Legislative Assembly of Alberta

The 30th Legislature
Second Session

Standing Committee on Families and Communities

Ministry of Health
Consideration of Main Estimates

Tuesday, March 9, 2021
9 a.m.

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Second Session

Standing Committee on Families and Communities

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Standing Committee on Families and Communities

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Ministry of Health
- Hon. Tyler Shandro, QC, Minister
- Camille Bailer, Acting Assistant Deputy Minister, Provider Compensation and Strategic Partnerships
- Aaron Neumeyer, Assistant Deputy Minister, Health Service Delivery
- Bryce Stewart, Associate Deputy Minister

9 a.m. Tuesday, March 9, 2021

[Ms Goodridge in the chair]

Ministry of Health
Consideration of Main Estimates

The Chair: Welcome, everybody. I would like to call the meeting to order and welcome everybody. The committee has under consideration the estimates of the Ministry of Health for the fiscal year ending March 31, 2022.

I would ask that we go around the table and have members introduce themselves for the record. My name is Laila Goodridge, and I'm the MLA for Fort McMurray-Lac La Biche and the chair of this committee. We will begin starting to my right.

Ms Glasgo: Michaela Glasgo, MLA, Brooks-Medicine Hat.

Mr. Neudorf: Nathan Neudorf, MLA, Lethbridge-East.

Mr. Smith: Good morning. Mark Smith, MLA, Drayton Valley-Devon.

Mr. Amery: Good morning. Mickey Amery, Calgary-Cross.

Ms Lovely: Good morning. Jackie Lovely, constituency of Camrose.

Ms Ganley: Kathleen Ganley, Calgary-Mountain View.

Ms Sigurdson: Good morning. Lori Sigurdson, Edmonton-Riverview.

Mr. Shepherd: Good morning. David Shepherd, Edmonton-City Centre.

Ms Hoffman: I'm Sarah Hoffman, Edmonton-Glenora.

The Chair: Now we'll introduce the members participating virtually. When I call your name, please introduce yourself for the record.

MLA Richard Gotfried.

Mr. Gotfried: Richard Gotfried, MLA, Calgary-Fish Creek. Good morning, everyone.

The Chair: MLA Brad Rutherford.

Mr. Rutherford: Good morning. Brad Rutherford, MLA for Leduc-Beaumont.

The Chair: All right. Is there anyone else participating online? Hearing none. Due to the current landscape that we're in, all ministry staff, including the minister, will be participating in the estimates debate virtually.

Minister, can you please introduce yourself and any of the officials who are joining you who may be speaking on the record.

Mr. Shandro: Thank you very much, Madam Chair. I'm pleased to be here to be able to present the Health estimates for '21-22. I'm joined here by the deputy minister, Lorna Rosen, and the associate deputy minister, Bryce Stewart. We also have assistant deputy minister Aaron Neumeyer. He's the ADM for financial and corporate services. As well, we have the ADM of health service delivery, who is ADM John Cabral. We have Dr. Deena Hinshaw, who is the chief MOH of the province of Alberta; she's here this morning as well. I should point out that just for this morning we also have ADM Trish Merrithew-Mercredi; she's the ADM of public health and compliance. We have the acting ADM of pharmaceutical and supplementary benefits; that's ADM Chad Mitchell. We also have the acting ADM of health workforce planning and accountability, ADM Camille Bailer, and acting ADM of health standards, quality and performance, ADM Larry Svenson. We also have the executive director of information management branch systems, Quinn Mah, for the ADM of health information systems Kim Wieringa. We also have Chris Nickerson; Chris is the executive director of health systems, planning and quality branch. We also have Dan Hemming, who is executive director, financial planning, and we have Patrick Humeniuk, who is the director of financial planning.

Thank you, Madam Chair. That's everyone we have in the room.

The Chair: Thank you, Minister Shandro.

Before we begin, I would like to note that in accordance with the recommendation from the chief medical officer of health, attendees at today's meeting are advised to leave the appropriate distance between themselves and other meeting participants. In addition, as indicated in the February 25, 2020, memo from the hon. Speaker Cooper, I would like to remind everyone of the committee room protocols in line with health guidelines, which require members to wear masks in committee rooms and while seated except when speaking, at which time they may choose to not wear a face covering.

A few housekeeping items to address before we turn to the business at hand. Please note that all microphones are operated by *Hansard* staff and that committee proceedings are being live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of the meeting can be accessed via the Legislative Assembly website, and those participating virtually are asked to turn on their cameras while speaking and to please mute their microphones when not speaking. To be placed on the speakers list, virtual participants should e-mail or send a message into the group chat to the committee clerk, and members in the room are asked to please wave or otherwise signal to the chair. Please set all your cellphones and any other device to silent for the duration of this meeting.

Hon. members, the standing orders set out the process for consideration of the main estimates, and a total of six hours has been scheduled for consideration of the estimates for the Ministry of Health. Standing Order 59.01(7) establishes the speaking rotation and speaking times. In brief, the minister or member of Executive Council acting on the minister's behalf will have 10 minutes to address the committee. At the conclusion of his or her comments a 60-minute speaking block for the Official Opposition begins, followed by a 20-minute speaking block for independent members, if any, and then a 20-minute speaking block for the government caucus. Individuals may only speak for up to 10 minutes at a time, but the time may be combined with another member and the minister. The rotation of speaking times will then follow the same rotation of the Official Opposition, independent members, and government caucus, with individual speaking times set to five minutes for both the member and the ministry. These times may be combined into a 10-minute block. One final note. Please remember that discussions must flow through the chair at all times regardless as to whether or not speaking times are combined. If members have questions regarding speaking times or the rotation, please feel free to send an e-mail or message to the committee clerk about the process.

With the concurrence of the committee, I will call a five-minute break near the midpoint of the meeting. However, the three-hour clock will continue to run. Does anyone have any opposition to

holding a break? Fantastic. We will co-ordinate to make sure that we are not on break at the same time as the other committee that is running.

Ministry officials, at the direction of the minister, may address the committee. Ministry officials are asked to please introduce themselves for the record prior to commenting. Space permitting, opposition caucus staff may sit, appropriately distanced, at the table to help their members; however, members have priority to sit at the table at all times.

If debate is exhausted prior to the six hours, the ministry's estimates are deemed to have been considered for the time allotted in the schedule, and the committee will adjourn. Points of order will be dealt with as they arise. However, the speaking block time and the overall six-hour meeting clock will continue to run.

Any written materials provided in response to questions raised during the main estimates should be tabled by the minister in the Assembly for the benefit of all members.

The vote on the estimates and any amendments will occur in Committee of Supply on March 17, 2021. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are to be moved. The original amendment is to be deposited with the committee clerk, and as a courtesy an electronic version of the signed original should be provided to the committee clerk for distribution to committee members.

