 to commence negotiations on changes for fees, salaries, service contract rates and sessional rates to be effective April 1, 2006.
 - (b) If the parties are unable to reach agreement by January 31, 2006, on 2006/07 compensation, either party may refer the dispute to an arbitration panel. The Government and the BCMA will each appoint one member to the panel. If he is available to hear the arbitration within a reasonable period of time, John Hunter, Q.C., will serve as the chair of the arbitration panel. Otherwise, the parties will agree upon the chair of the arbitration panel within seven days of the referral to arbitration. If agreement is not reached either party 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 arbitration panel.

- (c) The panel will retain an independent expert to assist it in determining costing issues and verifying comparators.
- (d) The panel will conduct the arbitration in accordance with procedures which it will determine and will issue a decision consistent with the provisions of the *Canada Health Act*.
- (e) Consistent with the *Canada Health Act*, Government may only reject the panel's decision through legislation.
- (f) In reaching its decision, the arbitration panel must consider the following factors:
 - the need to be consistent with the law,
 - reflecting the Government's fiscal situation, including its ability to **pay**,
 - the need to provide reasonable compensation to physicians for the services rendered, and
 - the operational and medical resource needs of the Health Authorities.

4.2 No later than January 17, 2005, a negotiating committee representing salaried and service contracted physicians will commence negotiations with Government to determine changes, if any, to the salary and service contract payment grids.

- (a) After February 17, 2005, either party may request John Hunter, Q.C., to act as a mediator in this process.
- (b) Unless agreed otherwise by the parties, any resulting changes to the payment grids will have an effective date of April 1, 2006.
- (c) The cost, if any, of any changes resulting from these processes must be included within the costs of changes resulting from the arbitration process established in Article 4.1 above.

4.3 Where the Government or its agencies currently provide payment for forms, those payments will continue.

4.4 Effective April 1, 2002, the reading fee for a screening mammogram shall be \$13.40 per screen.

Article 5 On-call/Availability Payments

- 5.1 The Medical On-Call/Availability Program ("MOCAP") will provide payment to physician(s) and physician groups who provide coverage for patients, other than their own or their call groups', as required and approved by Health Authorities.
- 5.2 Subject to specific adjustments that are identified at Article 5.3 below, at Article 14.1 of the Subsidiary Agreement for Physicians in Rural Practice and section 4 of the Letter of Agreement (Related Matters), the total budget for the MOCAP is \$125 million annually for the 2004/05, 2005/06, and 2006/07 Fiscal Years.
- 5.3 Effective April 1, 2004, the Doctor of the Day budget will be combined with the MOCAP budget described at Article 5.2 to form the total budget for on-call availability payments and Doctor of the Day payments. This will provide greater flexibility for Health Authorities in purchasing MOCAP coverage and Doctor of the Day services (described at Article 7 of the Subsidiary Agreement for General Practitioners).
- 5.4 Where MOCAP coverage is required it is in the best interests of the population served that it be provided on a 24/7/52 basis. It is recognized that, in some circumstances, a Health Authority may decide to provide MOCAP coverage on some other basis.
- 5.5 Physicians will provide MOCAP coverage in accordance with the provisions of Appendix A to this 2004 Working Agreement.
- 5.6 MOCAP payments will be determined on the basis of annual rates.
- 5.7 The annual rates for the 2004/05, 2005/06 and 2006/07 Fiscal Years will be as follows:
 - (a) Level 1- Coverage designated by a Health Authority to require availability by telephone within 10 minutes, and available to be on-site urgently but no later than within 45 minutes. The annual rate for 24/7/52 Level 1 coverage is \$225,000 per call group.
 - (b) Level 2 - Coverage designated by a Health Authority to require availability by telephone within 15 minutes, and available to be on-site within 2 hours. The annual rate for 24/7/52 Level 2 coverage is \$165,000 per call group.
 - (c) Level 3 - Coverage designated by a Health Authority to require availability by telephone within 15 minutes, and available on-site within 16 hours of receiving the call. The annual rate for 24/7/52 Level 3 coverage is \$70,000 per call group.
 - (d) On Site On-Call - Where a physician is designated by a Health Authority to be on-call on site. Physician groups in this category predominately include tertiary



obstetrics, anesthesia, and neonatology. The annual rate for **24/7/52** on site on-call coverage is \$325,000 per call group.

(e) Call Back - Where a physician is not on-call but is called in by the Health Authority to provide a service. The call back rate is \$250 per call back.

