

The President's Letter

Dr. Noel W. Grisdale



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Dear Member:

As expected, on Tuesday Alberta Health Services (AHS) announced a \$1 billion operating deficit for the current fiscal year (April 1, 2009 – March 31, 2010). The \$10.9 billion budget is a 13.2% increase over 2008-09.

The same day the Alberta Government announced a lower-than-forecast deficit for 2008-09 of \$852 million. Health expenses were \$13.1 billion, a 6.7% increase from 2007-08, but the \$821 million increase was \$354 million lower than budgeted, primarily a result of rescheduling capital grant funding to future years.

The question that now must be asked is: What does the future hold for Alberta's health system, for physicians and for our ability to put Patients First®?

Last week the Alberta Government invited the Alberta Medical Association (AMA) and a number of other organizations and unions for a briefing on Alberta's financial picture.

On Monday I provided our feedback in a letter to Health and Wellness Minister Ron Liepert, which was also distributed to Premier Ed Stelmach and the other MLAs in the Government caucus.

The AMA supports the objective of identifying and capturing efficiencies. I cautioned, however, that "attempting to achieve too many savings too soon:

- "(i) May not allow for the appropriate steps and initiatives to be taken that will enable long-term, sustainable savings
- "(ii) Risks losing the support of providers and patients."

Government's ambitious plan for delivering care through a single health service board has promise, but rapid-fire budget cuts may short-circuit the proposition for a sustainable system – and Alberta Health Services may become identified with reduced access and reduced quality before having a chance to prove itself.

Among our concerns are:

- If staffing costs are targeted:
 - Reductions in staff and recruitment for physicians, nurses, therapists, technicians, etc.
 - Reduced access and care
 - Costs that are delayed, but not avoided
 - Patients with chronic or acute conditions often require more expensive and extensive care later!
- If up-front costs are targeted:
 - Significant, long-term benefits cannot be achieved as planned, e.g.,
 - Alberta's electronic health record is essential to improving both the effectiveness and efficiency of the system.

All governments are responding to the world economic crisis. In most jurisdictions, including Canada, the response has taken the form of maintaining jobs and stimulating the economy. Health professional jobs are part of that picture because health care is a vital sector of the modern economy.

We agree with Premier Stelmach that Alberta should invest now for the economy of the future so that we can be stronger when things return to normal. This investment must include health care!

Building sustainability into the health care system can be achieved over the next few years through a number of steps related to procurement, administrative efficiencies, progressive information technology and improvements in service delivery and coordination of care.

As I wrote to you in May, it is reasonable to expect that AHS should develop a plan to achieve these savings, including timelines and ways to measure the impact on quality and access. In exchange for these commitments, AHS should have the opportunity to begin with a clean financial slate so that Stephen Duckett, PhD, and the AHS leadership team are not hobbled with cuts to programs and services that will impair the chance of positive health system reform – and create an unsustainable future in the process.

Alberta physicians support a well-funded, public health care system and we are absolutely prepared to play our part in finding solutions. After all, it is our decisions – referrals, ordering tests, hospital admissions – that move resources in the system.

As such, we have a responsibility to ensure that funds allocated to the health care system are based on best evidence for effectiveness and efficiency in meeting the health care needs of Albertans.

Yours truly,

Noel W. Grisdale, MD, CCFP
President