I now invite the Minister of Health to begin with his opening remarks. Minister, you have 10 minutes.

Mr. Shandro: Thank you, Madam Chair. First maybe before we do start, I just wanted to thank – this is a big week. It's a lot of work that's involved, so thank you to everyone from LAS and *Hansard* for all the planning and the execution required to make this week move so smoothly for everyone involved. Thank you to all those folks on behalf of everyone here in this room.

Madam Chair, members, Budget '21 sees a historic investment in health for our province. It will ensure that our health system has the resources it needs to continue to keep people safe, continue to keep people healthy during the pandemic while also meeting other health needs of Albertans. Health's total expense is budgeted at $23 billion in '21-22. This is about 40 per cent of government's total budget, and $21.4 billion is invested in Health's operating budget, a nearly $900 million increase from '20-21. An additional $1.25 billion has been budgeted separately to address COVID-19 and the resulting pressures on the health care system. That's on top of the more than $2 billion in COVID-related health spending in the budget year '20-21. This allocation will be used for pandemic-related expenses. These are things like supports for the continuing care system, personal protective equipment, testing, contact tracing, vaccine deployment, and the surgical backlog that might have been affected by the pandemic.

The top areas of spending in health continue to be Alberta Health Services, the physician compensation budget, and drugs and supplemental health benefits. The largest component of Health's budget is allocated to Alberta Health Services. A total of $16 billion is budgeted for AHS in the year '21-22, and this is an increase of more than $600 million, or 4 per cent, from the '20-21 budget, excluding COVID-related costs. While the top priority for the health system is addressing the pandemic, Budget '21's historic investment in health will see some key initiatives moving forward. That includes the Alberta surgical initiative, the continuing care capacity plan, and the CT and MRI access initiative.

9:10

Regarding the AHS performance review that was completed in 2019, we have directed AHS to take a staged implementation approach while they focus on the pandemic response. Some initiatives moving forward include virtual care options, consolidation of regional EMS dispatch operations, requests for proposals to support contracting out of laundry and community lab services, and eliminating a hundred management positions within AHS. These initiatives will achieve efficiencies. It will improve patient outcomes, and it will help AHS to focus on its core services while also resulting in savings that will be reinvested back into the health care system. I'd like to make that clear here, that there will be no job losses for nurses or other front-line clinical staff.

Speaking of health service delivery, we have committed to expanding surgical capacity to get more Albertans the surgeries that they need. This is supported by $120 million in health operating funding for the Alberta surgical initiative. We also anticipate funding will be allocated from the contingency to address the surgical backlog caused by the pandemic. Taken together, this funding will support more than 55,000 additional publicly funded surgeries in '21-22, and this is over and above the roughly 290,000 that are typically performed in a given year. Surgeries will take place at AHS facilities as well as chartered surgical facilities. AHS will focus on emergency and more complex surgeries while the CSFs, the chartered surgical facilities, will provide safe, lower-risk surgeries. There will be no cost to Albertans for their procedures regardless of where they're performed, and the entire surgical system will be strengthened from the time patients seek advice from their family doctor to when they are referred to a specialist through their surgery and rehabilitation.

Turning to physician spending, about 25 per cent of my ministry's operating budget goes toward physician compensation and development. Budget '21 maintains this funding at $5.4 billion in '21-22. The Alberta government and the Alberta Medical Association recently reached a tentative agreement. As the tentative agreement is currently being ratified by the AMA, I'm not going to be providing any further details today. I will simply state that the budget for the Legislature will not change as a result of the tentative agreement, which balances patient care, fairness and equity for physicians, and fiscal sustainability for the province.

Another significant component of Health's budget is funding for drugs and supplemental health benefits. Budget '21 allocates $1.9 billion in operating expense for drugs and supplemental health benefits, an increase of $200 million from '20-21. Higher drug costs and increased program enrolment are significant drivers for the increased costs in this area. For example, the spending for biologic drugs is increasing by an average of 14 per cent per year. To address this, Alberta is expanding its use of biosimilar drugs. Biologic drugs can exceed $25,000 per patient each year while biosimilars cost up to 50 per cent less and are just as effective and just as safe. As more patients transition to biosimilars, we will continue to ensure that patient safety and quality care are maintained. I also want to clearly state today that Budget '21 does not include the introduction of income-tested deductibles for the seniors' drug program. The government will not be moving forward with this initiative.

On the subject of seniors, a significant component of the AHS budget supports care in the community. Budget '21 provides a combined $3.5 billion in operating funding for community care, continuing care, and home-care programs. This is an increase of $200 million, or 6 per cent, from the year '20-21. And for *Hansard* when I say '20-21, I'm talking about 2020 to 2021. This increase will support opening over 1,600 new continuing care and community care spaces. Budget '21 also provides for 13 million home-care hours. This is a million more hours than forecast for the budget year '20-21 as we anticipate the demand for home-care services will return to prepandemic levels. The government is also delivering on its commitment to invest $20 million over four years

for palliative and end-of-life care, including $5 million for ’21-22. In addition, we are conducting a review of facility-based continuing care and developing a new, modern legislative framework for the continuing care system.

Alberta’s government is investing $140 million over four years for mental health and addiction supports. Of this, $40 million is allocated for ’21-22, a $20 million increase from ’20-21. Also, Budget ’21 maintains the $10 million allocated for the opioid response strategy, and this funding will increase access to services, expand programs, and establish new publicly funded mental health and addiction treatment spaces. This funding is on top of the more than $800 million AHS spends each year on various addiction and mental health services in communities across the province. Further, this government is investing $34 million in ’21-22 for children’s health supports to expand mental health and rehabilitation services for children and youth, a $29 million increase from last year.

The Budget ’21 capital plan includes a three-year, $3.4 billion commitment for health-related capital projects and programs, including over $1.2 billion in ’21-22. That includes $2.2 billion for new and ongoing projects; it includes $343 million for maintenance and renewal of existing health care facilities; it includes $90 million for health-related IT projects; and it includes $766 million for AHS self-financed capital for parkades, equipment, and other capital requirements. This capital plan continues support for all announced and ongoing health projects. No projects have been cancelled or scaled back. This capital plan also supports five new priority projects in Calgary, High Prairie, and La Crête. And then, on top of that, there is $154 million to refurbish existing and add new continuing care spaces in priority communities, and $45 million is dedicated to the rural health facilities revitalization program.

To conclude, Madam Chair and members, I want to emphasize . . .

The Chair: I will let you finish your sentence, Minister Shandro.

Mr. Shandro: . . . that until widespread vaccination has been completed, I’m confident that this budget will allow us to continue to provide high-quality health care to Albertans when and where they need it.