5.8 There will be no increases in these MOCAP rates as a result of Article 7.10 of the 2001 Working Agreement.

5.9 MOCAP arrangements should be sustainable and therefore must not contribute to physician burnout.

Article 6 Maternity Leave

6.1 The Government will contribute an amount of \$325,000 quarterly, commencing April 1, 2004, in each of the **2004/05, 2005/06, and 2006/07** Fiscal Years for the funding of the maternity leave benefit program. The annual cost of the benefit must not exceed \$1.3 million.

6.2 A physician may take a maternity leave of up to 17 weeks.

6.3 Maternity leave may begin no earlier than 11 weeks before the expected birth date.

6.4 The maternity leave allowance will be equal to 50% of the physician's average weekly billings in the past year to a maximum of \$880 weekly for 17 consecutive weeks.

6.5 The maternity leave plan will be reviewed annually to determine whether the maximum weekly amount should be adjusted based upon projected utilization of the benefit, to ensure the annual cost does not exceed \$1.3 million.

6.6 The physician must remain **practising** in British Columbia for at least 17 weeks after her return to work from maternity leave.

6.7 If a physician fails to return to **practise** in British Columbia for at least 17 weeks after her return to work from maternity leave, the physician shall reimburse the maternity leave allowance received on a pro-rata basis.

6.8 It is the physician's responsibility to arrange for any **locum** coverage required while she is on maternity leave.

6.9 Maternity leave benefits may be administered by the BCMA Benefits Department pursuant to an administrative agreement between the Government and the BCMA.

6.10 The administration costs of this benefit will be paid from the funds provided under Article 6.1 of this 2004 Working Agreement.

Article 7 Physician Benefit Plans

- 7.1 The Physician Disability Insurance (“PDI”) Program will be funded at the level of **\$11,700,000** for each of the **2004/05, 2005/06, and 2006/07** Fiscal Years, payable by the MSC to, and on the date required by, the insurance company which is providing the PDI coverage. In addition, the Government will make available up to an additional \$1,000,000 per year if that is necessary to maintain the PDI benefit during the term of the 2004 Working Agreement. The administration costs of this benefit will be paid from these funds.
- 7.2 The Continuing Medical Education (“CME”) Fund will be funded at the level of **\$6,725,000** for each of the **2004/05, 2005/06, 2006/07** Fiscal Years, payable to the BCMA in full on May 1st of each Fiscal Year. The administration costs of this benefit will be paid from these funds.
- 7.3 The Government will make contributions to maintain the Canadian Medical Protective Association (“CMPA”) Rebate Program such that 100% of CMPA membership dues above the 1985 CMPA dues are reimbursed to physicians who are **practising** under the Plan. These contributions will not exceed **\$22,000,000** per year for each of the **2004/05, 2005/06, and 2006/07** Fiscal Years. The administration costs of this benefit will be paid from these funds.
- 7.4 The Contributory Professional Retirement Savings Plan Agreement, dated October 1, 1993, will be deemed to be part of this 2004 Working Agreement and is, therefore, continued until the expiry of this Agreement. It will be funded at the level of **\$25,575,000** for each of the **2004/05, 2005/06 and 2006/07** Fiscal Years.
- 7.5 Physicians are eligible to participate in the Benefit Plans in this Agreement if they are compensated by FFS, Sessional or Service Contracts. Income from each source shall be **totalled** and combined to determine eligibility/coverage. Salaried physicians are not eligible for these Benefit Plans. Should a physician transfer to or from a salaried position during a year, the benefit packages available under each arrangement shall be pro-rated to match time served.
- 7.6 Any amounts remaining in the benefit funds at the expiry of any Fiscal Year, including CME, PDI and CMPA, will be carried forward for use in a subsequent Fiscal Year.
- 7.7 Funding amounts for the Benefit Plans described in this Article 7 are not included as part of the Available Amount.
- 7.8 To facilitate the Government and the MSC in meeting their statutory obligations to account for the use of public money, the BCMA will report annually to the Government on its expenditures related to the administration of the Physician Benefit Plans.

- 7.9** During the term of the 2004 Working Agreement, either the Government or the BCMA may, at its own expense, initiate a review of the Physician Benefit Plans. The other party will be fully reimbursed for the costs of its participation in the review.
- 7.10 Where one party initiates a review under Article 7.9 the other party will fully cooperate.

