

SCHEDULE 5

DISPUTE RESOLUTION

I. BINDING ARBITRATION ARISING FROM SCHEDULE 1 OF THIS AMA AGREEMENT

1.1 This dispute resolution process of binding arbitration is available only when the parties have complied with the provisions of Schedule 1, have not reached agreement on a new financial deal within the Time for Negotiations and one (or both) of the parties has/have given written notice to the other that it wishes to activate and utilize this dispute resolution process of binding arbitration according to the following provisions.

1.2 This dispute resolution process of binding arbitration applies to only:

(a) annual percentage increases (the "Annual Increases") for:

(i) Rates for Physician Compensation Programs, and

(ii) Prices associated with any or all of the Physician Support Program (whether a Grant Program or not);

(b) the definition/determination of COLA, if and when applicable, as used in subsection 5(c) of this AMA Agreement; and

(c) the term (total length of time) of each replacement financial deal between AH and AMA ("Financial Term") subject to the following:

(i) the Financial Term may be agreed to/set by the parties,

(ii) if the parties do not agree on the Financial Term, then it cannot be less than one (1) year and it cannot be more than three (3) years unless the parties otherwise agree, and

(iii) each Financial Term will be described as a fiscal/budget year or years commencing April 1 and ending March 31 of the following year. For example, a replacement financial deal having a two (2) year Financial Term will commence April 1, 2018 and will end March 31, 2020 and will encompass two (2) fiscal/budget years being April 1, 2018 to March 31, 2019 and April 1, 2019 to March 31, 2020.

1.3 For certainty, this dispute resolution process of binding arbitration does not and will not apply to the matters contemplated by and described within Schedule 2 attached to this AMA Agreement including:

(a) Prices associated with any or all of the Physician Assistance Programs (whether a Grant Program or not); and

(b) to subsection 6(b) of this AMA Agreement.

1.4 Additionally and for certainty, the right to arbitrate does not extend to, and is expressly excluded for, any other matter or dispute whatsoever other than the matters referred to in

Article 1.2, and without limitation does not include, in any manner whatsoever, past, present or future Rates or Prices, any of the terms, conditions or parameters for any of the Physician Assistance Programs, the Physician Compensation Programs and the Physician Support Programs or any modifications made thereto, and any issue regarding the type of or description of Insured Medical Services.

1.5 For certainty, AH and the AMA expressly agree that:

(a) unless otherwise agreed by the parties, an arbitral tribunal shall only determine the Annual Increases for the one Financial Term in question and an arbitral tribunal's award with respect to any Annual Increase is only binding on the parties for the applicable Financial Term. No determination or award shall be made for or have any application to any previous or future Financial Term;

(b) in an arbitration proceeding the arbitral tribunal when determining an Annual Increase may consider prevailing and anticipated economic conditions in Alberta and generally may consider what is fair and reasonable compensation for physicians practicing in Alberta;

(c) the arbitral tribunal when determining an Annual Increase shall not review or otherwise analyze/comment upon Rates for Physician Compensation Programs, Prices associated with Physician Support Programs (whether a Grant Program or not) and the provisions/parameters of any Physician Compensation Program or any Physician Support Program (whether a Grant Program or not); and

(d) the reference to Annual Increases shall not preclude or restrict the arbitral tribunal from an award or decision that is, in fact, a negative adjustment which as a consequence results in a decrease or reduction of Rates and/or Prices.

1.6 The arbitration process is activated according to the provisions of Schedule 1. Accordingly if the parties have not reached agreement on a new financial deal during the Time for Negotiations, then either party may give the other party a request for arbitration (the "Request"), which request will, where applicable, describe:

(a) the Financial Term to be arbitrated;

(b) the Annual Increases(s) to be arbitrated; and

(c) the definition of COLA to be arbitrated.

1.7 Subject to Article 1.8, the arbitral tribunal shall be composed of a single arbitrator selected and agreed to by both AH and AMA.

1.8 If the parties cannot agree on a single arbitrator within fifteen (15) days of the date of the receipt of the Request, then the arbitral tribunal shall be composed of three (3) arbitrators, appointed and selected according to the following:

(a) AH and the AMA shall each appoint an arbitrator within thirty (30) days of the date of the receipt of the Request and the two (2) arbitrators so appointed shall then select a third arbitrator who shall act as the presiding arbitrator;

(b) if either AH or the AMA fails to appoint an arbitrator within the stated thirty (30) days, then such arbitrator shall, at the request of the other party, be appointed by the Court of Queen's Bench of Alberta ("the Court") pursuant to the provisions of the *Arbitration Act of Alberta* ("the Act"); and

(c) if the two appointed arbitrators are unable to agree on the presiding arbitrator within fifteen (15) days of the appointment of the second arbitrator, then the presiding arbitrator shall, at the request of either party, be appointed by the Court pursuant to the provisions of the Act.

1.9 The procedure to be followed during the arbitration shall be agreed to by the parties or, failing such agreement, will be determined by the arbitral tribunal subject to the following:

(a) the arbitral tribunal shall conduct the arbitration, hold hearings and determine the issues in private;

(b) the arbitral tribunal shall render an award in writing within thirty (30) days of the end of the hearings or such extended date agreed to by the parties, or failing agreement as determined by the Court, even if the thirty (30) days has expired;

(c) any award shall state the reasons on which it is based;

(d) AH and the AMA shall each bear their own legal expenses and each shall pay 50% of the fees and expenses of the single arbitrator. If there is a three (3) person arbitral tribunal, then each party will pay the fees and expenses of its appointed arbitrator and 50% of the fees and expenses of the presiding arbitrator;

(e) the place of the arbitration shall be Edmonton, Alberta; and

(f) if there is a three (3) person arbitral tribunal, then all decisions and/or awards will be determined by majority vote.

