

**Return of Service Agreement for International Medical Graduates Enrolled in MUN
Family Medicine Residency Program**

THIS AGREEMENT made this _____ day of _____, 2024, at _____,
in the Province of Newfoundland and Labrador.

BETWEEN: **His Majesty in Right of Newfoundland and Labrador, as
represented by the Minister of Health and Community
Services,** (hereinafter called the “the Department”)

AND: _____, of _____, in the Province
of _____ (hereinafter called the “Physician”)

(Jointly referred to as “the Parties”)

WHEREAS the Department has purchased residency seats to be reserved for International Medical Graduates within the Family Medicine Residency Program, Memorial University of Newfoundland, to provide a pathway of employment for International Medical Graduates to help to increase the supply of medical professionals;

WHEREAS the Physician is an International Medical Graduate who has applied through the Canadian Resident Matching Service (CaRMS) to complete their postgraduate residency training with Memorial University of Newfoundland’s Family Medicine Residency Program;

AND WHEREAS, the Physician’s application for the Family Medicine Residency Program has been accepted in the mutual interest of the Parties;

AND WHEREAS the Department will fund educational costs of the Physician’s postgraduate residency training with Memorial University of Newfoundland’s Family Medicine Residency Program;

AND WHEREAS following licensure, the Physician has agreed to practice family medicine in Newfoundland and Labrador;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants, terms, and conditions herein contained, the Parties covenant and agree as follows:

1. Interpretation

1.1. Definitions

- a) Agreement: means this Service Agreement and any amendments made in accordance with this Agreement.
- b) Canadian Resident Matching Service (CaRMS): a national, independent, not-for-profit, fee-for-service organization that provides a fair, objective and transparent application and matching service for medical training throughout Canada.
- c) Default: has the meaning ascribed in section 7.1.
- d) Family Medicine Residency Program; means the two year postgraduate Family Medicine training at the Memorial University of Newfoundland.
- e) International Medical Graduate: means a graduate of an international medical school recognised by the World Directory of Medical Schools who can apply to complete their postgraduate residency training at a Canadian medical school.
- f) Provincial Health Authority, operating as Newfoundland and Labrador Health Services (NLHS): Responsible for providing the delivery and administration of health and community services in Newfoundland and Labrador.
- g) Service Obligation: has the meaning ascribed in section 5.2.

2. Funding Component

- 2.1. The Department will fund the educational cost for the Physician's two year postgraduate Family Medicine Residency training at the Memorial University of Newfoundland ("Family Medicine Residency Program") commencing on _____, subject to the Physician fulfilling all obligations under this Agreement.
- 2.2. The Department will pay all educational costs charged by Memorial University of Newfoundland for the Physician's participation in the Family Medicine Residency Program, directly to the university on behalf of the Physician.

3. Physician Obligations (Working Solely Within NLHS)

- 3.1. The obligations of sections 3 and 5 apply where the Physician is employed by NLHS.
- 3.2. The Physician will work as a 1.0 full-time equivalent (FTE) in Family Medicine as per the terms and conditions of the employment contract as issued by NLHS.

4. Physician Obligations (Private Practice or Blended Private/NLHS Work)

- 4.1. The obligations of sections 4 and 5 apply where the Physician operates a private practice on a fee-for-services basis submitting accounts under the *Medical Care and Hospital Insurance Act*, which practice may include services provided to NLHS other than under an employment contract.
- 4.2. The Recipient agrees to practice comprehensive family medicine within Newfoundland and Labrador.
- 4.3. The Physician agrees to provide to residents of Newfoundland and Labrador full-time continuous and comprehensive primary healthcare services appropriate to a family practice on a consistent basis, including preventative, acute and chronic care services (“Comprehensive Primary Healthcare Services”).
- 4.4. The Physician commits to providing family medicine practice for a minimum patient panel size. Patient panels are expected to be balanced in composition and reflective of the community within which the Physician is practicing medicine (ie. age, sex, complexity).
- 4.5. In recognition of the fact that the Physician does not have existing service commitments to NLHS, their minimum patient panel size targets are as follows:

Year 1: minimum panel size of 800 patients; and,
Years 2-5: minimum panel size of 1,200 patients.
- 4.6. In the event that the Physician takes on service commitments to NLHS, the Physician may request reduced minimum panel size targets, which will be determined in the sole discretion of the Department and will be dependent on the time committed to the family medicine practice.
- 4.7. On the request of the Department, the Physician is required to notify the Department of their patient panel size. The Department may also, on occasion, review patient panel size information included in MCP accounts submitted by the Recipient to the Department’s Audit Division.
- 4.8. If the Physician’s patient panel size is significantly lower than the targets set out in section 4.5, the Physician will be required to meet with the Department to discuss panel characteristics and any barriers to meeting such targets. Remedial measures may be suggested by the Department to help the Physician increase the patient panel size. If the Department is not satisfied with efforts and actions taken by the Physician to increase the patient panel size, the Department reserves the right to deem such circumstances a Default.

- 4.9 The Physician shall maintain full or provisional licensure under the Medical Act, 2011, and certification from the College of Physicians and Surgeons of Newfoundland and Labrador for the duration of the Agreement.
- 4.10 Where provisionally licensed as a family physician, the Physician shall:
- a) meet the requirements of the College of Physicians and Surgeons of Newfoundland and Labrador including requirements for supervision, mentorship or conditions of practice; and
 - b) maintain sponsorship from NLHS to practice family medicine for the duration of their provisional licence.
- 4.11 The Physician shall maintain legal status to work and remain in Canada over the duration of this Agreement.
- 4.12 The Physician agrees to provide on-call or other services for NLHS as required by NLHS, or where on-call or other services are not required by NLHS, the Physician is expected to provide after-hours care options to their patients.
- 4.13 Upon opening or joining a family practice, the Physician agrees to join the Family Practice Network (where one exists) and participate in relevant activities, and to remain a member for the duration of the Agreement.

5. General Obligations (All Physician Practice Types)

- 5.1. The Physician will successfully complete and graduate from the Family Medicine Program and commence work as a family physician in the province of Newfoundland and Labrador within three (3) months graduation from the Family Medicine Residency Program.
- 5.2. Following graduation from the Family Medicine Residency Program, the Physician will commence provision of family medicine practice services, either as an employee of NLHS or as a fee-for services physician in Newfoundland and Labrador under the terms and conditions set out in this Agreement, for a period of two (2) years served in Labrador-Grenfell Health Zone (Region 5), or five (5) years served elsewhere in the province (the "Service Obligation").
- 5.3. The Physician shall provide written notice to the Department within thirty (30) days of commencing employment with NLHS or opening or joining a family practice to advise that they have commenced practicing family medicine according to this Agreement.

- 5.4. The Physician shall provide written notice to the Department within thirty (30) days of any change in contact information such as name, address, email and phone number that were provided at the time of signing the Agreement.
- 5.5. The Physician shall provide written notice to the Department at least three (3) months prior to any change in practice or practice location that may occur during the term of the Agreement, failing which the Department reserves the right to deem such circumstance a Default.
- 5.6. The Physician shall notify the Department in writing at least three (3) months prior to any change in practice payment modalities, including switching from fee-for-services to blended capitation during the term of the Agreement.
- 5.7. Should the Physician choose to terminate this Agreement prior to completion of the Service Obligation, which termination will constitute a Default of this Agreement, the Physician shall provide written notice to the Department at least three (3) months prior to the termination date.
- 5.8. The Physician agrees to complete the Family Practice Programs exit survey upon completion or termination of service agreement.
- 5.9. In the event that the Physician seeks to provide or provides fewer than 44 weeks (220 days) of family medicine services over a practice year under this Agreement, the Physician shall notify the Department and request suspension and postponement of the Agreement and obligations thereunder as outlined in this section.
- a) A Physician's request for suspension and postponement of this Agreement must be made in writing to the Department, as early as possible and at least thirty (30) days before the first day that the Physician is due to be absent from family medicine practice or to not provide family medical practice services in excess of eight (8) weeks (40 practice days) in a practice year, or within fourteen (14) days after the commencement of the Physician's unexpected absence or unexpected inability to provide family medicine services. The written request must provide reason(s) for the request and identify the anticipated period of absence or inability.

