

---

# President's Letter

March 31, 2011

## ***New Memorandum of Agreement signed First retroactive payments to be issued April 7***



**Patrick M. O'Shea  
MD, CCFP, FCFP  
President**

Dear Colleagues:

I am pleased to announce that our new *Memorandum of Agreement (MOA)*, covering the period from October 1, 2009 to September 30, 2013 was finalized and signed late yesterday.

MCP will issue retroactive payments for fee-for-service (FFS) physicians on the April 7 and April 21 payment dates. The first of these payments will apply to services rendered from October 1, 2009 to March 2, 2011, while the second payment will apply to services rendered from March 3, 2011 to March 17, 2011.

Retroactive payments will be made on a quarterly basis thereafter until the FFS increases are micro-allocated to specific fee codes and a revised MCP *Medical Payment Schedule* comes into effect. Consultations on micro-allocations with the various specialty groups are under way. In the meantime, physicians should continue to bill for services using current rates.

MCP will be issuing a newsletter to all FFS physicians detailing the increases.

Retroactive payments for salaried physicians have been calculated and a report has been prepared for each regional health authority detailing the retroactive payment due for each physician on a site by site basis for base salary, additional workload and locum payments. Retroactive payments will be made for Year One of the agreement (October 1, 2009 – September 30, 2010) and for the first quarter of Year Two of the agreement (October 1, 2010 – December 31, 2010) over the April pay periods.

Increases applicable to all salaried physicians effective January 1, 2011 and forward will be paid out on a quarterly basis. Payments will be processed as close to the end of the quarter as possible and will continue on a quarterly basis until the Salaried Physicians Blended Payment Model can be implemented.

As I indicated in my March 15 *President's Letter*, the signing of our new *MOA* was delayed by government's reluctance to include provisions for binding arbitration in the agreement. Instead, government had proposed appending a vaguely worded letter to the *MOA*. On the advice of our legal counsel, we pressed strongly for binding arbitration to be included in the *MOA* and, after some discussion, government agreed.

.../2



**Newfoundland &  
Labrador Medical  
Association**  
164 MacDonald Dr.  
St. John's, NL  
A1A 4B3  
(709) 726-7424  
or 1-800-563-2003  
Fax: (709) 726-7525  
or 726-7456  
[www.nlma.nl.ca](http://www.nlma.nl.ca)  
[president@nlma.nl.ca](mailto:president@nlma.nl.ca)

NLMA *President's Letter*

**New Memorandum of Agreement signed**

March 31, 2011

Page 2 of 2

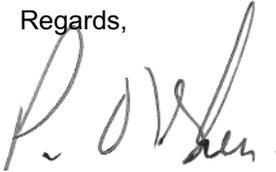
I know how frustrated many of you were with the delay in finalizing our legal agreement with government and I appreciate your patience as we concluded what has been a challenging and protracted negotiation.

Achieving parity with our colleagues in the rest of Atlantic Canada is an accomplishment we can all celebrate. Ensuring that binding arbitration is available to us as a dispute resolution mechanism for all future negotiations is no less important.

The issue of binding arbitration and how it is documented within the *MOA* will have an impact on our profession for many years to come. Time spent getting that right was time well spent for physicians today and for the physicians of tomorrow.

The new *MOA* will be posted to our website for all members to access in the coming days.

Regards,

A handwritten signature in black ink, appearing to read 'P. O'Shea', with a stylized flourish at the end.

Patrick M. O'Shea, MD, CCFP, FCFP  
President