1.10 Nothing in this Article shall preclude the parties from reaching an agreement at any time.

1.11 Unless otherwise provided for in this Article, the Act does not apply to this AMA Agreement and specifically this Schedule 5, Article I.

II. NON-BINDING FACILITATION/MEDIATION ARISING FROM SCHEDULE 2 OF THIS AMA AGREEMENT

2.1 The dispute resolution process of non-binding facilitation/mediation is available only when the parties have complied with the provisions of Schedule 2, have not reached agreement regarding some or all of the matters described in the Notice within the Time for Negotiations and one (or both) of the parties has/have given written notice to the other that it wishes to activate and utilize this dispute resolution process of non-binding facilitation/mediation according to the following terms and conditions.

2.2 This dispute resolution process of non-binding facilitation/mediation applies to only:

(a) Prices associated with any or all of the Physician Assistance Programs (whether a Grant Program or not) as those Physician Assistance Programs are described in subsection 3(a)(iv) of the AMA Agreement;

(b) any other payments, benefits or subsidies associated with any or all of the Physician Assistance Programs; and

(c) the extension of the Initial Term (and any other extensions from time to time) as described in subsection 6(b) of this AMA Agreement. For certainty, the Initial Term will expire on March 31, 2018 unless the parties agree to an extension.

2.3 The facilitation/mediation process is activated according to the provisions of Schedule 2. Accordingly, if the parties have not reached agreement regarding some or all of the matters to be negotiated as described in the Notice during the Time for Negotiations, then either party may give the other a request for facilitation/mediation (the "Request"), which Request, subject to Article 2.2, will describe the matters to be discussed during the facilitation/mediation process.

2.4 Such facilitation or mediation shall take the following form:

(a) the parties shall agree on a facilitator. In the event no agreement is reached, either may apply to the Court of Queen's Bench of Alberta (the "Court") requesting the Court to make such appointment. If possible, preference in making the appointment should be given to a person having knowledge of the delivery of physician services in the Province of Alberta.

(b) the appointed facilitator shall hear representations as soon as possible after appointment and shall issue a report within fourteen (14) days, or such longer period as the parties agree, after completion of representations by the parties;

(c) the parties shall have fourteen (14) days to accept or reject the report in writing. If accepted by both parties, the report shall be formalized in an agreement by the parties;

(d) in the event the report is not mutually accepted, either party shall have fourteen (14) days to submit the matter to a mediator chosen in the same manner as the facilitator (see 2.4(a) hereof);

(e) the mediator shall hear representations by both parties as soon as possible and shall be given access to the report of the facilitator. The mediator shall issue a report within fourteen (14) days, or such longer period as the parties agree, after completion of representations by the parties;

(f) the parties shall have fourteen (14) days to accept or reject the mediator's report in writing. If accepted by both parties, the report shall be formalized in an agreement by the parties; and

(g) if the mediator's report is not accepted by both parties or is otherwise rejected, then this dispute resolution process is ended and the provisions of paragraph 8 of Schedule 2 are applicable.

III. INTERPRETATION AND SCOPE AND PURPOSES OF THIS AMA AGREEMENT AS REFERENCED IN SECTION 10 AND SUBSECTION 12(b) OF THIS AMA AGREEMENT AND IN PARAGRAPHS 4 AND 5 OF SCHEDULE 3 OF THIS AMA AGREEMENT

3.1 Disputes regarding the interpretation and/or the scope and purposes of this AMA Agreement will be resolved as follows:

- (a) by reference firstly, to the Management Committee (“MC”) for its consensus decision;
 - (b) if the MC is unable to reach consensus, then by reference to the Minister of Health and to AMA’s President for their consensus decision; and
 - (c) if the Minister and the President are unable to reach consensus, then each party is at liberty to pursue its available remedies as generally described in Section 10 and subsection 12(b) of this AMA Agreement.
- 4.1 (a) If the Minister of Health and AMA’s President are unable to agree on the appointment of the Chair of the Physician Compensation Committee (the “Chair”), then either, by written notice given to the other, may apply to the Court of Queen’s Bench of Alberta (the “Court”) requesting that the Court appoint the Chair; and
- (b) when making an application to the Court, the applicant will provide to the Court for its consideration the list of names which was previously provided to the Minister of Health and to AMA’s President by the Management Committee as referenced in paragraph 2 of Schedule 4.

IV. SELECTION OF THE PHYSICIAN COMPENSATION COMMITTEE CHAIR ARISING FROM SCHEDULE 4 (PARAGRAPH 2) OF THIS AMA AGREEMENT

- 4.1 (a) If the Minister of Health and AMA’s President are unable to agree on the appointment of the Chair of the Physician Compensation Committee (the “Chair”), then either, by written notice given to the other, may apply to the Court of Queen’s Bench of Alberta (the “Court”) requesting that the Court appoint the Chair; and
- (b) when making an application to the Court, the applicant will provide to the Court for its consideration the list of names which was previously provided to the Minister of Health and to AMA’s President by the Management Committee as referenced in paragraph 2 of Schedule 4.