ALBERTA MEDICAL ASSOCIATION AGREEMENT

Made effective April 1, 2022 ("Effective Date").

BETWEEN:

HIS MAJESTY THE KING IN RIGHT OF ALBERTA,

AS REPRESENTED BY THE MINISTER OF HEALTH

("AH")

-and-

THE ALBERTA MEDICAL ASSOCIATION

(CMA ALBERTA DIVISION)

("AMA")

WHEREAS, the AMA and AH recognize the importance of a strong, trusted relationship and partnership between the Government of Alberta and Physicians to advance patient care;

AND WHEREAS, the AMA and AH have a long history of cooperation and collaboration and a range of shared interests, including but not limited to:

(a) high quality patient care;

(b) patient care in rural and remote areas;

(c) primary health care;

(d) attraction and retention of Physicians;

(e) a financially sustainable health system;

(f) certainty and stability in the health system and health system expenditures;

(g) integration of Physicians' electronic medical records within patients' overarching electronic health records;

(h) Physician compensation modernization and reform;

(i) transparent and informed decision making; and

(j) equitable compensation for all types of Physicians;

AND WHEREAS, the Minister recognizes the leadership and commitment of Physicians in responding to COVID-19;

AND WHEREAS, the Act requires the Minister to recognize the AMA as the exclusive representative of Physicians on compensation matters (as "compensation matters" is defined in

section 40.1 of the Act) and as a representative of Physicians on health matters that touch and concern Physicians;

AND WHEREAS, the Act requires the Minister to engage the AMA in good faith and consider the AMA's representations on matters for which the AMA represents Physicians;

AND WHEREAS, it is in the parties' mutual interests that Physicians have Physician Support Programs to support them in their practice;

AND WHEREAS, AH and the AMA have reached an agreement;

NOW THEREFORE, in consideration of the terms and conditions set out below, AH and the AMA agree as follows:

SECTION 1

1. DEFINITIONS

(a) "2021/22 Actual BCP and RRNP Expenditures" means $135,073,315.

(b) "2021/22 Actual Insured Services Expenditures" means $4.49 billion.

(c) "Act" means the *Alberta Health Care Insurance Act*.

(d) "Actual Insured Services Expenditures" means, in respect of a Fiscal Year other than 2021/22, the total amount expended by AH in respect of claims for Benefits for Insured Services provided within the Fiscal Year and assessed and paid by AH by June 30 of the following Fiscal Year.

(e) "Actual Physician Support Programs Expenditure Amount" means, in respect of a Fiscal Year, the total of the following:

i. total amount expended by AH in the previous Fiscal Year in respect of the Medical Liability Reimbursement and Continuing Medical Education programs under each program's respective Ministerial Order; and

ii. total amount expended by the AMA in respect of each Physician Support Program in the previous Fiscal Year in accordance with its grant agreement(s) with AH under which it is administering the Physician Support Programs.

(f) "Adjustment Amount" means, in respect of a Fiscal Year, the amount of any adjustment to the PSB for that Fiscal Year as described in clause 5(c).

(g) "Agreement" means this Alberta Medical Association Agreement and all schedules attached, all as might be amended from time to time in accordance with the provisions hereof.

(h) "AHS" means Alberta Health Services.

(i) "Alberta Surgical Initiative Amount" means, in respect of a Fiscal Year, the net amount expended by AH in respect of Insured Services as a direct result of AH's Alberta Surgical Initiative, as submitted to Treasury Board on a quarterly basis as part of the Government of Alberta's budget and reporting process and includes the incremental cost of the complete patient journey.

(j) "Allocate" and "Allocation" mean the process described in section 6.

(k) "Allocation Amount" means:

i. in respect of the 2022/23 Fiscal Year, 1% of the 2021/22 Actual Insured Services Expenditures;

ii. in respect of the 2023/24 and 2024/25 Fiscal Years, 1% of the previous Fiscal Year's Actual Insured Services Expenditures; and

iii. in respect of the 2025/26 Fiscal Year, the percentage of the 2024/25 Actual Insured Services Expenditures as determined in accordance with section 8.

(l) "Alternative Relationship Plan" means an alternative relationship plan established under section 3.1 of the *Medical Benefits Regulation.*

(m)"BCP" means Business Costs Program.

(n) "Benefits" means "benefits" as defined in the Act.

(o) "Effective Date" means the effective date of the Agreement – April 1, 2022 – first referred to above.

(p) "FFS" means fee-for-service.

(q) "Fiscal Year" means April 1 in one calendar year to March 31 in the following calendar year.

(r) "Grant Amount" means the total amount payable in Canadian dollars per Fiscal Year in respect of a Physician Support Program under a grant agreement between AH and the AMA, as specified in Schedule 1.

(s) "HSC" means health service code.

(t) "Insured Services" means "insured services" as defined in the Act provided by Physicians to residents of Alberta, when the Benefits are payable on a FFS basis or on an alternative-to-FFS basis under an Alternative Relationship Plan, or under a Section 20 Agreement with a Physician or group of Physicians, which includes the clinical portion of the Academic Medicine and Health Services Program (master agreements).

(u) "Management Committee" or "MC" means the committee established under section 10 and described in Schedule 4.

(v) "Minister" means the Minister of Health.

(w) "Patient Complexity Amount" means, in respect of a Fiscal Year, 0.6% of the amount of the previous Fiscal Year's Actual Insured Services Expenditures.

(x) "Physician" means a "physician" as defined in section 1(t)(i) of the Act.

(y) "Physician Services Budget" or "PSB" means, in respect of a Fiscal Year, the amount referred to in section 5.

(z) "Physician Support Program" means a program listed in Schedule 1.

(aa) "Population Growth Amount" means, in respect of a Fiscal Year, the amount of the previous Fiscal Year's Actual Insured Services Expenditures multiplied by the actual percentage change of Alberta's population as set out in Treasury Board's "Third Quarter Fiscal Update and Economic Statement" for the previous Fiscal Year.

(bb) "Rates Committee" or "RC" means the committee established under section 11 and described in Schedule 5.

(cc) "RRNP" means Rural and Remote Northern Program.

(dd) "Section 20 Agreement" means an agreement that authorizes the Minister to pay Benefits for "insured services," as defined in the Act, on a basis alternative to FFS, made under section 20 of the Act.

(ee) "Section 20.1 Person" means a person referred to in section 20.1 of the Act.

(ff) "SOMB" means the Schedule of Medical Benefits prepared and published by AH and approved by the Minister in accordance with the *Medical Benefits Regulation*.

(gg) "Term" means the term of the Agreement as set out in section 3.

SECTION 2

2. AMA REPRESENTATION

(a) The Act requires the Minister to recognize the AMA as the exclusive representative of Physicians on compensation matters (as "compensation matters" is defined in section 40.1 of the Act) and as a representative of Physicians on health matters that touch and concern Physicians.

(b) AH acknowledges section 40.1(4) of the Act requires the Minister to engage the AMA in good faith and consider the AMA's representations on matters for which it represents Physicians.

(c) Pursuant to the Minister's requirement under the Act to recognize and engage with the AMA, AH agrees to engage with the AMA in an ongoing collaborative dialogue on health matters that touch and concern Physicians.

(d) Nothing in the Agreement limits the ability of Physicians to request the AMA to engage with AH, AHS, or any third party, including a Section 20.1 Person, on any matters.

(e) MC and RC are the primary forums for engagement with the AMA, pursuant to the Minister's obligations under section 40.1 of the Act.

(f) AH will provide at least 30 calendar days' prior written notice to the AMA to engage with the AMA regarding AH's intention to enter into a Section 20 Agreement with a Section 20.1 Person. The notice will include the following information:

i. potential alternative-to-FFS rates of Benefits payable in respect of the Section 20 Agreement;

ii. estimated number and type(s) of Physicians impacted;

iii. the part(s) of the province impacted;

iv. scope of "insured services", as defined in the Act, to be included;

v. estimated effective date of the Section 20 Agreement;

vi. anticipated term of the Section 20 Agreement;

vii. suggested timeline for the parties to engage with each other under sections 40.1(2) and (3) of the Act regarding the Section 20 Agreement; and

viii. any other information reasonably requested by the AMA following receipt of AH's notice.

(g) As part of the process described in clause 2(f), AH will inform the Section 20.1 Person that the impacted Physicians may request the AMA to represent them in any other agreements the impacted Physicians may have with the Section 20.1 Person and to which AH is not a party. AH agrees to make it a condition of a Section 20 Agreement between AH and a Section 20.1 Person, when the Section 20.1 Person is not AHS, that the Section 20.1 Person must engage with the AMA where 50% plus one of the impacted Physicians

request the AMA to represent them in their contract negotiations with the Section 20.1 Person.

(h) The parties agree that, subject to applicable laws, including the extra billing provisions in the Act, the compensation payable to an impacted Physician or group of Physicians under an agreement between the Section 20.1 Person and the impacted Physician or group of Physicians is not subject to any limits and will be determined as between the Section 20.1 Person and the Physician(s).

SECTION 3

3. TERM

(a) Subject to clause 4(o), the Term is April 1, 2022 until March 31, 2026.

SECTION 4

4. NEGOTIATING A SUCCESSOR AGREEMENT OR AN AMENDING AGREEMENT

(a) No later than 210 calendar days prior to March 31, 2026, either party may give written notice to the other party of its desire to:

i. extend the Term for a specific duration by written amending agreement ("Notice to Extend"); or

ii. negotiate a successor agreement ("Notice to Negotiate").

(b) If neither party has given the other party a Notice to Extend or Notice to Negotiate within the timeline in clause 4(a), the Agreement will expire on March 31, 2026, unless the parties have agreed otherwise.

(c) Within 30 calendar days of being served with a Notice to Extend, the receiving party must:

i. accept the offer to extend the Term;

ii. serve a Notice to Extend on the other party specifying a different term for the extended agreement; or

iii. serve the other party with a Notice to Negotiate.

(d) Within 30 calendar days of either party being served with a Notice to Negotiate, the parties must commence good faith negotiations for a successor agreement.

(e) Unless otherwise agreed in writing, the parties must negotiate in good faith for at least 90 calendar days after being served with a Notice to Negotiate (the "Negotiation Period").

(f) If the parties have negotiated in good faith for the Negotiation Period and still have not entered into a successor agreement, either party may serve the other party with written notice of its desire to enter into non-binding mediation in accordance with this section ("Notice to Mediate").

(g) By no later than five calendar days from the date a Notice to Mediate is served, the parties will appoint an individual from the list in Schedule 2 to act as mediator. If none of the proposed mediators is available, the parties will apply to the Director of Mediation Services under the *Labour Relations Code* to have a mediator appointed.

(h) Once a mediator has been appointed, the parties will work with the mediator to attempt to reach a successor agreement.