Article 8 Quarantine

- 8.1 Government recognizes there is increased awareness over potential disruptions to practice as a result of physicians being forced to undergo a period of quarantine. The Government will consult widely on this matter with key stakeholders in the health sector including the BCMA, Health Authorities, Health Canada's National Public Health Agency and provincial and national agencies involved in emergency response to determine principles for further discussion with the BCMA on an agreement to address this issue by no later than March 31, 2005.
- 8.2 Until the agreement described at Article 8.1 is reached, the Government will compensate physicians required by the Provincial Health Officer to undergo a period of quarantine as a result of exposure to a communicable disease while providing insured medical services in British Columbia. Compensation will be paid at the maximum benefit available under the Physician Disability Insurance Program for a period of up to two weeks.

Article 9 Alternative Payments Working Committee

- 9.1 The Assistant Deputy Minister, Medical and Pharmaceutical Services, will establish a working committee with the BCMA, physicians, and Health Authorities to seek input on the development of the Alternative Payment Plan program and its policy framework, and provide a forum to identify and facilitate resolution of issues regarding contract negotiations and their implementation.
- 9.2 The working committee will be composed of an equal number of representatives of physicians and combined representatives from the Government and Health Authorities.
- 9.3 Terms of reference for the working committee will be established at its first meeting.
- 9.4 The working committee will be advisory except where the parties mutually agree to refer specific issues to it for resolution.

Article 10 Dispute Resolution

- 10.1 A dispute between the parties concerning the interpretation, application, or alleged breach of this 2004 Working Agreement, including the Subsidiary Agreements, shall be settled in the following manner:
- (a) The party raising the dispute must first advise the designated representative of the other party, in writing, of its view of the dispute with full particulars of the facts upon which it relies, Articles of the Agreements alleged to be violated and citing any relevant law upon which it relies.
 - (b) Following receipt of the written advice containing details of the issue in dispute, the designated representatives of the parties will meet in an attempt to resolve the dispute or to narrow the issues in dispute.
 - (c) Prior to any referral to arbitration, the dispute will be considered by the Dispute Resolution Committee in an attempt to reach an agreement on the matter.
 - (d) The Dispute Resolution Committee will be composed of two representatives of the Government and two representatives of the BCMA and it will be a standing committee.
 - (e) The Government may designate the Health Employers' Association of British Columbia (HEABC) to represent its interests under this 2004 Working Agreement and will advise the BCMA of any such designation.
 - (f) Each party will be responsible for the cost of its own participation in the Dispute Resolution Committee process.
- 10.2 If there is no resolution of a dispute under Article 10.1, either party may refer it for final resolution to arbitration pursuant to the *Commercial Arbitration Act*.
- 10.3 If an arbitrator cannot be agreed upon within fifteen working days of the referral to arbitration, the Chief Justice of the Supreme Court of British Columbia will be asked to appoint the arbitrator and the arbitrator so appointed shall have the jurisdiction to issue a final and binding award resolving the dispute.
- 10.4 The costs of the arbitrator will be shared equally between the parties and each party will be responsible for all of the costs of its own participation in the arbitration.

Article 11 Miscellaneous

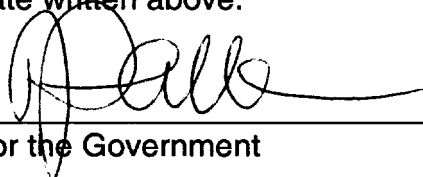
- 11.1 This 2004 Working Agreement will be governed by, and construed in accordance with, the laws of the Province of British Columbia.

Article 12 Amendments


- 12.1 This 2004 Working Agreement, or any of its terms may be amended at any time with the mutual written consent of the parties.
- 12.2 No amendment or modification to this Agreement will become effective unless it has been reduced to writing and duly executed by the parties.

DATED at Vancouver, British Columbia this 27 day of July, 2005.

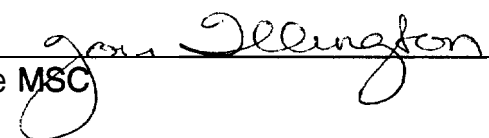
IN WITNESS WHEREOF THE PARTIES have duly executed this Agreement as of the date written above.



