

[PRACTICE/APPLICABLE DIVISION OF FAMILY PRACTICE LETTERHEAD]

[Address]

PHYSICIAN SERVICES AGREEMENT

[Telephone:]

[Fax:]

[DATE]

[PHYSICIAN NAME]

[PHYSICIAN ADDRESS]

Dear [NAME OF PHYSICIAN],

This letter agreement (the "Agreement") will confirm the terms and conditions of the agreement between [PRACTICE] (the "Practice") or [APPLICABLE DIVISION OF FAMILY PRACTICE] (the "Division") and [NAME OF PHYSICIAN] (the "Physician").

1. Services

The Physician will perform the services as set out in Schedule A during the term of this Agreement (the "Services").

The Practice (or the Division) will provide basic facilities required to perform the Services including reception and office staff, office space, equipment and supplies.

The Physician will perform such other lawful duties, responsibilities and tasks as the Practice (or the Division) may request of the Physician from time to time.

2. Term

The initial term of this Agreement shall be [NUMBER] [Weeks/Months], commencing on [DATE], [or such later date as mutually agreed by the parties and as specified in Schedule A], and terminating on [DATE], [or such later date as mutually agreed by the parties and as specified in Schedule A], subject to earlier termination as set out below. The parties may, prior to the termination of this Agreement, renew this Agreement by mutual consent for a further defined term.

3. Hours of Work/Scheduling

The normal operating hours of the Practice (or the Division) are [Days/Hours].

The Physician will make him or herself available to provide the Services for a minimum of [Number] days per week (based on 8 working hours per day) for a minimum of [Number] weeks, as set out in Schedule A. **[NTD: This section to be customized as applicable to accommodate practice arrangements and full or part time requirements.]**

The Physician will provide the Practice (or the Division) with his or her desired work schedule, including any planned leaves such as for vacation or continuing medical education, which the Practice (or the Division) will use reasonable efforts to accommodate. In order to minimize appointment cancellations, the Physician will notify the Practice (or the Division) a minimum of 3 weeks in advance if he or she wishes to change this schedule.

The Physician and the Practice (or the Division) will work together to make arrangements for Practice (or Division) coverage (for example through Practice (or Division) colleagues, community colleagues or locum physicians) when necessary. Locum physicians are

subject to the approval of the Practice (or the Division), which approval will not be unreasonably withheld.

4. Type of Relationship

4.1 Independent Contractor

The Physician will provide the Services as an independent contractor, at arm's length from, and not as an employee of, the Practice (or the Division). This Agreement shall not constitute or create any partnership, employment, joint venture, agency or other relationship whatsoever. The Physician shall have no authority to bind the Practice (or the Division) in any manner whatsoever, unless expressly approved by duly authorized representatives of the Practice (or the Division) in the performance of the Services contemplated under this Agreement.

The manner and means by which the Physician will provide the Services are under his or her sole and exclusive control, provided, however, that the Services meet the Practice's (or the Division's) standards regarding quality and timeliness.

The Physician will provide his or her own basic equipment including a stethoscope and a doctor's bag.

The Physician will provide cellular telephone communications at his or her own expense.

The Physician is responsible for his or her own continuing medical education at his or her own expense. **[NTD: This may be deleted if professional development is offered as an incentive in section 6]**

4.2 No Benefits

The Physician is not entitled to participate in any employment benefits of any kind, including medical, dental, extended health, sick leave, short term disability, long term disability, retirement, pension, employee savings or group life insurance plans of the Practice (or the Division). The Physician is not entitled to paid vacation or vacation pay.

4.3 Conflict of Interest

During the Term of this Agreement, the Physician will not, without the written consent of the Practice (or the Division), perform a service for or provide advice to any person, firm or corporation where the performance of the service or the provision of the advice could result in a conflict of interest.

