



The President's Letter

Dr. Noel W. Grisdale



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July 14, 2009

Dear Member:

The Alberta Medical Association's (AMA's) Physician Business Costs Study is in full swing and I'd like to give you advance notice of how you can be involved.

At the end of July, I will send an email with the link to an online survey that we invite – and encourage – all AMA members to complete. The independent consulting firm, PricewaterhouseCoopers (PwC), has developed and will host the survey.

The goal of the business costs study is to review physician business requirements to better understand the components and variation in costs associated with running a medical practice across Alberta. The results will be important to your future: the data collected will be used as a base for decisions about sectional allocations, as well as for developing new programs to support physician practices (e.g., Business Costs Program).

The survey for AMA members will ask you to provide input on various office characteristics. It will not ask you for your personal business costs but, rather, for your opinion on whether you agree or disagree with the office models that have been developed by the consultants for review.

PwC has developed a set of "model offices" that capture the characteristics of various practice types. By definition, a "model office" reflects a modern, reasonably efficient office, taking into account the typical space, personnel, equipment and supplies a physician requires for patient care. Various practice types have been identified, based on common characteristics such as solo, group or hospital-based practices, which may then be modified by specialty, geography, type of remuneration and other factors.

Through the month of June and into early July, senior AMA staff and PwC consultants met with section representatives to discuss physician practice requirements. Section representatives discussed and provided feedback on the various model office characteristics presented by PwC. As much as possible the workshops grouped sections with similar characteristics to enable common experience for the discussion. Such things as requirements for staffing, office space, medical technology, supplies and capital were addressed.

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The sections supported the model office concept because the cost factors can be updated and it deals with the cost drivers that affect practices. Section feedback on the various model offices helped PwC to refine and fine tune the characteristics of the various models.

The survey has been developed and is currently being reviewed by the Physician Business Costs Study Steering Committee. Following the committee review, sections will be asked to validate it. After this step and any required revisions, the survey will be released to AMA members.

A robust response rate is essential to reflect all types of practices, locations and needs. We are counting on your participation to ensure that we capture an accurate picture of the business requirements for physician practices in Alberta!

Stay tuned for the email with the survey link on July 29!

Yours truly,

Noel W. Grisdale, MD, CCFP
President