- b) The Department will only consider a request for suspension and postponement of this Agreement presenting extenuating circumstances. Eligible reasons may include the Physician's serious personal illness, the Physician's maternity/parental leave, the serious illness or death of the Physician's dependant family member, or the Physician's additional medical training. The Department will decide whether to approve the request in its sole discretion.
- c) The Department will provide to the Physician written confirmation as to whether a request for suspension and postponement has been approved.
- d) In the event that approves a request for suspension and postponement of this Agreement:
 - i. the Parties' rights and responsibilities under this Agreement shall be suspended over the relevant period;
 - ii. the Physician shall provide the Department written notice of any changes to contact information and shall provide such other information as may be required by the Department; and,
 - iii. the term of the Agreement and the Service Obligation shall be extended by any approved period of suspension and postponement.
- e) In the event that:
 - i. the Department does not approve a request for suspension and postponement of this Agreement, and the Physician is absent from their family practice or unable to provide family medicine practice for more than eight (8) weeks (40 practice days) in a practice year; or,
 - ii. the Physician's absence from their family practice or inability to provide family medicine practice in such practice continues for more than twelve (12) months;

the Department reserves the right in its sole discretion to deem such circumstances a Default.

6. Representations and Warranties

- 6.1. The Physician warrants and confirms that every fact stated or represented by the Physician in connection with their application for the Family Medicine Residency Program is true and complete in all respects and agrees that the Department shall be conclusively deemed to have relied on each such representation or statement when entering into this Agreement.
- 6.2. The execution of this Agreement by the Physician does not negate or alter the terms of any agreement the Physician has signed with NLHS. The Physician confirms that the commitment they are making to the Department pursuant to this Agreement does not result in a breach of any commitment made to another jurisdiction or to NLHS.
- 6.3. In the event that the Physician provides and submits accounts for family medicine services under a corporation, the Physician will advise the Department of such circumstances within thirty (30) days of incorporation and the Agreement will be amended to include the corporation as a party and to include representations and warranties to the Department regarding the status of the corporation and take all actions necessary to ensure the Agreement is enforceable against the corporation

7. Default

- 7.1. The Physician agrees that the occurrence of one or more of the following events shall be an event of default under this Agreement (“Default”);
 - a) the Physician making a representation or warranty under this Agreement, or in the application for the Family Medicine Residency Program, which is false or misleading in any material respect;
 - b) the Physician fails to graduate from, fails to complete, or is asked to leave the Family Medicine Residency Program or any portion of it for any cause or fault attributable to the Physician, as determined by the Department;
 - c) the Physician elects to practice in a location outside of Newfoundland and Labrador;
 - d) the Physician failing to maintain full or provisional licensure and certification as a family physician;
 - e) the Physician failing to maintain provisional licensure sponsorship with NLHS;

- f) the Physician failing to maintain legal status to work and remain in Canada;
- g) the Physician failing to complete the Service Obligation;
- h) the Physician terminating this Agreement prior to completing the Service Obligation;
- i) circumstances deemed by the Department to be a Default per sections 4.8, 5.5, or 5.9(e) as applicable; or,
- i) the Physician breaching any other term, condition or obligation under this Agreement, where if the breach is capable of being cured, it continues for thirty (30) days after the Department notifies the Physician of the breach, unless the cure reasonably requires a longer period and the Physician is diligently pursuing the cure and it is cured within such longer period of time as is agreed by the Department in writing.

8. Repayment

- 8.1. Upon the occurrence of a Default, the Department will provide repayment details in writing to the Physician referencing the amount(s) owing and the repayment procedure, and the Physician shall pay the amounts owed within thirty (30) days of the Department sending such repayment details.
- 8.2. In the event of a Default, the Physician shall pay the Department:
 - a) The applicable Defaulted Amount, depending on whether the circumstances meet section 8.3 a) or b);
 - b) Interest on the Defaulted Amount calculated in accordance with section 8.4; and
 - c) any and all costs and expenses (including but not limited to reasonable legal fees) which the Department incurs in relation to attempts by the Department or their agent(s) to collect the Defaulted Amount and interest.
- 8.3. The Defaulted Amount is calculated in accordance with a) or b) of this section.
 - a) For a Default which occurs prior to the graduation of the Physician from the Family Medicine Residency Program, or which is a Default under section 7(1)(b), the Defaulted Amount is the total of all payments made by the Department to the Memorial University of Newfoundland under this Agreement up to the date the Default occurred.