4.4 Withholdings and Indemnity

The Physician shall be solely responsible for the deduction and remittance of any income tax and other statutory obligations owing from the physician to the receiver general for Canada, Canada Revenue Agency, WorkSafeBC and other statutory agencies in connection with provision of the Services. The Practice (or the Division) shall not deduct or remit to any statutory authority any income taxes, employment insurance premiums, Canada Pension Plan contributions or other amounts in respect of monies paid to the Physician.

The Physician shall indemnify and hold the Practice (or the Division) harmless from :

- (a) any and all claims or demands that may be made by Canada Revenue Agency requiring the Practice (or the Division) to pay income tax, penalties, interest or other charges under the Income Tax Act (Canada), the Income Tax Act (BC), the Employment Insurance Act (Canada), the Canada Pension Plan Act (Canada), or similar statute of Canada or province or territory in respect of any payments made to the physician for services rendered under this Agreement, or in respect of deductions or remittances unpaid to any statutory agency, and
- (b) any and all costs, charges, legal fees and other expenses reasonably incurred by the Practice (or the Division), or related or subsidiary companies in connection with defending any civil, criminal or administrative action, proceeding or other remedy taken against them with respect to the claims or demands set out in (a) above.

5. Payment

The Practice (or the Division) will pay the Physician as set out in Schedule B.

The sums payable pursuant to this section 5 represent the full and entire compensation due to the Physician in consideration for the performance of his or her obligations under this Agreement.

6. Incentives [NTD: All of these sub-sections are optional. Their inclusion will depend on the business decisions of the hiring Practice or Division.]

6.1 Expenses

The Practice (or the Division) will reimburse the Physician for all reasonable travelling and other out-of-pocket expenses incurred by the Physician in connection with the provision of the Services in accordance with the policies of the Practice (or the Division) in effect from time to time.

6.2 Professional Development

The Practice (or the Division) will subsidize the Physician's continuing medical education in the amount of [**\$Amount or # of courses**] per year.

6.3 Signing Bonus

The Physician will be entitled to a one time payment of [**\$Amount**] as a signing bonus upon execution of this Agreement.

6.4 Performance Bonus

The Physician may be awarded a cash bonus from time to time. The award, timing and amount of any such bonus is to be determined at the sole discretion of the Practice (or the Division) taking into consideration the Practice's (or the Division's) financial ability to fund such a bonus as solely determined by the Practice or the Division, the Physician's performance of the Services, and/or the accomplishment of any specified milestone events or other such parameters as may be determined by the Practice (or the Division) from time to time.

7. Termination

- (a) This Agreement shall automatically terminate at the end of the Term or any subsequent renewal.
- (b) The Practice (or Division) may terminate this Agreement immediately and without notice or pay *in lieu* of notice should the Physician cease to be a member in good standing with the College of Physicians and Surgeons of British Columbia (the "College"); violate any billing rules or any other regulation under provincial health legislation; or be involved in conduct which, in an employment relationship, would constitute just cause for termination at common law.
- (c) Notwithstanding any other provision in this Agreement, either party may terminate this Agreement at any time for convenience upon **[NUMBER]** days written notice. If this Agreement is terminated for convenience, the Practice (or the Division) will pay the Physician the amount earned for Services performed to the effective date of termination.
- (d) This Agreement may be deemed terminated upon the death of the Physician or his or her disability as defined below. In the event of termination for death or disability, the Physician or the Physician's estate will be entitled to the same compensation as if the Agreement had been terminated pursuant to section 7(b) above.
- (e) For the purposes of this Agreement, a Physician is "disabled" if he or she becomes incapacitated by injury or disease so as to be unable for a period in excess of 60 days in any consecutive 12 month period, to regularly perform the Services.
- (f) Upon termination of this Agreement, for whatever reason, the Physician shall not be entitled to any further fees, reimbursement of expenses or other compensation except that which has accrued and became payable prior to the date of such termination.