(i) The parties will equally share the cost of the mediator. Each party is otherwise responsible for its own costs relating to the mediation.

(j) The location of the mediation – either Edmonton or Calgary – will be selected mutually by the parties and, if the parties fail to make a selection, the mediator will select the location.

(k) Each party will determine its own participants in the mediation.

(l) The parties agree to include language in the mediator's retainer agreement that the mediation must commence within seven calendar days of the mediator's appointment and that the mediation process must be completed within 21 calendar days after commencement, or such other timeline as determined by the mediator. The parties agree to abide by these mediation timelines, as set out in the mediator's retainer agreement.

(m) The parties also agree to include language in the mediator's retainer agreement that requires the mediator:

i. to prepare a written report within seven calendar days, or such other timeline as determined by the mediator, of the end of a mediation period that does not result in a successor agreement; and

ii. to recommend resolution of the issues mediated in a manner that aligns with applicable laws, with reasons, in the mediation report.

(n) The mediation report under clause 4(m) may be made public, in its entirety, by either party no earlier than 14 calendar days following receipt of the report from the mediator. Neither party may publish or disclose excerpts of the mediation report, including to Physicians or AMA member sections. A party must provide at least seven calendar days'

notice to the other party prior to publishing or disclosing the mediation report under this clause to the public.

(o) If the parties have completed mediation pursuant to this section and still have not entered into a successor agreement, the Agreement will remain in force until March 31, 2027.

(p) If the parties have completed mediation pursuant to this section and still have not entered into a successor agreement, the parties agree to amend the grant agreement(s) for the Physician Support Programs to extend their terms to March 31, 2027.

SECTION 5

5. PHYSICIAN SERVICES BUDGET

(a) The parties acknowledge the sole purpose of the PSB under the Agreement is for the calculation in clause 5(d) and that the amount of the PSB under the Agreement does not impact the Minister's obligation to pay Benefits in respect of any "insured services", as defined in the Act, or AH's internal budget allocation for Insured Services expenditures for any Fiscal Year during the Term.

(b) The PSBs for the following Fiscal Years during the Term are as follows:

i. Fiscal Year 2024/25 PSB is the total of the following:

1. 2021/22 Actual Insured Services Expenditures;
2. 2021/22 Actual BCP and RRNP Expenditures;
3. 2022/23 Allocation Amount;
4. 2023/24 Allocation Amount;
5. 2024/25 Allocation Amount;
6. 2022/23 Population Growth Amount;
7. 2023/24 Population Growth Amount;
8. 2024/25 Population Growth Amount;
9. 2022/23 Patient Complexity Amount;
10. 2023/24 Patient Complexity Amount;
11. 2024/25 Patient Complexity Amount;
12. 2024/25 Alberta Surgical Initiative Amount;
13. 2024/25 Actual Physician Support Programs Expenditure Amount;
14. 2022/23 Adjustment Amount;

15. 2023/24 Adjustment Amount; and

16. 2024/25 Adjustment Amount.

ii. Fiscal Year 2025/26 PSB is the total of the following:

1. 2024/25 PSB less the 2024/25 Alberta Surgical Initiative Amount;
2. 2025/26 Allocation Amount;
3. 2025/26 Population Growth Amount;
4. 2025/26 Patient Complexity Amount;
5. 2025/26 Actual Physician Support Programs Expenditure Amount;
6. 2025/26 Adjustment Amount; and
7. 2025/26 Alberta Surgical Initiative Amount.

(c) If, during the 2024/25 and 2025/26 Fiscal Years during the Term, the Minister undertakes any of the following actions, subject to the requirements under the Act or the Agreement:

i. enters into a Section 20 Agreement with a Section 20.1 Person;

ii. funds AHS, other than under a Section 20 Agreement, to provide medically required services, such that Physicians no longer claim Benefits for these services;

iii. deletes HSCs from the SOMB;

iv. pays Benefits for Insured Services that were previously, but will no longer, be paid for by AHS through funding from the Minister;

v. terminates or allows a Section 20 Agreement with a Section 20.1 Person to expire without a successor agreement; or

vi. adds HSCs to the SOMB;

the amount of the PSB will be adjusted – downwards in the case of (i), (ii), and (iii) and upwards in the case of (iv), (v), and (vi) – by the amount of the Section 20 Agreement, AHS funding, cost of Benefits [for both (iv) and (v)], and the net difference in expenditures directly attributable to deletion or addition of HSCs [for (iii) and (vi)] respectively. If any of (i) to (vi) arise during a Fiscal Year, instead of at the beginning of the Fiscal Year, the amount of the adjustment to the PSB will be pro-rated accordingly. The amount of the adjustment to PSB under this clause is the Adjustment Amount for that Fiscal Year.

(d) If the total of Actual Insured Services Expenditures and Actual Physician Support Programs Expenditures Amount for Fiscal Years 2024/25 and 2025/26 are less than the PSB for Fiscal Years 2024/25 and 2025/26, respectively, AH will, prior to the end of the following Fiscal Year, provide 50% of the amount of the difference in funding to benefit Physicians under a grant agreement, or grant agreements, made in accordance with section 18 of the *Alberta Health Care Insurance Regulation* and the *Health Grants Regulation*, to be used for a program, or programs, to benefit Physicians.

(e) For clarity:

i. the grant agreements and programs referred to in clause 5(d) must not result in Physicians, directly or indirectly, receiving amounts contrary to the extra billing provisions in the Act;

ii. the amount of the grant agreement(s), referred to in clause 5(d), is not Allocated and does not form part of the Allocation process; and

iii. the PSB will not be increased by the amount of any grant agreements referred to in clause 5(d).

SECTION 6

6. ALLOCATION OF CHANGES TO RATES OF BENEFITS

(a) Allocation is a multi-stage process, comprised of macro-Allocation, micro-Allocation, recommendation by RC to MC, and recommendation by MC to the Minister, in which the parties review rates of Benefits for Insured Services for the ultimate purpose of MC recommending to the Minister adjustments to individual rates of Benefits for Insured Services in a manner that will result in an increase in Actual Insured Services Expenditures by the Allocation Amount in the following Fiscal Year:

i. Macro-Allocation: the macro-Allocations of Allocation Amounts across AMA member sections for Fiscal Years 2022/23, 2023/24, and 2024/25 as set out in Schedule 3 and subject to clauses 6(e) and (d), and for Fiscal Year 2025/26, as set out in clause 6(b).

ii. Micro-Allocation: the AMA micro-Allocates by AMA member section based on the macro-Allocation. The AMA will recommend increases or decreases to individual rates of Benefits for Insured Services and/or suggest new descriptions of medically required services and corresponding rates of Benefits and/or suggest deleting HSCs for out-dated, or otherwise no longer appropriate, HSCs; and

iii. Committee recommendations: the parties instruct RC to review the AMA's proposed micro-Allocation, which initiates the processes for review and recommendation by both RC and MC as described in Schedules 4 and 5.

(b) The parties will work collaboratively to determine the macro-Allocation of the 2025/26 Allocation Amount, as soon as practicable within the 2025/26 Fiscal Year.

(c) The parties agree the AMA must micro-Allocate the 2022/23, 2023/24, and 2024/25 Allocation Amounts in accordance with the macro-Allocations set out in Schedule 3 and the 2025/26 Allocation Amount in accordance with the macro-Allocation determined in accordance with clause 6(b).

(d) The parties agree to complete all steps in the Allocation process as soon as practicable within each Fiscal Year of the Term. The Minister may approve MC's recommended micro-Allocation, in his discretion, or may refer it back to MC for further engagement in the processes described in Schedules 4 and 5. Once the Minister approves the micro-Allocation, the Minister agrees to take all necessary steps under the Act and its regulations to adjust the amounts of Benefits for Insured Services accordingly, to be made effective on April 1 of the Fiscal Year to which the Allocation Amount applies.

(e) The parties acknowledge that if the 2022/23, 2023/24, and 2024/25 Allocation Amounts are more or less than 1% of the previous Fiscal Years Actual Insured Services Expenditures due to utilization, the parties will use the Allocation Amounts, calculated in accordance with Schedule 3, for the purpose of Allocation and calculating the PSBs in section 5.

(f) The parties acknowledge that the macro-Allocations of Allocation Amounts across AMA member sections for Fiscal Years 2022/23, 2023/24, and 2024/25 as set out in Schedule 3 must not include the "Year 1 BCP increase estimate" set out therein, which is included in Schedule 3 for illustrative purposes only.

SECTION 7

7. MARKET RATE ADJUSTMENTS

(a) The parties will comply with the processes set out in Schedules 4 and 5 and this section to enable RC or an arbitrator to recommend adjustments (increases and/or decreases) to rates of Benefits for Insured Services based on a multi-jurisdictional market review of HSCs and alternative-to-FFS rates payable for medically required services, which the Minister will implement in accordance with clause 7(o).

(b) If RC has not agreed on some or all of the market adjustments to rates of Benefits for Insured Services by March 31, 2025, either AH or the AMA will provide written notice

to the other party of its desire to enter into non-binding mediation regarding the amount of the adjustments to the applicable rates of Benefits for Insured Services ("Notice to Mediate") by April 1, 2025.

(c) By no later than five calendar days from the date a Notice to Mediate is served, the parties will appoint an individual from the list in Schedule 2 to act as a mediator. If none of the proposed mediators is available, the parties will apply to the Director of Mediation Services under the *Labour Relations Code* to have a mediator appointed.

(d) The parties agree to include language in the mediator's retainer agreement that the mediation must commence within seven calendar days of the mediator's appointment and that the mediation process must be completed within 21 calendar days after commencement, or such other timeline as determined by the mediator. The parties agree to abide by these mediation timelines as set out in the mediator's retainer agreement.

(e) The mediator will:

i. hear any representations made to the mediator by the parties;

ii. mediate between the parties; and

iii. encourage the parties to come to a resolution.

(f) If the parties are unable to agree on some or all of the market rates adjustments through mediation, either AH or the AMA will provide written notice to the other party, no later than seven calendar days after the completion of the mediation process, of its desire to enter into binding arbitration regarding the amount of the adjustments to the applicable rates of Benefits for Insured Services ("Notice to Arbitrate").

(g) By no later than five calendar days from the date a Notice to Arbitrate is served, the parties will appoint the mediator appointed under clause 7(c) as the arbitrator.

(h) The parties agree to include language in the arbitrator's retainer agreement that the arbitration must commence within seven calendar days of the arbitrator's appointment and that the arbitration process must be completed within 21 calendar days after commencement, or such other timeline as determined by the arbitrator. The parties agree to abide by these arbitration timelines as set out in the arbitrator's retainer agreement.

(i) The parties also agree to include language in the arbitrator's retainer agreement that requires the arbitrator to prepare a written report that states the recommended adjustments for the applicable rates of Benefits for Insured Services identified in the Notice to Arbitrate within 30 calendar days of the conclusion of the arbitration, or within such other timeline as determined by the arbitrator.

