Policy Statement:

The physicians participating in the Department of Family Medicine AARP are independent contractors. As such, payment from NAAFP to participating physicians or their professional corporations is contingent upon the successful attainment by each physician of the performance goals established jointly by them and the Department of Family Medicine.

The purpose of this policy is to:

Unambiguously link the compensation received by each physician participating in the AARP to their individual performance.
1. **DEFINITIONS**

1.1 **AARP** – the academic alternate relationship plan entered into between the Participating Physicians, the University, Capital Health, and Alberta Health and Wellness.

1.2 **Academic Appointment** – means an appointment to the Department of Family Medicine at the University of Alberta.

1.3 **Association Agreement** – the agreement entered into by Participating Physicians that hold Academic Appointments to govern and manage their participation in the AARP.

1.4 **FTE** – is the percentage participation of a Participating Physician in the AARP expressed as a decimal.

1.5 **Management Committee** – refers to the standing committee of NAAFP charged with the responsibility and authority for all aspects of the management of the revenues accruing to the Participating Physicians.

1.6 **NAAFP** – the association of Northern Alberta Academic Family Physicians.

1.7 **Participating Physician** – means a physician who or whose professional corporation has signed a Letter of Participation in the Department of Family Medicine AARP.

1.8 **Performance Evaluation Committee** – a committee established under the Association Agreement

1.9 **Physician Compensation** – is the amount payable to each Participating Physician by NAAFP, of the Alberta Health and Wellness payments received by NAAFP, following adjustments for costs, reserves, and trust monies as determined by the Management Committee.

2. **Procedures**

2.1 NAAFP disburses Physician Compensation to Participating Physicians on a monthly basis at an annual rate established by the Management Committee and scaled by the FTE participation of each Participating Physician in the AARP.

2.2 The total annual Physician Compensation disbursed by NAAFP to each Participating Physician is subject to the determination by NAAFP of the FTE of each Participating Physician.

2.3 The Performance Evaluation Committee shall review on a semi-annual basis the performance of each Participating Physician.

2.4 Participating Physician reviews shall coincide with the June and December reviews of academic physicians conducted by the Chair of the Department of Family Medicine and be informed by the results of the Chair’s reviews.
2.5 Following each semi-annual review of Participating Physicians, the Performance Evaluation Committee may recommend to the Management Committee that the FTE of any Participating Physician be adjusted downwards from 1.0 for the succeeding six month period to the next review.

2.6 Decreases in the FTE of any Participating Physician approved by the Management Committee will be reflected in the monthly disbursements of Physician Compensation to those Participating Physicians from NAAFP.