8. Return of Property

All property belonging to the Practice (or the Division) furnished to the Physician in connection with the performance of the Services, including but not limited to files, records, reports, correspondence or other documents, equipment or other property are and shall remain the sole property of the Practice (or the Division) and shall be returned to the Practice (or the Division) immediately as and when requested by the Practice (or the Division) or upon termination of this Agreement for any reason and the Physician shall not take with him or her any such property or reproduction of such property upon termination. Patient records shall be dealt with in accordance with section 13(c).

9. No Defamation and Non-Disparagement

The Physician and the Practice (or the Division) covenant and agree that they shall not engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks which are disparaging, deleterious or damaging to the integrity, reputation or goodwill of the Practice (or the Division) or its management or of the Physician, respectively, nor directly or indirectly, impair or seek to impair, the reputation or relationships of the other party.

10. Confidentiality

The Physician and the Practice (or the Division) shall maintain as confidential and not disclose any patient information, except as required or permitted by law.

During and after the Term of this Agreement, or any subsequent renewal, the Physician must not, without the prior written consent of the Practice (or the Division), publish, release or disclose or permit to be published, released, or disclosed any other confidential information supplied to, obtained by, or which comes to the knowledge of the Physician as a result of this Agreement unless the publication, release or disclosure is:

- (a) necessary for the Physician to fulfill his or her obligations under this Agreement;
- (b) required or expressly permitted by an order of the court;
- (c) required when giving or when validly compelled to give evidence in a proceeding;
- (d) required or expressly permitted by an enactment of British Columbia or of Canada;
- (e) made in accordance with any other applicable law or rule of law;
- (f) made in accordance with the Physician's professional obligations as identified by the College; or
- (g) in reference to this Contract.

For the purposes of this section 10, information shall be deemed to be confidential where all of the following criteria are met:

- (a) the information is not found in the public domain;
- (a) the information was imparted to the Physician and disclosed in circumstances of confidence, or would be understood by parties exercising reasonable business judgement to be confidential; and
- (c) the Practice (or the Division) has maintained adequate internal control to ensure information remained confidential.

11. Non-Competition [NTD: This section is optional. Note that these provisions are difficult to enforce and must be as limited as possible to protect the legitimate business interests of the Practice (or the Division).]

During the Term of this Agreement, or any subsequent renewal, and for a period of 6 months following its termination for any reason, the Physician shall not, without the prior written consent of the Practice (or the Division), either individually or jointly, directly or indirectly, as an employee, employer, operator, agent, contractor, owner, consultant, partner, investor or otherwise, be directly or indirectly engaged in, concerned with, or performing services in respect of any entity that competes directly with the business carried on by the Practice (or the Division). Such restriction will apply within all of the area of [NTD: name the specific geographic area. Note that this needs to be extremely limited in scope.].

Nothing in this section shall prevent the Physician from providing his or her professional services to members of the public in a manner that does not conflict or directly compete with the business carried on by the Practice (or the Division).

12. Non-Solicitation

During the Term of this Agreement, or any subsequent renewal, and for a period of 12 months following its termination for any reason, the Physician shall not:

- (a) directly or indirectly, solicit, employ or retain as an independent contractor any employee or contractor of the Practice (or the Division) or persuade, or attempt to persuade, any such person to leave his or her employment or contracting arrangement with the Practice (or the Division).

13. Records and Audits

- (a) The Physician agrees to comply with the usual record keeping procedures of the Practice (or the Division) including procedures with respect to patient records, and billing and accounting practices.
- (b) **[NTD: This section is optional (depending on whether the Practice (or the Division) has an EMR. It can also be customized based on business decisions, for example the cost of an EMR could be offered as an incentive to the Physician.]** The Practice (or the Division) will provide the Physician with a computerized work environment including an electronic medical records system. The Physician agrees to designate the Practice (or the Division) as the recipient of any funds provided by government or other health authorities for subsidizing the costs of such computer systems, or otherwise reimburse the Practice or the Division for the value of any such subsidy received.
- (c) The Physician agrees that, in accordance with the College's guidelines, a copy of all records, medical or otherwise, pertaining to patients seen by the Physician will remain with the Practice (or the Division) following termination of this Agreement for any reason. **[NTD: The Physician owns the medical record but the College guidelines require the patient's written consent to transfer the record. The Physician must advise the patient they are leaving the Practice and the patient may choose whether or not to transfer his or her record.]**
- (d) The Physician acknowledges the auditing authority of the Medical Services Commission under the *Medicare Protection Act*.