(j) In recommending adjustments to rates of Benefits for Insured Services, the arbitrator will only consider the same information and criteria considered by RC under clause 1(f) of Schedule 5.

(k) The arbitration report under clause 7(i) may be made public, in its entirety, by either party no earlier than 14 calendar days following receipt of the report from the arbitrator. Neither party may publish or disclose excerpts of the arbitration report, including to Physicians or AMA member sections. A party must provide at least seven calendar days' notice to the other party prior to publishing or disclosing the arbitration report publicly under this clause.

(l) The parties will equally share the cost of the mediator and arbitrator. Each party is otherwise responsible for its own costs relating to the mediation and arbitration, as applicable.

(m) The location of the mediation and the arbitration – either Edmonton or Calgary – will be selected mutually by the parties and, if the parties fail to make a selection, the mediator or arbitrator, as applicable, will select the location.

(n) Each party will determine its own participants in the mediation and arbitration, as applicable.

(o) The Minister agrees to take all necessary steps to implement any increases to rates of Benefits for Insured Services recommended by RC, agreed to by the parties at mediation, and/or in the arbitration report, as soon as practicably within the 2025/26 Fiscal Year, such adjustments to be made effective April 1, 2025. The Minister may implement any decreases to rates of Benefits for Insured Services recommended by RC, agreed to by the parties at mediation, and/or in the arbitration report in any amount up to and including the amount of the recommended decrease, no sooner than the date of the issuance of the mediation or arbitration report, and may implement the decreases in a staged manner in the Minister's discretion.

(p) If the 2025/26 Actual Insured Services Expenditures are less than the 2024/25 Actual Insured Services Expenditures as a direct result of adjustments made to rates of Benefits for Insured Services from the market rate adjustment process in this section 7, AH agrees to retain the difference within AH's budget allocation for Insured Services expenditures (e.g., utilization increases) for the 2025/26 Fiscal Year.

SECTION 8

8. DETERMINATION OF 2025/26 ALLOCATION AMOUNT

(a) Within 30 calendar days of the conclusion of the market rate adjustment process in section 7, the parties will commence discussions to determine the 2025/26 Allocation Amount. The market rate adjustment process in section 7 is deemed to conclude as of the latter of RC's recommendation, the parties' agreement following mediation, and/or the arbitrator's decision on all market adjustments to rates of Benefits for Insured Services.

(b) If the parties have not determined the 2025/26 Allocation Amount within 60 calendar days after commencing discussions under clause 8(a), either party may provide written notice to the other party of its desire to enter into non-binding mediation regarding the determination of the 2025/26 Allocation Amount ("Notice to Mediate").

(c) By no later than five calendar days from the date a Notice to Mediate is served, the parties will appoint an individual from the list in Schedule 2 to act as mediator. If none of the proposed mediators is available, the parties will apply to the Director of Mediation Services pursuant to the *Labour Relations Code* to have a mediator appointed.

(d) The parties agree to include language in the mediator's retainer agreement that the mediation must commence within seven calendar days of the mediator's appointment and that the mediation process must be completed within 21 calendar days after commencement, or such other timeline as determined by the mediator. The parties agree to abide by these mediation timelines as set out in the mediator's retainer agreement.

(e) The mediator will:

i. hear any representations made to the mediator by the parties;

ii. mediate between the parties; and

iii. encourage the parties to come to a resolution.

(f) If the parties are unable to determine the 2025/26 Allocation Amount through mediation, either AH or the AMA will provide written notice to the other party, no later than seven calendar days after the completion of the mediation process, of its desire to enter into binding arbitration to determine the 2025/26 Allocation Amount ("Notice to Arbitrate").

(g) By no later than five calendar days from the date a Notice to Arbitrate is served, the parties will appoint the mediator appointed under clause 8(c) as the arbitrator.

(h) The parties agree to include language in the arbitrator's retainer agreement that the arbitration must commence within seven calendar days of the arbitrator's appointment

and that the arbitration process must be completed within 21 calendar days after commencement, or such other timeline as determined by the arbitrator. The parties agree to abide by these arbitration timelines as set out in the arbitrator's retainer agreement.

(i) The parties also agree to include language in the arbitrator's retainer agreement that requires the arbitrator:

i. in determining the 2025/26 Allocation Amount, to consider the criteria under clause 8(j); and

ii. within four calendar days of the conclusion of the arbitration, or such other timeline as determined by the arbitrator, to prepare a written report that states the recommended 2025/26 Allocation Amount.

(j) In recommending the 2025/26 Allocation Amount, the parties agree to require the arbitrator to consider the following criteria:

i. the generally accepted current and expected economic conditions in Alberta, and the resulting impact on the price of labour in Alberta including real gross domestic product, real gross domestic product per capita, the employment rate, the unemployment rate, the labour force rate, and the consumer price index;

ii. the impact of retention and recruitment of Physicians in Alberta;

iii. the change in the cost of living in Alberta;

iv. the current and expected financial position of the Government of Alberta, which includes ability to pay;

v. the level of increases or decreases, or both, provided to other programs and persons funded by the Government of Alberta;

vi. the anticipated impact on Physicians' practice viability and patient care;

vii. rate changes to other comparable physician agreements (i.e., between a physician association and a provincial government), having regard to the differences between comparable jurisdictions (i.e., Ontario, Manitoba, Saskatchewan, British Columbia, and other jurisdictions in Canada as agreed upon by the parties) and Alberta;

viii. the decision of RC or the arbitrator arising from the market rate adjustment to rates of Benefits for Insured Services under section 7; and

ix. income equity, including principles of overhead, years of training and hours worked; and

x. any other relevant criteria, as agreed by the parties.

(k) The arbitration report under clause 8(i) may be made public, in its entirety, by either party no earlier than 14 calendar days following receipt of the report from the arbitrator. Neither party may publish or disclose excerpts of the arbitration report, including to Physicians or AMA member sections. A party must provide at least seven calendar days' notice to the other party prior to publishing or disclosing the mediation report under this clause to the public.

(l) The parties will equally share the cost of the mediator and arbitrator. Each party is otherwise responsible for its own costs relating to the mediation and arbitration, as applicable.

(m) The location of the mediation and the arbitration – either Edmonton or Calgary – will be selected mutually by the parties and, if the parties fail to make a selection, the mediator or arbitrator, as applicable, will select the location.

(n) Each party will determine its own participants in the mediation and arbitration, as applicable.

SECTION 9

9. OTHER RATE ADJUSTMENTS

One-time recognition payment

(a) Upon full execution of the Agreement, AH agrees to enter into a grant agreement to provide the AMA, in accordance with applicable laws, an amount equal to 1% of the 2021/22 Actual Insured Services Expenditures, to implement a program for a one-time payment to recognize the contributions of practicing, opted-in Physicians (excluding Physicians who hold a provisional register postgraduate training license through the College of Physicians and Surgeons of Alberta, unless they postgraduate trainee is registered as a Physician extender) during the pandemic for the 2021/22 Fiscal Year. The program is intended to benefit Physicians who are members of the AMA, or who have paid an administration fee as if this program were a Physician Support Program under clause 12(k), equally or as pro-rated at the direction of the AMA Board. The amount of funding under this grant agreement does not form part of the 2021/22 Fiscal Year's Actual Insured Services Expenditure or any Fiscal Year's PSB.

Other ad hoc rate adjustments

(b) In addition to adjustments to rates of Benefits for Insured Services that are the result of Allocation in section 6 or the market rate adjustment in section 7, either party may notify the other party in writing of proposed adjustment(s) to rate(s) of Benefits for Insured Services. The parties will meet to discuss the proposed rate adjustment and will include representatives from AH, the AMA and relevant AMA member sections. The parties will

have a period of 30 calendar days to reach a consensus on whether to make the adjustment. If the parties reach a consensus, the parties will request RC:

i. to review potential adjustments to a rate (or rates) of Benefits for Insured Services that apply to a specific AMA member section and to recommend adjustments to those rates of Benefits for Insured Services that RC projects, at the time the decision is made, should not result in a net future increase to Actual Insured Services Expenditures; or

ii. to review and recommend an adjustment to a rate (or rates) of Benefits for Insured Services, or to add or delete a HSC in the SOMB, to advance and address the changing medical environment and to promote patient care where there is a demonstrated need to adjust a rate of Benefits for Insured Services or add or delete a HSC from the SOMB as a result of any unforeseen circumstances.

(c) For clarity, neither party may request RC to review a rate (or rates) of Benefits for Insured Services under clause 9(b) without the agreement of the other party, which will not be unreasonably withheld.

(d) The parties agree to request RC to review rates of Benefits for Insured Services in accordance with clauses 5 and 37 of Schedule 6.

(e) The parties agree to request RC to review rates of Benefits for Insured Services in accordance with clause 2 of Schedule 8.

(f) The parties agree to comply with the processes described in Schedules 4 and 5 regarding reviews of rates of Benefits for Insured Services initiated under section 9. The Minister may, in his discretion:

i. approve MC's recommended adjustment to rate(s) of Benefits for Insured Services;

ii. refer the recommended adjustment to rate(s) of Benefits for Insured Services back to MC for further engagement in the processes described in Schedules 4 and 5; or

iii. decline to approve MC's recommendation.

(g) If the Minister approves of a recommendation under clause 9(f)(i), the Minister agrees to take all necessary steps under the Act and its regulations to adjust the rate(s) of Benefits for Insured Services accordingly.

SECTION 10

10. MANAGEMENT COMMITTEE

(a) The parties hereby create MC and agree to operate and participate, and to have their respective members participate, in MC in accordance with the terms of reference in Schedule 4.

SECTION 11

11. RATES COMMITTEE

(a) The parties hereby create RC and agree to operate and participate, and to have their respective members participate, in RC in accordance with the terms of reference in Schedule 5.

SECTION 12

12. PHYSICIAN SUPPORT PROGRAMS

(a) Subject to clause 12(n), AH agrees to establish or continue the Physician Support Programs for the Term at the Grant Amounts and, for the Physician Support Programs identified in Schedule 1 as "variable costs programs", at the per Physician (utilization) amounts also identified in Schedule 1.

(b) The parties acknowledge the Grant Amounts for Physician Support Programs identified as "variable costs program" in Schedule 1 are estimates based on the number of eligible Physicians who participate in the Physician Support Program and that the Grant Amount for these Physician Support Programs will increase or decrease as required to provide all eligible Physicians with the specified Physician Support Program benefit.

