

## MEDIATION AGREEMENT

Between:

The Medical Society of Prince Edward Island

and

Health PEI

and

The Government of Prince Edward Island

(collectively, the “Parties”)

**WHEREAS** the Parties recognize that it is mutually important that the medical system in PEI is the most efficient and successful as possible;

**AND WHEREAS** the Medical Society of Prince Edward Island (“MSPEI”) issued a written notice of referral of a dispute to IMT on June 11, 2025 in accordance with Article 10.2(b) of the Physician Services Agreement (the “PSA”);

**AND WHEREAS** the Parties wish to enter into mediation of this dispute on the following terms, on a without prejudice basis:

1. The Parties agree that it is in their mutual interests that the relationship between the parties operates in accordance with the agreed terms of the PSA on the basis of mutual trust. As such, the parties agree as follows:
  - a. The Parties will agree to the appointment of Bruce Outhouse as the mediator.
  - b. The mediator will meet with the parties personally in Prince Edward Island as soon as practical and subject to availability of the mediator and the Parties, but no later than September 30, 2025. No Party can frustrate the process of mediation by lack of reasonable availability.
  - c. The costs of the mediator shall be shared by the three Parties.
  - d. The Parties agree that the mediator shall mediate the following questions:
    - i. What role does the IMT and EC have in the governance, operation and administration of the PSA (reference: PSA, A.13);

- ii. What role does the EC and IMT have in the approval of the Operational Guide's contents, specifically:
  - the methodology behind panel size validation for the purpose of the panel incentive program;
  - details on panel modifiers to be applied to an individual physician's panel;
  - defining KPIs and the required data collection and reporting for salaried and contract physicians; and
  - the methodology behind validating an individual physician's panel size.
- iii. What is the process by which the Parties should engage with each other to achieve meaningful consultation?
- iv. What do the Parties require to restore a functional relationship as contemplated and designed in the PSA?
- e. Additional questions or topics for mediation may only be added with the consent of all Parties.
- f. The mediator shall have the authority to meet with the Parties independently both before and during the mediation, and all conversations will be confidential unless otherwise agreed by the Parties.
- g. Briefs will be exchanged between the Parties and delivered to the mediator not later than five (5) days prior to the mediation.
- h. The Parties reserve the right to terminate the mediation in the event that any other Party or its representatives or employees continue to discuss the matters subject to mediation on social media, in the press, or directly to politicians, with the exception of physician expression in accordance with Article B1.8 of the PSA.
- i. The Parties will identify their mediation team members who shall remain consistent throughout the mediation and all members of both teams shall be subject to the following sub-paragraphs j-m.
- j. No person, counsel or party, present or otherwise participating shall record any part of the mediation except solicitor and client written documents and the settlement documents.
- k. All statements made, and documents produced at the Mediation and not otherwise discoverable shall not be subject to disclosure through discovery or any other process, shall be without prejudice and confidential, and shall not be admissible into evidence

for any purpose; including impeaching credibility or to establish the meaning and/or validity of any settlement or alleged settlement arising from the Mediation.

- l. The notes, records, statements made, and the recollections of the Mediator shall be confidential and protected from disclosure for all purposes in accordance with the sub-paragraph above.
- m. No person, counsel or party, present or otherwise participating shall record any part of the Mediation except solicitor and client written documents and the settlement documents.
- n. Without prejudice to the Parties' positions at mediation or arbitration, all Parties agree, until the conclusion of a mediation or arbitration:
  - i. The current Panel Policy requirement for a minimum panel size of 1300 and a maximum panel size of 1600, the assigned panel policy benchmarks as proposed in individual physician communications and key performance indicators as proposed in the draft Operational Guide, will be paused pending the outcome of the mediation or arbitration (the "interim period").
  - ii. In the interim period, affiliation will occur as follows:
    - (a) **Physicians who are new to practice (in the eighteen (18) months of practice at the date of execution of this Agreement):** affiliation in the ordinary course of HPEI operations to 1300 per 1.0 FTE (unless greater than 1300 by consent), at a rate of affiliation of sixty-six (66) new patients a month;
    - (b) **Established physicians (more than eighteen (18) months of practice) who have a panel at or above 1600 (prorated to the Physician's FTE):** affiliation will continue in the ordinary course of HPEI operations to maintain these physicians at a panel of not less than 1600 (prorated to the Physician's FTE); and
    - (c) **Established physicians (more than eighteen (18) months of practice) who have a panel below 1,300 patients (prorated to the physician's FTE):** affiliation as follows:
      - a. Where there are no established circumstances that make it untenable to add patients (i.e. near retirement, medical issue, planned leave and or other known/documented circumstance), the affiliation rate will be sixty-six (66) patients per month, carried out in the ordinary course of HPEI operations.
      - b. For physicians who are at or above 50% of a 1300 panel size, where there are established circumstances that affect the ability of a

physician to add patients, HPEI will continue to work with these physicians in the ordinary course of operations to achieve the target affiliation rate of sixty-six (66) patients per month and a panel size of 1300, and to work with the physician in an ongoing manner on practice and performance review and development.

- (d) For physicians who are below 50% of a 1300 panel size, where there are established circumstances that affect the ability of a physician to add patients, HPEI will work with MSPEI on practice and performance review and development and there will be an affiliation rate of a minimum of twenty-five (25) patients per month until a panel size of 1300 is reached.
  - iii. MSPEI will encourage physicians to trust the mediation process and the shared desire to achieve a clear path forward on the mediation questions set out herein. MSPEI will advise physicians to delay making decisions about reducing their practices and adding patients to the registry.
  - o. Patient Panel Incentive Program Payments: When the Operational Guide, including KPI's, is in place, Health PEI will require approximately three (3) months to assign panel benchmarks to all physicians. As soon as all panel benchmarks have been assigned, and HPEI has twelve (12) months of measurable KPI data, it will process Patient Panel Incentive Program Payments in accordance with the terms of the PSA (which twelve (12) month period can begin at any time after the effective date of the PSA, April 1, 2025).
  - p. If the Parties are unable to reach a resolution through mediation, either party may trigger their rights to arbitration under the PSA.
2. Once this Mediation Agreement is signed:
- a. All Parties will support the goal of the mediation process and no Party will make public comments with respect to the issues at mediation. MSPEI agrees to send a communication to its members to discourage members from making public statements regarding the issues at mediation while the mediation process is underway, except with respect to physician expression in accordance with Article B1.8 of the PSA and Section 37.(2) of the Medical Staff Bylaws.
  - b. If any Party is requested to speak to a Standing Committee or any other legislative body, during the interim period, the Party will request that they be able to refrain from commenting on matters that are within the scope of the mediation during the interim period.
  - c. The Parties will jointly communicate this Mediation Agreement with physicians, MSPEI and Government leadership.

d. The Parties will issue a joint public statement advising they are engaging in Mediation.

AGREED TO on the 15<sup>th</sup> day of July, 2025

Signed by:



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Per: Hon. Mark McLane, Minister  
Department of Health and Wellness

Signed by:



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Per: Health PEI Board Chair,  
Diane Griffin

Signed by:



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Per: Dr. Krista Cassell,  
President, MSPEI

Signed by:



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Per: Melanie Fraser  
CEO, Health PEI

Signed by:



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Per: Lea Bryden  
Chief Executive Officer, MSPEI

Signed by:



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Per: Lisa Thibeau  
Deputy Minister,  
Department of Health and Wellness