- b) For a Default which occurs after the graduation of the Physician from the Family Medicine Residency Program, the Defaulted Amount is three hundred thousand dollars (\$300,000) less an amount representing the period over which the Physician provided family medicine services in accordance with this Agreement, which amount is calculated as:
 - i. the total number of full months the Physician provided family medicine services under a five (5) year Service Obligation, multiplied by five thousand dollars (\$5,000); and,
 - ii. the total number of full months the Physician provided family medicine services under a two (2) year Service Obligation, multiplied by twelve thousand five hundred five hundred dollars (\$12,500).
- 8.4. In the event of a Default, the Physician will be charged interest by the Department on the Defaulted Amount in accordance with this section.
- a) For a Default under section 8.3(a), interest shall be calculated retroactively from the last date the funds were paid on behalf of the Physician under this Agreement and will compound on the outstanding unpaid balance as of the end of the month.
 - b) For a Default under section 8.3(b), interest shall be calculated from the end of the most recent full month of family practice under this Agreement and will compound on the outstanding unpaid balance as of the end of the month.
 - c) The interest rate will be the prime rate posted by the Bank of Canada in effect on the first day of January preceding the date of the Default plus two (2) percentage points.
- 8.5. The Physician acknowledges that any sums due to the Department arising from the Physician's Default under this Agreement constitute a debt owing to the Crown. The Physician shall offer no defence, save payment, against any claim made by the Department, or another party acting on the Department's behalf, for sums due.

9. Opportunity to Consult

- 9.1 The Physician acknowledges that prior to signing this Agreement, they have had the opportunity to seek, obtain and consider advice from independent financial professionals on financial implications associated with this Agreement.
- 9.2 The Physician acknowledges having read and received a copy of this Agreement and agrees that it is a binding and enforceable contract. The Physician acknowledges that they had the opportunity to seek, obtain and consider independent legal advice prior to signing this Agreement.

10. Notices

- 10.1 Any notice to be given by one Party to the other according to this Agreement may be delivered personally or by courier transmitted by fax, mail, e-mail to the following address:

To the Physician:

To the Department:

**Department of Health and Community Services
1st Floor, West Block, Confederation Building
P.O. Box 8700
St. John's, NL A1B 4J6**

- 10.2 Notices shall be deemed to have been received by the addressee as follows
 - a) As of the date on which they are delivered where delivery is by a party or by messenger or special courier services;
 - b) As of the date on which they are sent where delivery is by fax or other means of electronic communication; and
 - c) Six (6) days after delivery to Canada Post Corporation where the postal service is used.

11. General

- 11.1 This Agreement shall remain in effect until the fulfillment and performance in full of all of the obligations contained herein.

- 11.2 Nothing in this Agreement shall preclude the parties from exercising any remedy available at law or in equity before a court of competent jurisdiction.
- 11.3 Terms of this Agreement and any disputes arising under it shall be determined in accordance with the laws of the Province of Newfoundland and Labrador.
- 11.4 The Department shall be entitled to invoke any remedy available to it under this Agreement or by law, despite forbearance or indulgence, until complete performance by the Physician of its obligations. No covenant or condition of this Agreement may be waived except by the written consent of the Department.
- 11.5 This Agreement and any attached schedules constitute the entire Agreement between the Parties pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements, understanding, negotiations and discussions, whether oral or written, of the parties. There are no warranties, representations or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set forth herein.
- 11.6 The Parties agree that neither the fact nor the terms of this Agreement serve to establish an employment relationship between the Department and the Physician, nor shall the Physician be considered an employee officer or agent of the Crown.
- 11.7 The Physician shall not assign this Agreement in whole or in part to any third party.
- 11.8 The Parties acknowledge and agree that the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement.
- 11.9 No changes, alterations, modifications or amendments of this Agreement shall be effective unless made in writing and signed by the Department and the Physician.
- 11.10 The Parties acknowledge that the Minister and the Department are subject to the provisions of the Newfoundland and Labrador *Access to Information and Protection of Privacy Act, 2015 (ATIPPA)* and the *Management of Information Act*, which legislation and subordinate regulations thereto may be amended or replaced.

[Signatures on following page]

IN WITNESS WHEREOF the parties have caused this Agreement to be executed the day and year first before written.

SIGNED by the Physician in the presence of:
Witness
Date
SIGNED on behalf of the Department by its representative duly authorized in that regard in the presence of:
Witness
Date

SIGNED by the Physician:
Physician
Date
SIGNED by the Department:
On behalf of the Deputy Minister, or authorized designate
Date