

**MEMORANDUM OF AGREEMENT**

THIS AGREEMENT made as of the 11 day of December, 2009,

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF  
BRITISH COLUMBIA**, as represented by the Minister of Health Services  
**(the "Government")**

AND:

**BRITISH COLUMBIA MEDICAL ASSOCIATION**  
**(the "BCMA")**

AND:

**BRITISH COLUMBIA ANESTHESIOLOGISTS' SOCIETY**  
**(the "BCAS")**  
**(collectively referred to as "the Parties")**

**WITNESSES THAT WHEREAS:**

A. The Government, the BCMA and the BCAS entered into a Letter of Agreement dated February 16, 2009 (the "LOA") concerning the organization and availability of anaesthesia services in British Columbia; and

B. This Memorandum:

(a) describes an agreement between the Parties regarding issues outlined in the LOA; and

(b) serves as a service contract between the Parties regarding how obstetric analgesia services shall be funded during the term of this Agreement.

**NOW THEREFORE** in consideration of the premises and the agreements of the Parties as set out herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**1.0 Definitions**

1.1 Words used in this Agreement which are defined in the Physician Master Agreement (the "PMA") have the meaning used in the PMA unless otherwise defined in this Agreement.

- 1.2 "This Agreement" means this document including the Appendices.
- 1.3 "Supervision Fees" has the meaning given in article 5.3.
- 1.4 "Specialist Anesthesiologist" is an anesthesiologist who is a Specialist Physician.
- 1.5 "GP Anesthetist" is an anesthetist who is a General Practitioner.

## **2.0 Term**

2.1 This Agreement shall be for a term beginning January 1, 2010 and expiring March 31, 2012, notwithstanding the date of its execution

## **3.0 Funding**

3.1 Funding in this Agreement shall support the implementation of the existing insertion of a labour epidural catheter fee (01102) and its associated out-of-office hour premiums (call-out charges and continuing care surcharges), the new obstetric analgesia supervision fees and all related utilization increases for the term of this Agreement. The funding shall be capped at the following amounts, for the following periods:

(a) For the period January 1, 2010 to March 31, 2010:	\$2,029,319
(b) For the period April 1, 2010 to March 31, 2011:	\$8,238,304
(c) For the period April 1, 2011 to March 31, 2012:	\$8,365,621

3.2 The Government and the BCMA agree that \$5.5 million shall be used annually from the funds identified in article 10.1 of the Specialists Subsidiary Agreement (SSA) to form part of the budget in article 3.1 of this Agreement, and the remaining amount shall be funded by the Government.

3.3 The Government and the BCMA agree that the use of the funds identified in article 3.1 to support obstetrical analgesia services is consistent with the intent of article 10.1 of the SSA.

## **4.0 Obstetric Analgesia Services**

4.1 The parties agree to implement the new labour epidural supervision fees (the "Supervision Fees") that are intended to support enhanced access and availability to obstetric analgesia services for women throughout the province.

4.2 The Supervision Fees shall be utilized by Specialist Anesthesiologists and GP Anesthetists at all obstetric sites in the province, except for obstetric analgesia services paid for on an alternate (non-fee-for-service) basis as of January 1, 2010.

4.3 The Parties agree that the labour epidural supervision billing practices of all physicians who submit claims for payment in relation to any of the fees referred to in this Agreement must be consistent with the terms of this Agreement.

4.4 No withdrawal of obstetric analgesia services shall occur during the term of this Agreement and any disputes between anesthesiologists and the Health Authorities or Government concerning other anesthesiology services shall be addressed through, and in accordance with, the provisions of articles 23.1, 23.2 and 25 of the PMA.

4.5 The Parties agree that if, during the term of this Agreement, a Health Authority and an Anesthesiology Department agree to implement a Dedicated Obstetrical Anesthesia Program (DOBA) they may do so. In the event the DOBA program does not include fee-for-service payments under this Agreement, the affected physicians shall be excluded from the coverage of this Agreement and an adjustment shall be made to reduce the funding identified in article 3.1.

4.5.1 Any adjustment made pursuant to Article 4.5 shall be by agreement of the Parties and shall represent the amount of funding that would have been committed under this Agreement to obstetric analgesia services provided by the relevant Department. If the parties cannot agree on the adjustment, either the BCMA or the Government may refer the matter to the Dispute Resolution process identified in article 8 of this Agreement.

## **5.0 Obstetric Analgesia Supervision Fees**

5.1 For the term of this Agreement, MSC Payment Schedule fee code 01102 for insertion of a labour epidural catheter and associated out-of-office hour premiums (call-out charges and continuing care surcharges) and all related utilization increases shall be paid out of the budget identified in article 3.1 of this Agreement.

5.2 The parties shall request that the Medical Services Commission (MSC) suspend fee codes 01103 and 01104 from the MSC Payment Schedule for the term of this Agreement.