For the Government



For the BCMA



For the MSC



APPENDIX A
MEDICAL ON-CALL/AVAILABILITY PROGRAM
TEMPLATE CONTRACT

BETWEEN:

(collectively called the "Call Group"
and individually referred to as a
"Member")

AND;

(the "Health Authority")

WHEREAS the Call Group wishes to contract with the Health Authority and the Health Authority wishes to contract with the Call Group and its Members to provide On-Call/Availability on the terms, conditions and understandings set out in this contract (the "Contract");

THEREFORE in consideration of the mutual premises contained in this Contract, the Call Group, its Members and the Health Authority agree as follows:

DEFINITIONS

"On-Call/Availability" means being available to provide care to patients, other than a Member's or Call Group's own patients, and being available to provide advice to other health care providers and other professionals involved in the care of those patients.

"Call Group" means a physician or group of physicians who have agreed to share responsibility to provide On-Call/Availability on contract to a Health Authority.

"Second Master Agreement" means the agreement between the Government of British Columbia, the Medical Services Commission (MSC) and the British Columbia Medical Association (BCMA), dated February 28, 2001.

"Working Agreement" means at any one time the current Working Agreement between the Government, MSC and BCMA.

Article 1: Term & Renewal

- 1.1 This Contract will be in effect from _____ to _____ notwithstanding the date of its execution (the "Term").
- 1.2 This Contract may be renewed for such period of time and on such terms as the parties may mutually agree to in writing. If either party wishes to renew this Contract, it must provide written notice to the other party no later than ninety (90) days prior to the end of the Term and, as soon as practical thereafter, the parties will meet to discuss and endeavour to settle in a timely manner the terms of such a renewal.
- 1.3 Subject to Article 1.4, if both parties agree to renew the Contract, the terms and conditions of this Contract must remain in effect until the new contract is signed and any continuation past the Term is without prejudice to issues of retroactivity.
- 1.4 In the event that a new contract is not completed within ninety (90) days following the end of the Term, this Contract and any extensions will terminate without further obligation on either party.

Article 2: Termination

- 2.1 Either party may terminate the Contract without cause upon ninety (90) days written notice to the other party.
- 2.2 Either party may terminate this Contract without notice if the other party breaches a fundamental term of the Contract.

Article 3: Payments By Call Groups

- 3.1 The Members of the Call Group must pay any and all payments and/or deductions required to be paid by him/her, including those required for income tax, Employment Insurance premiums, Workers Compensation premiums, Canada Pension Plan premiums or contributions, and any other statutory payments or assessments of any nature or kind whatsoever that he/she is required to pay to any government (whether federal, provincial or municipal) or to any body, agency, or authority of any government in respect of any money paid to the Members of the Call Group pursuant to this Contract.
- 3.2 The liability of Members of the Call Group for payments at Article 3.1 are severable and not joint.
- 3.3 Each Member of the Call Group agrees to indemnify the Health Authority from any and all losses, claims, damages, actions, causes of action, liabilities,

charges, penalties, assessments, re-assessments, costs or expenses suffered by it arising from any Member of the Call Group's failure to make payments required at Article 3.1.

- 3.4 The indemnity clause in Article 3.3 survives the expiry or earlier termination of this Contract.

Article 4: Unincorporated Call Groups

- 4.1 Each Member has the right to terminate his/her relationship with the Health Authority without affecting the rights and obligations of the remaining Members and must do so in accordance with the termination provisions of this Contract.
- 4.2 The Health Authority may terminate the Contract with respect to an individual Member in accordance with the termination provisions herein.
- 4.3 In the event of the departure of a Member by resignation or termination, the parties will meet to discuss whether amendments are required and to make agreed changes.
- 4.4 Each Member will sign a copy of this Contract and become party to it. If a new Member is added to the Contract the Health Authority will provide a copy of the Contract bearing the signature of the new Member to the Members of the Call Group.

Article 5: Autonomy

- 5.1 Each Member will provide the On-Call/Availability coverage under this Contract in accordance with applicable standards of law, professional ethics and medical practice and any Health Authority policies, by-laws or rules and regulations that are not inconsistent with or represent a material change to the terms of this Contract.

Article 6: Dispute Resolution

- 6.1 This Contract is governed by, and is to be construed in accordance with, the laws of British Columbia.
- 6.2 All disputes with respect to the interpretation, application or alleged breach of this Contract that the parties are unable to resolve at the local level may be referred to mediation on notice by either party to the other. The neutral mediator shall be jointly selected by the parties. If the dispute cannot be settled within thirty (30) days after the mediator has been appointed, or within such other

period as agreed to by the parties in writing, the dispute will be referred to arbitration administered pursuant to the *Commercial Arbitration Act*.

