

2019

PHYSICIAN MASTER AGREEMENT  
TENTATIVE SETTLEMENT

# OVERVIEW

The tentative agreement is a 3-year contract that, if ratified by members, will be in effect from April 1, 2019 until March 31, 2022.

It is important to note that compensation and other increases are not across-the-board. They are directed to areas you identified as priorities, with new funding going to (among others):

- Address rising physician (business) costs
- GPs who provide full service family practice
- Specialists to address income disparities
- AP doctors to address workload issues
- Improvements to retirement savings program, and
- Recognize after-hours work

On average, monetary increases going to physicians over three years are as follows:

- 8.8% over the current compensation base (Fee For Service and Alternative Payments)
- 7.3% over current total compensation base (Compensation base plus cost of benefits, MOCAP and Joint Collaborative Committee fees)

All physicians who earned a minimum income of \$75,000 in any of the past three years will receive a one-time payment of approximately \$7,500 following ratification of the agreement. This payment is in recognition of recent increases in business costs.

The PMA is comprised of a total incremental funding increase of \$331M by the end of the third year.

In addition, the Ministry has increased funding for new FTEs to address workload for Alternative Pay (AP) physicians.

Government will fund utilization growth for most existing Joint Clinical Committee incentive fees.

In this document, you will find more detail on the key changes impacting physicians.

# HIGHLIGHTS

The terms and conditions of the 2014 Physician Master Agreement will continue with the exception of the changes as outlined below. This includes the continuation of existing programs and collaboratives outlined in the agreement unless otherwise specified.

## RISING PHYSICIAN COSTS

### One-time payment

- A one-time payment of approximately \$7,500 will go to physicians following ratification of the agreement. This payment is in recognition of recent increases in business costs
- The one-time payment is payable to physicians who worked in 2018 and who earned over \$75,000 in income in 2016, 2017, or 2018. This will be paid out as an equal dollar amount to each qualifying physician in the first 6 months of Fiscal Year 2019/20

### Business Cost Premium

- Effective April 1, 2020, the provincial government will fund a premium on the following MSP fee categories where services are provided in community-based offices in which physicians are responsible for the payment of lease, rental or other overhead costs of the practice:
  - Visits and Consultations
  - Examinations
  - Counselling Services
- The premiums are primarily targeted to address growing costs of urban offices and will vary based on the location of the practice. They are estimated as follows:
  - **5% to a daily maximum of \$60** – City of Vancouver
  - **4% to a daily maximum of \$48** – Greater Victoria and Greater Vancouver (excluding the City of Vancouver)
  - **3% to a daily maximum of \$36** – Other communities excluding Rural

### Rural Service Cost Premium

- Joint Standing Committee on Rural Issues will direct a portion of its new funding to improve premiums under the Rural Retention Program to compensate for increases to the cost of providing services

### General increases

- General increases in response to the anticipated impact of cost of living growth on business costs:
  - 0.5%, April 1, 2019
  - 0.5%, April 1, 2020
  - 0.5%, April 1, 2021

## FUNDING TARGETED TO PHYSICIAN GROUP PRIORITIES

### General Practitioners in full service family practices

- New funding for the development of **new fees or compensation** to support full service family practice through the General Practices Services Committee (GPSC):
  - **\$12.75M** April 1, 2019, and an additional
  - **\$18.00M** April 1, 2020, and an additional
  - **\$18.00M** April 1, 2021
- Additional funding for programs to support Primary Care Network and Patient Medical Home implementation through the GPSC:
  - **\$3.1M** April 1, 2019, and an additional
  - **\$2.0M** April 1, 2020
- Transfer of GPSC fees to the Available Amount
  - Effective April 1, 2020, the majority of GPSC incentive fees (approximately \$170M) will be transferred to the Available Amount. As a result, from that date forward general increases will apply to those fees and government will be responsible for funding predictable increases in utilization

