

**SECOND AGREEMENT TO AMEND THE ALBERTA MEDICAL ASSOCIATION AGREEMENT
("Second Amending Agreement")**

Made effective April 1, 2018 (the "Effective Date").

BETWEEN:

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

- and -

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

WHEREAS:

- A. AH and AMA entered into the Alberta Medical Association Agreement made effective April 1, 2011, and amended effective November 1, 2016 (AMAA);
- B. Certain financial terms in the AMAA expired March 31, 2018;
- C. AMA and AH, along with Alberta Health Services (AHS), held good faith negotiations further to a Memorandum of Agreement signed by AH, AMA, and AHS on September 25, 2017; and
- D. As a result of the good faith negotiations, AH and AMA have agreed to further amend the AMAA in accordance with the terms of this Second Amending Agreement.

THEREFORE, in consideration of the terms of the AMAA and this Second Amending Agreement, the parties agree as follows:

- 1. The AMAA is amended:
 - (a) by deleting "including the clinical Insured Medical Services component of an Academic Alternative Relationship Plan" from subsection 1(b);
 - (b) by adding subsection 1(b.0) after subsection 1(b) as follows:
 - "(b.0) "Arrangement" means an agreement or arrangement pursuant to Section 20 of the *Alberta Health Care Insurance Act.*";
 - (c) by adding subsection 1(c.1) after subsection 1(c) as follows:
 - "(c.1) "Initial Financial Term" means April 1, 2011 until March 31, 2018, as described in Article 6(a)(i) hereof.;"

- (d) by adding the following after “Article 3(a)(iv) of the Agreement” in subsection 1(f):
- “for the Initial Financial Term and in Article 3(a)(iv.1) for the Second Financial Term of the Agreement;”;
- (e) by adding the following after “Article 3(a)(iii) of the Agreement” in subsection 1(h):
- “for the Initial Financial Term and in Article 3(a)(iii.1) for the Second Financial Term of the Agreement;”;
- (f) by adding subsection 1(j.1) after subsection 1(j) as follows:
- “(j.1) “Second Financial Term” means April 1, 2018 to March 31, 2020, as described in subsection 6(a)(i.1) hereof;”;
- (g) by adding subsection 1(m.1) after subsection 1(m) as follows:
- “(m.1) “2017/18 Actual Expenditures” means the amount of AH’s actual expenditures relating to Physicians for the 2017/18 fiscal year, as of June 30, 2018. For clarity, the 2017/18 Actual Expenditures do not include the 2017/2018 AHS payments for Physician services and expenditures relating to the ARP conditional grant and program support and Physician development programs (the Medical Residents Services Allowances, Rural Physician Action Plan, Alberta International Medical Graduate Program; Postgraduate Medical Education Program and Internationally Educated Health Professionals Program).”;
- (h) by deleting section 2 and replacing it 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 Medical Services on a fee for service basis or pursuant to an Arrangement as described in the *Alberta Health Care Insurance Act*.
- (b) AH commits to tabling legislation by December 31, 2018 that is intended to entrench the recognition granted to AMA in subsection 2(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 subsection 2(a) 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 (or a successor agreed to by the parties should he be unable or unwilling to act), to facilitate discussions to resolve any differences.
- (c) The recognition granted in subsection 2(a) above is not intended to encroach upon the representational rights of university faculty associations and relates only to clinical matters for which university faculty associations do not provide academic Physicians with representation.

