

DOCUMENT REFERENCE 1:

7. Governance/Management Committee

The parties are of the opinion that it is essential to provide for a broad and general oversight responsibility and authority regarding the efficient and effective implementation and operation of the matters within the scope and purposes of this AMA Agreement. Accordingly:

- (a) there will be an AMA Agreement Management Committee (the "Management Committee") comprised of the then Deputy Minister of AH and the then Chief Executive Officer of AMA. However, each of AH and AMA may, at its sole discretion and from time to time, designate another representative to fill their respective position;
- (b) subject to the provisions of Article III of Schedule 5 - Dispute Resolution, the Management Committee will, amongst other things:
 - (i) have overall authority to manage those matters within the scope and purposes of this AMA Agreement including, without limitation, the roles, responsibilities and duties described in the attached Schedule 3 - Management Committee, and
 - (ii) operate and make decisions and recommendations by consensus.

8. Physician Compensation Committee

While the Management Committee has a broad and general oversight responsibility and authority over all the matters within the scope and purposes of this AMA Agreement, the parties agree to provide for a specific and focused authority regarding the physician compensation, plans and programs other than the Grant Programs which are within the scope and purposes of this AMA Agreement. Accordingly:

- (a) there will be a Physician Compensation Committee (the "PCC") which is comprised of the members and which has the authority, roles, responsibility and duties all as described in the attached Schedule 4 - Physician Compensation Committee;
 - (b) the PCC will take general direction from and will report to the Management Committee. However, within its agreed scope of authority described in Schedule 4 - Physician Compensation Committee, the PCC has independent decision making/recommendation power and its decisions/recommendations are not subject to an appeal to the Management Committee;
 - (c)
 - (i) decisions/recommendations of the PCC will be made by majority vote. Notwithstanding the number of members that the PCC may have from time to time, for each decision/recommendation of the PCC there will be only three (3) votes cast (i.e. 1 for AMA, 1 for AH and 1 for the Chair of the PCC); and
 - (ii) a quorum for the proper conduct of business by the PCC will be not less than one (1) AMA member, one (1) AH member and the Chair; and
 - (d) like the Management Committee, the PCC's authority and decision/recommendation making power is subject to the provisions of Article III of Schedule 5 - Dispute Resolution.
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DOCUMENT REFERENCE 2:

SCHEDULE 3

MANAGEMENT COMMITTEE

(Roles, Responsibilities and Duties)

The Management Committee will:

1. Ensure that the scope and purposes of this AMA Agreement are followed and implemented as intended.
 2. Provide broad general direction to the Physician Compensation Committee (“PCC”) including, without limitation, providing guidance regarding the priorities of and the tasks and work to be undertaken by the PCC.
 3. Ensure that the PCC has sufficient resources to undertake and complete its tasks and work.
 4. Subject to the provisions of Section III of Schedule 5 - Dispute Resolution, provide direction and advice regarding the interpretation of the provisions of this AMA Agreement as requested or required by the PCC and/or the parties hereto, including issues touching and concerning the mandate, roles, responsibilities, duties or authority of the PCC.
 5. Provide timely reports to both the Minister of Health and to AMA’s President regarding the operation of the PCC, the operation of this AMA Agreement and any other matter deemed relevant by the Management Committee. For certainty, the Management Committee will keep the Minister of Health and AMA’s President apprised of any concerns, disputes and/or issues which may develop into and/or have developed into matters that will activate the provisions of Section III of Schedule 5 - Dispute Resolution.
 6. Not have the authority to overrule/set aside a properly made decision/recommendation of the PCC.
 7. Recommend to the Minister of Health and to AMA’s President for potential appointment as the Chair of the PCC not less than three (3) and not more than five (5) persons.
 8. Establish the terms and conditions of the contract for the Chair of the PCC.
 9. Consult with AH and AMA regarding the establishment of provincial strategic requirements for physician compensation, plans and programs.
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DOCUMENT REFERENCE 3:

SCHEDULE 4

PHYSICIAN COMPENSATION COMMITTEE

(Roles, Responsibilities and Duties)

The Physician Compensation Committee (“PCC”) will:

1. Be comprised of not more than seven (7) and not less than three (3) persons. AH and AMA will each appoint up to three (3) representatives.
2. The Chair of the PCC will be appointed by consensus of the Minister of Health and AMA’s President each acting reasonably and prudently. The Chair may be selected from a list of names provided to the Minister of Health and to AMA’s President by the Management

Committee; however, the Minister of Health and AMA's President may choose to appoint a person who is not on the list.