### Specialist Physicians

- Disparity funding
  - New annual funding to address fee-for-service Specialist compensation disparity issues:
    - **\$9.73M** April 1, 2019 and an additional
    - **\$16.5M** April 1, 2020 and an additional
    - **\$16.5M** April 1, 2021
  - **80%** of disparity funding to be allocated to address **inter-sectional** disparities in compensation and **20%** to be allocated to address **inter-provincial** disparities in compensation
  - Allocated through a binding third party adjudication process based on the submission of Sections, Doctors of BC and Government
- Specialist Services Committee (SSC)
  - New annual funding to initiatives to support the improvement of the Specialist care system:
    - **\$1.0M** April 1, 2019 and an additional
    - **\$3.0M** April 1, 2020 and an additional
    - **\$1.0M** April 1, 2021
  - Effective April 1, 2020, all SSC fees and Labour Market Adjustment fees funded by the SSC will be transferred to the Available Amount. As a result, as of that date, general increases will apply to those fees and government will be responsible for funding predictable increases in utilization

## Alternative Payment (AP) Physicians

- New annual funding to adjust Service Contract and Salary Agreement rates and ranges to address issues of **equity and interprovincial disparity**:
  - **\$6.5M** April 1, 2019 and an additional
  - **\$7.5M** April 1, 2020 and an additional
  - **\$6.0 M** April 1, 2021
  - To be allocated by a joint committee with equal representation of government and AP physicians chaired by a neutral third party. Outstanding allocations to be resolved by decision of the chair
  - To be allocated for all years based on the AP FTE distribution in Fiscal Year 2018/19. As a result, Government will be responsible for funding increases for new AP physicians hired over the period of the contract
- New annual funding to adjust Service Contract and Sessional rates and ranges for additional compensation for **on-site clinical services after regular office hours**:
  - **\$3.25M** April 1, 2019 and an additional
  - **\$3.25M** April 1, 2020 and an additional
  - **\$3.00M** April 1, 2021
  - To be allocated by an adjudication panel chaired by a neutral third party who will consider submissions from physicians, sections, Doctors of BC and Government. Decisions of the adjudication panel made by the chair
  - To be allocated for all years based on the AP FTE distribution in Fiscal Year 2018/19. As a result, Government will be responsible for funding increases for new AP physicians hired over the period of the contract
- AP Workload Funding
  - Government commits to a minimum increase to its funding for new FTEs under existing Service Contracts and Salary Agreements equivalent to the growth in the Available Amount (exclusive of price increases). This is estimated to be about **\$15.5M** in the first year and is expected to grow each year as service volumes increase
  - Government commits to a process of annual joint consultation to allocate new funding for FTEs to address workload issues as follows:
    - Physicians/physician groups to submit to Health Authority (HA) requests for new workload funding based on a standardized template for local discussion
    - HAs to forward those requests to the Ministry whether or not they agree with the physicians' request for new workload funding
    - The Ministry to consult with Doctors of BC to review the requests and allocate the new funding

- Where the new funding is directed to group contracts, the new FTEs will be made available under the same terms and conditions as the existing contract (independent of local negotiations)
- Inclusion of workload measures in existing AP contracts
  - Government and Doctors of BC will work together to develop a list of provincial workload measures for potential inclusion in local AP contracts
  - Beginning in year 2 of the contract, at the request of either party at the local level, relevant workload measures will be included in AP contracts to inform local discussions
- Laboratory Medicine Workload Model
  - Government to work with Doctors of BC to:
    - Review the anatomic pathology workload model
    - Develop and validate clinical pathology workload model
    - Determine how both the anatomic and clinical pathology workload models will be used in local laboratory physician compensation contracts

## Rural Physicians

- New annual funding to the Joint Standing Committee on Rural Issues (JSC):
  - **\$2.8M** April 1, 2019 and an additional
  - **\$3.2M** April 1, 2020 and an additional
  - **\$2.25M** April 1, 2021
- The JSC to direct a portion of the new funding for:
  - Improving premiums under the Rural Retention Program to compensate physicians for the increased cost of providing services
  - Maintaining the additional rural CMPA benefit
  - Extending the application of the Rural Emergency Enhancement Fund to qualified AP physicians

