

PRIMARY MEDICAL CARE/PRIMARY CARE NETWORKS CONSULTATION AGREEMENT

BETWEEN

**Her Majesty the Queen in right of Alberta,
as represented by the Minister of Health
("AH")**

-and-

**Alberta Medical Association
(C.M.A Alberta Division)
("AMA")**

1. DESCRIPTION

- a) Primary Care Networks (PCNs) were established in the 2003 Trilateral Master Agreement to support the delivery of primary care in Alberta. Primary care delivery has continued to evolve, including PCNs.
- b) Article 4 of the AMA Agreement provides for the parties to consult on Primary Medical Care/Primary Care Networks and to negotiate and sign an agreement describing the parameters of the consultation process.
- c) The Primary Medical Care/Primary Care Networks Consultation Agreement is established pursuant to Article 4 of the AMA Agreement.
- d) The AMA will work with others to achieve the goals defined in this agreement including the Primary Care Alliance and the AMA's Primary Care Network Leads Executive.

2. TERM

- a) This Agreement is in force until March 31, 2018.

3. PRIMARY CARE NETWORK EVOLUTION

- a) The parties acknowledge the work PCNs have done to date advancing primary health care in Alberta (e.g., improving access to primary health care services as well as improving continuity between physicians and patients). The parties also acknowledge that more work can be done to further improve and evolve the existing PCNs toward an improved and more accountable health care system in Alberta.

- b) The parties acknowledge that the PCN evolution is part of an ongoing evolution in Primary Health Care which encompasses other health and social services providers.
- c) The parties agree to develop a framework within which PCN evolution (e.g., PCN 2.0) can be developed and managed. This will include:
 - I. establishing linkages to the broader provincial primary care strategy;
 - II. understanding and taking into consideration the impact primary care has on the broader health system;
 - III. contributing to a common accountability framework for Primary Health Care, including PCN 2.0.
- d) The parties will work together to identify and establish areas where standardization would be of benefit across all provincial PCNs (e.g., minimum outcome expectations). The parties will also review and advise on any necessary PCN specific policies it deems necessary to ensure high functioning PCNs consistent with those policies established by the Minister of Alberta Health.
- e) Alberta Health agrees to consult with the AMA on primary health care strategy and policy development.
- f) The parties agree on the need to ensure other providers are informed and consulted on all matters relevant to those their professional scope of practice referred to in the Agreement.

4. PRIMARY CARE NETWORK FUNDING

- a) The current PCN per capita funding amount is \$62.
- b) The PCN Committee shall review and provide advice on the per capita funding amount for Primary Care Networks on an annual basis, subject to a non-binding dispute resolution processes.
- c) Any Party may commence a non-binding facilitation or mediation process with respect to the matters set out in Article 4(b) provided:
 - I. Notice of facilitation or mediation shall in all cases be in writing by one party to the other which notice shall contain details of the matters in impasse.

II. Such facilitation or mediation shall take the following form:

- 1) 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;
 - 2) 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;
 - 3) 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;
 - 4) 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 4 (c)(ii)(1) hereof];
 - 5) 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;
 - 6) 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; and
 - 7) If the mediator's report is not accepted by both parties or is otherwise rejected, then this dispute resolution process is ended.
- d) The PCN Committee may, at its own discretion, review methodologies for PCN funding for recommendation to the Minister (e.g., 4-cut funding model, population based funding model such as formal attachment, etc.)

- e) Physician compensation for the provision of insured medical services within primary care models such as PCNs and FCCs which are paid for directly by Alberta Health will be managed according to the provisions of the AMA Agreement.