(c) Subject to clause 12(n), AH agrees to enter into a grant agreement (or agreements) with the AMA for the Term and to authorize the AMA to operate and administer the Physician Support Programs, on similar terms and conditions on which these programs had been established and were being administered immediately prior to the Term. For clarity, subject to the parties agreeing otherwise within individual grant agreements and subject to clause 12(e), the parties agree that the amounts payable by the AMA to Physicians under the Physician Support Programs, including the per Physician (utilization) amounts for variable costs programs identified in Schedule 1, will remain payable in the same amounts as were payable under the predecessor program immediately prior to the Term.

(d) AH confirms that neither the Grant Amounts nor the per Physician (utilization) amounts payable by the AMA to Physicians under the Physician Support Programs identified as variable costs programs in Schedule 1, will be reduced during the Term.

(e) If the per Physician (utilization) amount for a variable costs program in Schedule 1 is greater than the per Physician (utilization) amount payable under the predecessor program immediately prior to the Term, AH confirms the per Physician (utilization) amounts under the grant agreements referred to in clause 12(c) will be as specified in Schedule 1.

(f) The AMA's administration of the Physician Support Programs must comply with the Act and its regulations, the *Health Grants Regulation*, and the terms of the relevant grant agreement(s).

(g) A Physician is eligible to participate in the Physician Support Programs if the Physician:

i. is entitled to receive payment of Benefits under the Alberta Health Care Insurance Plan (excluding Physicians who hold a provisional register postgraduate training license through the College of Physicians and Surgeons of Alberta, unless the postgraduate trainee is registered as a Physician extender);

ii. is providing "insured services", as defined in the Act, or publicly funded medically required services or public health services paid for by AHS;

iii. meets any other criteria for a Physician Support Program, as further described in the grant agreement(s).

(h) The parties agree that Physicians who have received a payment under a Physician Support Program are not entitled to receive a duplicate or comparable payment, or payment in kind, from the Government of Canada, another provincial government, or AHS during the Term corresponding to the same matter, and that Physicians who have received a payment from the Government of Canada, another provincial government, or AHS are not entitled to receive a duplicate or comparable payment under a Physician Support Program corresponding to the same matter.

(i) The parties agree that medical students and resident physicians are eligible to participate in the Physician and Family Support Program, and medical students are eligible to participate in the Compassionate Assistance Program if they meet the eligibility criteria in clause 12(g)(iii).

(j) Subject to applicable laws, for the sole purpose of enabling the AMA, as administrator of the Physician Support Programs, to ascertain Physicians' eligibility to participate in the Physician Support Programs in accordance with their eligibility criteria, AH will provide to the AMA a quarterly electronic list of Physicians who have claimed benefits under the Act for providing "insured services", as defined in the Act, provided always that AH will bear no liability for errors or omissions in relation to the list.

(k) AH acknowledges that the AMA charges Physicians who are not members of the AMA an administration fee as a condition of participating in the Physician Support Programs.

The AMA covenants that such administration fee will not exceed the annual cost of membership charged by the AMA to its members for full membership in the AMA.

(l) AH agrees to provide the AMA with written notice at least six months prior to the expiry of the Term of AH's intention to discontinue a Physician Support Program or discontinue the grant agreement with the AMA for that Physician Support Program at the expiry of the Term.

(m) If AH chooses to discontinue a Physician Support Program or discontinue the grant agreement with the AMA for that Physician Support Program at the expiry of the Term and not to replace it with a successor program or successor grant agreement with the AMA, AH agrees to make funds available for all reasonable direct costs and expenses actually and necessarily incurred by the AMA to terminate and wind down the Physician Support Program or its administration thereof, as the case may be.

(n) The parties agree that AH will administer the Medical Liability Reimbursement (MLR) Program for the 2022 Canadian Medical Protective Association year and the AMA will administer the program thereafter. The parties agree the AMA will administer the Continuing Medical Education Program as of the Effective Date.

(o) The parties will conduct a joint review of all Physician Support Programs, other than the MLR Program and the Continuing Medical Education Program, during the Term. Any recommendation of the parties to change a Physician Support Program will be reflected in a successor grant agreement or amendments to the current grant agreement and/or the Agreement in accordance with their terms, as applicable.

(p) AH agrees to enter into a grant agreement to provide the AMA a one-time amount of $1.24M, or a lesser amount as determined by the actual project costs, for computer development costs to support the AMA's administration of certain Physician Support Programs.

SECTION 13

13. SECTION 40.2 OF THE ACT AND DISCONTINUANCE OF LITIGATION

(a) AH agrees to table legislation that is intended to repeal section 40.2 of the Act as soon as possible following the full execution of the Agreement.

(b) Upon ratification of the Agreement by the AMA's members and upon repeal of section 40.2 of the Act, the AMA agrees to take all steps necessary to fully discontinue Alberta Court of Queen's Bench Action Number 2003 07248, including the individual plaintiffs. The parties agree that such discontinuance will be on a without costs basis.

SECTION 14

14. ENTIRE AGREEMENT

(a) All attached schedules are incorporated into and form part of the Agreement.

(b) The parties acknowledge and confirm that the Agreement constitutes the entire agreement between the parties and there are no other promises or agreements, oral or written, between the parties regarding the provisions of the Agreement, provided that the parties acknowledge that each has provided one or more letters of commitment which relate to the subject matter within the Agreement.

(c) The Agreement supersedes all prior agreements, arrangements, discussions and understandings, whether oral or written, between the parties regarding the provisions of the Agreement.

SECTION 15

15. APPLICABLE LAWS

(a) The Agreement will be construed and interpreted according to the laws of the Province of Alberta, and the Court of King's Bench of Alberta will have exclusive jurisdiction regarding the Agreement.

SECTION 16

16. INVALIDITY

(a) The invalidity of any particular provision of the Agreement will not affect any other provision and the Agreement will be construed and enforced as if such invalid provision is deleted herefrom unless the invalid provision is a fundamental or material provision of the Agreement.

SECTION 17

17. NO WAIVER/REMEDIES

(a) No condonation, forgiveness, waiver or forbearance by one party of any non-observance or non-performance by the other party of any of the provisions of the Agreement will operate as a waiver or forbearance against the first such party in respect of any such provisions or any subsequent non-observance or non-performance by the other party of any of the provisions of the Agreement.

(b) Notwithstanding clause 17(a), the AMA expressly acknowledges that the timelines agreed to in the Agreement regarding changes to rates of Benefits for Insured Services

are subject to change as a result of planned technology changes within AH systems that assess and process claims for Benefits for Insured Services that could prevent or limit AH's ability to implement changes to rates of Benefits for Insured Services, including as follows, with estimated timelines:

i. Mainframe system changes – Effective Date to late 2023;

ii. Enabling Models of Care (ENMOC) changes – Fall 2023; and

iii. ENMOC implementation changes – Fall 2023 to Summer 2024.

(c) AH agrees to implement the planned technology changes, with the intention of impacting the timelines in the Agreement as little as possible.

(d) For clarity, any delays as a result of technology changes in clause 17(b) will not impact the effective dates of adjustments to rates of Benefits for Insured Services under the Agreement.

SECTION 18

18. ASSIGNMENT

(a) Neither party may assign the Agreement without the express written consent of the other party, which consent may not be arbitrarily or unreasonably withheld.

SECTION 19

19. ENUREMENT

(a) The provisions of the Agreement will enure to the benefit of and will be binding upon each of the parties and their respective successors and permitted assigns.

SECTION 20

20. AMENDMENT

(a) The Agreement may only be amended or altered by written amending agreement signed and delivered by each party.

SECTION 21

21. WORDS

(a) Wherever and whenever the singular, plural, masculine, feminine, or neuter is used in the Agreement, the same will be construed as meaning the plural, singular, feminine, masculine, neuter body politic or body corporate as the case may be.

(b) A reference to an individual by his or her name of office means the individual appointed as the person holding that office from time to time or the successor of that office.

(c) A reference to a statute or regulation or a provision thereof means the statute or regulation or provision as may be amended or superseded from time to time, except where otherwise expressly stated herein.

(d) A reference to a person includes a body corporate.

(e) A reference to dollars or amounts of money means lawful money of Canada.

(f) "Herein" or "hereof" or "hereunder" and similar expressions when used in a clause will be construed as referring to the whole of the Agreement and not to that clause only, unless otherwise expressly stated.

(g) Provisions expressed disjunctively will be construed as including any combination of two or more of them as well as each of them separately.

(h) Any reference in the Agreement to dispute resolution, facilitation, mediation or any non-binding process will not be construed as arbitration pursuant to section 40 of the Act.

SECTION 22

22. INTERPRETATION

(a) The headings within the Agreement are for reference purposes only and do not impact the interpretation of the Agreement.

(b) Disputes regarding the interpretation of the Agreement will be resolved through good faith discussions as follows:

i. first, by reference to MC for its consensus decision; and

ii. if MC is unable to reach consensus, then by reference to the Minister and the AMA President for their consensus decision.

SECTION 23

23. NO CONTRA-PROFERENTEM

(a) The *contra proferentem* rule does not apply to the interpretation of the Agreement.

SECTION 24

24. NOTICES

(a) All notices required or permitted to be given or submitted by one party to the other under the Agreement will be deemed given or submitted to the other party if in writing and either personally delivered to the office of the addressee or sent by registered mail, postage prepaid, or sent by email to the office of the addressee provided below:

For AH:

Paul Wynnyk
Deputy Minister of Health
22nd Floor ATB Place
10025 Jasper Avenue
Edmonton, AB T5J 1S6
E-mail: paul.wynnyk@gov.ab.ca

For the AMA:

Michael A. Gormley
Executive Director, Alberta Medical Association
12230 106 Ave NW
Edmonton AB T5N 3Z1
Email: Michael.Gormley@albertadoctors.org

(b) The address or addressee of either party may be changed by written notice to the other party. Notice personally served or sent by email will be deemed received when actually delivered or transmitted if delivery or transmission is between 8:15 a.m. and 4:30 p.m. in Alberta from Monday through Friday excluding holidays observed by the Government of Alberta (a "business day") or if not delivered on a business day on the next following business day. All notices sent by prepaid registered mail will be deemed to be received on the fourth business day following mailing in any post office in Canada, except in the case of postal disruption, then any notice will be given by email or personally served.

SECTION 25

25. NO FETTERING

(a) Nothing in the Agreement will in any manner whatsoever fetter the legislative and regulatory power and authority of the Government of Alberta and/or the Minister.

(b) Notwithstanding clause 25(a), AH acknowledges and agrees that sections 7 and 8 fetter the Minister's authority to determine Benefits payable for Insured Services under the Act for the Term.

(c) Notwithstanding clause 25(a), AH acknowledges and agrees that Schedule 6 fetters the Minister's authority with respect to implementing recommendations made pursuant to clause 4(c) of Schedule 6.

SECTION 26

26. SUPPLEMENTAL COMMITMENTS

(a) The parties agree to the supplemental commitments as set out in the following:

i. Schedule 6: Stipends, Overhead and Z-Codes;

ii. Schedule 7: Targeted Investments; and

iii. Schedule 8: Patient Experience Enhancement and Physician Support Initiatives.