- (d) Once recognition legislation is proclaimed, the parties agree to remove the corresponding provisions from the AMA Agreement. Until such legislation is proclaimed, these provisions remain evergreened.”;
- (i) by deleting “and in ARPs” from subsection 3(a)(ii);
- (j) by adding subsections 3(a)(ii.1) and 3(a)(ii.2) after subsection 3(a)(ii) as follows:
- “(ii.1) the Rates described in ARPs;
- (ii.2) the Rates for the Insured Medical Services component of Arrangements;”;
- (k) by adding “for the Initial Financial Term” after “Physician Support Programs” in subsection 3(a)(iii);
- (l) by adding subsection 3(a)(iii.1) after subsection 3(a)(iii) as follows:
- “(iii.1) Prices associated with any or all of the following Physician Support Programs for the Second Financial Term and any subsequent financial term(s):
- Continuing Medical Education,
 - Medical Liability Insurance,
 - Parental Leave,
 - Physician and Family Support,
 - Compassionate Expense,
 - Physician Locums (Regular and Specialist),
 - Practice Management,
 - Towards Optimized Practice,
 - Physician Learning Program,
 - Alternative Relationship Plan Program Management Office;”;
- (m) by adding “for the Initial Financial Term” after “Physician Assistance Programs” in subsection 3(a)(iv);
- (n) by adding subsection 3(a)(iv.1) after subsection 3(a)(iv) as follows:
- “(iv.1) Prices associated with any or all of the following Physician Assistance Programs for the Second Financial Term:
- Physician On-Call,
 - Primary Care Network Program Management Office,

- Business Cost,
- Rural Remote Northern;”;

(o) by deleting subsection 4(a)(ii) and replacing it with the following:

“(ii) AMA and AH will undertake the activities contemplated within Schedule 7 of this Agreement:

1. in Appendix A for the Initial Financial Term; and
2. in Appendix B for the Second Financial Term, specifically including consultation on policy related to ARPs and Arrangements; and;”;

(p) in subsection 4(b), by deleting “subsection 4(i)-(iii)” and replacing it with “subsection 4(a)(i)-(iii)”;

(q) by adding “(for the Initial Financial Term only)” after “Retention Benefit” in subsection 5(a);

(r) by adding the following bullets to the end of the list in subsection 5(b)(iii):

- effective April 1, 2018 to March 31, 2019 – 0%
- effective April 1, 2019 to March 31, 2020 – 0%”;

(s) by adding the following after the second bullet under the heading “For 2017/18” in subsection 5(j):

“The parties agree that the 2017/18 Reconciliation Gap is \$90 million. Notwithstanding the preceding two bullets, the parties agree that the Reconciliation Gap will be released as follows:

- \$45 million to a pro-rated Agreed Increase of COLA for the 2017/2018 fiscal year applied proportionately to Rates and Prices based on 2017/2018 Actual Expenditures, and a retroactive adjustment made to the SOMB effective April 1, 2017, such that the total amount of the adjustment does not exceed a total of \$45 million;
- up to \$5 million to the AMA, by grant agreement, to use in its discretion for such things as special initiatives or other priorities benefiting Physicians, but subject to prior consultation with and consent of AH and subject to all applicable laws and Government of Alberta policies; and
- at least \$40 million (but no more than \$45 million) to Physicians, in a manner determined by the AMA, but subject to prior consultation with and consent of AH and subject to all applicable laws and Government of Alberta policies, and which may or may not include a pro-rated Retention Benefit for the 2017/18 fiscal year. If this amount is to be paid to the AMA to disburse to Physicians directly, AH shall pay these funds to the AMA by grant agreement.”;