14. Use of Name and/or Likeness

If at any time, in compliance with the applicable College guidelines, the Physician agrees to participate as a model or speaker in advertising, promotional or educational materials developed by the Practice (or the Division), the Physician grants to the Practice (or the Division) the right to use, publish and copyright his or her picture, film, video, portrait and likeness, in whole or in part, including alterations, modifications, derivations, and composites thereof, in the materials throughout the world forever. This right shall include the right to combine the Physician's likeness with others and to alter the likeness, by digital means or otherwise.

15. Representative

- (a) The Practice (or the Division) hereby designates **[Name, Position]**, to act as its representative in connection with all matters arising under this Agreement (the "Representative").
- (b) The Division may change the Representative at any time and shall give written notice to the Physician in respect thereof.
- (c) Any general direction or approval from the Representative shall be deemed to be the general direction or approval of the Practice (or the Division).

16. Additional Representations and Warranties

The Physician represents, warrants and covenants with the Practice (or the Division) that:

- (a) The Physician has the necessary knowledge, experience and skills to perform the Services.
- (b) The Physician will perform the Services in a competent and professional manner and in accordance with all applicable laws, rules, policies, guidelines, and regulations including applicable ethical and other professional standards required by the College from time to time. Subject to this requirement, the Physician is entitled to professional autonomy in the provision of the Services.
- (c) The Physician is now and will remain enrolled in the Medical Services Plan.
- (d) The Physician is duly licenced and in good standing with the College and is lawfully entitled to practice medicine in the Province of British Columbia. The Physician will conduct his or her practice of medicine in compliance with the conditions of such licensure. The Physician will be responsible for payment of all professional dues and licensure fees.
- (e) The Physician is now and will remain a member in good standing in the Canadian Medical Protective Association. Any claims or actions against the Physician shall be defended and settled by the Physician. The Physician will be responsible for payment all of his or her own dues and/or fees for such membership.
- (f) **[NTD: This section is optional, depending on whether sponsorship is required by the College]** The Physician will comply with Health Authority sponsorship terms and conditions, if applicable, including the requirement for supervision by a fully licenced physician.

- (g) The Physician will be responsible for contracting and payment of his or her own disability insurance should he or she desire it.
- (h) The performance of this Agreement shall not breach any other agreement entered into by the Physician.
- (i) The Physician has not brought to the Practice (or the Division), nor shall it use in the performance of the Services, any confidential materials or documents of any third party, unless the Physician has received prior written authorization to do so from the owner of the confidential materials or documents.
- (j) The Physician shall not infringe the intellectual property rights of any third party in performing the Services.

17. Indemnity

The parties covenant and agree to indemnify and save each other harmless from any liability, loss, damage, or expense, including assessable legal fees, arising out of the performance of their respective obligations under this Agreement, including any negligent act or omission on their behalf or by anyone for whom they are in law responsible.

The parties agree that they will cooperate with each other in the defence of any such action, including providing each other with prompt notice of any such action and the provision of all material documentation permitted by law. The parties further agree that they have a right to retain their own counsel to conduct a full defense of any such action.