SECTION 27

27. SIGNING/DELIVERY

(a) The Agreement may be signed using one or more counterparts which together constitute one original document. Once signed, including the use of counterpart, the Agreement may be delivered or e-mailed in PDF format addressed to the other party. Such delivery is effective as if an originally signed document had been delivered.

SECTION 28

28. EFFECTIVE DATE

(a) Notwithstanding the date the Agreement is signed, it is effective from the Effective Date.

THE AGREEMENT IS ENTERED INTO BY EACH OF THE UNDERSIGNED BY THEIR AUTHORIZED REPRESENTATIVE:

His Majesty the King in right of Alberta as represented by the Minister of Health	**Date**
President, The Alberta Medical Association (CMA Alberta Division)	Oct 6/22 **Date**

(c) Notwithstanding clause 25(a), AH acknowledges and agrees that Schedule 6 fetters the Minister's authority with respect to implementing recommendations made pursuant to clause 4(c) of Schedule 6.

SECTION 26

26. SUPPLEMENTAL COMMITMENTS

(a) The parties agree to the supplemental commitments as set out in the following:

i. Schedule 6: Stipends, Overhead and Z-Codes;

ii. Schedule 7: Targeted Investments; and

iii. Schedule 8: Patient Experience Enhancement and Physician Support Initiatives.

SECTION 27

27. SIGNING/DELIVERY

(a) The Agreement may be signed using one or more counterparts which together constitute one original document. Once signed, including the use of counterpart, the Agreement may be delivered or e-mailed in PDF format addressed to the other party. Such delivery is effective as if an originally signed document had been delivered.

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THE AGREEMENT IS ENTERED INTO BY EACH OF THE UNDERSIGNED BY THEIR AUTHORIZED REPRESENTATIVE:

His Majesty the King in right of Alberta as represented by the Minister of Health	Oct 6/22 **Date**
President, The Alberta Medical Association (CMA Alberta Division)	**Date**

SCHEDULE 1

PHYSICIAN SUPPORT PROGRAMS

Physician Support Programs	**Description**	**Grant Amount**
Compassionate Assistance Program	To provide financial assistance for eligible Physicians and medical students who need assessment and treatment for a cognitive, mental health, and/or substance use condition.	$471,101 (includes $10,000 in audit costs; $17,997 in accounting costs; and $7,778 in IT costs)
Regular Locum Program	To ensure that Alberta residents living in communities with six or fewer Physicians (or other critical circumstances approved by the Minister) will have access to continuous medical coverage if a Physician is unable to provide medically required services due to short-term absences.	$2,114,430 (includes $10,000 in audit costs; $17,997 in accounting costs; $7,778 in IT costs; and $41,577 in administration costs)
Specialist Locum Program	To ensure that Alberta residents living in regional centers outside of Calgary and Edmonton (or other critical circumstances approved by the Minister) will have access to specialist Physician coverage due to short-term absences of specialist Physicians in those regional centers.	$1,519,590 (includes $10,000 in audit costs; $17,997 in accounting costs; $7,778 in IT costs; and $41,577 in administration costs)
General Practice Enhanced Skill Locum Program	To ensure that Alberta residents living in communities outside of Calgary and Edmonton (or other critical circumstances approved by the Minister) will have access to general practice enhanced skill Physician coverage (general practice anesthesia, general practice obstetrics, and general practice enhanced surgical) due to short-term absences of such Physicians in those communities.	$691,775 (includes $10,000 in audit costs; $17,997 in accounting costs; and $7,778 in IT costs)
Physician and Family Support Program *(variable costs program)*	To provide eligible Physicians, resident physicians and medical students and their qualified dependants with assistance in dealing with life management issues and personal health issues.	$4,294,014 (includes $10,000 in audit costs; $17,997 in accounting costs; $7,778 in IT costs; and $218,266 administration costs)
Accelerating Change Transformation Team Program	To provide change management services to support Physicians, including Physicians that participate in	$8,898,283 (includes $10,000 in audit costs;

	Primary Care Networks, as they work towards an integrated health care system.	$17,997 in accounting costs; $7,778 in IT costs; and $1,037,755 in administration costs)
Parental Leave Program (*variable costs program*)	To provide financial support to eligible Physicians who are not practicing medicine as a result of being on leave prior to or following the birth or adoption of a child.	$5,626,151 (includes $10,000 in audit costs; $17,997 in accounting costs; $7,778 in IT costs; and $235,150 in administration costs) Per Physician (utilization) cost: $1,074 per week up to a maximum of 17 weeks for each leave.
Medical Liability Reimbursement Program (*variable costs program*)	To reimburse eligible Physicians for costs incurred in respect of medical liability insurance premiums as set by the Canadian Medical Protective Association (CMPA), less a $1,000 annual deductible to be paid by each eligible Physician.	$34,068,200 (includes $10,000 in audit costs; $17,997 in accounting costs; $7,778 in IT costs; and $32,425 in administration costs) Per Physician (utilization) cost varies with amounts of premiums as set by CMPA.
Continuing Medical Education Program (*variable costs program*)	To reimburse eligible Physicians for costs incurred with regard to the maintenance and enhancement of knowledge, skills and competency.	$23,828,200 (includes $10,000 in audit costs; $17,997 in accounting costs; $7,778 in IT costs; and $32,425 in administration costs) Per Physician (utilization) cost: maximum $2,200 per Fiscal Year.

* In accordance with the terms of the relevant grant agreement(s), the parties may agree to reallocate the Grant Amounts for the audit costs, administration costs, accounting costs, and IT costs specified for any Physician Support Program among any of the other the Physician Support Programs.

**Administration costs may include lease costs, information technology licensing costs, human resources staff, etc.

SCHEDULE 2

MEDIATORS/ARBITRATORS

(a) David P. Jones, Q.C.

(b) William Kaplan, Q.C.

(c) James T. Casey, Q.C.

SCHEDULE 3

2022/23, 2023/24 AND 2024/25 MACRO-ALLOCATIONS

AMA member section	Year 1 (2022/23) rate increase	Year 1 BCP** increase estimate	Year 2 (2023/24) rate increase	Year 3 (2023/24) rate increase	Compounded increase first three Fiscal Years
Family Medicine & Generalists in Mental Health	1.35%	0.89%	1.48%	1.48%	5.25%
Neurology	1.98%	0.22%	1.48%	1.48%	5.24%
Obstetrics & Gynaecology	1.93%	0.27%	1.48%	1.48%	5.24%
Pediatrics	1.78%	0.44%	1.48%	1.48%	5.25%
Psychiatry	1.89%	0.32%	1.48%	1.48%	5.24%
Anesthesiology	0.85%	0.02%	0.85%	0.85%	2.60%
General Surgery	0.85%	0.09%	0.85%	0.85%	2.66%
Internal Medicine	0.85%	0.24%	0.85%	0.85%	2.82%
Emergency Medicine	0.50%	0.00%	0.50%	0.50%	1.51%
Endocrinology/Metabolism	0.50%	0.14%	0.50%	0.50%	1.65%
Gastroenterology	0.50%	0.08%	0.50%	0.50%	1.59%
Infectious Diseases	0.50%	0.00%	0.50%	0.50%	1.51%
Nephrology	0.50%	0.05%	0.50%	0.50%	1.56%
Neurosurgery	0.50%	0.08%	0.50%	0.50%	1.59%
Orthopaedic Surgery	0.50%	0.11%	0.50%	0.50%	1.62%
Otolaryngology	0.50%	0.20%	0.50%	0.50%	1.71%
Physical Medicine and Rehabilitation	0.50%	0.40%	0.50%	0.50%	1.91%
Respiratory Medicine	0.50%	0.14%	0.50%	0.50%	1.64%
Rheumatology	0.50%	0.10%	0.50%	0.50%	1.60%
Urology	0.50%	0.12%	0.50%	0.50%	1.63%
Cardio & Thoracic Surgery	0.35%	0.00%	0.35%	0.35%	1.05%
Cardiology	0.35%	0.11%	0.35%	0.35%	1.16%
Critical Care Medicine	0.35%	0.00%	0.35%	0.35%	1.05%
Dermatology	0.35%	0.37%	0.35%	0.35%	1.43%
Other*	0.35%	0.03%	0.35%	0.35%	1.08%
Plastic Surgery	0.35%	0.06%	0.35%	0.35%	1.11%
Thoracic Surgery	0.35%	0.04%	0.35%	0.35%	1.10%
Vascular Surgery	0.35%	0.18%	0.35%	0.35%	1.23%
Diagnostic Radiology	0.25%	0.01%	0.25%	0.25%	0.77%
Ophthalmology	0.25%	0.20%	0.25%	0.25%	0.95%
Total (all AMA member sections)	1.00%	0.45%	1.00%	1.00%	3.48%

* Residual lab medicine fees (mostly ECG technical fees paid to Dynalife and APL)

**The BCP increase estimate identified in column 2 of this table was used to calculate the BCP rate, which has been set to $3.59 pursuant to clause 5 of Schedule 7, and is included in this table for illustrative purposes only and does not form part of the amount being macro-Allocated.

SCHEDULE 4

MANAGEMENT COMMITTEE – TERMS OF REFERENCE

1. Mandate

(a) MC will engage on the following:

i. all matters referred to in the recitals listed in the preamble to the Agreement;

ii. the relationship between AH and the AMA;

iii. "compensation matters" as defined in the Act;

iv. other health matters that touch and concern Physicians; and

v. any communications and ongoing contact between AH and the AMA relating to the Agreement (excluding giving notice pursuant to section 24 of the Agreement);

and, where MC reaches consensus, to make recommendations to the Minister in accordance with these terms of reference.

(b) The initial priorities for engagement under clause 1(a) of these terms of reference are:

i. alternative Physician compensation models and alternative-to-FFS bases of payment of Benefits for Insured Services, including:

1. Section 20 Agreements with Section 20.1 Persons;

2. interdisciplinary Physician teams;

3. the capitation and blended capitation alternative-to-FFS bases of payment of Benefits for Insured Services;

4. salary-based Physician compensation models;

5. reviewing the application and approval process for alternative-to-FFS bases of payment of Benefits for Insured Services, including Alternative Relationship Plans, for opportunities to increase transparency and efficiency and reduce red tape;

6. assessing existing and recommended change management supports; and

7. terminating certain Alternative Relationship Plans and entering into Section 20 Agreements with the same Physician groups;

ii. a review of the SOMB intended to inform amendments to the SOMB to simplify and modernize its content;

iii. Physician supply and distribution, including AH and the AMA participating in a multi-stakeholder Physician resource planning advisory committee to the

Minister, established pursuant to Part 4.1 of the *Alberta Health Care Insurance Regulation*, which will include representatives from medical students and the Professional Association of Resident Physicians of Alberta. MC will develop and recommend to the Minister terms of reference for this committee;

iv. developing a process to support the Peer Review and Education Committee to be established by the AMA; and

v. conducting a review of the Information Sharing Agreement made effective June 28, 2021 between AH and the AMA.

