

**MEMORANDUM OF UNDERSTANDING
COMPENSATION MODEL CONSULTATION**

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH
COLUMBIA**, as represented by the Ministry of Health

(the “**Ministry**”)

AND:

THE BRITISH COLUMBIA MEDICAL ASSOCIATION
doing business as Doctors of BC

(the “**Doctors of BC**”)

(individually a “**party**” and collectively the “**parties**”)

Agreement to Discuss

1. The parties agree to work together on the development of new compensation models and their application through specific physician services template contracts (“**New Compensation Models**”) that reflect the needs and interests of government, physicians and patients. Within this context, the Ministry commits to engage in discussions with Doctors of BC through the process outlined in this Memorandum of Understanding if it intends to develop a New Compensation Model for widespread implementation immediately or over time. The Ministry makes no commitments to use the process outlined in this Memorandum of Understanding to renew or alter any existing contracts.

Discussion Process

2. Either party may initiate a request for discussion on the development of New Compensation Models. The party requesting a discussion on a New Compensation Model must, in its request:

- a) identify to the other party the clinical environment for the application of the proposed New Compensation Model; and
 - b) provide to the other party a high level outline of the New Compensation Model to be applied.
3. Subject to paragraph 4, the parties will meet to discuss the proposed New Compensation Model and its application within thirty (30) days of either party receiving a request for discussion from the other in accordance with paragraph 2. Prior to meeting, each party will identify and communicate to the other those representatives that will carry out the discussions on its behalf in accordance with the following:
 - a) The Ministry's team will include representatives from the Ministry and applicable Health Authorities with relevant expertise and responsibility;
 - b) The Doctors of BC team will include physicians who work in the clinical environment to which the New Compensation Model will apply.
4. Meeting within thirty (30) days in accordance with paragraph 3 is conditional upon Doctors of BC's ability to identify, based on internal governance processes, appropriate physician representatives within that timeframe.
5. Each party will make a good faith effort to conclude an agreement on the New Compensation Model within ninety (90) days following receipt of the request for discussions, and this will include, without limitation, meeting as promptly and frequently after the first meeting as is practicable.
6. On the expiry of ninety (90) days following receipt of the request for discussions, the discussion process will be considered concluded unless the parties agree otherwise.

Principles

7. The parties agree that the following principles will govern the parties' discussions and developments of New Compensation Models under this Memorandum of Understanding:
 - a) New Compensation Models are intended to present attractive options to physicians and meet the Ministry's objectives;
 - b) The parties will share in a timely fashion relevant information to assist in the costing and evaluation of New Compensation Models;
 - c) Any New Compensation Model developed by the parties will be tested by offering them to physicians to determine their effectiveness in practice;

- d) The parties will work together to seek out and enlist physicians to test any New Compensation Model based on contractual terms to be agreed to by the parties; and
- e) The income of enlisted physicians over the “test” period will be protected, and those physicians will have the option to return to their previous payment arrangement at their discretion in accordance with the terms of their “test” contract or following conclusion of the “test” period.

Physician Costs

The cost of physician representatives participating in these discussions will be borne by the relevant Joint Clinical Committee.

Resolution of Disagreements

If either party has a concern respecting this Memorandum of Understanding, that party may refer the matter to the Physician Services Committee for resolution. Failing resolution, there are no further steps under the 2019 Physician Master Agreement to address the concern.

Termination

Either party may terminate this Memorandum of Understanding on thirty (30) days' written notice to the other, but no earlier than March 31, 2022.

IN WITNESS WHEREOF the parties have executed this Memorandum of Understanding by or in the presence of their respective duly authorized signatories as of the ____ day of _____, 2019.

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 of Witness)

Name)

Address)

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

C/S

Signature of Authorized Signatory)

Name)

Position)