

April 20, 2018

Alberta Medical Association  
12230 106 Avenue NW  
Edmonton AB T5N 3Z1

Attn: Michael A. Gormley, Executive Director

Dear Mr. Gormley:

**Re: Negotiations between Alberta Health and the AMA – Strategic Agreement**

This letter is to clarify the parties' intention for the interim period prior to legislation enacting the AMA's representation rights being proclaimed by December 31, 2018.

Given our mutual desire to complete drafting and seek the necessary ratifications as soon as possible:

- I confirm that Government commits to table legislation in the Fall session that is intended to entrench the AMA's representation rights described in Appendix C (attached) and will meaningfully consult with Alberta Health Services (AHS) and the AMA on how the legislation should reflect Appendix C, including whether the Strategic Agreement between AHS, AMA and Alberta Health requires amending to align with such legislation.
- I confirm that Government will intervene appropriately in the meantime if AHS changes the structure of AHS physician employment in a way that does not align with the spirit of Appendix C.
- If such legislation is not proclaimed by December 31, 2018, the term of the Strategic Agreement shall continue. Government, AHS, and the AMA will amend the Strategic Agreement to reflect the commitments in Appendix C. If the parties cannot agree on the necessary amendments, the parties will utilize a third party mediator (Lyle Kanee, Q.C. or a successor should be unable or unwilling to assist) to resolve the issues.

In the meantime, Alberta Health understands the Strategic Agreement will be amended to extend its term to March 31, 2020 and that this agreement will otherwise remain as-is pending completion of the legislative process.

.../2

Sincerely,



Milton Sussman  
Deputy Minister of Health

cc: Andre Tremblay, Associate Deputy Minister of Health  
Verna Yiu, President & CEO, Alberta Health Services

Attachment: Appendix C

## APPENDIX C: RECOGNITION AND REPRESENTATION

1. (a) AH recognizes AMA as the sole and exclusive representative for physicians authorized to practice medicine in the province of Alberta who receive remuneration for insured services on a fee for service basis or pursuant to an arrangement or agreement described in section 20 of the Alberta Health Insurance Act.

(b) AHS recognizes AMA as the sole and exclusive representative for physicians authorized to practice medicine in Alberta who are independent contractors and non-managerial employees of AHS and who have voluntarily chosen AMA as their representative.

(c) The recognition granted above is not intended to encroach upon the representational rights of university faculty associations and relates only to clinical matters for which faculty associations do not provide Academic Physicians with representation.

2. AH commits to tabling legislation by December 31, 2018 that is intended to entrench the recognition granted to AMA in paragraph 1 above. The parties recognize that further input from others will be required in the process of drafting the legislation and the precise legislative language may need to be altered from the language above. AMA will be consulted regarding the draft legislation and in the event there is any dispute as to whether the draft language satisfies the intent of the parties, the parties agree to ask Lyle Kanee, QC to facilitate discussions to resolve any differences.

3. The scope and purpose of the AMA Agreement remains unchanged from the previous Agreement; however, it will include housekeeping changes and enhancements for clarity.

- i. Enhancements will make it clear that the scope and purpose of the agreement applies to:
  - a. physician compensation for the provision of Insured Medical Services wherever those services are provided,
  - b. rates described in the Statement of Medical Benefits (SOMB),
  - c. rates described in clinical Alternative Relationship Plans (ARPs),
  - d. the rates for the clinical Insured Medical Services component of any other "arrangements" other than fee-for-service pursuant to Section 20 of the *Alberta Health Care Insurance Act (the "Act")*.
    - i. To be clear, ARPs as described above also receive their authority from Section 20 of the Act but are further defined in regulations
    - ii. Given recent changes to "Academic ARPs" and their revised reference to be the "Alberta Medicine and Health Services Program (AMHSP)", adding the above language is intended to encompass the rates for the clinical Insured Medical Services component of AMHSPs
    - iii. Furthermore, there are no other "arrangements" contemplated at this time; this enhancement is meant to be proactive in nature
  - e. Prices associated with agreed to Physician Support Programs
  - f. Prices associated with agreed to Physician Assistance Programs

4. As per paragraph 1(b) above, the parties agree that legislation will recognize that where a "group" of physicians wish to enter into collective discussions with Alberta Health Services (AHS) as their employer (employed either directly or as independent contractors); they can voluntarily choose the AMA to negotiate a contract on their behalf.