## Sessional Physicians

- On April 1, 2019, Sessional rates for the following groups will increase by **7.0%** (in addition to 0.5% annual increases):
  - General Practitioners
  - Specialists
  - General Practitioners providing services to the Forensic Psychiatric Commission and the Maples Adolescent Treatment Centre
- On April 1, 2019, the following new funding will also be provided to Joint Collaborative Committees to compensate for cost increases due to the sessional rate increases:
  - GPSC: **\$0.85M**
  - SSC: **\$0.60M**
  - SCC: **\$0.25M**
  - JSC: **\$0.25M**

## Physicians providing after hours services

- Effective April 1, 2019
  - Government will fund a **17% increase to all existing Out of Office Hours Fees** (01200 to 01217)
  - Government will fund a **0.5% increase to emergency medicine and critical care fee** items ((01811 to 01843 and 01411 to 01443) to address after hours fees that are not eligible for Out-of-Office Hours premiums

## ENHANCED BENEFITS

### Retirement Savings

- Over the course of the last 2 years of the contract, Government will fund an increase of an estimated 50% to both Basic and Length of Service benefits under the Contributory Professional Retirement Savings Program (CPRSP). New funding:
  - **\$19.5M** April 1, 2020 and an additional
  - **\$20.5M** April 1, 2021
- To facilitate their participation, physicians will no longer be required to match CPRSP funding, will be able to direct the funds to a Tax Free Savings Account, and will be able to withdraw funds from their RRSP for the first time buyers' home plan and the lifelong learning plan.

### Canadian Medical Protective Association Rebate Program (CMPA)

- Government will increase its proportion of funding to the CMPA program over the life of the new PMA from 68% in 2018/19 to an estimated 74% in 2021/22. New funding:
  - **\$3.2M** April 1, 2020 and an additional
  - **\$9.0M** April 1, 2021

### Other benefits (CME, PDI, PLP, CPRSP)

- Government will increase funding to the Continuing Medical Education fund (CME), the Physician Disability Insurance program (PDI), the Parental Leave program (PLP), and the Contributory Professional Retirement Savings Program (CPRSP) to maintain the value of those benefits to members. The funding to maintain the level of benefits is:
  - **\$3.8M** April 1, 2019 and an additional
  - **\$4.3M** April 1, 2020 and an additional
  - **\$4.5M** per year

# NEW COMPENSATION MODELS AND APP CONTRACTS

## Consultation on New Compensation Models

- At the request of either party, government and Doctors of BC agree to a process of consultation (for a minimum of 90 days) on the development of new compensation models/contracts
  - The Ministry must engage in the process if it intends to develop a compensation model for widespread implementation
  - The parties agree that the following principles will govern the discussions:
    - that the new models must be attractive to physicians and the Ministry
    - that new models will be tested to determine their effectiveness in practice
    - that the income of physicians over the test period will be protected
    - that physicians will have the option to return to their previous pay arrangement following the test period
  - The parties will consult on Population Based Funding and Value Based Compensation Contracts
- The Government agrees that no fee-for-service physician will be required to change their form of compensation **to any** alternative payment models (current PMA provides this protection only in the case of a change from FFS to a Service Contract or a Salary Agreement)

## Amendments to Alternative Payment Template contracts

- Separate Service/Sessional templates have been created for individual contracts and group contracts
- Key changes to the Individual Service Contract are as follows:
  - Clarifications/Improvements/Detail: revisions and additions to language to better reflect existing process and legal requirements or to clarify obligations (e.g. WorkSafe BC; independent contractor status; third party billings; reporting obligations; more detailed Appendices)
  - Termination: clarifies that loss of privileges is a fundamental breach of the contract (such that the contract can be terminated without notice)
  - Workload: the parties can now involve a Trouble Shooter if they cannot resolve workload concerns due to significant unanticipated increases in volume
- The Group Service Contract is based on the Individual Service Contract (including the above changes) but with the required changes/additions to reflect the group nature of the contract. The key additions specific to the Group Service Contract are as follows:
  - Exclusive Contracts: where a group and a health authority expressly agree that the services provided under the group contract are exclusive to the group, an individual physician who voluntarily resigns from the contract will also be required to resign his or her privileges

- Group Governance: physicians and their health authority can negotiate at a local level whether or not the group must have a governance agreement and whether or not it must be shared with the health authority
- The Sessional Templates (individual and group) have been updated to reflect changes in the Service Contract templates, except for the provisions unique to the Sessional Contracts