- (t) in subsection 6(a)(i), by adding “(the Initial Financial Term)” immediately after “March 31, 2018”;
- (u) by adding subsection 6(a)(i.1) after subsection 6(a)(i) as follows:
 - “(i.1) the second term respecting the financial matters discussed in subsections 5(b) and 5(c) hereof is from April 1, 2018 until March 31, 2020 (the “Second Financial Term”);”;
- (v) by deleting subsection 6(b) and replacing it with subsection 6(b)(i) to (iii) as follows:
 - “(i) the term respecting the matters discussed in subsection 3(a)(iv) hereof (whether a Grant Program or not) is the Initial Financial Term;
 - (ii) the term respecting the matters discussed in subsection 3(a)(iv.1) hereof (whether a Grant Program or not) is the Second Financial Term unless extended according to the provisions of the attached Schedule 2 – Extensions/Amendments and Article II of Schedule 5 – Dispute Resolution; and
 - (iii) notwithstanding anything in this Agreement, the term described in subsection 6(b)(ii) above shall be automatically extended for a maximum of 12 months or until a new financial term is negotiated, or the Agreement is terminated under subsection 6(c)(i), whichever is earlier;”;
- (w) by adding “2016” before “Amending Agreement” in subsection 6(d);
- (x) by adding subsection 8.2(b) after subsection 8.2(a) as follows:
 - “(b) The RC dissolves as of March 31, 2018.”;
- (y) in the first paragraph of Schedule 1, by adding “and (iv.1)” immediately after “paragraph 3(a)(iv)”;
- (z) by deleting section 1 of Schedule 1 and replacing it with the following:
 - “The Initial Financial Term and any subsequent financial term will expire as of the end of business on the last day of that financial term (the “Expiry Date”).”;
- (aa) in paragraph 1(a) of Schedule 2, by adding “and (iv.1)” immediately after “paragraph 3(a)(iv)”;
- (bb) by deleting subsection 1(c) of Schedule 2 and replacing it with the following:
 - “(c) the extension or extensions of the terms described in subsections 6(b)(i) or (ii) of the AMA Agreement, the expiry date of which is the end of business on the last day of that term (the “Expiry Date”).”;
- (cc) in subsection 3(e)(i) of Schedule 4, by deleting “including the clinical medical services component of AARPs” and replacing it with “and the Insured Medical Services component of Arrangements”;

- (dd) in subsection 3(e)(iii) of Schedule 4, by deleting “including those for clinical medical services component of AARPS” and “replacing it with “and the Insured Medical Services component of Arrangements”;
- (ee) by adding the following after “subsection 3(a)(iv) of the AMA Agreement” in subsection 2.2(a) of Schedule 5:
 - “for the Initial Financial Term and in subsection 3(a)(iv.1) for the Second Financial Term.”;
- (ff) by deleting Schedule 6 in its entirety and replacing it with Schedule 6 attached hereto as Exhibit A;
- (gg) by adding “Appendix A – Initial Financial Term” as a sub-title under “Commitments” in Schedule 7;
- (hh) by adding “Appendix B – Second Financial Term” after Appendix A to Schedule 7, attached hereto as Exhibit B;
- (ii) in Clause 4(a) of Appendix A to Schedule 7, by deleting “Academic” and replacing it with “Arrangements”; and
- (jj) by adding Clause 12 to Schedule 8 as follows:

“12. The SOMB Working Group dissolves as of March 31, 2018.”

2. Notwithstanding the date this Second Amending Agreement is signed, these amendments shall be incorporated into and form part of the AMAA as of the Effective Date.
3. The parties agree that nothing in this Second Amending 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.
4. Capitalized terms used but not defined in this Second Amending Agreement have the meaning given to them in the AMAA.
5. In all other respects, the AMAA remains unchanged and shall continue in full force and effect in accordance with its terms.

[THIS SPACE IS INTENTIONALLY BLANK]

6. This Second Amending Agreement is binding on the parties and their successors and permitted assigns.

This Second Amending Agreement is entered into by each of the undersigned by its authorized representative:



Her Majesty the Queen in Right of Alberta
as represented by the Minister of Health

22 June 2018

Date



President, Alberta Medical Association
(C.M.A. Alberta Division)

June 8, 2018

Date

Exhibit A to the Second Amending Agreement

Consisting of the attached "Schedule 6".

**SCHEDULE 6
DETAILS OF GRANT PROGRAMS**

General Provisions

Generally, funding will be provided to pay for estimated spending within program parameters. For greater clarity, the basis for the annual budget for each Physician Support and Physician Assistance Program will be as follows for the Initial Financial Term and any subsequent financial term, as specified herein in the attached Appendices A and B.

