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Alberta Medical Association

MEMORANDUM OF AGREEMENT

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA
AS REPRESENTED BY THE MINISTER OF HEALTH
(“AH”)

and

THE ALBERTA MEDICAL ASSOCIATION
(the “AMA”)

WHEREAS:

- A.** AH and AMA are parties to an agreement made effective April 1, 2011 (the “AMA Agreement”);
- B.** the parties are desirous of engaging in good faith negotiations in 2016 to explore issues of common interest during the term of the AMA Agreement with the aim of managing the rate of growth with respect to the physician services budget, improving the effective provision of health care to Albertans and jointly ensuring the sustainability of the health care system in Alberta (the “Negotiations”); and
- C.** the parties wish to establish a protocol for the Negotiations.

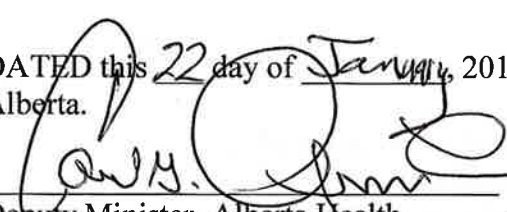
NOW THEREFORE, AH and AMA agree as follows:

- 1.** The Negotiations shall be treated as confidential and without in any way altering or impacting each party’s rights and interests as provided for in the AMA Agreement.
- 2.** Any changes to the AMA Agreement arising from the Negotiations shall require the express agreement of both parties, be effected through a written amending agreement to the AMA Agreement, and are subject to ratification by the AMA and the Government of Alberta.
- 3.** The parties acknowledge the need to report on the status of the Negotiations within their respective internal reporting structures.
- 4.** The parties agree that there will be no public disclosure regarding the content of the Negotiations; however, if both parties decide it is necessary to release a public statement on the Negotiations, the parties shall agree to the form and content prior to release.

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5. Each party shall have a team to participate in the Negotiations (the “Negotiations Team”). The size and the composition of each Negotiations Team shall be determined by each party. The composition of each Negotiations Team may vary depending upon the topics of discussion but the parties will strive to maintain continuity. Each party will ensure that the members of its Negotiations Team possess sufficient knowledge, expertise and familiarity with the subject matter to engage in meaningful discussions. Each party will ensure that the members of its Negotiations Team are available and able to devote the necessary time to the Negotiations.
 6. Each party acknowledges that its respective Negotiations Team has received a mandate from its respective Senior Leadership to engage in the Negotiations. For the purposes of the Negotiations, “Senior Leadership” includes:
 - i. the AMA President;
 - ii. the Minister of Health;
 - iii. the Executive Director, AMA; and
 - iv. the Deputy Minister, AH.
 7. Each Negotiations Team shall have a lead (the “Chair”). Meetings shall be jointly chaired by the Chairs of the respective Negotiations Team.
 8. Each party may bring legal counsel to participate in the Negotiations and either party may choose to include legal counsel as a permanent member of its Negotiations Team. Should both parties choose not to include its respective legal counsel as a permanent member of its Negotiations Team and one party would like to bring its legal counsel to a meeting, advance notice must be provided so that the other party may invite its legal counsel should it wish to do so.
 9. The Negotiations Teams may collaboratively establish working groups to work on specific topics (“Working Groups”). Where a Working Group has been established, it shall provide written reports to the Negotiations Teams who will then jointly determine whether and how to use the report. Possible topics for Working Groups may include, but are not limited to, those listed in clause 3 of Schedule “A”.
 10. The Negotiations Teams will, to the extent possible, exchange documents in advance of meetings and will communicate in between meetings as required. Communication between meetings shall be between Chairs unless otherwise agreed by the parties.
 11. Each party shall keep minutes of the Negotiations and is permitted to share those minutes with the other party prior to the next scheduled meeting if the party wishes.

12. The specific issues for the Negotiations shall be determined by mutual agreement of the Chairs at the commencement of the meetings (the "Issues") but shall be ordered in the following way:
 - i. priority Issues (including, but not limited to, those identified in Schedule A); and
 - ii. longer-term Issues (including, but not limited to, those identified in Schedule A).
13. The itemization of Issues in Schedule A does not necessarily reflect either party's view as to the relative merits of that Issue or as to the necessity of the inclusion of that matter in an ultimate agreement. It does, however, reflect a willingness on both parties to discuss the subject matter.
14. The parties will establish a schedule for the Negotiations and will jointly determine whether others shall be invited to participate. The parties shall commence the Negotiations by the week of February 22, 2016 and shall develop a joint progress report two months after commencement of the Negotiations. Meetings will occur at a mutually agreed upon location.
15. Initial meetings will involve only the parties and shall proceed expeditiously in good faith on the identified priority issues.
16. If the Negotiations between the parties on priority issues do not result in consensus, the parties may utilize a mutually agreed upon facilitator to assist them in the Negotiations. Should the parties fail to achieve consensus through the facilitation stage of the Negotiations, the facilitator may be asked to prepare and publish a summary report and observations of proceedings to be included with any separate comments from the parties. This report shall be provided to the Senior Leadership
17. Each party shall bear their own expenses incurred as a result of participating in these Negotiations, unless otherwise agreed.
18. Either party may immediately terminate its participation in the Negotiations by providing the other party written notice to their Chair.

DATED this 22 day of January, 2016 at the City of Edmonton, in the Province of Alberta.


Deputy Minister, Alberta Health


CEO, Alberta Medical Association

Schedule A

1. Priority Issues

- a) immediate financial viability of the Alberta health care system, including budget management mechanisms (explore hard and soft caps to limit growth of the Physician Services Budget) and the associated roles and responsibilities;
- b) shared stewardship of limited health care resources;
- c) physician participation in health care decision making; and
- d) governance issues.

2. Longer-Term Issues

- a) Continued evolution of the relationship of AH and AMA in their efforts to improve access and quality care for Albertans.

3. Specific Topics for Consideration

- a) Recognition rights of the AMA
 - o Scope
 - o Form
- b) Mechanisms to better align distribution of supply to population needs and geographies
- c) Primary Care Reform
 - o Building on Primary Care Networks (“PCNs”)
 - o The role of PCNs within a broader primary health care system evolution, including their relationship with acute care and other key stakeholder entities
 - o Shared savings
 - o Primary Care Governance
 - o Roles and responsibilities
- d) Role of Compensation
 - o Relative prices in the Schedule of Medical Benefits
 - o ARPs (e.g., blended capitation model)
 - o Alignment of incentives toward system objectives (e.g., pay for performance)
 - o Roles and responsibilities

- e) Provide the profession with the required responsibilities and tools associated with managing any increased risks (e.g., access to information/meaningful use initiatives)
- f) Flexibility to move resources within the Physician Services Budget
- g) Appropriate utilization of drugs and diagnostics
- h) Information Management/Meaningful Use
- i) Creation of a “Blue Ribbon Panel” to support the parties respective senior leadership in providing advice as to the potential for solutions which support the sustainability and quality of the Alberta health care system.