Thank you.

The Chair: Thank you, Minister Shandro.

For the hour that follows, members of the Official Opposition and the minister may speak. The timer will be set for 20-minute intervals so that you are aware of time.

Minister, it’s my understanding that you were interested in doing the block time. Is that correct?

Mr. Shandro: No. I’ll share my time. That’s fine.

The Chair: Okay.

With that, we will go to the Official Opposition.

Mr. Shepherd: Thank you, Chair. I believe it is the choice of the member which direction they would like to go, but indeed I would like to share the time, and I appreciate that the minister is willing to do so.

With that, let’s proceed. Minister, I appreciate this opportunity to meet with you today and talk through your budget and business plan. We certainly have a lot to get through, so I’ll forgo any preamble on my part. I will note that due to the technology that we are required to use here, it will be more difficult in some ways for us to go back and forth, so I will try to keep my questions focused and succinct, and I would ask hopefully that you would do the same with your answers so that we can maximize our opportunities to dig into this information on behalf of Albertans.

Minister, I’d like to start at the very high level, just looking at the compensation that’s set aside in your budget as described in the fiscal plan on page 123. Now, from the updated Q3 numbers in Budget 2020 we see some large cuts at AHS. These are our front-line health care heroes. These are folks that have worked tirelessly throughout the COVID-19 pandemic, indeed at times putting their own lives at risk. We see that you are cutting about $600 million year over year, and from the updated forecast to the end of your fiscal plan that’s about $1.2 billion. If my calculations are correct that comes to about 13 per cent of employee health costs at AHS over three years.

In October your government announced that 11,000 health care jobs would be cut through outsourcing, attrition, and, seemingly, some layoffs. I can’t help but think that would have a devastating effect on our health care system. Front-line health care workers that we have spoken to about this were shocked, very shocked, that you had set a course for mass layoffs during a global pandemic unlike any we’ve seen before. Minister, can you just explain to the people of Alberta why you believe these layoffs are necessary?

9:20

Mr. Shandro: First of all, there are no layoffs. That’s not true at all. First of all, I’ll say that the AHS review – and thank you to you, Member, for lauding the AHS review as a common-sense plan. I think when it was first tabled with us and made public, you correctly called the recommendations in the AHS review common-sense proposals that were provided to AHS and for all Albertan patients. That’s the right answer to have been provided, and we did allow AHS to proceed with a thoughtful and balanced portion of implementing those recommendations during the pandemic.

There is the further contracting out of laundry and community labs throughout the province, most of which were already contracted out under the previous government. But those are not going to be implemented until well after the pandemic, in the year ’22.

Now, I think you have made reference to some line items that are misinterpreted, and maybe it requires some further answer from ADM Aaron Neumeyer to be able to provide you with an answer on how these amounts are accounted for in the budget. ADM Neumeyer, if you don’t mind me asking you to go to the podium to be able to help the member understand how the amounts are accounted for.

Mr. Neumeyer: I hope I did that right, Dr. Hinshaw. Thank you, Minister Shandro. My name is Aaron Neumeyer, ADM of financial and corporate services.

I think, Member Shepherd, you’re referring to a table that’s on page 123 of the fiscal plan. I’m going to provide you some clarification on that table. The numbers that you see there for the 2021 forecast of $9.288 billion for AHS compensation: that includes $809 million in compensation that relates to the COVID response. If you separate that out, the forecast for kind of ongoing operations of AHS is $8.479 billion.

Now, what also you need to understand is that the ’21-22 estimate of $8.615 billion with a contingency not budgeted in the Department of Health – it’s separate. The AHS did not budget for the compensation costs associated with the pandemic response in ’21-22. The comparison should be $8.479 billion in ’20-21 to $8.615 billion in ’21-22, an increase of $136 million year over year. Again, as we go through the year and funding is allocated from the contingency to Health to support the pandemic response, the

compensation costs related to that will ultimately be reported in AHS and the Ministry of Health.

Thank you.

Mr. Shepherd: Thank you, sir. I appreciate that clarification. I would remark, Minister, that your comments about my comments about your report are obviously chosen very specifically, taken out of context, and this is something I've observed with yourself and your government, that if we give you an inch, you take a mile. So I would comment that in regard to this . . .

The Chair: I would just recommend and remind all members that all comments must go through the chair and not to other members.

Mr. Shepherd: Thank you for that reminder, Chair. Through you to the minister, I would remind him of his own words recently: "Some folks from our team forgot about the last part, that being hard work and humility. It's going to take us some time to be able to earn back the trust of Albertans and earn back credibility and show people that humility is still important for our team, our caucus, our party, and this government."

As we proceed through these today, perhaps he would like to consider that in terms of his approach, his tone in answering questions on behalf of the people of Alberta. Minister, what I hear you saying, then, and you can clarify on this point – are you saying, then, that there will be not a single health care layoff or job loss once this pandemic is over? Is that what you're saying? You're committing here and now that there will not be a single health care layoff or job loss? I'd appreciate it if you could confirm that here today because I intend to speak to the press later today about your record, sir.

Mr. Shandro: Thank you, Madam Chair. I'm happy to answer the member's question. As I said, the AHS review was completed in 2019, and as the member said, the recommendations that were included in that review were common-sense recommendations, that under the previous government, under the NDP government, 70 per cent of our community labs in the north of the province are already contracted out and all of the laundry jobs in Calgary and Edmonton are already contracted out. The proposal is that in 2022 and thereafter for there to be further contracting out of those services so that the front-line clinical staff can continue to focus on what they do best, clinical front-line work. I can confirm that there will be no front-line clinical staff that are laid off during the pandemic.

Madam Chair, happy to make sure that it's further clarified as, unfortunately, the member is continuing to misrepresent to Albertans through the pandemic what is actually happening and what is actually the case.

The Chair: Thank you, Minister.

Back to Mr. Shepherd.

Mr. Shepherd: Thank you, Chair. Minister, speaking of misrepresentations, your own ADM just spoke of how the numbers were different because you're depending on your contingency fund. What I would say is that what is misrepresenting to Albertans are these kinds of shell games, where you are choosing not to be opaque and clear about what dollars are going where; having this extra pot of $1.25 billion, that you are choosing to set aside without – through the chair to the minister, I would note that having this additional pot set aside, which is going to everything from, apparently, the surgical initiative to all these other things, creates confusion and makes it difficult for Albertans to understand, as does, through the chair to the minister, this playing word games.