1. AMA is responsible for managing the programs in accordance with AMA's policies, practices and procedures, including financial, human resources, information technology and related legal matters established by AMA from time to time.
2. The AMA may allocate and apply for its own use in each year, \$400,000 in recognition of the AMA's role as representative of physicians, which allocation shall survive this agreement in accordance with the evergreen provision. Notwithstanding the foregoing, for each fiscal year within the Second Financial Term, this amount shall be increased by an additional contribution of \$600,000 from AH for a total of \$1,000,000 for each of these years
3. The AMA may allocate and apply for its own use in each year up to 4% of the total grant for costs associated with the administration of the grant programs, which allocation shall survive this agreement in accordance with the evergreen provision. For greater clarity, the 4% administration fee will only be calculated on those plans which continue beyond the initial financial term.
4. The Minister acknowledges that the AMA charges non-members an administration fee as a condition of participation in the Physician Assistance and Physician Support Programs. The AMA covenants that such administration fee shall not exceed the annual cost of membership charged by the AMA to its members for full membership in the AMA.
5. For the purpose of the Physician Support and Physician Assistance Programs, it is understood that the base funding amounts referenced in the table above constitute a Price.
6. If a program is discontinued, AH agrees to make funds available for all reasonable and direct costs and expenses actually incurred by AMA to terminate and wind down the program and fulfill AMA's obligations pursuant to this AMA Agreement.
7. AH is generally responsible for any increased costs in each program arising as a result of an increase in the number of physicians who utilize that program.
8. For the purpose of accessing Grant Programs a physician is, with reference to a medical service provided in Alberta to a Resident, a person who is a regulated member of the College of Physicians and Surgeons of Alberta under the *Health Professions Act*, who holds a practice permit issued under the Act (excluding physicians on the postgraduate provisional register), or a professional corporation registered with the College of Physicians and Surgeons of Alberta.

9. A physician is eligible for the Grant Programs if he/she is a resident of Alberta and is:
- (i) Providing publicly funded Insured Medical Services as defined under the *Alberta Health Care Insurance Act*, whether paid by AH, AHS, or any other party.
 - (ii) Providing public health services funded by AHS.
 - (iii) Otherwise approved by the Minister from time to time.
10. Notwithstanding the eligibility criteria above, the parties acknowledge that medical students and resident physicians are eligible for the services provided through the Physician and Family Support Program.
11. The AMA will retain any accumulated Continuing Medical Education allotments that expire in fiscal years 2015/16, 2016/2017, and 2017/18 for the purpose of funding the Towards Optimized Practice Program (or for supporting other Physician Support Programs and Physician Assistance Programs, subject to the approval of the Minister). The parties acknowledge that any such transfers of funding will require review of the related grant agreements and such grant agreements may require amendment to facilitate such funding.
12. The AMA will retain any accumulated Continuing Medical Education allotments that expire in any fiscal year subsequent to 2017/18 for the purpose of funding the programs within the block fund, as detailed in Appendix B to this Schedule 6, within the current or subsequent fiscal year. The parties acknowledge that any such transfers of funding will require review of the related grant agreements and such grant agreements may require amendment to facilitate such funding.

Appendix A to Schedule 6

For the Initial Financial Term:

Physician Support Programs – (Evergreen)	Description	Basis for the Budget
<ul style="list-style-type: none"> • Compassionate Assistance • Regular Locum Program • Specialist Locum Program • Physician and Family Support Program 	<p>To assist, on compassionate grounds, eligible physicians in need of temporary support, who have been referred by either the College of Physicians and Surgeons of Alberta or a consulting Physician of the Physician and Family Support Program.</p> <p>To ensure that Residents living in communities with four or fewer Physicians (or other critical circumstances approved by the Minister) will have access to continuous medical coverage if a Physician is unable to provide Physician services due to short-term absences.</p> <p>To ensure that regional centers outside of Calgary and Edmonton (or other critical circumstances approved by the Minister) will have access to specialist coverage due to short-term absences of specialists in regional centers. Local specialists in consultation with the Authority agree on locum needs.</p> <p>To provide eligible physicians and their qualified dependants with assistance in dealing with life management issues.</p>	<ul style="list-style-type: none"> • Base funding of: <ul style="list-style-type: none"> ○ \$400,000 for Compassionate Assistance ○ \$2,478,000 for Regular and Specialist Locum Programs ○ \$2,175,000 for Physician and Family Support Program <p>will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement.</p> <ul style="list-style-type: none"> • Base funding will be readjusted each year if in accordance with a grant, funds are transferred from other programs as a result of a change, in the ordinary course, of physician uptake of that particular program.

