

Excerpts from speaking notes for the *Board of Directors' Report to Representative Forum, Friday, September 25, 2009.*

Next, I have a few comments related to the next allocation to the Schedule of Medical Benefits.

In the past year the AMA invested additional resources and effort into the allocation process.

I would also remind RF that one hour as been scheduled for tomorrow morning to review the AMA's compensation strategy and allocation.

A number of you attended the workshops that we held over the summer.

Your participation and feedback are very much appreciated. One result will be a number of improvements to the AMA's explanation of the allocation process ... which we are calling Allocation 101. It should be on the website by mid-October.

You will note in paragraph 15 that three sections had significant concerns about the 50-50 cost-sharing of the changes made to after-hours payment. Specifically, these sections feel strongly that the total amount should have come off the top of the total funds available for allocation, rather than half coming off the top and half coming from the section specific allocation.

After reviewing all comments received, the board remains comfortable with the original decision. The board also felt that this issue highlights the need for the review and communication of all allocation policies, as contemplated under the Physician Compensation Strategy.

Finally, these sections may request special consideration under the next allocation, a matter that would have to be discussed fully with all sections.

The next major section of the report, paragraphs 16 to 20, deals with the "Relationship with Alberta Health Services." You have already heard from Dr. Carl Nohr, AMA co-chair of the Medical Staff Bylaws Working Group, about the bylaws.

The other main focus is the Provincial Physician Liaison Forum. Following the direction from the RF last September, it looks like the forum will finally get going in the next few weeks.

A draft terms of reference has been developed and will be finalized at the first meeting. While it has taken some time to get off the ground, we have to remember that the senior physician leadership at AHS is just getting into place and we had agreed with Dr. David Megran, AHS Senior Physician Executive, that this was necessary prior to a first meeting.

I should add that I appreciate Dr. Megran's efforts - as in many areas he has made himself available and has been open to discussing ideas and options.

One of the topics to be discussed at the Forum is Negotiations 2011 and, in particular, the future relationship between physicians, AHS and AHW. The AMA has been pressing for some time

that preliminary, high-level discussions begin on this issue rather than waiting for the last minute.

The next major topic, "Health Care Transformation," is the subject of a major session later today and I do not have much to add to what was provided in your agenda packages. Your views will be very valuable as the Board makes decisions in the coming year.

I do have a number of comments related to the next topic, "Pandemic Planning," which is in paragraphs 25 to 28.

This section deals with two key issues:

- The first are issues and concerns related to pandemic planning in general.
- The second are issues related to the financial support package for physicians.

In terms of the financial support package there has been some confusion in the media as to the status of these provisions. There has also been some discussion between ourselves and AHW on some issues as noted in the board's report.

I am pleased to report, however, that we believe much of that confusion has now been cleared up.

There is still some work to do in determining under what conditions the various program components will come into play, but we now agree that those aspects noted in my *President's Letter* do remain.

We have also agreed to develop an understanding between the AMA and AHW as to how the various components will be used.

This allows me to comment on the major focus for the profession: ensuring patient access to necessary services.

We continue to raise questions and issues related to pandemic preparedness. We have been providing comments back to AHS as well as others ... including most recently a meeting with Calgary Government MLAs.

These suggestions include:

- Improved coordination of communication
- Clarity as to how vaccinations are to be provided
- Clarity on the provision of office supplies - our understanding from AHW is that it has provided the funds to AHS for this, so now AHS has to tell us when this will occur
- Assessment clinics - we would like to see these introduced sooner rather than later
- Providers need to know what protection will be provided to them and what supports will be in place should they become ill
- More public communication

- More clarity in terms of triage rules – government needs to accept any liability that may arise from these rules; providers need to be engaged as soon as possible in a discussion as to how these rules will be implemented and the public should be made aware of some of the major issues

In the next session, the pandemic plans of Alberta Health and Wellness and Alberta Health Services will be presented and RF will have the opportunity to ask questions and offer comments.

These will be used to add to or amend the list I have just mentioned, which will then be used in our discussions with AHS, MLAs, the public and physicians.

Before closing, there is one other topic that deserves our attention – the role of the Alberta Government in funding health care as well as Government’s plans for the system.