What I hear you saying, Minister, is that you will not lay off any front-line clinical staff. There are many other kinds of health care positions. There are many other people that work within the health care system. Through the chair to the minister, what I hear you saying is that within your definition of what you consider front-line clinical staff, you will not lay off a single person once this pandemic is done; however, you will certainly proceed with the loss of a number of other health care jobs, including potentially this 11,000 that you were planning previously through contracting and other means. Is that correct?

Mr. Shandro: Thank you, Madam Chair. First, I want to be able to respond to the allegations regarding having a contingency fund to be able to respond to the pandemic. Unlike other jurisdictions, we have continued to pass budgets throughout the pandemic so we can make sure that AHS and the ministry have all the resources that they need to be able to respond to the pandemic. We've made it very clear many times that resources, money, will not be an issue in responding to the pandemic.

I can speak for what we know that we spent money on. It was $2.138 billion in the budget year 2021 for contingency costs to respond to the pandemic. For testing I think it was over $300 million. Contact tracing was $170 million. We also spent another $155 million on acute care. We know that we have to be dynamic. We have to be able to continue to make sure that resources are not an issue and make sure that AHS and the ministry have all the money that they need to respond to the pandemic. We don't know if it's still going to be another $170 million for contact tracing, for example, or if it's going to be more. We need that flexibility because that's the right thing to do for patients, for Albertans, to keep them safe, to keep them healthy, and to protect their lives and their livelihoods throughout the pandemic.

The answer again, Madam Chair, to the second question from the hon. member is that we are proceeding with a balanced and appropriate portion of the implementation plan that was proposed by AHS based on the AHS review that includes a number of initiatives. I spoke a little bit to some of those initiatives in my opening remarks, and it does include the further contracting out of certain services like the remainder of the community labs. A reminder again that under the previous government, under the NDP, 70 per cent of community labs in the north of the province were contracted out and all laundry jobs in Calgary and Edmonton were contracted out. We are proceeding with a balanced portion of the recommendations of AHS to implement those recommendations from the AHS performance review because it's the right thing for us to do to be able to continue to allow our front-line clinical staff and folks in AHS to focus on what they do best: taking care of patients, providing them with the best acute care, the best surgeries that they can throughout the pandemic but also after as well so that we can have more – and this is the thing, Madam Chair. Unlike the NDP, who answer to an interest group, we are here to represent patients. The focus for us is to find more efficiencies . . .

9:30

Mr. Shepherd: A question at this point. We are short on time, and I would appreciate the opportunity to continue with some further questions.

The Chair: Member Shepherd, please wait until you are recognized by the chair to speak. Thank you. I will let the minister continue with his final sentence.

Mr. Shepherd: If he wants to continue to waste time, he can.

Mr. Shandro: Thank you, Madam Chair. I think what I was saying is that we are going to continue to make sure that there's more

money for more patient care, more surgeries; for example, being able to fund CAR T-cell therapy, because of these efficiencies.

Thank you, Madam Chair.

The Chair: Thank you, Minister Shandro.

Now Mr. Shepherd.

Mr. Shepherd: Thank you, Chair. Minister, we've already seen massive chaos of rural health care with your continued fight with doctors, the resolution of which I hope we will see soon, closure of some clinics. Some doctors left the province altogether. Of the layoffs that are, then, being planned that will result from the contracting and other steps that you are planning to take, can you tell me how many positions you anticipate will be lost in rural Alberta?

Mr. Shandro: Madam Chair, could I ask the member to repeat the question for clarity? What positions is he asking about in rural Alberta?

Mr. Shepherd: Thank you, Chair. Through you to the minister, of the positions that he anticipates will be laid off or will change hands due to the privatization of lab services, laundry, food service, or other portions, what number of those positions would be in rural areas?

Mr. Shandro: Madam Chair, again a lot of misrepresentation regarding a lot of this. There was no fight with the Alberta Medical Association. The member is not being accurate at all with that characterization. Of course we had a negotiation over the last year with the AMA, difficult conversations with them, through which we were able to learn quite a bit from each other, and I'm very happy to have a tentative agreement that is still left to be ratified by the membership.

There has been a net increase of physicians in the province, which has been confirmed by the College of Physicians & Surgeons, net more physicians who have come to bill in this province because they know that this is the most generous province for a physician to be billing for patient services. We will continue to make sure that physicians are paid generously here in Alberta because we want to continue to make sure that it's a place to attract physicians not just for major urbans but also to rural Alberta. His misrepresentation that there are clinics or that there have been physicians who have been leaving the province is totally inaccurate. It has been proven by the College of Physicians & Surgeons to be not accurate at all.

As well, I point out that he made a comment about the privatization of services being the contracting out of services, and I think this is another way in which the member and his team have not been accurate with Albertans, Madam Chair. He makes it sound like patients are going to be paying for these services by using the word "privatize." These are still going to be 100 per cent publicly funded. Patients are not going to be paying for the laundry. Patients are not going to be paying for the lab services. These are independent providers but in the same way that we have independent providers providing a multitude of services on behalf of patients throughout the province, on behalf of AHS, and on behalf of physicians.

He also asked about the specific decrease that would occur throughout the province. Madam Chair, we are going to have a net increase of health care employees – a net increase, to correct the member – of 2,940 new positions. There is no net decrease at all in positions throughout AHS.

Thank you, Madam Chair.

The Chair: Thank you, Minister.

Just a quick reminder to make sure that we tie our questions to either the business plan or the estimates as we are here to consider the estimates for the Ministry of Health.

With that, Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. Of course, I am referring again to numbers from the fiscal plan on page 123 and the initiatives outlined within the business plan regarding reducing costs in the province of Alberta, which the minister himself has said that the changes in employment or contracting or privatization are referring to.

Minister, what I'm hearing you say, what you said just now, is that there's going to be a net increase so nobody in rural Alberta will lose a position or see that position shift as a result of the contracting out of these services. That's an interesting position to take. How about in the city centres, then? In our major cities, Edmonton and Calgary, are you also contending that not a single person in any health care position is going to lose their job as a result of this decision, these 11,000 positions, these apparent layoffs that may occur as a result of your choice to contract out services?

The Chair: To the minister.

Mr. Shandro: Thank you, Madam Chair. I'll point out as well to all members of the committee that AHS has approximately 110,000 employees throughout the system. It's one of the largest employers in Alberta, let alone Canada.

Of course, there are going to be many positions that are filled, that are increased, that are decreased as we continue to ensure that AHS is dynamic. Not just because of the pandemic but before the pandemic and after the pandemic we'll continue to respond to patient needs throughout the province. So there will be positions throughout the province where AHS needs to make sure that there may be a net increase in a zone or a small urban centre or a major urban centre, or there may be positions that have to be moved to another location. That is AHS doing its job in making sure that patient needs are met throughout the province and continuing to make sure that those patient needs are met during the pandemic and after the pandemic. But, as I pointed out to the member, there are net increases of positions in AHS of 2,940.