5.3 Commencing January 1, 2010, the new labour epidural supervision fees as set out in Appendix A (the "Supervision Fees") to this Agreement will be implemented at the initial values noted therein.

5.4 Associated MSC Payment Schedule preamble modifications are identified in Appendix B to this Agreement, and shall be implemented together with the Supervision Fees on January 1, 2010.

5.5 The Supervision Fees shall be monitored for the term of this Agreement to ensure that the available funding is not exceeded. During this monitoring period, expenditures under the Supervision Fees as well as fee code 01102 and its associated out-of-office premiums and utilization increases shall be matched to the funding identified in article 3.1.

5.5.1 The parties shall make any necessary adjustments to the value of the Supervision Fees by agreement, on a prospective basis at least semi-annually.

5.5.2 The fee value for 01102, insertion of a labour epidural catheter and its associated out-of-office hour premiums (call-out charges and continuing care surcharges), shall remain the same for the term of this Agreement.

5.6 If the expenditures identified in Article 5.5 are different from the capped amount under article 3.1, the following shall occur:

5.6.1 Where the expenditures are over utilized, the values of the Supervision Fees shall be reduced to keep the annualized expenditures within the capped amounts under article 3.1. During the term of the Agreement, reductions to the value of the Supervision Fees shall be made on a prospective basis. However, if, at the end of the Agreement, expenditures are over utilized, recoveries shall be made from physicians receiving payments for these services up to the amount that exceeds the capped amount.

5.6.2 Where the expenditures are underutilized, the values of the Supervision Fees shall be increased up to a level that expends the annualized amount under article 3.1. Unused funds at the end of each fiscal year shall be transferred to the BCMA to allocate to anesthesiologists or to fund anesthesiology innovation projects as determined through consultation with the BCAS.

5.7 The decision to adjust the values of the Supervision Fees shall be determined through consensus between the Government, BCMA and BCAS. If the Parties are unable to reach a consensus decision, any one of the parties may utilize the dispute resolution mechanism identified in article 8.0.

5.8 To support quarterly utilization monitoring, data on paid services and expenditures shall be produced by the Government and/or the BCMA 45 days following the end of each quarter and shared with all Parties. The schedule and process for reporting the status of expenditures shall be determined by the Government and the BCMA.

## **6.0 Conclusion of AJRC Process**

6.1 The Parties agree to produce a final report of the Anesthesia Joint Review Committee (AJRC) by December 31, 2009, consistent with the LOA. The submission of the report to the Physician Services Committee shall conclude both the work of the AJRC and the review process delineated in the LOA.

6.2 Other than the obstetrical analgesia issues addressed in this Agreement, all provincial matters associated with anesthesiology care shall be addressed through the provisions of the PMA and/or in the 2011 negotiations.

## **7.0 Physician Master Agreement**

7.1 This agreement is subject to the PMA and all parties agree to comply with the terms and conditions of the PMA.

## **8.0 Dispute Resolution**

8.1 Disputes as to the interpretation, application, operation or alleged breach of this Agreement are Provincial Disputes and shall be resolved in accordance with the provisions of articles 21, 22 and 23 of the PMA applicable to Provincial Disputes.

**9.0 Termination of Agreement**

9.1 This Agreement, including the new Supervision Fees identified in Article 5.3, shall terminate at end of day March 31, 2012 unless, prior to that date, the Parties have agreed to extend or continue it.

**IN WITNESS WHEREOF** the parties have executed this Memorandum of Agreement by or in the presence of their respective duly authorized signatories as of the 11 day of December, 2009.

SIGNED, SEALED & DELIVERED on behalf of HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, by the Minister of Health or his/her duly authorized representative, in the presence of:

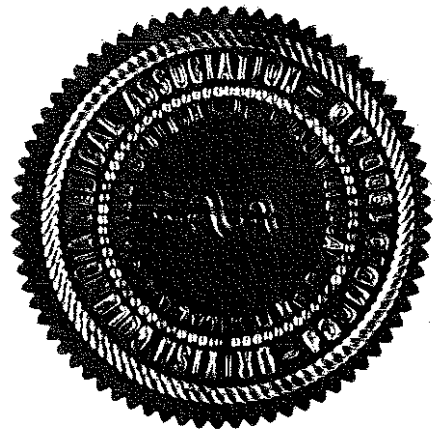
*Shirley Taylor*

*[Signature]*  
Signature of Witness

Heather Tribe  
Name

3-1, 1515 Blanshard St., Victoria BC  
Address

THE CORPORATE SEAL of the BRITISH COLUMBIA MEDICAL ASSOCIATION was hereunto affixed in the presence of:



*[Signature]*  
Signature of Authorized Signatory

B.D. BRODIE  
Name

PRESIDENT  
Position

BRITISH COLUMBIA ANESTHESIOLOGISTS SOCIETY

  
\_\_\_\_\_  
Signature of Authorized Signatory

*James Kim*  
\_\_\_\_\_  
Name

*BCAS President*  
\_\_\_\_\_  
Position

## APPENDIX A

**New Fees for Supervision of Labour Epidural Analgesia**

The Fees for Medical Supervision of Labour Epidural Analgesia shall, as of January 1, 2010, be the following:

PG01047 Medical Supervision of Labour Epidural Analgesia: Daytime (Monday to Friday, 0800-1800 hrs), per 5 minutes (or major portion thereof).....\$9.00

PG01048 Medical Supervision of Labour Epidural Analgesia: Evening (Monday to Friday, 1800-2300 hours), and Weekends (Saturday & Sunday, 0800-2300 hours) and Statutory Holidays (0800-2300 hours), per 5 minutes (or major portion thereof).....\$13.50

PG01049 Medical Supervision of Labour Epidural Analgesia: Night (Monday to Sunday, 2300-0800 hours), per 5 minutes (or major portion thereof).....\$18.00

*Notes for fee items PG01047, PG01048, PG01049:*

- a) Fees are payable to the same physician concurrently with services provided to other patients, including concurrent payment of fee items PG01047, PG01048, PG01049 for more than one patient.
- b) The fee items PG01047, PG01048, PG01049 are payable to a maximum of 48 units per patient, per maternity.
- c) Payment begins immediately after the labour epidural catheter is inserted.
- d) Payment continues until the earliest of the following:
  - 4 hours duration of medical supervision (48 time units);
  - Time of birth;
  - Time when payment begins for anesthetic care on the same patient related to c-section, complicated delivery, or surgical delivery.
- e) Fees include payment for labour epidural analgesia top-up and supervision visit services.
- f) Reinsertion of a labour epidural catheter is payable under fee item 01102, and does not form part of the medical supervision period.
- g) Out-Of-Office Hour Premiums [Call-Out Charges and Continuing Care Surcharges (Non-Operative and Anesthesiology)] are not applicable.
- h) The time period (e.g. daytime, evening, night) during which the medical supervision begins determines which fee item is paid for the entire duration, even when the supervision time continues into a new time period.
- i) Start and end times required in the time field.

**APPENDIX B****Associated Changes to MSC Payment Schedule****ANESTHESIOLOGY****Anesthesiology Preamble****8. Obstetric Analgesia Fees (Epidural Analgesia in Labour)**

- a) Consultation will be appropriate when referred because of complex, obscure and/or serious problems. For example, patients with pregnancy induced hypertension, thrombocytopenia, or any other medical or obstetrical complications would be appropriate for an anesthetic consultation.
- ~~b) Repeat injections of epidural catheters for analgesia in labour will be paid to a maximum of five per patient without written explanation. Repeat injections in excess of this will require written explanation to the MSP.~~
- ~~c) Visits for the supervision of continuous epidural infusions for analgesia in labour will be paid to a maximum of five per patient without written explanation. Visits in excess of this will require written explanation to the MSP.~~
- ~~d) Visits are payable when the anaesthesiologist is in attendance with the patient for the sole purpose of assessing the patient, and/or supervising the infusion.~~

**1. OUT-OF-OFFICE HOURS PREMIUMS**

(Applicable to General Practitioners and Specialists)

**1.01 Explanatory Notes**

- i) Call-out charges and continuing care surcharges are also applicable when called from home to provide "top-ups" under fee code 01403 or for obstetrical epidural anesthesia, or to provide labour epidural insertions, or to provide subsequent resuscitative care under fee code 01088.

**1.02****1.03 Continuing Care Surcharges**

- a) NON-OPERATIVE - applicable when an out-of-office hours call-out charge is applicable or when specially called for an emergency. Timing begins after the first 30 minutes for consultations, visits or anesthetic evaluations. Payment is based on



one half hour of care or major portion thereof. Therefore, the first surcharge is billable after 45 minutes of continuous care.

Applicable also, without the 30 minute time lapse and with timing continuing, to immediately subsequent patients seen on the same call-out as an emergency.,

i) ~~to provide "top-ups" under fee code 01103 or for obstetrical epidural anesthesiology;~~

Surcharges do not apply to time spent standing by and are based on the amount of time providing care, regardless of the number of patients attended or services provided.

(c) ANESTHESIOLOGY - Anesthesiology services are eligible for continuing care surcharges when an out-of-office hours call-out charge is applicable or when specially called for an emergency. Timing begins after the first 30 minutes for consultations, visits or anesthesiology evaluations. Payment is based on one half hour of care or major portion thereof. Therefore, the first surcharge is payable after 45 minutes of continuous care when a call-out charge is applicable. If a call-out charge is not applicable then the first continuing care surcharge is payable after 15 minutes of continuous care as long as the anesthesiology service is rendered within the designated times.

Applicable also, without the 30 minute time lapse and with timing continuing, to immediately subsequent patients seen on the same call-out, under the following conditions:

- i) as an emergency;
- ii) to provide subsequent resuscitative care under fee code 01088;
- iii) to provide labour epidural insertion under fee code 01102.