

APPENDIX J

MEMORANDUM OF AGREEMENT – COST OF LIVING ADJUSTMENT

BETWEEN:

**HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE
OF BRITISH COLUMBIA**, as represented by the Minister of
Health

(the “**Government**”)

AND:

ASSOCIATION OF DOCTORS OF BC

(the “**Doctors of BC**”)

AND:

MEDICAL SERVICES COMMISSION

(the “**MSC**”)

Definitions

1. In this Memorandum of Agreement:

“**Cost of Living Adjustment**” or “**COLA**” means a percentage-based fee, rate and range increase adjustment provided in accordance with this Memorandum of Agreement. COLA is an upward adjustment applied to and folded into all fees, rates and ranges.

The “**annualized average of BC CPI over twelve months**” or “**AABC CPI**” means the *Latest 12-month Average Index % Change* reported by BC Stats in March for British Columbia for the twelve months starting at the beginning of March in the preceding year and concluding at the end of the following February.

The “**Latest 12-month Average Index**”, as defined by BC Stats, is a 12-month moving average of the BC consumer price indexes of the most recent 12 months. This figure is calculated by averaging index levels over the applicable 12 months.

The *Latest 12-month Average Index % Change* is reported publicly by BC Stats in the monthly BC Stats *Consumer Price Index Highlights* report. The BC Stats *Consumer Price Index Highlights* report released in mid-March will contain the applicable figure for the 12-months concluding at the end of February. The percentage change reported by BC Stats that will form the basis for determining any COLA increase is calculated to one decimal point. For reference purposes only, the annualized average of BC CPI over twelve months from March 1, 2021 to February 28, 2022 was 3.4%.

COLA

2. The COLA will be applied across-the-board to all Fees, reading fees for screening mammography, MRI fees, Sessional Contract Rates, and Service Contract/Salary Agreement Rates and Ranges subject to the 2022 Physician Master Agreement, effective April 1, 2023 and April 1, 2024.

April 2023

3. If the 2023 AABC CPI exceeds 5.5%, then, on April 1, 2023, all Fees, reading fees for screening mammography, MRI fees, Sessional Contract Rates, and Service Contract/Salary Agreement Rates and Ranges will be adjusted upwards to reflect a COLA equal to the difference between the 5.5% and the 2023 AABC CPI, up to a maximum of 1.25%, on top of the increases outlined the 2022 Physician Master Agreement.

April 2024

4. If the 2024 AABC CPI exceeds 2.0%, then, on April 1, 2024, all Fees, reading fees for screening mammography, MRI fees, Sessional Contract Rates, and Service Contract/Salary Agreement Rates and Ranges will be adjusted upwards to reflect a COLA equal to the difference between 2.0% and the 2024 AABC CPI up to a maximum of 1.00%, on top of the increases outlined the 2022 Physician Master Agreement.