18. General

- (a) The rights and obligations of the Practice (or the Division) under this Agreement are assignable and shall enure to the benefit of, and shall be binding upon, the successors and assigns of the Practice (or the Division). The Physician shall not assign its rights or obligations under this Agreement.
- (b) If any term or provision of this Agreement is found to be illegal, invalid or unenforceable, such term or provision shall be deemed to be deleted from this Agreement and this Agreement shall be construed without reference to such term or provision and, as so construed, shall continue to be binding upon the Practice (or the Division) and the Physician.
- (c) The failure of either party to enforce any provision of this Agreement will not be construed as a waiver thereof, or as excusing the other party from future performance.
- (d) Any notice or other communication given in connection with this Agreement shall be in writing and delivered or mailed to the addresses noted above. Notice shall be deemed to have been given when received.
- (e) The provisions of this Agreement shall be governed by and interpreted in accordance with the laws of British Columbia and the laws of Canada applicable therein and the Physician agrees to submit irrevocably to the exclusive jurisdiction of the Courts of British Columbia.
- (f) This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written agreements, formal or informal, between the parties or their representatives with

respect to the subject matter of this Agreement. No modification, alteration or waiver of the terms of this Agreement shall be binding unless made in writing, dated subsequent to the date of this Agreement and duly executed by each of the parties hereto.

19. Independent Legal Advice

The Physician acknowledges having read and understood the terms of this Agreement and having been given the opportunity to obtain independent legal advice concerning the interpretation and effect of this Agreement prior to its execution.

We trust that the terms and conditions of this Agreement are agreeable to you. Please signify acceptance of these terms and conditions by signing and returning the enclosed copy of this Agreement to me by **[DATE]**.

Yours truly,

[NAME]
[POSITION]

By signing and dating this Agreement, the Physician certifies having read and fully understood, and having agreed to comply with, the terms and conditions of this Agreement as outlined above.

[PHYSICIAN NAME]

[DATE]

[PHYSICIAN SIGNATURE]

SCHEDULE A

SERVICES

The Physician shall provide the following Services during the Term of the Agreement (from **[DATE]** to **[DATE]**):

- Clinical work on the following days, for a minimum of **[Number]** weeks: **[Days]**
- Review of reports, letters and results belonging to the Physician
 - Specify if the Physician is expected to review results generated by other physicians
 - The Physician will ensure that results and reports generated will be followed up appropriately up to and including the end of the Term.
- Hospital work
 - Admission of patients required
 - Daily hospital rounds
 - Doc of the day requirements
 - Privileges obtained*
 - Surgical assists
 - ER Shifts
 - Hospitalist Shifts
 - Hospital orientation required*
 - Other
- On-call work required (*limited to a maximum of 1 weekend per month or one evening per week*)
 - Telephone call only
 - On site (location): _____
 - Ability to respond to hospital within 15 minutes of call (immediately for STAT call), and to be on site within 30 minutes for non-urgent call, and within 5-10 minutes for STAT call
 - Understanding of how to access on call list and contact information for specialists*
 - Availability of mentor or alternate for advice as needed*
 - Surgical assists
 - Dates and hours of on-call (*see attached list*)
 - Other
- Walk-in Clinic Shifts
 - Clinic orientation required*
 - Dates _____
- Obstetrical work
 - Prenatal only
 - Maternity Clinic Shift Dates _____
 - Privileges for obstetrics
- Extended care / nursing home
 - Facilities & addresses
 - Usual visitation days _____
 - On call requirements
- House calls expected
 - Approximate volume & frequency

Any restrictions on scope of practice by the College?

Procedures done at clinic

- IUD insertion
- Sutures
- Mole removal
- Liquid nitrogen available
- Other

Other practice requirements (e.g. methadone practice, WIC shifts, sessional work, aviation / marine medicals, teaching obligations (med student/resident), cosmetic practice such as Botox)

Comments: _____

Clinic teaching expectations (specify)

After hours, weekend, holiday coverage

The Physician will provide billing information in respect of the following GPSC fees as appropriate:

- Patient Conferencing / Facility Conferencing fees
- Acute Care Discharge Planning
- Telephone Conferencing with Specialist
- Palliative Care fees
- Mental Health fees
- Chronic Disease Management (CDM)
- Complex Care
- Prevention Fee
- Other (Specify)

The Physician will bill Cpx (0101's) and counseling fees (0120's) as appropriate.

