

# The President's Letter

Dr. Tzu-Kuang (T.K.) Lee



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Dear Member:

Just over two months from now I will have completed my term as your president. If July and August hold true to being "the dog days of summer," this may not be sufficient time to reach a new two-year fiscal agreement (April 1, 2006-March 31, 2008) within the eight-year Master Agreement (April 1, 2003-March 31, 2011).

The needs and expectations of physicians are changing as Alberta's booming economy creates inflationary spikes, e.g., office overhead costs and housing prices. As a result, what physicians may judge to be fair and reasonable today may not hold true in the fall.

In the Alberta Medical Association's (AMA's) quarterly tracker survey (June), nearly 250 physicians from all nine regions took the time to comment on overhead costs and their impact on recruitment and retention, including:

- "It will worsen the situation, particularly in rural settings." (Regions 1, 2)
- "The overhead is so high that we are having lots of problems retaining office staff. The payment is too low to allow physicians to compete for good workers in the hot jobs market." (Region 3)
- "Staff costs are going up dramatically and we cannot pass these costs on to patients." (Region 3)
- "Young doctors cannot afford to come to Calgary." (Region 3)
- "Since computerizing with POSP and having gone past our 48 months of funding, our overhead has sharply gone up as one needs to keep 'evergreening' both hardware and software (which isn't cheap)... Costs have gone up and we've had to hire more staff especially since some of the promised things, (i.e., tying into the regional lab so results go directly to the system) have yet to happen." (Regions 4, 5)
- "Utilities and computerized medical records costs have both increased substantially, causing income to decrease." (Region 6)

- “Computerization has been a financial disaster to my practice. If no further help by (Alberta Health and Wellness) soon, I will be forced to revert back to the old system.” (Region 6)
- “It is very difficult to recruit and retain physicians when there are significantly increased overhead costs and no fee differential for high cost locations.” (Regions 7, 8, 9)
- “I am consciously going to work more in (a) hospital setting so there is no overhead, which makes it a lot more attractive; also less paperwork, which in turn generates less work so I have to hire less staff.” (First-year physician)

Alberta’s booming economy may soon find that its Achilles heel is the publicly-funded health care system because trades people, professionals, business owners, entrepreneurs and their families do not have timely access and quality care.

Several years ago Fort McMurray physicians came under fire when they cautioned about future expansion of the oil sands until the city had the facilities, equipment, physicians and other health care professionals to meet the needs of the community. Today, local political leaders are now voicing similar concerns.

Furthermore:

- Timely access to physicians across Alberta continues to deteriorate – and the current shortage of more than 1,000 physicians is projected to become worse in the next few years!
- Escalating overhead costs and housing prices could hamper Alberta’s ability to attract and to retain physicians.
- Leaders at a local level, e.g., Bashaw and Manning, and at a regional level, e.g., Peace Country Health and Northern Lights Health Authority, are advancing local approaches to recruit and retain physicians.
- Both the province’s electronic health record (EHR) and Pharmaceutical Information Network (PIN) could be jeopardized when close to one-half (about 1,000) of the physicians – who were the leaders in computerizing their offices – will have had their funding from the Physician Office System Program (POSP) end by this fall.
- Regional health authorities (RHAs) have announced multi-million dollar operating deficits.

The result is a sense of uncertainty as to the priority and focus that the Provincial Government has assigned to health care. In contrast, education appears to be very much on the political radar screen.

For our part, the AMA will continue to promote solutions, partnerships and leadership through various venues including the Negotiations 2006 process and the trilateral agreement.

The AMA will also continue to advocate through the *President's Letter*, special publications such as *Access to Doctors. Access to Care.*, our website, media interviews and meetings with Members of the Legislative Assembly (MLAs) and senior civil servants. This year I've met with Health and Wellness Minister Iris Evans on several occasions and we've talked on the telephone more often. AMA representatives have met with Liberal Leader Kevin Taft and NDP Leader Brian Mason, met with or have arranged meetings with six of the seven PC leadership candidates, and attended a dinner with Federal Health Minister Tony Clement.

Sooner than later, hopefully, the government must recognize that the vaunted Alberta Advantage requires the province to be competitive in providing health care. In the coming weeks I will be focusing on the realities facing us and the opportunities for innovation.

Yours truly,

Tzu-Kuang (T.K.) Lee, MB, BS  
President