(c) MC will consider whether specific Government of Alberta or AH initiatives, other than the Alberta Surgical Initiative, that directly and measurably cause a net increase to AH's Actual Insured Services Expenditures in the 2024/25 and 2025/26 Fiscal Years, should be included in the PSB for those Fiscal Years and whether to recommend the Agreement be amended accordingly.

(d) MC will oversee and monitor the activities undertaken by RC in accordance with RC's terms of reference in Schedule 5, including as follows:

i. approve processes recommended by RC for adjustments to rates of Benefits for Insured Services under sections 6, 7, and 9 of the Agreement;

ii. monitor RC's execution and timelines regarding the processes in sub-clause (i) above, including reporting to the Minister and the AMA President regarding the same;

iii. review and engage with RC regarding RC's recommended micro-Allocations (section 6 of the Agreement);

iv. approve micro-Allocations recommended by RC and submit the recommended micro-Allocations to the Minister;

v. submit to the Minister RC's final report regarding recommended market adjustments to rates of Benefits for Insured Services (section 7 of the Agreement);

vi. review and engage with RC regarding RC's recommendations on ad hoc adjustments to rates of Benefits for Insured Services (section 9 of the Agreement);

vii. approve RC's recommended adjustments to rates of Benefits for Insured Services under section 9 of the Agreement and submit the recommended adjustments to the Minister; and

viii. request reporting from the parties that is necessary for MC and RC to comply with their respective terms of reference and provide applicable reporting to RC.

(e) MC will conduct the stipend reviews and overhead arrangements review as required by the parties in accordance with Schedule 6.

(f) MC will develop and implement a process in consultation with AHS, including developing and using principles, to guide all future stipends paid by AHS to Physicians.

(g) MC will conduct the patient experience enhancement and Physician support initiatives reviews as required by the parties in accordance with Schedule 8.

2. Working groups and third party consultants

(a) MC may establish working groups (including chairs or co-chairs) consisting of individuals (including individuals who are not members of MC and individuals from third party organizations) with the skills, knowledge, experience, or attributes MC considers necessary to provide feedback and advice on matters within MC's mandate in section 1 of these terms of reference.

i. MC may prepare terms of reference for all working groups prior to any work being undertaken for MC by the working groups. Working groups may only be established to function in accordance with these terms of reference.

ii. Working groups are advisory in nature only.

iii. The term of all working groups will expire on or before the expiry of MC.

iv. A working group's member's term on a working group will expire on or before the date of expiry of the working group.

v. Through the working groups' chairs, working groups report to the MC through the MC co-chairs.

vi. No vacancy on any working group impairs the rights of remaining working group members to act.

vii. Document and confidentiality requirements for working group members are set out in section 11 of these terms of reference.

viii. Public and media communication requirements for working group members are set out in section 10 of these terms of reference.

(b) MC may seek assistance from third party consultants with the skills, knowledge, experience, or attributes MC considers necessary to provide feedback and advice on matters within MC's mandate in section 1 of these terms of reference.

3. **Membership**

(a) The parties will each appoint three members to MC:

i. The members appointed by AH will include the Deputy Minister of AH; and

ii. The members appointed by the AMA will include the Executive Director of the AMA and at least one Physician.

(b) AH and the AMA will each name one of their respective appointees to act as co-chair of MC.

4. **Secretariat**

(a) AH will provide secretariat support to MC.

(b) The secretary will provide information and records management support to MC and working groups in order that all the records of MC and the working groups are stored and managed appropriately.

(c) The secretary will maintain the official records of MC and any working groups according to the *Alberta Records Management Regulation* and any other AH records management directives.

5. **Reporting**

(a) MC will report to the Minister and the AMA President every quarter regarding all activities undertaken under section 1 of these terms of reference.

6. **Term**

(a) Unless terminated earlier by mutual agreement of AH and the AMA, the term of MC and its members will expire on the earlier of the Agreement's expiry or termination.

(b) AH and the AMA may terminate and reappoint their respective members with 30 calendar days' prior written notice to the MC co-chairs.

7. **Meetings**

(a) MC will establish rules and procedures for the conduct of its business that will include requirements for the use of formal agendas for its meetings, notices of meetings with agendas, and minutes of its meetings. Any changes to the rules and procedures require consensus of MC.

(b) MC will meet within one month of the date of full execution of the Agreement, at which time MC will determine its meeting schedule.

(c) Either party may invite support staff to assist at MC meetings, who are not members of MC and do not have voting privileges.

(d) MC will meet at least quarterly as directed by the co-chairs.

i. In addition to regular meetings, any MC member may request a meeting; however, the calling of meetings is at the discretion of the MC co-chairs.

ii. MC meeting agendas will be set by the MC co-chairs. In setting meeting agendas, the MC co-chairs may consider any input from a MC member.

iii. The MC co-chairs will alternate chairing MC meetings.

iv. Quorum is at least 50% of appointed MC members and which must include at least one representative of the AMA and one representative of AH. The presiding MC co-chair will determine if quorum is met for a MC meeting. No MC meeting will take place or continue unless at all times there is quorum and the MC co-chairs are in attendance.

v. MC members may participate in a MC meeting in person or by any other method that permits them to hear and participate in the MC meeting, provided the presiding MC co-chair is satisfied that such MC meeting is in accordance with these terms of reference.

8. MC recommendations

(a) MC's recommendations will only be finalized at a duly called meeting of MC.

(b) All MC recommendations will be in writing and consensus-based.

(c) In a manner consistent with the mandate of MC set out in section 1 of these terms of reference, MC members will exercise due diligence and good faith in attempting to reach consensus on any MC recommendation made under these terms of reference, including proactively identifying and solving problems in areas that may be causing an impasse.

(d) Provided quorum is achieved in accordance with clause 7(iv) of these terms of reference, no vacancy on MC impairs the rights of the remaining MC members to act.

9. MC costs

(a) AH and the AMA will each be responsible for the cost of their respective members' participation in MC or a working group.

(b) AH will be responsible for secretariat costs.

10. Public and media communications

(a) MC and working group members will not engage in public communications or respond to any media inquiries regarding MC or any working groups without prior approval of both AH's and the AMA's communications departments.

11. Documents and confidentiality

(a) Subject to all applicable laws (including applicable privacy and health information laws), and except as provided in clause 11(c) below, all information collected, received, or produced by a member of MC or a working group will be deemed to be confidential information ("Confidential Information"). For greater certainty, Confidential Information includes any advice, report, document or information (regardless of format) produced by MC or any member of MC or a working group for the Minister or the AMA President, including all written MC recommendations and all materials (such as agendas, notes, minutes) created at or for any meeting of MC or a working group.

(b) MC and working group members will not collect, use or disclose personal information as defined by the *Freedom of Information and Protection of Privacy Act* or individually identifying health information as defined by the *Health Information Act* for the purposes of MC or a working group.

(c) Except as may be required by applicable laws (including applicable privacy and health information laws) or authorized by this section 11 of these terms of reference, each MC and working group member will maintain the confidentiality of all Confidential Information and will use such Confidential Information solely for the purposes of fulfilling their role and work as a member of MC or a working group and not for any other purposes.

(d) The obligation to maintain confidentiality does not preclude the sharing of Confidential Information by a member of MC or a working group with their principals, including AMA members, within their respective organizations, as long as the obligation to maintain confidentiality is communicated to the recipient(s).

(e) Subject to all applicable laws (including applicable privacy and health information laws) and subject to this section 11 of these terms of reference, no member of MC or a working group will disclose any Confidential Information to any person (including a corporation and the heirs, executors, administrators or other legal representatives of a person) who, in the case of MC or working group members is not another member of MC or a working group, except as required by applicable law or with the prior written consent of the Minister and the AMA President.

(f) Each MC and working group member will use all reasonable efforts to safeguard Confidential Information and adhere to any information management policies to prevent unauthorized access, use or disclosure of Confidential Information.

(g) A MC or working group member will immediately notify the MC co-chairs of any actual or suspected breach of these terms of reference, including any loss, unauthorized access to or disclosure of Confidential Information.

(h) All materials of MC and working group(s), including all Confidential Information, in the possession of a member of MC or a working group will be returned to MC's secretary upon the earliest of the:

i. expiry or termination of MC or the working group;

ii. completion of the work of MC or the working group; or

iii. expiry or earlier termination of the term of the member of MC or the working group.

SCHEDULE 5

RATES COMMITTEE – TERMS OF REFERENCE

1. Mandate

a) The mandate of RC is, in accordance with these terms of reference, to:

i. review and approve the AMA's proposed micro-Allocations under section 6 of the Agreement;

ii. conduct the market rate adjustment under section 7 of the Agreement; and

iii. consider other ad hoc rate adjustments under section 9 of the Agreement.

Micro-Allocation – section 6 of the Agreement

b) RC will develop a process and criteria for reviewing and approving the AMA's proposed micro-Allocations within 90 calendar days from the date of full execution of the Agreement for recommendation to MC.

c) RC will initiate the approved process, using the criteria developed and referred to in clause 1(f) of these terms of reference, and will submit to MC a final written report of all recommended adjustments to rates of Benefits for Insured Services by no later than 30 calendar days following receipt of the AMA's proposed micro-Allocation, or as soon as practicable thereafter, within each Fiscal Year during the Term.

