MEMORANDUM OF UNDERSTANDING

LONGITUDINAL FAMILY PHYSICIAN PAYMENT MODEL

BETWEEN:

HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Ministry of Health

(the "**Ministry**")

AND:

ASSOCIATION OF DOCTORS OF BC

(the "**Doctors of BC**")

AND:

MEDICAL SERVICES COMMISSION

(the "**MSC**")

(individually a "**party**" and collectively the "**parties**")

WHEREAS:

A. The Ministry consulted with Doctors of BC to develop and implement a new payment model for community-based longitudinal family physicians (the "**LFP Payment Model**" or the "**Model**");

B. In 2023, the MSC established the Longitudinal Family Physician Payment Schedule as a payment schedule under the *Medicare Protection Act*;

C. In furtherance of the parties' recognition that the LFP Payment Model was implemented on an expedited basis, and that iterative change would be required, in 2023 the Ministry and the Doctors of BC executed a Memorandum of Understanding titled "Process for Reviewing/Amending the New Longitudinal Physician Payment Model" and the parties executed a Memorandum of Understanding titled "Longitudinal Family Physicians' Payment Model" (collectively the "**2023 MoUs**");

D. The 2023 MoUs have expired, but the parties seek to have ongoing forums and processes for discussion, review, and revision to the LFP Payment Model;

E. The joint intention of the parties is that the LFP Payment Model is to:

i. increase patient access and attachment across British Columbia to community longitudinal family practices;
ii. support the integration of family practices within a system of primary care, including Patient Medical Homes, Primary Care Networks, health authority specialized services, and acute care; and
iii. provide a stable payment mechanism that is attractive to family physicians who presently provide community longitudinal family medicine and those who seek to provide such services;

F. Doctors of BC actively supports the adoption of the Model by community-based longitudinal family physicians;

G. The parties recognize the value of ongoing collaboration in achieving these joint objectives; and

H. The MSC will administer and audit payments under the LFP Payment Model.

THEREFORE:

1. Doctors of BC and the Ministry will continue the existing joint committee, currently called the Primary Care Compensation Working Group (PCCWG), to further develop and implement the following aspects of the LFP Payment Model:

a. Empanelment
i. As part of eligibility requirements, the parties agree that physicians on the LFP Payment Model must commit to developing and maintaining an accurate list of Empanelled Patients for whom they have accepted responsibility, where Empanelled Patient is defined pursuant to the Longitudinal Family Physician Payment Schedule as an individual for whom a family physician has accepted responsibility to provide and coordinate longitudinal, relationship-based, comprehensive, family medicine care.

b. Provincial Attachment System (PAS)
i. Doctors of BC and the Ministry will continue to work together to further develop a Provincial Attachment System for attaching patients that:
1. Provides the Ministry with the ability to effectively understand physician attachment capacity and measure the attachment of patients to family physician clinics.
2. Places minimal administrative burden on physicians.
3. Supports voluntary acceptance of patients in accordance with Practice Standards of the College of Physicians and Surgeons of British Columbia.

4. Provides physicians a means to meet their ongoing eligibility requirement to provide and maintain an accurate list of Empanelled Patients in the Provincial Attachment System for whom they have accepted responsibility as well as to update their available capacity for attachment.

c. Access
   i. The parties will work together to improve patient access to care in settings included in the Model by contemplating mechanisms that:
      1. Support timely access to care.
      2. Support the provision of comprehensive care where appropriate.
      3. Reduce patient use of emergency departments for health concerns that can be managed in family physician clinics.
      4. Utilize data to identify, inform, evaluate, and improve access-related outcomes.

d. Attachment/complexity payment (Panel Payment)
   i. Doctors of BC and the Ministry will work together to develop an attachment/complexity payment mechanism and continue to refine it over time, that:
      1. Incorporates the number of Empanelled Patients for whom a physician has accepted responsibility and provided to the Provincial Attachment System.
      2. Incorporates a methodology for measuring complexity.

   ii. This new attachment/complexity payment mechanism will replace the Community Longitudinal Family Physician Payment methodology initially used for the attachment/complexity payment.

e. Expansion of Services within the LFP Payment Model
   i. Doctors of BC and the Ministry will work together to develop mechanisms to incorporate other services (to be agreed by Doctors of BC and the Ministry) provided by community longitudinal family physicians into the Model.

   ii. The payment for these services will be set at a level that provides an incentive for physicians paid under the LFP Payment Model to provide the level of services that meets community needs.

f. Continuous Improvement
   i. The parties acknowledge the LFP Payment Model will need to be reviewed and evolve using data and a continuous improvement approach. Doctors of BC and the Ministry agree to work together to monitor and evaluate the aspects of the LFP Payment Model described in this section 1 and to make appropriate and timely changes to the Model on an ongoing basis in order to achieve their joint objectives.

g. Payment Increases
   i. Unless otherwise agreed to in Physician Main Agreement ("**PMA**") negotiations, Doctors of BC and the Ministry will work together to determine the allocation of any

new funds that arise from PMA negotiations to billing codes and payments under the LFP Payment Model consistent with the objectives of this Memorandum. If the Doctors of BC and the Ministry cannot reach agreement within the later of 12 months of the ratification date of this Memorandum or 12 months of the effective date of the rate/payment increase, the new funds will be allocated proportionally to all LFP time codes, interaction codes, and the panel payment.

h. Changes in Virtual Care Policy
    i. Doctors of BC and the Ministry agree that physicians working under the LFP Payment Model will provide patient care consistent with any interim or permanent guidance on the appropriate use of virtual care in physician practices endorsed and/or issued by the College of Physicians and Surgeons of BC.

    ii. If MSC approves any changes to the rules or guidelines affecting the provision of Fee-For-Service telehealth services by longitudinal family physicians, Doctors of BC and the Ministry will meet to consider how those changes should apply to the Model.

