Consultants' Recommendation
for the Principals and Negotiators
in the Alberta Health and
Alberta Medical Association Negotiations

March 13, 2013

To: Minister of Health, Government of Alberta, The Honourable Fred Horne
      Deputy Minister of Health, Government of Alberta, Ms. Marcia Nelson
      President of the Alberta Medical Association, R. Michael Giuffre, M.D.
      Chief Executive Officer, Alberta Medical Association, Michael Gormley

Cc: Alberta Health Negotiators: Deb Kaweski, Paul Crozier, Glenn Monteith
      Alberta Medical Association Negotiations: Jim Huston, Rick Johnston, M.D, Verlin Gwin

Re: Dispute Resolution for Changes in Compensation for Insured Services Provided by Physicians

The consultants recommend that if Alberta Health and the Alberta Medical Association cannot reach
agreement through negotiations on the financial elements of the contract (i.e., the rates and prices paid
to physicians for the delivery of insured health care services) that the parties submit to final offer,
interest-based arbitration.   The consultants recommend that the arbitrator be asked to decide on:
   1) the percentage change for the years 2010/2011/2012/2013; and
   2) whether the negotiated change is a set percentage with financial targets by section and/or code,
       or a global rate increase with allocation of the negotiated increase through a joint compensation
       committee.

In this arbitration process, both Alberta Health and the Alberta Medical Association would table what is
in their view the most reasonable change in compensation for insured services provided by the
physicians, the rationale justifying the percentage change, and why it should be a set percentage with
financial targets or allocated through a joint compensation committee. The arbitrator would then
choose one of the parties' proposals.

Submitted by:

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