Market rate adjustments – section 7 of the Agreement

d) RC will develop a process for determining market rate adjustments under section 7 of the Agreement, to be approved by MC prior to March 31, 2024.

e) RC's recommended process for the market rate adjustment must include:

i. developing engagement protocols with relevant stakeholders who will inform the review, including relevant AMA member sections;

ii. developing prioritization criteria to determine which HSCs and alternative-to-FFS rates of Benefits will be included in the market rate adjustment to ensure RC has the capacity to conduct the reviews within the timelines under the Agreement. The prioritization criteria will include:

A. Materiality - e.g., HSCs and alternative–to-FFS rates of Benefits for Insured Services that account for a significant percentage of Physicians' claims for Benefits;

B. Growth - e.g., HSCs and alternative-to-FFS rates of Benefits for Insured Services with a significant growth in utilization;

C. Usage – e.g., HSCs and alternative-to-FFS rates of Benefits for Insured Services that have undergone significant changes (up or down) as a proportion of Physicians' claims for Benefits;

D. Outliers – e.g., HSCs that are associated with outlier billings within an AMA member section; and

E. Patient Value – e.g., adjustments to rates of Benefits for Insured Services that help ensure adequate access to care that is aligned with best clinical practices;

iii. developing a review methodology that groups HSCs and alternative-to-FFS rates of Benefits for Insured Services so RC can assess them on a holistic basis to mitigate against unintended consequences from reviewing them on an individual basis.

f) RC will consider the following criteria in recommending any adjustments to rates of Benefits for Insured Services:

i. rates payable for FFS HSCs (including HSCs equivalent to the "z-codes" in the SOMB) and alternative-to-FFS rates payable in comparable jurisdictions (i.e., Ontario, Manitoba, Saskatchewan, British Columbia, and, with consensus of RC, other jurisdictions in Canada);

ii. differences in service delivery models and business costs related to providing medically required services across comparable jurisdictions (i.e., Ontario, Manitoba, Saskatchewan, British Columbia, and, with consensus of RC, other jurisdictions in Canada) and application of appropriate adjustments to ensure market comparisons are fair and based on the best available evidence; and

iii. interprovincial differences across comparable jurisdictions (i.e., Ontario, Manitoba, Saskatchewan, British Columbia, and, with consensus of RC, other jurisdictions in Canada) in general and specific HSC rules (e.g., inclusive care periods, included procedures), supplementary compensation arrangements including program funding, funding from other sources, location of service and technical/professional fees.

g) RC will initiate the approved process referred to in clause 1(d) of these terms of reference by April 1, 2024 and submit to MC a final written report of all recommended adjustments to rates of Benefits for Insured Services by no later than March 31, 2025.

Other ad hoc rate adjustments – section 9 of the Agreement

h) RC will develop a process to determine ad hoc adjustments to rates of Benefits for Insured Services under clauses 9(b), (d) and (e) of the Agreement to be approved by MC no later than 90 calendar days following the date of full execution of the Agreement.

i) On request from the parties to review a rate of Benefits for Insured Services under clause 9(b), (d) or (e) of the Agreement, and subject to clause 1(j) of these terms of reference in respect of requests made under clause 9(b) of the Agreement, RC will execute the approved process referred to in clause 1(h) for the proposed ad hoc adjustment to a rate of Benefits for

Insured Services and submit to MC a final written report of any recommended adjustments, that includes demonstration of compliance with clause 1(j), as applicable.

j) RC may only recommend adjustments to rates of Benefits for Insured Services, referred to RC under clause 9(b) of the Agreement, that RC projects, at the time the decision is made, should not result in a net future increase to Actual Insured Services Expenditures.

2. Working groups and third party consultants

a) RC may establish working groups (including working group chair or co-chairs) consisting of individuals (including individuals who are not members of RC) with the skills, knowledge, experience, or attributes RC considers necessary to provide feedback and advice on matters within RC's mandate in section 1 of these terms of reference.

i. RC may prepare terms of reference for all working groups prior to any work being undertaken for RC by the working groups. Working groups may only be established to function in accordance with these terms of reference.

ii. Working groups are advisory in nature only.

iii. The term of all working groups will expire on or before the expiry of RC.

iv. A working group's member's term on a working group will expire on or before the date of expiry of the working group.

v. Through the working groups' chairs, working groups report to the RC through the RC Chair.

vi. No vacancy on any working group impairs the rights of remaining working group members to act.

vii. Document and confidentiality requirements for working group members are set out in section 11 of these terms of reference.

viii. Public and media communication requirements for working group members are set out in section 10 of these terms of reference.

b) RC may seek assistance from third party consultants, including under clause 2(c) of these terms of reference, with the skills, knowledge, experience, or attributes RC considers necessary to provide feedback and advice on matters within RC's mandate in section 1 of these terms of reference.

c) RC may engage third party consultants to collect and analyze relevant data to support the approved processes for the market rate adjustments.

3. Membership

a) RC will consist of the following members:

i. an independent, non-voting Chair appointed by mutual agreement between AH and the AMA who will:

A. facilitate the activities of RC under section 1 of these terms of reference; and

B. communicate with MC on behalf of RC as required under these terms of reference;

ii. three representatives from AH appointed by the Deputy Minister of Health; and

iii. three representatives from the AMA appointed by the Executive Director of the AMA.

4. Secretariat

a) AH will provide secretariat support to RC.

b) The secretary of RC will provide information and records management support to RC and working groups in order that all the records of RC and the working groups can be stored and managed appropriately.

c) The secretary will maintain the official records of RC and any working groups according to the *Alberta Records Management Regulation* and any other AH records management directives.

5. Reporting

a) The RC Chair will report to MC and provide:

i. a work plan including key milestones regarding the development of the processes referred to in section 1 of these terms of reference by no later than six months following the date of full execution of the Agreement;

ii. quarterly updates to MC on all activities engaged in under section 1 of these terms of reference; and

iii. any updates as requested by MC.

6. Term

a) Unless terminated earlier by mutual agreement of AH and the AMA, the term of RC and its members will expire on the earlier of the Agreement's expiry or termination.

b) AH and the AMA may terminate and reappoint their respective members with 30 calendar days' prior written notice to the RC Chair.

7. Meetings

a) RC will establish rules and procedures for the conduct of its business that will include requirements for the use of formal agendas for its meetings, notices of meetings with agendas, and minutes of its meetings. Any changes to the rules and procedures require consensus of RC.

b) RC will meet within one month of the date of full execution of the Agreement, at which time RC will determine its meeting schedule.

c) Either party may invite support staff to assist at RC meetings, who are not members of RC and do not have voting privileges.

d) RC will meet at least quarterly as directed by the RC Chair.

   i. In addition to regular meetings, any RC member may request a meeting; however, the calling of meetings is at the discretion of the RC Chair.

   ii. RC meeting agendas will be set by the RC Chair. In setting meeting agendas, the RC Chair may consider any input from a RC member.

   iii. RC meetings will be conducted by the RC Chair.

   iv. Quorum is at least 50% of appointed RC members and which must include at least one representative of the AMA and one representative of AH. The RC Chair will determine if quorum is met for a RC meeting. No RC meeting will take place or continue unless at all times there is quorum and the RC Chair is in attendance.

   v. RC members may participate in a RC meeting in person or by any other method that permits them to hear and participate in the RC meeting, provided the RC Chair is satisfied that such RC meeting in in accordance with these terms of reference.

8. RC recommendations

a) RC's recommendations will only be finalized at a duly called meeting of RC.

b) All RC recommendations, including any recommendations to MC, will be in writing and consensus-based between RC members.

c) In a manner consistent with the mandate of RC set out in section 1 of these terms of reference, RC members will exercise due diligence and good faith in attempting to reach consensus on any RC recommendations, which include any recommendations to MC, including proactively identifying and solving problems in areas that may be causing an impasse.

d) Provided quorum is achieved in accordance with clause 7(d)(iv) of these terms of reference, no vacancy on RC impairs the rights of the remaining RC members to act.

9. RC costs

a) The RC Chair will be paid through a contract equally funded by AH and the AMA.

b) RC members referred to in clauses 3(a)(ii) and (iii) of these terms of reference and working group members will not be paid or receive any remuneration for performing any functions and duties associated with being a RC or working group member.

c) AH will be responsible for secretariat costs.

10. Public and media communications

a) RC and working group members will not engage in public communications or respond to any media inquiries regarding RC or any working groups without prior approval of both AH's and the AMA's communications departments.

11. Documents and confidentiality

a) Subject to all applicable laws (including applicable privacy and health information laws), and except as provided in clause 11(c) of these terms of reference, all information collected, received, or produced by a member of RC or a working group will be deemed to be confidential information ("Confidential Information"). For greater certainty, Confidential Information includes any advice, report, document or information (regardless of format) produced by RC or any member of RC or a working group for the Minister or the AMA President, including all written RC recommendations and all materials (such as agendas, notes, minutes) created at or for any meeting of RC or a working group.

b) RC and working group members will not collect, use or disclose personal information as defined by the *Freedom of Information and Protection of Privacy Act* or individually identifying health information as defined by the *Health Information Act* for the purposes of RC.

c) Except as may be required by applicable laws (including applicable privacy and health information laws) or authorized by this section 11 of these terms of reference, each RC and working group member will maintain the confidentiality of all Confidential Information and will use such Confidential Information solely for the purposes of fulfilling their role and work as a member of RC and not for any other purposes.

d) The obligation to maintain confidentiality does not preclude the sharing of Confidential Information by a member of RC or a working group with their principals, including AMA members, within their respective organizations, as long as the obligation to maintain confidentiality is communicated to the recipient(s).

e) Subject to all applicable laws (including applicable privacy and health information laws) and subject to this section 11 of these terms of reference, no member of RC or a working group will disclose any Confidential Information to any person (including a corporation and the heirs, executors, administrators or other legal representatives of a person) who, in the case of RC or working group members is not another member of RC or a working group, except as required by applicable law or with the prior written consent of the Minister and the AMA President.

f) Each RC and working group member will use all reasonable efforts to safeguard Confidential Information and adhere to any information management policies to prevent unauthorized access, use or disclosure of Confidential Information.

g) A RC or working group member will immediately notify the RC Chair of any actual or suspected breach of these terms of reference, including any loss, unauthorized access to or disclosure of Confidential Information.

h) All materials of RC and any working group(s), including all Confidential Information, in the possession of a member of RC or a working group will be returned to RC's secretary upon the earliest of the:

   i. expiry or termination of RC or a working group;

   ii. completion of the work of RC or a working group; or

   iii. expiry or termination of the term of the RC or working group member.

SCHEDULE 6

STIPENDS, OVERHEAD ARRANGEMENTS, AND Z-CODES

Part 1 - Stipends

1) The parties agree to direct MC, within one year of full execution of the Agreement, to form a working group to:

   a) develop and implement a process, including use of the principles set out in clause 4(b) of this Schedule, to review the current stipends paid by AHS to Physicians; and

   b) make written recommendations to MC at the conclusion of the review in sub-clause (a) above.

2) The working group will be comprised of equal membership from the AMA and AHS, with an independent chair agreed to by the parties and AHS.

3) Subject to applicable privacy laws, the AMA and AHS will collect and provide information regarding current stipends paid by AHS to Physicians to the working group members prior to the first working group meeting.

Review of current stipends

4) The parties will direct MC to require the working group to:

   a) report to MC with its written recommendations, made pursuant to clause 1(b) of this Schedule, as soon as recommendations are prepared but in any event not later than by March 31, 2025;

   b) consider the following principles when making its recommendations to MC pursuant to clause 1(b) of this Schedule:

      i. any payments by AHS to a Physician may not duplicate the Benefits payable by the Minister to the Physician for Insured Services; and

      ii. AHS must retain the ability to enter into stipends with Physicians for services it requires such as availability, on-call, travel, etc., so that it can meet its responsibilities for patients under its care.

   c) include in its written recommendation to MC, made pursuant to clause 1(b) of this Schedule:

      i. information on the purpose for any stipend;

      ii. the recommended disposition of the stipend under review, including discontinuance or continuance, any adjustments to the stipend amount or the form of the stipend payment; and

iii. any recommended:

(1) modification to an existing SOMB HSC or new SOMB HSC;

(2) Alternative Relationship Plan (including the amount of the Provincial Base Payment Rate and associated Full Time Equivalents); and

(3) corresponding adjustment to the amount of the AHS stipend under review, if applicable.

