

# The President's Letter

Dr. Darryl D. LaBuick



Patients First® *Patients First® is a registered trademark of the Alberta Medical Association.*

April 10, 2008

Dear Member:

The next few months could shape a new future for Alberta's health care system with the new Minister of Health and Wellness, Ron Liepert, pledging 30-, 60- and 90-day plans.

This new political landscape for health care – and Negotiations 2008 – will be major topics at tomorrow's Board of Directors' meeting.

My first opportunity to meet Mr. Liepert was March 28 when we both attended a Calgary luncheon where Canadian Medical Association President Dr. Brian Day was the guest speaker. Our first formal meeting will be next week.

The coming weeks will reveal how the Stelmach government intends to pursue its agenda and priorities for health care. Two of the government's priorities are:

- "Increase access to quality health care and improve the efficiency and effectiveness of health care service delivery."
- "Provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population."

The premier's mandate letter to Mr. Liepert calls on him to take the lead to:

- "Increase access to quality health care and improve the efficiency and effectiveness of health care service delivery, and
  - "Ensure Alberta has the health care professionals we need to meet future demand;
  - "Strengthen the governance and accountability framework with all health providers; and
  - "Improve the health care delivery model to ensure the roles, responsibilities and structures in the system support the most efficient delivery of services."

While we wait to see what direction these changes will take, physicians are now without a fiscal agreement because the last two-year fiscal agreement expired March 31. As always, the Alberta Medical Association's priority will be changes that put Patients First®.

### **Negotiations 2008**

The Alberta Medical Association (AMA) has made *Access, Innovation & Doctors* the focus for Negotiations 2008 in our trilateral negotiations with Alberta Health and Wellness (AHW) and the regional health authorities (RHAs) for a new three-year fiscal agreement (April 1, 2008 - March 31, 2011).

In preparing for these negotiations, the Representative Forum and the Board of Directors gave high priority to the viability of independent physician practices.

Alberta has enjoyed, and continues to enjoy, a booming economy. However, there has been a cost attached with rapidly rising costs of living and costs of working.

Physicians, as independent business owners, have felt the brunt of these costs because our revenues are, for the most part, limited by the budget for the Alberta Health Care Insurance Plan (AHCIP) and the fees in the Schedule of Medical Benefits.

As a result, physicians have virtually no protection from the real costs of the Alberta marketplace that is driven by the oil-and-gas sector with its \$100-a-barrel crude oil.

Access to physician services remains a key issue to address. Recruiting and retaining physicians requires a strong health care system, including competitive compensation and a comprehensive infrastructure.

The Alberta Medical Association's strategies for these negotiations are:

- Total physician compensation
- Physician health
- Information management and technology
- Quality assurance

### ***AMA's comprehensive, integrated approach***

The AMA's proposal to Alberta Health and Wellness and the regional health authorities offers a detailed, comprehensive and integrated approach.

- Fee for service continues to be the dominant method for compensating physicians. This requires adequate fee increases to:
  - Allow Alberta to maintain a competitive fee schedule compared with other provinces

- Support physicians in covering their rising practice expenses, as well as providing a real increase in earnings
- Allow flexibility to address particular issues, e.g., intra-sectional and inter-sectional relativity, targeting certain types of services.
- A budget for alternate relationship plans (ARPs) was created in response to requests from AHW and the RHAs to create some certainty of funding. The AMA's view is:
  - The funding level for ARPs should match the level of interest in ARPs and the number of ARPs approved for implementation.
  - The ARP budget should allow for all currently approved and implemented ARPs - both academic and clinical - to operate at their full levels, as well as future growth.
- A number of programs are essential for Alberta to be competitive with other provinces, e.g., continuing medical education (CME), Canadian Medical Protective Association (CMPA) reimbursement, the AMA's Physician Locum Services. The AMA's proposal addresses four objectives:
  - Maintain funding at a level sufficient to continue the operations of existing programs in their current form and to accommodate any necessary growth
  - Enhance the Retention Benefit
  - Provide additional CME support
  - Introduce a new plan to help young physicians deal with the huge debt loads that many accumulate through medical school and residency training.
- Alberta's unique primary care networks (PCNs) are an outstanding success story!
  - The budget needs to allow for every Albertan to enroll in a PCN within three years.
  - The original \$50 per capita funding must be increased.
- Physician on-call programs were introduced in 2001, and the original rates have been frozen.
  - The original rates should be increased to reflect the consumer price index (CPI).
  - RHAs continue to request more and more on-call programs. The budget should reflect this.
  - Family practice on-call needs to be introduced into hospitals that don't have rural on-call.
- The two-year-old Clinical Stabilization Initiative has quickly proven its value.
  - Funding must reflect the actual costs of the programs as they are currently designed.
  - The Business Costs Program must be adjusted to reflect changes supported by the business expense review.
  - The budget for the Rural, Remote, Northern Program should be increased to reflect successes in recruiting and retaining physicians.

*The President's Letter*

April 10, 2008

Page 4

### ***Leadership and accountability***

Negotiations 2008 are an opportunity to promote specific behaviors and, in doing so, provide a wide range of services and prolong careers. With "accountability" being a cornerstone of the Stelmach government, physicians can show leadership by embracing flexible delivery models that match the needs of physicians with the needs of the overall system.

To deal with access to care and quality of care we need not only to increase the total number of physicians but also recognize the contributions of each physician. We can delay full retirement by promoting more part-time practice. Programs in the trilateral agreement can encourage this.

The primary care networks are a catalyst for change and renewal in the delivery of primary care. PCNs promote the alignment of RHA and physician interests, allow sharing of resources and expertise, and create multidisciplinary health care teams.

The Physician Office System Program (POSP) has been the key to Alberta becoming a North American leader in the computerization of physician offices. This computerization must continue if patients are to receive the full benefit of a provincial electronic health record (pEHR) and electronic medical records (EMRs) and if the Provincial Government is to maximize its return on investment of hundreds of millions of dollars.

The budget for the master agreement (\$2.32 billion for 2007-08), needs to reflect Alberta's growing and aging population, accommodate about 250 new physicians each year, and cover real increases in costs such as staff wages, overhead, and medical equipment and supplies where the prices often exceed the consumer price index (CPI).

Feedback from you and other AMA members is always appreciated and valued.

Yours truly,

Darryl D. LaBuick, MD, CCFP  
President