The Chair: Thank you, Minister.

To Mr. Shepherd.

Mr. Shepherd: Thank you, Chair. So it is clear, then, through you to the minister, Madam Chair, that either he is unaware of the impacts of his decisions, which would be shocking, or he is aware and is unwilling to share that information with Albertans.

With that, I will move on, then, to some questions about the Alberta surgical initiative. Now, this is obviously a considerable plank in the platform. This is a large initiative for the minister. I would note in the business plan where he speaks of this, last year's business plan versus this year. Last year's business plan stated that "in 2020-21 $4.1 billion is allocated towards acute care," including for in-patient services, surgeries, et cetera. "In 2021-22 $4.1 billion is allocated to acute care," including for in-patient services and for the surgical initiative. So we have the same amount each year.

In an announcement last week, through the chair to the minister, he announced that he was committed to address that he felt he could commit and reach his goal of treating every patient within clinically acceptable wait times by 2023, but just last October the minister also said that he recognized even before the impacts of the second wave that the government's efforts to shorten wait times for surgeries would have a precarious future and would need investment beyond the next election and that there's no denying we

have to spend more money to be able to get more surgical capacity. That is setting aside any of the backlog from the second wave.

Now we have that additional backlog. We have those additional surgeries. How are you managing this amount of extra increase . . .

The Chair: We'll wait until you finish your sentence.

Mr. Shepherd: Thank you.

. . . with exactly the same amount of funding as last year?

Mr. Shandro: Madam Chair, I'm sorry. I heard a beep. Does that mean it's my turn to speak, or is that the end of . . .

The Chair: That was the end of the first 20-minute piece, so now it's up to you to speak.

Mr. Shandro: Thank you. I'm happy to answer this question, Madam Chair. We did increase funding. For example, in Budget '20 we provided, I think, $100 million for the Alberta surgical initiative capital plan for us to be able to invest in the operating rooms in AHS, throughout the system, throughout the province, to be able to make sure that they can do higher volumes of surgeries and also to make sure that AHS before the pandemic but also especially during the summer and in the fall – to be able to do more surgeries by expanding the number of hours that our operating rooms are open for scheduled surgeries. We can have more done in the evenings and on the weekends as well.

Sorry, Madam Chair. Just one second.

9:40

It was $120 million over three years to invest in those capital projects to be able to invest in those operating rooms in AHS to be able to increase the volumes of surgeries. I'll also say that in Budget '21-22 the health system, as the member said, is increasing the scheduled surgeries by 55,000 publicly funded surgeries. Then having the chartered surgical facilities by the year 2023, helping out with 90,000 surgeries per year, up from the approximately 40,000 that they're currently providing.

A big part of this is going to also include the continued talks with the chartered surgical facilities through the Health Contracting Secretariat, that we established through the AHS review in the ministry to assist AHS with the market analyses as well as the reaching out and negotiation of contracts for volumes of surgeries with the surgeons of the chartered surgical facilities. In March AHS will be proceeding with the conversations with those in the ophthalmology specialty, and there will be other specialties after that, to be able to negotiate the prices for those higher volumes. That is one of the ways in which we will continue to make sure that we have increased volumes of surgeries, but also doing it in the most efficient way so that AHS can continue to be more efficient in how they spend their money, and that there's more money in the system for a greater amount of patient care that can be provided throughout the budget year in the province.

The Chair: Thank you, Minister.

Mr. Shepherd: Thank you, Minister, for that breakdown on your overall surgical plans, but you did not answer the question of indeed how, through all those methods, you intend to pay for all of those additional surgeries with precisely the same amount in acute care as in the previous year. Indeed, I note that you intend to complete 55,000 additional surgeries starting April 1, above the 290,000 normally done, for a total of 345,000 surgeries in '21-22. How many of those surgeries – and, please, Minister, answer this specific question – are budgeted for in line 2.4, acute care?

Mr. Shandro: Thank you, Madam Chair. The amounts for these additional surgeries are accounted for in various line items in the budget. One of them is in acute care, and one of them is also in the physicians' services budget as well as in COVID contingency. So 36,000, for example, in the next year of these will be budgeted in the COVID contingency line item. That's to be able to address the backlog that's associated with COVID.

Thank you. I would also point out for the member, Madam Chair, that he made it sound like the same amount is staying for acute care. There's a $130 million increase to address the operating pressures that are related to the surgical initiative. Some of the line item is also offset by the opportunities for unachieved savings due to COVID as well, for us to be able to increase the number of surgeries that are done through that line item in particular, if that's the question that he's asking about for 2.4. We are increasing the amount for that line item to account for the Alberta surgical initiative.

The Chair: Thank you, Minister.

Mr. Shepherd: Thank you, Minister.

One other question. So you do have an intent to rely heavily on these new private or chartered surgical facilities or existing ones. But it would seem to me that to meet this kind of capacity – and perhaps correct me if I'm wrong – it will require the creation of some new facilities, potentially new postsurgical follow-up clinics. Are there any dollars in this budget targeted or intended to help cover capital or other start-up costs for any new private or chartered surgical facilities or postsurgical follow-up clinics? A straight question. If you can just answer it directly, Minister.

Mr. Shandro: Thank you, Madam Chair. The answer is no, but also I'll just use my opportunity to correct some misinformation from the member. The chartered surgical facilities are not private any more than when the member goes to his family doctor. He would leave not paying for anything under that family doctor's office. You wouldn't call that clinic a private clinic. These are independently owned. They're independently operated, but they're integrated into the health care system and managed by AHS under contract. They're all one hundred per cent publicly funded, so to call them a private facility is a little bit disingenuous, I would submit, the same way that we wouldn't call our family doctor's office a private office or a private clinic.

Thank you.

The Chair: Thank you, Minister.

And back to Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. Indeed, that is what I'm referring to, that these are privately owned and operated clinics.

Moving on, then, the physical space and capacity, obviously, is one part of the equation to manage surgeries; the other is the staff needed to perform that work: the surgeons, the nurses, anesthesiologists. It's my understanding that anesthesiologists in the province of Alberta are already at a premium. Indeed, when I took a look yesterday on the AHS website, they're currently looking to fill 15 positions for anesthesiologists across the province. As part of your stated plan in the business plan to increase the number of surgeries and the funding that you put forward in your budget, do you have any plans or strategies for how you're going to attract or incent enough anesthesiologists and other key staff needed to perform this increase in surgeries?

The Chair: Thank you.

And to the minister.

Mr. Shandro: Sorry, Madam Chair; that's a question about the budget?

Mr. Shepherd: This is a question regarding your business plan, Minister, and how you intend to achieve your objective.