- 6.3** If an arbitrator or mediator cannot be agreed upon within fifteen (15) working days after notice is served by either party seeking appointment of an arbitrator or mediator under Article 6.2 above, the Chief Justice of the Supreme Court of British Columbia will be asked to appoint the arbitrator or mediator.

Article 7: On-Call Requirements

7.1.1 The Call Group will provide:

- Level 1

Availability by telephone within 10 minutes and available to be on-site urgently but no later than within 45 minutes – The annual rate for **24/7/52** Level 1 coverage is \$225,000 per call group.

- Continuous coverage
- Non-continuous coverage (Details – e.g. hours, days)

- Level 2

Availability by telephone within 15 minutes, and available to be on-site within 2 hours. The annual rate for **24/7/52** Level 2 coverage is \$165,000 per call group.

- Continuous coverage
- Non-continuous coverage (Details)

- Level 3

Availability by telephone within 15 minutes and available on-site within 16 hours of receiving the call. The annual rate for **24/7/52** Level 3 coverage is \$70,000 per call group.

- Continuous coverage
- Non-continuous coverage (Details)

- On site On-call

Availability on-site. The annual rate for **24/7/52** on site on-call coverage is \$325,000 per call group.

- Continuous coverage
- Non-continuous coverage (Details)

As per the following:

Nature of on-call/availability: _____ (e.g. general surgery, hours)

Location: _____ (e.g. St Paul's Hospital)

- 7.2 Notwithstanding Article 7.1, response times will be dictated by patient need.
- 7.3 The Call Group will notify the Health Authority of the call rota, which includes the Member covering each shift, in a timely fashion.

Article 8: Subcontracting

- 8.1 Each Member may, with the written consent of the Health Authority, subcontract or assign any of the On-Call/Availability coverage. The consent of the Health Authority will not be unreasonably withheld.

Article 9: Compensation

- 9.1 The Health Authority will pay the Call Group or individual Members (time period – biweekly, etc.) upon receipt of an invoice for On-Call/Availability coverage provided based on a rate of _____ per year.
- 9.2 In no event will the aggregate amount paid under this Contract exceed the sum of _____ per year.

Article 10: Reporting

- 10.1 Each Call Group will report to the Health Authority payment received by each physician in the group for the provision of On-Call/Availability, thirty (30) days after the end of every quarter.

Article 11: Notices

- 11.1 Any notice, report, or any or all of the documents that either party may be required to give or deliver to the other in writing, unless impractical or impossible, must be delivered by mail or by hand. Delivery will be conclusively deemed to have been validly made and received by the addressee:
 - 11 .1.1 If mailed by prepaid double-registered mail to the addressee's address listed below, on date of confirmation of delivery.
 - 11 .1.2 If delivered by hand to the addressee's address listed below on the date of such personal delivery; or

11.1.3 If sent by fax to the addressee's fax number listed below, at the time of successful transmission.

11.2 Either party may give notice to the other of a change of address or fax number.

11.3 Address of Health Authority:

Address of each Member of Call Group:

Article 12: Amendments

12.1 This Contract may be amended by written agreement of both parties.

Article 13: Entire Contract

13.1 This Contract, the Second Master Agreement, and the Working Agreement, embody the entire understanding and agreement between the parties relating to On-call and there are no covenants, representations, warranties or agreements other than those contained or specifically preserved under the terms of these Agreements.

Article 14: No Waiver Unless in Writing

14.1 No provision of this Contract and no breach by either party of any such provision will be deemed to have been waived unless such waiver is in writing signed by the other party. The written waiver of a party of any breach of any provision of this Contract by the other party must not be construed as a waiver of any subsequent breach of the same or of any other provision of this Contract.

Article 15: Headings

15.1 The headings in this Contract have been inserted for reference only and in no way define, limit or enlarge the scope of any provision of this Contract.

Article 16: Enforceability and Severability

16.1 If any provision of this Contract is determined to be invalid, void, illegal or unenforceable, in whole or in part, such invalidity, **voidance**, illegality or unenforceability will attach only to such provision or part of such provision.

Dated this ____ day of _____ 200_.

IN WITNESS WHEREOF THE PARTIES have duly executed this Contract as of the date written above.

Authorized Signatory

Dr. (Name of Member of Call Group)