### **Application Process for new Alternative Payment Arrangement**

- Government to develop a process for physicians to apply for a transition from fee-for-service to an alternative payment arrangement

## **PHYSICIAN HEALTH**

### **Physicians Physical and Psychological Health and Safety**

- Doctors of BC will participate in the Ministry's broad governance structures both at the provincial and regional levels to ensure a physician voice in occupational health and safety, psychological health and safety, and violence prevention for physicians working in health authority facilities
- Government will create/continue physician-specific working groups with participation by Doctors of BC for:
  - Physician Violence Prevention
  - Psychological Safety affecting physicians
- Health Authorities will:
  - Provide appropriate violence prevention and response training for individual physicians working in high and low risk environments
  - Create a comprehensive communication plan to ensure key information reaches the department/individual physician level
  - Work with MSAs and Doctors of BC on violence prevention and psychological safety issues
- Unallocated residual funding will be transferred from Joint Clinical Committees to fund relevant health and safety projects for each of the 3 years of the new PMA as follows:
  - \$250,000 from the SSC
  - \$150,000 from the GPSC
  - \$100,000 from the JSC
- Health Authorities to adopt a policy such that physicians who are required to attend a HA disciplinary meeting will be notified in advance of their option to have a colleague or a representative of the MSA to attend the meeting with them.
  - HA responsibility to engage/consult with physicians through their Medical Staff Associations (MSAs) will include consultation on the physical and psychological safety of physicians

## OTHER IMPORTANT ITEMS

### Improving shared care

- New funding for the SCC to improve shared care between GPs, Specialist Physicians, and other healthcare professionals:
  - **\$0.5M** April 1, 2019 and an additional
  - **\$0.5M** April 1, 2020 and an additional
  - **\$0.5M** April 1, 2021
- Effective April 1, 2020, the fees for the Teledermatology Initiative will be transferred to the Available Amount. As of that date, general increases will apply to those fees and government will be responsible for funding predictable increases in utilization

### Pathways (GPSC)

- New ongoing funding to the GPSC for the Pathways initiative that provides physicians and their office staff quick access to current and accurate referral information:
  - **\$1.4M** April 1, 2019

### New Fee Fund

- New funding for allocation to new fee items to be added to the Payment Schedule, to apply equally to both Specialist Physicians and GP's:
  - **\$2M** April 1, 2019 and an additional
  - **\$2M** April 1, 2020 and an additional
  - **\$2M** April 1, 2021

### Introduction of Electronic Health Records (EHRs) in HA facilities

- HAs will actively engage with physicians before and throughout EHR implementation by seeking physicians' feedback and input into the planning, design, and implementation processes for EHRs through MSAs
- HAs will engage with MSA representatives on measuring the impact of EHR introduction on physicians and will share and review the results of such measurement with the MSA

### Consultation with the Ministry of Children and Family Development (MCFD)

- MCFD will meet with Doctors of BC to discuss steps to ensure engagement and dialogue between MCFD and physicians who provide services to the Ministry

### Billing for Patients without MSP

- The Ministry to meet with Doctors of BC to discuss and explore solutions to improve awareness, process, and rules pertaining to the Critical Care Coverage Program (through which physicians can claim payment for life and limb treatment of BC residents without MSP coverage)

## **Guidelines and Protocols Advisory Committee (GPAC) and the Patterns of Practice Committee (POP)**

- The parties agreed to:
  - Detail the current responsibilities of GPAC and POP in the PMA
  - Specify that Joint Collaborative Committees are to provide input to the work and effectiveness of GPAC and POP
  - Increase the annual funding to GPAC by \$140,000 per year

## **Joint Collaborative Committee Termination Provisions**

- Government agrees to amend the PMA termination provisions so that Doctors of BC will have a minimum of one year's notice of the termination of any matters related to the GPSC, SSC, SCC, and the JSC

## **Amendments to MOCAP Language and Template contract**

- Carry forward of 2014 PMA amendments that reflect the decisions of the Provincial MOCAP Review Committee
- Improved language and definitions, particularly regarding On-Call/Availability services and the meaning of "new/unattached patients"