5. PRIMARY CARE NETWORK (PCN) COMMITTEE

- a) To achieve the goals, a PCN Committee will be established.
 - I. The PCN Committee will be chaired by Alberta Health and will have five (5) representatives from the AMA's PCN Physician Lead Executive, three (3) representatives from Alberta Health Services and two (2) additional representatives from Alberta Health.
- b) The PCN Committee will, when providing advice, ensure this advice is consistent with the policies established by the Minister of Health. Where there are identified gaps in policy, the PCN Committee will provide that advice to the Minister of Health.
- c) The PCN Committee is responsible for advising on policy and issues relating to PCNs.
 - I. The PCN Committee will advise on the program management, policies and issues relating to PCNs and the development of PCN 2.0.
- d) The PCN Committee is an advisory body reporting to the Minister of Health.
- e) AMA and AH agree the PCN PMO will be used within the context of the Primary Care Network (PCN) Program. The AMA and AH will work together to determine the appropriate role of the PCN PMO. This work will be completed by December 31, 2013.
- f) The parties, through the Management Committee established pursuant to the Alberta Medical Association Agreement made effective April 1, 2011 (the AMA Agreement), shall determine the appropriate staff complement and other resources to support the PCN Committee.
- g) As a priority, the PCN Committee shall work to develop a provincial framework that will apply to all PCNs ("the Framework").
 - I. The Framework will stipulate requirements that will apply to all PCNs, including a listing of any exceptions (subject to approval of the Framework by the Minister).

- II. Once the PCN Committee has developed the Framework, the AMA, including the AMA's PCN Leads Executive, will develop a ratification process for the Framework. The ratification process is intended to provide a reasonable and fair representation of the PCN membership. Accordingly, the ratification process may involve a double majority system, or such other system that achieves the goal of fair representation of both PCN physician groups and PCN physicians.
- III. AHS will follow its own ratification process.
- IV. Following ratification, the PCN committee will recommend the Framework to the Minister of Health for approval.
- V. The Framework will include an amending procedure clarifying which issues can be amended by the Minister on the advice of the PCN Committee and which require formal ratification as defined in this clause

6. BLENDED CAPITATION MODEL

- a) The parties shall establish a Blended Capitation Model Committee ("BCMC") to oversee the development of a Blended Capitation Alternate Relationship Plan and will be managed according to the provisions of the AMA Agreement
- b) The BCMC will be a consultative body for and provide advice on the development, implementation, and evaluation of alternative methods to compensate Physicians in primary care, including the implementation and assessment of the Blended Capitation Model.
- c) The parties support the maximum annual compensation for participating physicians being the sum of:
 - I. 85% of the applicable rate of payment for each affiliated patient for each stipulated risk cohort; plus
 - II. 15% of the amount of claims for Benefits for program services provided to the affiliated patients.
- d) The parties commit to initially implement five (5) clinics in a Blended Capitation Model by no later than February 2017. By Spring 2018, and based on evolving the Blended Capitation Model using the learning from the initial five (5) clinics, the parties will implement ten (10) more Blended Capitation clinics throughout Alberta.

- e) The BCMC will make best efforts to accelerate a phased implementation of blended capitation programs, including shared gain options that draw on savings to be achieved through diagnostic imaging, pharmaceuticals and other components of healthcare system delivery. The parties will implement a demonstration project with staged expansion of enrollment and continued evaluation as to the effectiveness of various models.
- f) The BCMC will take general direction from and will report to the MC.
- g) The BCMC will be comprised of members as determined by the MC.
- h) The BCMC may establish ad hoc working groups as it deems appropriate.
- i) The BCMC may engage external expert resources as required.

7. OTHER COMMITTEES

- a) The Parties, working with others, will review the existing committees and committee structures within primary care and make changes as necessary to improve functioning and to clarify roles and responsibilities. The Parties recognize the appropriate role each plays in primary care. Specifically, AH commits to the continued participation of the AMA on those committees which work on primary care.

8. NO FETTERING

- a) Nothing in this agreement shall in any manner whatsoever fetter the legislative and regulatory power and authority of the Government of the Province of Alberta and/or the Minister of Health.

This agreement is entered into by each of the undersigned by their authorized representative.

Deputy Minister
Alberta Health

Executive Director
Alberta Medical Association