

APPENDIX - APPROPRIATENESS WORKING GROUP (AWG) AND PROCESS

1. The parties will establish a joint Appropriateness Working Group (AWG) composed of:
 - (a) Four (4) representatives from the Ministry of Health; and
 - (b) Four (4) representatives from the OMA.

The AWG will be co-chaired, with each of the Ministry and OMA selecting one of their respective members to act in this position (the Co-Chairs).

2. The purpose of the AWG is to promote the parties' shared commitment to the use of evidence and best practices, in order to improve the quality of patient care by reducing the provision of medically unnecessary or inappropriate medical services without compromising patient access to medically necessary services.
3. In determining whether a service is medically unnecessary or inappropriate, the AWG will be guided by the best available evidence. This could include Health Quality Ontario reports and recommendations, Health Technology Assessments, peer reviewed literature, Choosing Wisely Canada recommendations, consultations with both physicians and experts in the field being examined, any provincial, national or international guidelines for high quality patient care, clinical care standards and principles of professional practice.
4. In carrying out its mandate, the AWG will initially focus on, but not be limited to, the Ministry appropriateness proposals, tabled during the 2017-18 negotiations and mediation process.
5. The Ministry or the OMA may identify additional proposals for appropriateness changes, aimed at identifying medically unnecessary or inappropriate provision of services which are unrelated to meeting clinical needs.
6. The AWG may, in carrying out its mandate, consult with such additional outside parties, organizations and expert panels on an ad hoc basis as the committee considers helpful. The AWG will also consult relevant OMA sections impacted by the proposals under consideration.
7. The AWG will seek to reach agreement on reducing the provision of medically unnecessary or inappropriate services through payment rule changes (including modifying or specifying the indications for treatment), de-listing of a service and/or other rule changes as are responsive to the determination of appropriateness/inappropriateness, and/or through physician peer comparisons/review and physician/patient education. This may also include mechanisms for operationalizing recommendations regarding appropriateness/inappropriateness. However, there is no

scope for the AWG or the arbitration board to set, change or reduce fees for the provision of individual services.

8. The parties will determine the value of the changes arising from the process set out in paragraph 7, which will be deemed to be equal to the difference between the amount paid for the service in the prior fiscal year under the previous payment coverage/rule, and what would have been paid had the revised payment coverage/rule been in effect in that prior fiscal year. By way of example, if a rule change is made, the total value of the change will be equal to the amount that would have been paid for the service in the prior fiscal year had the payment rule change been in effect. If a service is delisted, the total value of the change will be equal to the amount paid for the service in the prior fiscal year. For peer review/comparison and educational changes, the parties will use best efforts to determine the value of the expected changes in the provision of medically unnecessary/inappropriate services. In any case, failure to reach agreement on the value of any changes as determined in accordance with this paragraph will be determined by the board of arbitration. The parties will work together to implement processes in an effort to achieve the expected outcomes.
9. For purposes of the 19/20 contract year, the committee will endeavor to achieve a settlement by May 1, 2019 on the matters set out in paragraph 7 and 8 totaling \$ 100M for the period of June 1, 2019 to March 31, 2020. If no settlement is achieved, the Kaplan Board of Arbitration shall remain seized, and will hold hearings with an award by June 1, 2019 that will identify the changes totaling \$ 100 million.
10. For the purposes of the 20/21 contract year, the committee will endeavor to achieve a settlement by September 30, 2019 on the matters set out in paragraphs 7 and 8 totaling a further \$360 million for the period of April 1, 2020 to March 31, 2021. If no settlement is achieved, the Kaplan Board of Arbitration shall remain seized, and will hold hearings with an award by January 1, 2020 that will identify the changes totaling a further \$ 360M.
11. For further clarity, the totals to be achieved as a result of paragraph 9 and 10 above are \$480 million.
12. It is understood that if changes of more \$100 million are agreed to/awarded in 19/20, the 20/21 amount will be reduced by the excess.
13. In making its determination under paragraphs 9 and 10, the Board of Arbitration may not order that services be delisted absent agreement. Where the parties agreed to delisting changes, the value of those changes determined in accordance with paragraph 8 will be included in the annual total.
14. In the course of its deliberations, the AWG may refer specific appropriateness proposals to an Expert Panel for review. This would involve convening an expert group to provide recommendations, based on appraisals of the evidence, and will typically occur when

the AWG cannot come to a consensus. The AWG will then consider the information/recommendation(s).

15. Any dispute with respect to procedural issues relating to the operation of the AWG, or an Expert Panel, including timelines, will be determined by the chair of the Board of Arbitration.
16. The parties will fund their appointed members of the AWG and provide necessary secretariat support.

Approved as part of the OMA Arbitration Award - Feb. 18, 2019 Page extracted from Board Doc. 10, June 27, 2019