Physician Support Programs – (Evergreen)	Description	Basis for the Budget
<ul style="list-style-type: none"> Parental Leave Program 	<p>To provide financial support to eligible physicians who are not practicing medicine as a result of the birth or adoption of a child.</p>	<ul style="list-style-type: none"> Estimated utilization (number of weeks * rate) The base rate of \$1,000 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement.
<ul style="list-style-type: none"> Continuing Medical Education 	<p>To reimburse eligible physicians for costs incurred with regard to the maintenance and enhancement of knowledge, skills, and competency. The annual allotment of shall be carried forward and accumulated for up to three years.</p>	<ul style="list-style-type: none"> Estimated number of participants * rate The base rate of \$2,500 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement.
<ul style="list-style-type: none"> Medical Liability Reimbursement 	<p>To reimburse eligible physicians for costs incurred in respect of medical liability insurance premiums as set by the Canadian Medical Protective Association. The annual deductible will be \$1000 per Eligible Physician.</p>	<ul style="list-style-type: none"> Estimated number of participants * rates charged by the Canadian Medical Protective Association less deductible of \$1,000/physician
<ul style="list-style-type: none"> Practice Management Program 	<p>To assist Physicians with developing and implementing Primary Care Networks by providing support in respect of issues such as group formation, practice governance, relationship issues, taxation, financial projections, liability issues, and any other issues the AMA deems necessary.</p>	<ul style="list-style-type: none"> Base funding of \$2,174,000 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement. Program parameters may be expanded to include support for other models beyond PCNs upon consensus decision of the AMA Agreement Management Committee.

Physician Assistance Programs – (Non-Evergreen)	Description				Basis for the Budget																								
<ul style="list-style-type: none"> Physician Learning Program 	<p>The Physician Learning Program supports and promotes continuous professional learning by Physicians in Alberta. The criteria, program details and operational parameters will be established and reviewed from time to time by the AMA in consultation with University of Alberta and University of Calgary.</p>				<ul style="list-style-type: none"> Base funding of \$3,475,000 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement. 																								
<ul style="list-style-type: none"> Towards Optimized Practice Program 	<p>To support the development, implementation and evaluation of products and services that will facilitate evidence- based best practice and support quality initiatives in medical care in Alberta.</p>				<ul style="list-style-type: none"> Base funding of \$1,066,000 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement. 																								
<ul style="list-style-type: none"> Retention Benefit 	<p>Subject to section 5 of the Agreement, Physicians will receive retention benefit amounts on an annual basis in recognition of past years of service contribution in Alberta. The level of retention benefit for Eligible Physicians in a specific year will be determined based on the number of years of practice in Alberta and the amount of payments for the provision of eligible services in a given year. Physicians with annual billings for eligible services of \$80,000 or more in a given year will receive the full benefit. Those billing less than \$80,000 for eligible services in a given year will have their payment prorated.</p> <p>Base rates for the retention benefits for Fiscal Year 2013/2014 are as follows:</p> <table border="1" data-bbox="467 1410 1073 1844"> <thead> <tr> <th>Years of Service</th> <th>Benefit Amount</th> <th>Physician Billing</th> <th>Benefit Amount</th> </tr> </thead> <tbody> <tr> <td>1-5</td> <td>\$4,840</td> <td>≥</td> <td>100%</td> </tr> <tr> <td>6-15</td> <td>\$7,260</td> <td>\$80,000-\$60,000-</td> <td>75%</td> </tr> <tr> <td>16-25</td> <td>\$9,680</td> <td>\$79,999-\$40,000-</td> <td>50%</td> </tr> <tr> <td>26+</td> <td>\$12,100</td> <td>\$59,999-\$10,000-</td> <td>25%</td> </tr> <tr> <td></td> <td></td> <td>\$39,999 <\$10,000</td> <td>0%</td> </tr> </tbody> </table>				Years of Service	Benefit Amount	Physician Billing	Benefit Amount	1-5	\$4,840	≥	100%	6-15	\$7,260	\$80,000-\$60,000-	75%	16-25	\$9,680	\$79,999-\$40,000-	50%	26+	\$12,100	\$59,999-\$10,000-	25%			\$39,999 <\$10,000	0%	<ul style="list-style-type: none"> Estimated number of participants * rate The base rates will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement. The retention benefit income threshold of \$80,000 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement.
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Physician Assistance Programs – (Non-Evergreen)	Description	Basis for the Budget
<ul style="list-style-type: none"> • Alternate Relationship Plan Program Management Office 	<ul style="list-style-type: none"> • Support the various aspects of the ARP program, including but not limited to, assisting with the development, implementation and accountability processes of individual ARPs. 	<ul style="list-style-type: none"> • Base funding of \$1,800,000 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement. • PMO activities aligned with the Physician Compensation Committee implementation plan.
<ul style="list-style-type: none"> • Primary Care Network Program Management Office 	<ul style="list-style-type: none"> • Support the various aspects of the PCN program including but not limited to, assisting with the development, implementation, and accountability processes of individual PCNs. 	<ul style="list-style-type: none"> • Base funding of \$2,900,000 will increase by 2.5% in 2014/2015 and 2015/16, and COLA in 2016/17 and 2017/18, subject to section 5 of the AMA Agreement.