If the Minister of Health and AMA's President are unable to agree on the appointment of the Chair, then either may by written notice given to the other activate the applicable provisions of Section IV of Schedule 5 - Dispute Resolution.

3. The PCC may deal with all elements of physician compensation, plans and programs (excepting the Grant Programs), subject to the provisions of this AMA Agreement. Therefore:

(a) this AMA Agreement establishes increases during its term for prices, fees, rates and subsidies;

(b) AH has responsibility and authority to set annual physician budgets from time to time;

(c) subject always to the provisions of Section 5 of this AMA Agreement, the PCC will operate and deal with matters of physician compensation, plans and programs (excepting the Grant Programs) within the annual budgets set by AH. Accordingly:

(i) the PCC has no ability to increase the average prices, rates, fees and subsidies for Insured Medical Services, plans and programs beyond the Agreed Increases,

(ii) decisions that are determined to have a risk of going beyond the Agreed Increases must go to the Minister of Health for approval,

(iii) any adjustments in prices, rates, fees and subsidies beyond those identified in paragraph 3(c)(ii) of this Schedule (i.e., arising through a reallocation) are to be expenditure neutral and therefore all savings and/or reductions arising from or through such reallocation cannot be transferred or used outside of the annual budget and when used, may be used anywhere within the annual budget, and

(iv) the PCC will correct any errors made by it, including, in the calculation of pricing and the introduction of new services or changes in description, rules and pricing;

(d) (i) AH will establish the policy and legislative framework for Insured Medical Services and other physician services, plans and programs including, without limitation, establishing from time to time what is/is not an Insured Medical Service. AH will also, in consultation with AMA and the Management Committee, establish the provincial strategic requirements for physician compensation, plans and programs,

(ii) the PCC will develop a plan to implement the provincial strategic requirements established by AH in consultation with AMA and the Management Committee, including without limitation:

- align physician compensation with goals of delivery based initiatives such as primary care, strategic clinical networks and ARPs; and

- restructure physician compensation to provide the optimal support to those delivery models which are selected to deliver health care in Alberta, and

(iii) the PCC may make recommendations to the Minister of Health concerning the provincial strategic requirements for physician compensation, plans and programs; and

(e) The PCC will undertake tasks related to how Alberta's physicians are currently compensated, including without limitation:

(i) managing the allocation process for changes in Rates under the SOMB as it applies to the provision of Insured Medical Services in fee-for-service and ARPs including the clinical medical services component of AARPs,

(ii) reviewing and managing the distribution of funding among Insured Medical Services, plans and programs (excepting Grant Programs),

(iii) reviewing and potentially adjusting selected Rates for Insured Medical Services and ARP rates, including those for the clinical medical services component of AARPs, and

(iv) reviewing and determining Prices in the following programs:

- Rural Remote Northern
- Physician On-Call
- Business Costs, and

(v) reviewing, commenting upon and listing potential improvements to the programs described in paragraph 3(e)(iv) of this Schedule. The potential improvements may be recommended to the Management Committee.

4. (a) Generally the PCC will cooperate with and will communicate with the Management Committee and it will receive and consider advice and direction from the Management Committee concerning the operation of, the interpretation of and the implementation of the scope and purposes of this AMA Agreement; and
- (b) the PCC will determine its own procedures for its meetings and for accomplishing the tasks assigned to it. These procedures may include, without limitation:
- (i) establishing secretariat support, which may include AH and/or AMA staff and third party resources,
 - (ii) establishing rules for the conducting of its meetings including who is eligible to attend (for example, support staff, invited guests and/or Alberta Health Services representatives),
 - (iii) establishing sub-committees and/or working groups, and
 - (iv) retaining a trusted third-party organization to gather and analyze information, from time to time, which information is relevant to the PCC's work;
- (c) the PCC will submit annually a written business plan and supporting budget to the Deputy Minister of Health (the "DM"). Upon receipt, the DM will consult with AMA's Executive Director regarding the requested support budget. After such consultation, the DM will establish the support budget;
- (d) AH and AMA will be jointly responsible for the costs associated with and expenses incurred by the Chair of the PCC; and
- (e) each of AH and AMA will be responsible for the costs associated with and expenses incurred by their respective members of the PCC.