

## Letter of Agreement

THIS AGREEMENT made as of the 13<sup>th</sup> day of December, 2011.

BETWEEN:

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

AND:

THE BRITISH COLUMBIA MEDICAL ASSOCIATION  
(the "BCMA")

AND

THE MEDICAL SERVICES COMMISSION  
(THE "MSC")  
(collectively referred to as "the Parties")

WITNESSES THAT WHEREAS:

- A. The Government, the MSC and the BCMA entered into the Physician Master Agreement (the "PMA") on November 1, 2007 that, amongst other things, created the Annual Selection Process (the "ASP") to facilitate the voluntary transfer of physicians from a fee for service mode of payment to a salary agreement or service contract;
- B. The Government, the MSC and the BCMA entered into a Memorandum of Agreement on July 23, 2010 that, amongst other things, identified the funding available for the ASP for the fiscal years 2009/10, 2010/11 and 2011/12 (the "ASP Funding");
- C. There is \$2.5 million of ASP Funding remaining following completion of the ASP for 2011/12 (the "Unspent ASP Funding"); and

- D. The Parties have agreed that the Unspent ASP Funding may be used to facilitate the provision of Dedicated Obstetrical Anesthesia Services at the three tertiary obstetrical sites of Victoria General Hospital, Royal Columbian Hospital and Surrey Memorial Hospital.

NOW THEREFORE in consideration of the premises and 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 PMA have the meaning used in the PMA unless otherwise defined in this Agreement.
- 1.2 "This Agreement" means this document.

#### **2.0 Funding**

- 2.1 The Government will make the Unspent ASP Funding available to the Vancouver Island Health Authority and the Fraser Health Authority, in the manner described in paragraph 2.3 below, to pay the physician costs resulting from implementing dedicated obstetrical anesthesia services at Victoria General Hospital, Royal Columbian Hospital and Surrey Memorial Hospital.
- 2.2 The use of the Unspent ASP Funding as contemplated in this Agreement is consistent with the PMA.
- 2.3 The Unspent ASP Funding will be released to the Vancouver Island Health Authority and the Fraser Health Authority upon their concluding service contracts for the dedicated obstetrical anesthesia services with the affected physicians on terms that are acceptable to the Government.
- 2.4 The allocation of the Unspent ASP Funding exhausts any remaining monies that were available to the ASP in the PMA or any of its amendments.

IN WITNESS WHEREOF the parties have executed this Letter of Agreement by or in the presence of their respective duly authorized signatories as of the 13<sup>th</sup> day of December, 2011.

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:

[Signature]  
Signature of Witness

Heather Murray  
Name

1515 Blanshard St., Victoria BC  
Address

[Signature]  
Signature

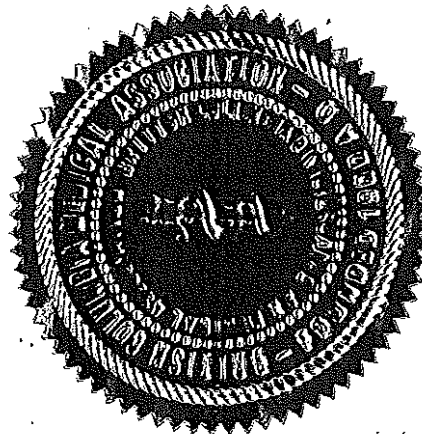
Shirley Taylor  
Print Name

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

[Signature]  
Signature of Authorized Signatory

DR NASIR JETHA  
Name

PRESIDENT  
Position



MEDICAL SERVICES COMMISSION:

[Signature]  
Signature of Authorized Signatory

Bob Nakagawa  
Name

Deputy Chair  
Position