Appendix B to Schedule 6

For the Second Financial Term:

Block fund for the following programs:	Description	Basis for the Budget
<ul style="list-style-type: none"> • Towards Optimized Practice Program (evergreened) 	<p>To support the development, implementation and evaluation of products and services that will facilitate evidence-based best practice and support quality initiatives in medical care in Alberta.</p>	<p>Total funding for this group of programs for each of 2018/19 and 2019/20 shall be the total of the following, plus proportionate adjustment in each Price based on the reconciliation process in section 5(j) of the AMA Agreement:</p>
<ul style="list-style-type: none"> • Alternative Relationship Plan Program Management Office (evergreened) 	<p>Support the various aspects of the ARP program, including but not limited to, assisting with the development, implementation and accountability processes of individual ARPs.</p> <p>PMO activities aligned with the Physician Compensation Committee implementation plan.</p>	<p>Towards Optimized Practice Program - \$1,132,285</p> <p>Alternative Relationship Plan Program Management Office - \$1,568,676</p>
<ul style="list-style-type: none"> • Primary Care Network Program Management Office (non-evergreened) 	<p>Support the various aspects of the PCN program including but not limited to, assisting with the development, implementation, and accountability processes of individual PCNs.</p>	<p>Primary Care Network Program Management Office - \$2,629,200</p> <p>Practice Management Program - \$2,309,183</p>
<ul style="list-style-type: none"> • Practice Management Program (evergreened) 	<p>To assist Physicians with developing and implementing Primary Care Networks by providing support in respect of issues such as group formation, practice governance, relationship issues, taxation, financial projections, liability issues, and any other issues the AMA deems necessary.</p> <p>Program parameters may be expanded to include support for other models beyond PCNs upon consensus decision of the AMA Agreement Management Committee.</p>	<p>Total = \$7,659,344 plus the amount of any expired accumulated Continuing Medical Education allotments in accordance with section 12 of the General Provisions above in this Schedule 6.</p> <p>*Subject to paragraphs 1-8 below.</p>