2. Doctors of BC, the Ministry, and the MSC agree that changes to the LFP Payment Model will be determined as follows:

a. Doctors of BC and the Ministry agree to appoint representatives to the MSC's Longitudinal Family Practice Advisory Committee, in accordance with the Terms of Reference of that committee.

b. While the MSC has responsibility under section 26 of the *Medicare Protection Act* to establish and amend payment schedules – including the Longitudinal Family Physician Payment Schedule, the parties agree that it is desirable for amendments to occur with the consent of Doctors of BC and the Ministry.

c. Through the PCCWG, Doctors of BC and the Ministry will identify policy objectives consistent with this Memorandum of Understanding and seek to reach agreement in writing on changes to the Longitudinal Family Physician Payment Schedule.

d. If agreement on changes to the Longitudinal Family Physician Payment Schedule is reached, the recommended changes will be referred to the MSC and the MSC will adopt the changes into the Longitudinal Family Physician Payment Schedule provided that:

    i. the MSC agrees that such changes are consistent with the requirements of the *Medicare Protection Act* and Regulations;
    ii. the MSC agrees that the services covered by a given billing code or payment are medically necessary; and
    iii. the MSC agrees to the estimated projected net cost effect which would result from such recommended changes.

e. If after Doctors of BC and the Ministry have sought to reach an agreement in accordance with section 2.c., either of those parties seek to propose changes to the LFP Payment Model without the consent of the other, the initiating party must provide a specific proposal in writing on the changes it proposes on rules, billing codes, or payments under the LFP Payment Model to the other party and attempt to reach agreement.

f. If Doctors of BC and the Ministry do not agree on the recommended change(s) to the Longitudinal Family Physician Payment Schedule within 60 days of the date of the written notice under section 2.e., the party that recommended the change(s) may provide written notice to the other that it seeks to refer the matter to an ad hoc joint review panel.

g. The joint review panel must be appointed within two weeks of the written notice under section 2.f. The joint review panel will be composed of three members: one member appointed by the Doctors of BC, one member appointed by the Ministry, and the third member who shall be the Chair; for the duration of this Memorandum of Understanding, the Chair shall be Mr. Robert Brick. If Mr. Brick is not readily available, the Doctors of BC and the Ministry will seek to agree on an alternate Chair. If, within 10 days, Doctors of BC and the Ministry cannot identify one who is readily available, an alternate Chair will be appointed by the MSC. The joint review panel will follow the following procedure:

    i. the cost of the Chair will be borne equally by Doctors of BC and the Ministry;

    ii. submissions will be made to the joint review panel in writing;

    iii. the terms of reference for the joint review panel will include the "joint intentions of the parties" set out at recital E to this Memorandum of Understanding, namely:

        1. the need to increase patient access and attachment across British Columbia to community longitudinal family practices;

        2. the need to support the integration of family practices within a system of primary care, including Patient Medical Homes, Primary Care Networks, health authority specialized services, and acute care; and

        3. the need to provide a stable payment mechanism that is attractive to family physicians who presently provide community longitudinal family medicine and those who seek to provide such services.

    iv. the joint review panel must render a majority recommendation to Doctors of BC and the Ministry and the MSC within three months of its appointment.

h. Upon receipt of the recommendations of the joint review panel, Doctors of BC and the Ministry may reach agreement and proceed under section 2.d., or, if there is still not agreement on the recommended changes, the MSC will determine the changes, if

any, based on all three sets of recommendations: from the Doctors of BC, the Ministry, and the joint review panel.

3. Dispute Resolution

   a. Where there is a dispute between the Ministry and the Doctors of BC on the interpretation and application of this Memorandum, those parties agree to the following process:

      i. Step 1: In the event the most senior joint committee cannot resolve the dispute, the Assistant Deputy Minister of the Labour, Negotiations and Beneficiary Services Division of the Ministry of Health (the "**ADM**") and the Executive Vice President of Economics, Advocacy and Negotiations of Doctors of BC will meet to attempt to resolve the dispute.

      ii. Step 2: Should the issue remain in dispute after Step 1, the party raising the dispute shall refer the matter to the Physician Services Committee, which is the senior body overseeing the relationship between the Government of BC, as represented by the Ministry of Health, and the Doctors of BC, pursuant to the PMA. The Physician Services Committee will review the issues in dispute and seek to address them by reaching a Consensus Decision, as defined in the PMA, on the matter.

      iii. Step 3: Should the issue remain in dispute after Step 2, the party raising the dispute may refer the matter to arbitration pursuant to the British Columbia *Arbitration Act*.

   b. In the event of any inconsistency or conflict between this Memorandum and the provisions of the *Medicare Protection Act*, the provisions of the *Medicare Protection Act* shall prevail.

4. This Memorandum shall have the same term as, and shall terminate concurrent with, any termination of the 2025 Physician Main Agreement.

Dated this 14 day of JUNE, 2026

Dr. Adam Thompson
President, Doctors of BC

Rob Byers
a/Associate Deputy Minister
Health System Policy & Planning
Ministry of Health

Dr. Robert Halpenny
Chair, Medical Services Commission