5) Where the working group has reached consensus on a recommendation pursuant to clause 1(b), the working group will make the recommendation to MC, and the parties will direct MC to make such recommendation to the Minister for implementation. If the working group fails to reach consensus on such a recommendation, the independent chair will decide on the recommendation and make the recommendation to MC, and the parties will direct MC to make such recommendation to the Minister for implementation. The Minister agrees to take all steps necessary to implement the recommendations made under section 5 of this Schedule.

6) The parties agree that all AHS stipends to Physicians will continue in their current form until the Minister implements the recommendation under clause 5, unless the Physicians and AHS agree otherwise, or the Physicians and AHS agree to discontinue or adjust the stipend earlier. In either case, reasonable notice will be provided in accordance with clause 7 of this Schedule.

7) Notwithstanding the process described in this Part 1, the parties agree that reasonable notice and a transition period will be provided to the affected Physician where the Physician's stipend is either ended by consensus or adjusted downwards or discontinued as a result of a recommendation made pursuant to clause 4 of this Schedule.

8) The parties agree that the determination of the 2025/26 Allocation Amount under section 8 of the Agreement may consider any changes to stipend payments. The parties further agree that the macro-Allocation and micro-Allocation processes under section 6 of the Agreement may also consider any changes to stipend payments.

9) The parties agree that Physicians retain the option of claiming and receiving Benefits for Insured Services under an Alternative Relationship Plan or on a FFS basis. A Physician who receives Benefits for Insured Services under an Alternative Relationship Plan or on a FFS basis may also enter into stipends with AHS.

Part 2 - Overhead arrangements

10) To ensure implementation of fair overhead agreements between AHS and Physicians, the parties agree to require MC, within one year of full execution of the Agreement, to form a working group with membership from AH, the AMA and AHS to develop and conduct the review process in this Part 3 and to make recommendations to the Minister on appropriate

criteria to determine the amount of overhead fees in agreements between AHS and Physicians.

11) The parties agree to require MC to exclude the following from the scope of the review process in this Part 2:

a) rates of Benefits of Insured Services (FFS or alternative to FFS); and

b) AHS' choice of service delivery model, use of allied health care providers, scheduling (e.g., service days and service hours), and terms and conditions of AHS appointments and privileges afforded to a Physician.

12) Subject to applicable privacy laws, each party will collect and provide information regarding AHS overhead to the other party and to AHS prior to the first working group meeting. AH will require AHS to do the same.

13) The parties will direct MC to require the working group to:

a) report to MC with its recommendations within 180 calendar days of its establishment;

b) recognize that certain rates of Benefits for Insured Services (FFS under the SOMB or alternative-to-FFS under an ARP) include an amount of overhead, while other rates of Benefits for Insured Services do not include an amount of overhead, and that rates of Benefits for Insured Services are subject to review under the Agreement;

c) consider the following principles for Physicians impacted by existing or potential AHS overhead charges to gather their input and propose solutions when making recommendations to MC:

i) continue and improve access to medically required services;

ii) transparency in process and creation of recommendations;

iii) equitable application of AHS' overhead framework across Physician groups;

iv) collaborate meaningfully with impacted Physician groups;

v) equity for all Physicians;

vi) fair process for Physicians who would be paying new overhead;

vii) recruitment and retention of Physicians within AHS facilities, including difficulty to attract and retain Physicians in underserved areas or coverage of less desirable working hours, which will include consideration of the value of the Physicians continuing to maintain a community-based practice in the AHS facilities;

viii) continuation and optimization of viable community-based practices including consideration of overhead costs already paid in the community clinic;

ix) consideration of common practices in other provincial jurisdictions; and

x) any implementation of overhead changes would be aligned with changes to rates of Benefits for Insured Services occurring in the fee review and with the same implementation timelines.

d) include in its recommendation to MC:

i) an estimate of the amount of new overhead charges to AMA member sections, where possible, for reconciliation by the Rates Committee; and

ii) a transition strategy and a process for monitoring and assessing any potential unintended consequences (e.g., negative impacts on Physician recruitment and retention) and making adjustments to overhead policies and charges as necessary.

14) The parties will require MC to make recommendations to the Minister after MC has considered its working group's recommendations and the Minister will consider MC's recommendations.

Part 3 – Z-codes

15) The parties acknowledge that Z-codes may be reviewed as part of the market rate adjustment process under section 7 of the Agreement.

SCHEDULE 7

TARGETED INVESTMENTS

Whereas the parties acknowledge that Alberta, similar to other jurisdictions in Canada, is experiencing a mal-distribution of Physicians and Physician shortages.

Whereas the parties acknowledge Physician mal-distribution issues and Physician shortages have been further exacerbated by the COVID-19 pandemic.

Whereas the parties acknowledge that a combination of actions to address Physician supply issues complemented by information management and technological (IMT) advancements will help to stabilize the health system as well as improve patient outcomes.

Therefore AH agrees to work collaboratively with the AMA to design and implement the following targeted investments in accordance with applicable laws:

1. AH to provide up to $15 million annually during the Term to support recruitment and retention for Physicians who practice full time in underserved areas. Criteria for accessing the funding will be developed through engagement with the AMA within 120 calendar days of the date of full execution of the Agreement. The AMA will involve relevant AMA member sections in this process.

2. AH to provide up to $12 million annually during the Term to improve residents' access to medical services in communities facing a critical Physician supply issue. Under this initiative, the parties will complete a review of the RRNP within the first two years of the Term. Other than the critical communities identified by AHS, AH will continue to fund RRNP under existing parameters until the review is completed and thereafter in accordance with agreed parameters. The target implementation date for any recommended changes is April 1, 2024. The AMA will involve relevant AMA member sections in the review of the RRNP.

3. The parties agree to the following two-step process:

    - **Step 1** – Within 90 calendar days of the date of full execution of the Agreement, the parties will identify critical communities that are facing Physician supply issues and recommend to the Minister appropriate strategies for addressing such supply issues.

    - **Step 2** – The parties will develop a review process to update the RRNP and conduct the review. (From the $12 million referred to in clause 2, up to $0.5 million per Fiscal Year for the first two years of the Term is to be allocated for the review.)

4. AH to provide a one-time increase of $2 million in the Rural Education Supplement and Integrated Doctor Experience (RESIDE) Program to incentivize family Physicians to practice in Alberta's underserved rural and remote communities. The RESIDE Program aims to address challenges in Physician distribution and promote equitable access to

health care for all Albertans. AH will amend its current 2021-2024 grant agreement with the Rural Health Professions Action Plan to increase the total grant funding to $8 million for this purpose.

5. AH to increase the BCP rate to $3.59 commencing in Fiscal Year 2022/23, which represents an estimated $20 million increase in BCP expenditures during the Term.

6. The parties agree to review BCP in the first two years of the Term to modernize the program and better target the areas of need including assessing eligibility criteria, parameters, incentive mechanisms and rates. The AMA will involve relevant AMA member sections in the review. The funding will continue at the levels agreed to in the Agreement notwithstanding the results of the review.

7. AH to provide up to $12 million over the 2022/23 and 2023/24 Fiscal Years to support Physicians with IMT-related change management, including to integrate their electronic medical record (EMR) systems with Community Information Integration (CII)/Central Patient Attachment Registry (CPAR). AH agrees to work collaboratively with the AMA to develop program parameters within 90 calendar days of the date of full execution of the Agreement. The goal of integrating EMRs with CPAR is to improve patient and provider experience through better integration of health information required to deliver quality patient care.

SCHEDULE 8

PATIENT EXPERIENCE ENHANCEMENT AND PHYSICIAN SUPPORT INITIATIVES

The parties agree to require MC to review the priority initiatives listed in this Schedule and to engage with stakeholders in MC's discretion.

The MC will provide its recommendations to the Minister for consideration on completion of the following reviews.

1) Daily visit cap

The parties will require MC to review this policy and to assess the impact of removing or revising related policy. The review will be completed within 30 calendar days following the first meeting of MC.

2) Virtual care HSC enhancements

The parties will require MC to review virtual care, including those virtual care codes that have not been implemented as part of the review undertaken by the Joint Virtual Care Working Group, during the fourth quarter of Fiscal Year 2022-23, including collaborating with the College of Physicians and Surgeons of Alberta (CPSA) and AHS, which review will include reviewing the utilization of virtual care to date, experiences and practices from other jurisdictions, patient perspective on their experience with virtual care, and adjustments in Physicians' practices to inform virtual care delivery in the future. The review will be completed by March 31, 2023.

Notwithstanding the above paragraph, the parties agree to require RC to conduct an expedited review of mental health virtual HSCs under clause 9(e) of the Agreement, including

i. align mental health virtual HSCs:

   (a) 08.19CW for family Physicians – pediatricians;

      1. align the rules on virtual with those for in-person care. (i.e., allow for "15 minutes or major portion" vs requiring the full 15 minutes);

   (b) implement virtual group and family therapy at same rates as in-person;

   (c) allow complex mental health services to be billed virtually at in-person rates; and

   (d) appreciating that complex developmental and/or medical issues accompany many pediatric mental health issues, allow for the 15-minute prolonged consult (03.08J) or repeat office visit (03.03FA) time modifier for pediatric virtual codes when the duration of the assessment exceeds 30 minutes.

RC will make written recommendations to the Minister by November 30, 2022, who will then decide by January 1, 2023 whether or not to implement any recommended changes. The parties agree to require RC to engage with the CPSA, AHS, and the AMA's psychiatric member section, and other stakeholders agreed to by the parties.

3) Incremental funding for ARP change management

The parties will require MC to review the effectiveness of the current Accelerating Change Transformation Team (ACTT) program in the context of change management support for Physicians who want to claim Benefits for Insured Services through ARPs. The parties will require MC to focus its review on measuring outcomes from the ACTT program and identifying any supports needed, including funding, to develop an enhanced plan of action that can remove barriers for Physicians who want to claim Benefits on an alternative-to-FFS basis through ARPs and other emerging alternative compensation models. The review must also provide rationale for any recommended supports.

AH will create a $2M change management fund, jointly administered by AH and the AMA, that will provide funding for any supports identified as needed.

4) Eligibility for access to benefits under Physician Support Programs

AH commits to reviewing eligibility criteria to access to Physician Support Programs to medical examiners employed by the Minister of Justice and Solicitor General within 90 calendar days of the date of full execution of the Agreement.