1. Subject to subsection 6(b)(iii) of the AMA Agreement, if the Primary Care Network Program Management Office Program is not extended beyond the Second Financial Term, \$2,629,200, plus proportionate adjustment based on the reconciliation process in section 5(j) of the AMA Agreement, shall be deducted from the total block funding for any subsequent financial term.
2. Subject to the amount referred to in the preceding paragraph being removed from the block fund, the “block” nature of the funding for the remaining programs is evergreened.
3. The parties will agree to outputs and outcomes for each of the programs within the block, which will be included in the grant agreement for this block of programs (the “Block Funding Grant”). The parties acknowledge they may agree to outputs and outcomes for some or all of these programs that pertain to a “Physician Resource Planning Census,” which reflects the parties’ mutual commitment to develop a better needs-based analysis for community physician requirements on a community-by-community basis.
4. The parties must mutually agree in writing to any changes to program parameters, descriptions, or outcomes of any programs within the block – in accordance with section 15 of the AMA Agreement and with the analogous provision in the Block Funding Grant.
5. The Block Funding Grant will enable the AMA to determine the appropriate distribution of funds to achieve program outcomes set out in the Block Funding Grant.
6. The Block Funding Grant will require the AMA to follow reporting and accountability requirements that align with Government of Alberta policies. This will include requirements for performance reporting at intervals throughout the term of the Block Funding Grant to enable AH to monitor progress the AMA is making towards the stated Block Funding Grant objectives.
7. If there are unexpended grant funds for these programs at the end of a fiscal year and the AMA has fulfilled its obligations under the Block Funding Grant to the satisfaction of AH, the AMA may propose to AH to use the unexpended funds for a new one-time-use objective. If approved by AH, in consultation with Management Committee, the parties will amend the Block Funding Grant to reflect the use of grant funds for this new purpose.
8. The AMA may propose to amalgamate, terminate, or change existing programs within the block by submitting a written proposal to Management Committee. The AMA shall not amalgamate, terminate, or change programs without written consent from Management Committee. Changes approved in writing by Management Committee are subject to section 15 of the AMA Agreement and the analogous provision in the Block Funding Grant.

Physician Support Programs – (Evergreen)	Description	Basis for the Budget
<ul style="list-style-type: none"> • Compassionate Assistance • Regular Locum Program • Specialist Locum Program • Physician and Family Support Program 	<p>To assist, on compassionate grounds, eligible physicians in need of temporary support, who have been referred by either the College of Physicians and Surgeons of Alberta or a consulting Physician of the Physician and Family Support Program.</p> <p>To ensure that Residents living in communities with four or fewer Physicians (or other critical circumstances approved by the Minister) will have access to continuous medical coverage if a Physician is unable to provide Physician services due to short-term absences.</p> <p>To ensure that regional centers outside of Calgary and Edmonton (or other critical circumstances approved by the Minister) will have access to specialist coverage due to short-term absences of specialists in regional centers. Local specialists in consultation with the Authority agree on locum needs.</p> <p>To provide eligible physicians and their qualified dependants with assistance in dealing with life management issues.</p>	<ul style="list-style-type: none"> • Base funding of: <ul style="list-style-type: none"> ○ \$424,873 for the Compassionate Assistance Program, plus proportionate adjustment based on the reconciliation process in section 5(j) of the AMA Agreement. ○ \$1,005,157 for the Regular Locum Program, plus proportionate adjustment based on the reconciliation process in section 5(j) of the AMA Agreement. ○ \$1,133,967 for the Specialist Locum Program, plus proportionate adjustment based on the reconciliation process in section 5(j) of the AMA Agreement. ○ \$2,429,201 for the Physician and Family Support Program, plus proportionate adjustment based on the reconciliation process in section 5(j) of the AMA Agreement. • Base funding will be readjusted each year if in accordance with a grant, funds are transferred from other programs as a result of a change, in the ordinary course, of physician uptake of that particular program.