In the past weeks:

- Government has projected a budget deficit of nearly \$7 billion for the current fiscal year.
 - Privately, some people suggest it will be closer to \$9 or \$10 billion.
- Alberta Health Services has forecast a deficit of over \$1 billion.
- Last year the Government abolished health care premiums ... costing the provincial Treasury about \$1 billion a year.
- Natural gas prices are the lowest they’ve been for years ... oil is selling below the budgeted price ... and the high Canadian loonie relative to the US greenback is costing the province hundreds of millions of dollars.
- Market indicators such as unemployment, consumer spending, manufacturing, urban housing starts and exports are all down from a year ago.
- Alberta Education has been clawing back part of the surpluses saved by school boards. Colleges and universities expect a 0% freeze in funding for the next two years.
- Despite losing the Calgary-Shaw by-election and placing third ... the Stelmach Government still controls 70 out of 83 seats.
- The contract between Alberta Health Services and the United Nurses of Alberta expires next year on March 31 ... and jockeying for the hearts and minds of Albertans has begun.
 - The AMA’s trilateral agreement with the Government and Alberta Health Services expires a year later on March 31, 2011.
- Earlier this month Ron Liepert appointed a Minister’s Advisory Committee on Health. The 16 members face a deadline of November 15.

In a speech this week at the Petroleum Club in Edmonton, the Minister outlined his expectations for the advisory committee. According to Mr. Liepert’s speaking notes ... and I quote:

“My vision is quality care for every Albertan;

“Where everyone has access to physician-led team-based care;

I like that ... "Where everyone has access to physician-led team-based care."

Mr. Liepert went on to say:

- "With greater emphasis on nearby urgent care rather than always a hospital;
- "Where chronic conditions are managed in the community;
- "With personal health information accessible to patients with the ability to share with any health professional;
- "All resulting in a system that is patient-focused ... and not physician and facility focused."

The minister continued, and again I quote:

"And to achieve that, health care professionals need to be compensated according to how they use their expertise.

"Our government has begun to introduce those changes in our health care system to help achieve this vision.

"We've expanded the scope of practice for many health care providers, yet there are still far too many professionals who could be doing more to serve the patient...."

End of quote.

The vehicle that the government has chosen to pursue these and other issues is through an Advisory Committee to the Minister.

While there are many fine individuals sitting on the committee, the AMA has expressed concerns about the short time frame, which will mean limited time for real public engagement.

We have also noted that some of the issues being considered could affect arrangements and funding under the Trilateral Agreement.

While the Minister can consult with whomever he pleases, at the end of the day he must deal with the AMA on these matters. I should inform RF that I have raised this with the Minister and I have received his assurance that the agreement will be honored.

The Alberta Medical Association has been asked to present to the advisory committee ... and we will do so.

We also will be undertaking a significant communications effort with the AMA membership ... and we will extend our advocacy with the media and the public.

Taken together ... Minister Liepert's comments and the mandate of his advisory committee could propel a major restructuring of Alberta's health care system.

One example is the provider-based definition of Canadian Medicare, which the Minister believes restricts utilizing the full scopes of practice for many health care professionals.

Mr. Liepert is not the first to raise this concern and it is certainly something that can and should be discussed. But there are other implications that also have to be discussed.

By way of example, insured services are now defined as necessary medical services provided by a physician.

It is a provider-based definition as Mr. Liepert notes and, as with any definition, it presents challenges. But to imply that there are not potential negative consequences to moving away from this definition is to not fully state the case.

The definition of insured services reflects a public insurance plan, where physicians and patients determine what is necessary and the public picks up the tab.

Moving away from it presents many questions, such as:

- Who will determine what necessary services will not be covered?
- Who will pay for services not picked up by the public program?

There are challenges with the current definition and these should be discussed. But the current definition has an amazing strength in that it does not get between the physician and the patient in determining what is needed.

This strength also has to be remembered as we review alternative definitions.

Are there any questions or comments about items in this section?

Mr. Speaker, this concludes the formal content of my report on behalf of the Board of Directors.

As this is my final report to RF as your president, I wish to express my gratitude for all your support and guidance.

Each year brings its own opportunities and challenges as the environment changes. This requires the AMA to be comfortable in its purpose . . . something I believe we've achieved with our vision . . . our mission statement . . . and our business plan. These are our anchors.

But the AMA is also flexible. We are able to respond . . . and usually very effectively . . . to unforeseen events and government decisions.

This year we have faced many unprecedented challenges ... from Bill 52 ... to influenza pandemic ... from plunging government revenues ... to new relationships at Alberta Health Services.

What we have achieved this year and what we will achieve in the future ... comes from focusing on the interests of our members ... and being grounded in our fundamentals. We need

to be united and to pull together . . . to be innovative and energetic . . . and to be secure in our purpose.

Letters and conversations with individual members have shown me that purpose. Being here with the Representative Forum has shown me that purpose. We are the organization that the public trusts to put Patients First.

That is a great responsibility ... but together we are more than up to the challenge.

I thank you again ... on behalf of the Board of Directors ... for all your efforts past and future. For myself ... I thank you for the privilege and honor of serving you.

Thank you.