SCHEDULE B

PAYMENT

The Practice (or the Division) will submit all Physician billings to MSP, WorkSafeBC, ICBC, other third parties, and/or to patients directly under the Physician's Billing Number.

The Physician will record on a day sheet or billing form the fee-for-service codes, third party billing codes or fees charged privately and diagnostic codes for all Services provided by the Physician. Fees charged will be in accordance with MSP regulations and the usual Medical Practice policies.

The parties acknowledge that the Practice (or the Division) has the responsibility to submit the details of the Services performed to the Ministry of Health for the purpose of billing fee for service, including:

- (a) The name and identity of the patient;
- (b) The Physician's billing number; and
- (c) The details of the Service, including the location where the Service was performed, the date and time the Service was Performed, the length of time spent in performing the Service, the diagnosis and corresponding fee for service code.

The Physician will cooperate with the Practice (or the Division) and make reasonable efforts to provide this information as required.

The Physician is responsible for the accuracy of all information and reports submitted by him or her to the Practice (or the Division).

Option 1

The Physician will receive 100% of all Physician billings paid. The Physician will pay the Practice (or the Division) [Frequency], on the [Date(s)] of the month, **[the amount of \$Amount] or [NUMBER%]** for the provision of the facilities set out in section 1 of the attached Agreement. **[NTD: This may be negotiated a fixed amount or % for the duration of the term or can provide as follows: Should the cost of providing the facilities increase significantly during the Term, the Practice (or the Division) may adjust the amount to be paid on a pro-rata basis.]**

Should the cost of the Practice (or the Division) providing the facilities increase significantly, the Practice (or the Division) may adjust the amount of the payment on a pro-rata basis.

Option 2

The Physician assigns to the Practice (or the Division) any and all rights he or she has to receive fee-for-service, third party or private billings for any of the Services covered by this Agreement, and will sign an assignment of payment in the form attached to this Agreement as Schedule C.

The Physician's billings will be paid directly to the Practice (or the Division).

The Physician will receive the applicable percentage of billings as set out below.

The total amount owed to the Physician will be paid by the Practice (or the Division) every [Frequency] by direct deposit into a designated bank account. The final payment upon termination of this Agreement will be made within two weeks of receipt of final billings.

The Physician will receive [%] of total billings of services as listed below:

Types of Billing

Office-based billings including:

- In-office MSP / WorkSafeBC / ICBC / Other third party
- In-office non-insured visits
- In-office procedures, lab / tray fees

- Forms (e.g. LTD, sick notes, school forms)

Out-of-office billings during regular office hours:

- Extended care
- Home visits
- Hospital billings
- Assigned walk in clinic shifts

Agreed upon after hours services including:

- Extended care
- Home visits
- Hospital services
- Surgical assists
- House visits
- Other _____

Obstetrics

- Deliveries
- Obstetrical bonus
- Maternity Clinic Shifts
- Obstetrics privileges required*
- After hours walk in clinic shifts

- [NTD: This section is optional.]** Guaranteed Minimum of \$ _____ (daily / hourly)
(if net billings are less) will be paid and will be calculated on a daily basis

Option 3

[NTD: Additional information to be provided: Fee-for-service plus Alternate Payment Plan/Alternate Funding Plan which compensate the physician for unique types of clinical work, teaching or administration not billable under the fee-for-service model. This type of payment may be offered by a Division to a Physician working within a clinic leased by a Division.]

Option 4

[NTD: Additional information to be provided: Blended funding is a combination of population based and fee-for-service funding. Individual patients that live in the catchment area and receive core primary care services from the site are registered to the blended funding site. Registered patients generate daily revenue based upon their health status. In this model, all other services would be provided by the

practice; services to non-registered patients, patients out of the catchment area, or for non-core services generate fee-for-service revenue.]

SCHEDULE C
ASSIGNMENT OF PAYMENT