Physician Support Programs – (Evergreen)	Description	Basis for the Budget
<ul style="list-style-type: none"> • Parental Leave Program 	<p>To provide financial support to eligible physicians who are not practicing medicine as a result of the birth or adoption of a child.</p>	<ul style="list-style-type: none"> • Estimated utilization (number of weeks * rate) • The base rate of \$1,063, as adjusted proportionately based on the reconciliation process in section 5(j) of the AMA Agreement.
<ul style="list-style-type: none"> • Continuing Medical Education 	<p>To reimburse eligible physicians for costs incurred with regard to the maintenance and enhancement of knowledge, skills, and competency. The annual allotment of shall be carried forward and accumulated for up to three years.</p>	<ul style="list-style-type: none"> • Estimated number of participants * rate • The base rate of \$2,656, as adjusted proportionately based on the reconciliation process in section 5(j) of the AMA Agreement.
<ul style="list-style-type: none"> • Medical Liability Reimbursement 	<p>To reimburse eligible physicians for costs incurred in respect of medical liability insurance premiums as set by the Canadian Medical Protective Association. The annual deductible will be \$1000 per Eligible Physician.</p>	<ul style="list-style-type: none"> • Estimated number of participants * rates charged by the Canadian Medical Protective Association less deductible of \$1,000/physician
<ul style="list-style-type: none"> • Physician Learning Program 	<p>The Physician Learning Program supports and promotes continuous professional learning by Physicians in Alberta. The criteria, program details and operational parameters will be established and reviewed from time to time by the AMA in consultation with University of Alberta and University of Calgary.</p>	<ul style="list-style-type: none"> • Base funding of \$3,691,082, plus proportionate adjustment based on the reconciliation process in section 5(j) of the AMA Agreement.

Exhibit B to the Second Amending Agreement

Consisting of the attached Appendix B to Schedule 7.

Appendix B – Second Financial Term

1. Audit/Physician Peer Review Processes

- (a) With AMA's input, AH will develop a three year audit and compliance plan to give to the Minister for approval by December 1, 2019. The audit and compliance plan will include, but is not limited to, the following:
 - i. non-identifying audit reports from AH's Compliance and Monitoring Branch; and
 - ii. educational activities being carried out by the AMA's internal peer review committee.
- (b) AH and AMA agree that the AMA peer review process will involve analysis of billing data to identify billing issues and education of Physicians regarding the most appropriate billing practices.
- (c) AH and AMA will develop a proposal for MC by June 30, 2018 to create a tool that distributes identifying Physician billing profiles to those individual Physicians with the intent of full implementation by April 1, 2019.

2. Alternative Relationship Plans

- (a) AH recognizes the benefits of AMA involvement in the development and maintenance of Arrangements and Clinical ARPs, including consultation on related Physician resources, remuneration, equity and overall planning.

3. Improvements to the Schedule of Medical Benefits

- (a) AMA may recommend changes, subject to the Minister's authority under the *Alberta Health Care Insurance Act*, to the SOMB twice per year (April and October) in the interests of modernizing and improving the SOMB.
- (b) AH and AMA will create a working group to develop the goals and objectives, and to address issues and challenges, along with associated dates and deliverables for accomplishing an upgraded physician billing system. This working group shall provide a report to MC by December 31, 2018.

4. Pathology/Laboratory and Oncology Medicine

- (a) The MC will strike ad-hoc working group(s) that include AH, AHS, AMA, and the appropriate AMA sections, including the sections of pathology, oncology, and others as

required, with the objective of moving the compensation for the members of these sections back into the Physician Services Budget effective April 1, 2020.

- (b) Any such ad-hoc working group(s) will take into consideration issues such as whether Physicians are employees or independent contractors, impact on existing pensions, etc.

5. Centralized Patient Attachment Registry and Provider Registry

- (a) AH, AHS and AMA recognize the benefits to all parties that would come from the development of a Centralized Patient Attachment Registry (“CPAR”) and enhancement of the provider registry as priority items. The CPAR will be connected to AH’s Benefits payment system and will be used to pay Physicians in a Blended Capitation Model and may be used for any rule changes to the SOMB.
- (b) The development and implementation of the CPAR and provider registry system enhancements will be overseen by the Health Information Executive Committee.

6. Integrated Care

- (a) The parties have undertaken several initiatives aimed at providing sustainable high quality care. These initiatives include Primary Care Networks, payment reforms, and improvements to information management and technology.
- (b) The parties acknowledge that increased attention must be made to integrated care throughout the health care system, which requires the integration of delivery models.