Mr. Shandro: Thank you. Madam Chair, first of all, these facilities are – I note that the members opposite do represent one interest group, especially when it comes to the health system, and the idea that there would be independent providers is offensive to them. They would want fewer surgeries done in a non-unionized workplace, and that's their concern and why they would want to mischaracterize the publicly funded surgeries that are done in a chartered surgical facility. I understand their advocacy there in that respect.

I'd also point out that the surgical initiative does include an increase of our FTEs throughout the province, including for physicians. We do have, I think, 56-point-something million dollars in physician recruitment. There's $57.9 million to be able to recruit physicians. It includes the education and recruitment opportunities in Budget '21-22. It also includes additional training opportunities for physicians and incentives for them to be practising in rural communities.

I'd also point out the $81 million announcement we made last April for us to be able to continue to recruit and retain physicians in rural Alberta. We also have recruitment in academic medicine positions as a result of the pandemic in particular but also after the pandemic, and we have additional training opportunities for physicians and incentives throughout the province to practise in rural communities. This is going to include all physicians, but as well it will include anesthesiologists to be able to make sure that we have the number of anesthesiologists that we need to be able to meet the number of surgeries we want to continue to increase throughout the province in AHS facilities and in the chartered facilities as well.

The Chair: Thank you, Minister.

And to the member, Mr. Shepherd, I'd just remind you to make sure that you're directing all your questions through the chair.

9:50

Mr. Shepherd: Certainly. Thank you, Madam Chair. Through you to the minister, if we're talking about representing interest groups, I would note that you are the one whose office was caught, after we learned through covert recordings about a plan for a large private orthopaedic hospital in Edmonton on 101st Street, in my constituency. You're the one whose office was found to be working behind the scenes to support them, indeed dedicating a specific staff person in your office to represent that particular interest group, including UCP donors and lobbyists. Of course, I understand, Minister, that that staff is no longer in your office.

Mr. Neudorf: Point of order.

The Chair: Mr. Shepherd, there has been a point of order.

Mr. Neudorf: Standing Order 23(h), (i), and (j). Just making allegations. I understand there's difference of opinion. I understand there are pointed questions about the budget and the business plan. It's the side comments and the snipe remarks about allegations – clearly put in the standing orders: making allegations – particularly against the minister and his staff about different objectives. I would just ask that the member address the estimates and business plan and continue to ask his challenging questions but possibly refrain from further allegations and comments of that sort.

The Chair: Thank you.

Ms Ganley.

Ms Ganley: Yes, Madam Chair. I think there is clearly no point of order here. You know, if anyone was making allegations in this case, it was clearly the minister. Member Shepherd was referring to specific facts, and if there is a dispute as to the facts, then there is a dispute as to those facts, but that is not a point of order, which has been made clear on numerous occasions. I think that, certainly, the debate has gotten somewhat heated, largely as a result of the minister's insistence on drawing out answers unnecessarily and referring to unrelated things, and that is fine. I think if you wanted to direct everyone back to the subject, then that would be fine, but I think there's clearly no point of order here.

The Chair: Thank you, Ms Ganley. I appreciate your comments, and I do, after hearing both sides, tend to side with your arguments. I do not believe that that was a point of order, but I would remind all members, including the minister, to make sure that we are focusing on the estimates and the business plan, speaking through the chair at all times. I would just ask that we return to the estimates in our conversation as we continue approaching – we have just over two hours left.

With that, Mr. Shepherd, the floor is yours.

Mr. Shepherd: Thank you, Madam Chair. Certainly, I am happy to keep a civil tone if the minister is as well. Through you . . .

The Chair: Mr. Shepherd, that is kind of the opposite of what I just finished asking for. I am asking that we please be respectful and focus on the estimates. The snide remarks are not required.

Mr. Shepherd: Through you, Chair, to the minister, on your surgical initiative you recently announced a new indigenous stream grant program to support First Nation communities interested in developing proposals under the RFP. There were six different nations that were involved in that. Minister, I do not need an explanation of the program. I do not need to hear about the benefits of the program. I have a simple question: how many of these First Nations have in fact submitted an RFP, and to date, how much has been paid out in grants?

Mr. Shandro: Madam Chair, I will not speak to the allegations that were made about me, but for *Hansard*, to make it very clear, what the member said about me and about my staff was completely untrue. It was slander. I'm very happy to be able to speak to him outside of this room, be able to answer any questions. If he actually believes those allegations, that's unfortunate, but they are not true at all. I hope he can actually refer to facts rather than spurious allegations like that.

The question about the chartered surgical facilities: there was a grant that was made available to First Nation communities for them to be able to respond to an RFP if and when there was an RFP for a chartered surgical facility. There were six grants that were provided to six nations for that of $50,000 each for them to be able to develop the expertise to be able to respond to an RFP if there was, but there hasn't been an RFP open yet for those chartered surgical facilities; therefore, none of them have submitted an RFP yet for a chartered surgical facility. It was just the, I guess, interim grant for them to be able, if and when there was an RFP, to have the resources to respond.

The Chair: Thank you, Minister.

Back to Mr. Shepherd.

Mr. Shepherd: Thank you, Chair, and through you to the minister. Minister, are you saying, then, that at this point no grants have been accessed by any of these nations?

Mr. Shandro: It was the six that I mentioned. I'm assuming they – yeah. I see nods. There were six that were provided $50,000, to each of those six nations that qualified for capacity building, for them to be able to have the ability to respond when there is an RFP.

Mr. Shepherd: Understandable. Thank you, Minister. I appreciate that clarity.

If I may, Chair, through you to the minister, you had an announcement on December 20, 2019, about your wait times initiative, and you named some specific steps you were going to take to increase surgical capacity, including expanding telephone and electronic advice programs so that the primary care providers could get more timely advice from the specialists, creating a centralized electronic referral system to triage people waiting for surgery, and cost savings to find through the AHS review, which we have discussed at length. On those first two points have you, indeed, continued with those two pieces, the expansion of the telephone and electronic advice programs and creating that centralized electronic referral system to help address surgical backlog?

The Chair: Thank you.

To the minister: you can have a member from your staff answer if you would prefer.

Mr. Shandro: Thank you, Madam Chair. Maybe if I could ask for clarity, through you to the member, which page of the business plan or which line in the estimates he's referring to.

Mr. Shepherd: Again through you, Chair, to the minister, under his business plan, outcome 1, key objective 1.1, "clear the backlog of delayed surgeries due to COVID-19 and going forward, reduce [the] wait times for medically necessary . . . imaging and surgical procedures." I am asking, under that point in your business plan, if these initiatives that you had previously announced are proceeding as part of that work.

The Chair: Thank you, Mr. Shepherd.