- ii. The definition of "group" in the existing Strategic Agreement will form part of the legislation with appropriate amendments to allow for "employee physicians"
  - a. the current definition states:

*"Group", for the purposes of the Negotiation Framework, means one or more independent contractor physicians involved in a similar area of practice or specialty who have expressed the desire to have representation by the AMA in the course of negotiations with AHS, who have signed a Representation and Consent Form and who comprise at least 50% + 1 of the total number of independent contractor physicians who may be affected by those negotiations.*

- iii. The parties agree to utilizing a third-party (Lyle Kanee QC) to make "group" determinations where the parties are unable to agree
- iv. Legislation would reflect the appropriate provisions of the Strategic Agreement to contextualize the processes for physicians to choose or opt out of AMA representation, and the relevant notices and information sharing processes between the parties
- v. Managers, including Clinical Leaders, would be excluded based on commonly defined labour relations taxonomy
  - a. To be clear, this exclusion only applies to the hours in which the physician is performing managerial duties.
  - b. The parties agree to utilize a third-party mediator (Lyle Kanee QC) to make managerial determinations where the parties are unable to agree
- vi. Resident Physicians, Medical Students, and Fellows are also excluded
- vii. The scope and purposes of negotiations under this section is not limited to the scope and purposes of the AMA Agreement and can include financial, workload, relationship and all other issues relating to the negotiation, renewal or extension of the contract enjoyed by the particular "group"
- viii. Remaining provisions of the Strategic Agreement between AHS, AMA, and AH will remain in effect with appropriate housekeeping to reflect the above.
  - a. To be clear, this will include the distinct (rates vs. interpretation) dispute resolution processes

### **Amendments to the AMA Agreement**

In order to operationalize the purpose and intent as above, the parties agree to:

- Delete Clause 2 of the AMA agreement and replace with the following:
  - (a) AH recognizes AMA as the sole and exclusive representative for physicians authorized to practice medicine in the province of Alberta who receive remuneration for insured services on a fee for service basis or pursuant to an arrangement or agreement described in section 20 of the Alberta Health Insurance Act.
  - (b) AH commits to tabling legislation by December 31, 2018 that is intended to entrench the recognition granted to AMA in paragraph (a) above. The parties recognize that further input from others will be required in the process of drafting the legislation and the precise legislative language may need to be altered from the language in (a) above. AMA 1., will be consulted regarding the draft legislation and in the event there is any dispute as to whether the draft language satisfies the intent of the parties, the parties agree to ask Lyle Kanee, QC to facilitate discussions to resolve any differences.
- Delete references to Academic ARPs throughout AMA Agreement and replace with references to Arrangements. Specifically amend Clause 4 of Schedule 7 to reference Arrangements.
- Delete reference to Academic ARP in definition of "ARP" and add new definition to Clause 1:
 

*"Arrangement" means an agreement or arrangement pursuant to Section 20 of the Alberta Health Care Insurance Act. //*
- Amend scope and purposes in Clause 3(a)(ii) of the AMA Agreement to include Arrangements:
 

*"This AMA Agreement will apply to:*

  - (ii) the Rates described in the SOMB;*
  - (ii.i) the Rates described in ARPs;*
  - (ii.ii) the Rates for the clinical Insured Medical Services component of Arrangements;"*
- Delete Clause 4(ii) of the AMA Agreement and replace with the following:
 

*"AMA and AH will undertake the activities contemplated within Schedule 7 of this Agreement, specifically including consultation on policy related to ARPs and Arrangements.*

Once recognition legislation is proclaimed, the parties agree to remove the corresponding provisions from the AMA Agreement. Until such legislation is proclaimed, the relevant provisions from the AMA Agreement remain evergreened and the term of the Strategic Agreement will continue.

**Disclaimer**

Dispute resolution processes in both the AMA Agreement and the Strategic Agreement will remain as-is in their respective Agreements.