Mr. Shandro: Throughout the pandemic, before the pandemic we did announce various initiatives for us to be able to – the Alberta surgical initiative is a suite of initiatives for us to be able to make sure that our surgical wait times for scheduled surgeries in the province continue to come down. We will continue to make sure that those initiatives are – and it's not written in stone. We will continue to also add to those initiatives and respond to what we see as the further abilities for us to be able to get our surgical wait times down to what physicians have decided is the clinically appropriate wait time and the ACATS.

The Chair: Thank you, Minister.

Back to Mr. Shepherd.

Mr. Shepherd: Thank you, Chair. Through you to the minister, if he is not aware of the progress on those initiatives and does not have that information at hand, I would be happy to receive that in writing on those specific initiatives. I appreciate the general answer.

I would like to move on now to talk about diagnostic imaging. Now, the minister had made some specific commitments around the reduction of diagnostic imaging wait times, which did expand greatly under the first year of this government. Now, under outcome 1, key objective 1.1, again from the business plan, he states that he's intending to reduce the wait times for publicly funded diagnostic imaging indeed as part of the CT and MRI access initiative, which he mentioned in his introduction. I note that as of January 2021 the top priority patients for a PET scan – that is, individuals with cancer who need those scans before they can in fact get surgery or chemotherapy – are waiting up to 39 days at this point to get it when the recommended maximum is 10. What is the current plan, then? What investments are in this budget, in those line items and under this business plan, to address these diagnostic wait times? Are there, in fact, new dollars in this budget to accomplish that goal?

The Chair: Thank you, Mr. Shepherd.

Just for everyone's record we are into the third and final 20-minute block.

With that, Minister Shandro, you've got the floor.

Mr. Shandro: Thank you, Madam Chair. We did announce before COVID an action plan to be able to deal with the systemic issues related to the lengths of time that many Albertans wait for these types of diagnostic imaging services, for CT scans and MRI scans. We are going to continue to do that work in implementing that action plan to deal with those systemic issues.

10:00

There is also an increase in the diagnostic, therapeutic, and other patient services line item. It's $2.4 billion. That's up $35 million from the budget year '20-21. It's actually up 3 per cent, or $69 million, from the actual of '19-20. We are actually going to continue to do this work, not just in the increases of funding in the budget for that line item but also, in doing that, continue work through the action plan to be able to deal with some of the systemic issues that relate to Albertans who are priority 1, 2, or 3, or urgent in-patient scans and not getting their scans in the amount of time that physicians would like to see that they are provided to them.

Thank you, Madam Chair.

The Chair: Thank you, Minister.

To MLA Shepherd.

Mr. Shepherd: Thank you, Madam Chair. Indeed, yes, I note that there is an increase from the '19-20 year and a slight increase from the forecast, then, for '20-21.

Are there any other steps you are taking? You mentioned that you have a specific strategy. You have the CT and MRI access initiative. Outside of the additional dollars, which are, of course, important, what other steps are you taking to address the wait times? Are there any other initiatives or steps that have been taken, through your direction, by AHS?

Mr. Shandro: Yes. It's the action plan that I mentioned previously, Madam Chair. The member is aware of it because he was asking me questions about it before in the House. It's a three-pronged approach to how we can reach our targets and sustain the results, not just like the previous government did in providing one-time funding and leaving it there. For us to make it a sustainable solution for these increases and big waits, it's looking at managing our demand, looking at reducing the cost by increasing the efficiencies, and managing the wait times as well by allocating appropriate resources, so a three-pronged approach.

The implementation plan: we did break it into nine specific projects, and one of these is specifically around our scheduling process. We will continue with that three-pronged approach and the action plan and the initiatives that are under it to continue to address the wait times. So it's not just a one-time funding issue but is dealing with the systemic problems with these wait times.

The Chair: Thank you, Minister.
Back to Mr. Shepherd.

Mr. Shepherd: Thank you to the minister, through you, Chair.
Now, of course, a key part of improving diagnostic imaging times – and in that work, of course, are the radiologists who read the scans. Now, in late 2019 we know that Alberta radiologists agreed to cut their fees by 12 and a half per cent. That was retroactive to April 2018. But in March 2020 it was announced that their contract was being cancelled as of March 31 of this year, with the contract to be put up for RFP. I understand that process has been a bit fraught and was not quite the outcome that AHS had hoped to find, and it has ended up with the return to negotiations with radiologists in Alberta. We've had no interest from other parties to take on that RFP, but we are in position now where there is a bridging agreement which needs to be put in place to ensure these services can continue beyond the end of March.
Now, Minister, the contract expires this month, so has AHS under your direction successfully negotiated a continuance or a new contract yet, and how much is budgeted for that cost within line 2.6, diagnostic and therapeutic services?

The Chair: Thank you, Mr. Shepherd.

Mr. Shandro: Madam Chair, all I'll say about the conversation and the advice, I should say as well, going back to the advice that we received from the Health Contracting Secretariat, is that they were assisting AHS in the conversations with the radiologists, who provide – a reminder as well that our radiologists provide both in-hospital and community patient services work, for the ones that are in AHS, like the CTs and the MRIs. There is a contract that is for the amounts of money that radiologists are paid for those services in AHS facilities. Those conversations, I think, are continuing with AHS and the radiologists, and I look forward to them continuing to be able to finalize any discussions that are required for them to be able to move forward together.

The Chair: Thank you, Minister.
Back to Mr. Shepherd.

Mr. Shepherd: Thank you, Chair. I appreciate the answer from the minister. It's troubling to think that we are mere weeks away from the expiry of that contract, which could have dire implications for the ability of this work to continue in hospitals. It's unfortunate that it was the rash decision made to cancel that contract last year.
But moving on from that and speaking of the Health Contracting Secretariat, that was set up in order to accomplish the work, indeed, of seeking out more private partners to deliver these publicly funded services – this is, of course, under outcome 1, key objective 1.1, clearing the backlog of surgeries, as well as outcome 2, a safe, person-centred, quality health care system that provides the most effective care for each dollar spent, and the key objective "Bring Alberta's health spending and health outcomes more in line with comparator provinces" – as the minister noted, he set up the Health Contracting Secretariat for the purpose of both assisting in finding these contracts and indeed seeking further opportunities to outsource, privatize, or contract out services, according to what I have here from what was stated in the RFP. That RFP closed in July of last year. It sounds like they are up and running.
Minister, could you provide any information on who secured that contract and what funding is being provided through the secretariat, the amount, and the line item where that would be contained?

The Chair: Thank you, Mr. Shepherd.
To the minister.

Mr. Shandro: Thanks, Madam Chair. First, there was a comment at the end of the last question, and I just want to make it clear, because the hon. member made it sound like there's a risk of patients not getting the care that they need in the system, for all members to understand that that is not true at all. Every patient will get the care that they need, and any allegation to the contrary is not true.
Now, the question about the Health Contracting Secretariat. I'll maybe ask Associate Deputy Minister Bryce Stewart to go to the podium to be able to answer the specifics. The contract was awarded. It went to EY. Maybe, Bryce, do you mind answering the specifics of the remainder of the member's questions?

Mr. Stewart: Thank you. I think the other part of the question was around how much . . .

The Chair: Bryce, I would just ask that you please introduce yourself for the record.

Mr. Stewart: Bryce Stewart, associate deputy minister of Health.
I believe the other part of the question was the value of the contract, and it was valued at just roughly a million dollars. The role of the Health Contracting Secretariat was certainly to look at financial models and abilities, to look at funding models in a different fashion than in the past based on what we've seen in other jurisdictions such as the United Kingdom and other provinces in Canada. That was the remit of the Health Contracting Secretariat, to be able to help provide that advice to the department and Alberta Health Services as they work on contracting clinical services.

The Chair: Thank you.

Mr. Stewart: Thank you.

The Chair: Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair, and thank you for that succinct answer. So we know that the contract of $1 million went to EY. Have they begun engagement, then, in identifying new areas for contracting or privatization or outsourcing, and have they made any other further recommendations in that regard so far?

The Chair: The minister.

Mr. Shandro: [Inaudible] says that we are considering would all be 100 per cent publicly funded.

The Chair: Minister, could you please repeat that? I'm sorry; there was a little bit of lag, so we missed the first part of your response.

Mr. Shandro: Sure. I said privatization, if that was the question. No. All the work that has been done by the Health Contracting Secretariat is for services that would be 100 per cent publicly funded.

The Chair: Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. Certainly, I did not state that they would not be. I simply asked what further services that might be contracted out or outsourced may have been recommended so far by that secretariat.

10:10

The Chair: Minister?

Mr. Shandro: Oh, I guess I should be waiting for the light to turn red.

Thank you, Madam Chair. The Health Contracting Secretariat has assisted us with chartered surgical facilities as well as with radiologists. That's been most of the work. As well, I would say that we did see in the spring that we went down in our surgical capacity. I think the lowest we went in the spring of '20 was about 40 per cent of our pre-COVID surgical capacity, thankfully not as low as other provinces, but it was a lot of work throughout the summer and the early fall to be able to get back and get through about 90 per cent of that backlog. A lot of that was due to the work that the Health Contracting Secretariat assisted us with to be able to catch up.

Throughout the pandemic the office of the Health Contracting Secretariat has been fairly busy, as everybody in the Health ministry has been. Right now there has been nothing further that has been done other than assisting us with the response to the pandemic, assisting us with the conversations with the radiologists, and then the work in particular for orthopedics and ophthalmology and the RFPs that would be proceeding in '21 for the chartered surgical facilities and those volumes.

The Chair: Thank you, Minister.

To Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair, and thank you to the minister for that answer.

Minister, I'd like to move over now to your estimates, line 3.3, under physician compensation and development and also, I guess, looking at – pardon me. I apologize. Talking about physician compensation and development but within the fiscal plan on page 101, we see your plan for the current year and the estimate for physician compensation and development. I see there is a reduction of about $240 million. I was wondering if you could give me a bit of a breakdown on where you're expecting those savings to be achieved. What areas are you expecting to be reduced? Is that in the areas of – are you anticipating fewer billings in particular areas? Where are those savings being achieved?

The Chair: Thank you, Mr. Shepherd.

Now on to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. If I have the right line on page 101, the answer is that there were just lower volumes. You know, 89 per cent of the billings for the physician services budget, the PSB, which is a portion of the physician compensation and development line item, is through physicians that bill through fee for service. With fewer patients seeing their physicians, that meant less volume, and that accounted for the forecast being less.

The Chair: Thank you, Minister.

Back to Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. Through you to the minister, then: is he expecting to see those amounts increase in the next year? It would be further billing that would, I guess, bring us back to the norm or potentially even cover for some of the backlog of services that people missed but will be looking for as the pandemic eases.

The Chair: Thank you, Mr. Shepherd.

Mr. Shandro: Yes. We expect it to return to prepandemic levels.

The Chair: Wonderful.

Back to Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. Speaking of physicians, Minister, in your 2020-21 business plan you had some key objectives, several of them, regarding physicians, including a performance indicator about the percentage of total alternative relationship plan payments versus total physician payments, of the amounts that those would compromise. Indeed, last summer you indicated again as part of your objectives in your business plan that to save money in the health care system while providing better care, you would be introducing a new ARP plan with built-in transition benefits to encourage physicians to move from fee for service to a three-year contract. According to the *Edmonton Journal* you had contracted a Dr. Lee Green at the University of Alberta to engage with physicians in rural communities to develop that alternative compensation model.

There is no mention of this, indeed, in your business plan this year. Is that an objective you've set aside? If not, can you provide us a current status on that work to develop those ARPs?

The Chair: Thank you, Mr. Shepherd.

With that, back to Minister Shandro.

Mr. Shandro: Sure, and thank you, Madam Chair. Some of Dr. Green's work was to some extent affected by COVID, and some of the work was delayed. We were happy to get the report. The report included a recommendation for us to continue to develop the market analyses for the ARPs.

I think there's a little bit of difficulty with the ARPs and even the name, alternative relationship plan. It's a little bit difficult, which we found in 2019 and 2020, for physicians to understand what an ARP is, for us to be able to be more successful in having the conversations with physicians to want to make an application. Anyways, the ARPs: that work is continuing to be done for the market analyses. We have to make sure that, you know, we're taking the calls from the physicians who are interested. I know that we received in just the last month 13 applications, 31 in the year before. There's a total since January 1, 2020, of 44 applications that are in process.

Acting ADM Bailer is continuing to have those conversations with those physicians through her division, continuing to answer the questions while also continuing to take the recommendations of Dr. Green to do that market analysis in '21, knowing that we've also been responding to the pandemic – so some of this work has been delayed – but hopefully in 2021 will be able to provide a framework and a structure for what is still being called an ARP.

But we will be changing the name for us to be able to make it easier for physicians to understand what's available to them. A lot of times we have a call from a physician. There was one rural physician that was pleased to find out that they would actually be paid $200,000 more through the ARP. It also is, through the schedules, an opportunity for us to come to an agreement with the physicians on the outcomes as well. We obviously want our physicians to continue to be generously compensated but also for us to have an opportunity to work with them on the outcomes for patients in the community.

The Chair: Thank you, Minister Shandro.

On to Mr. Shepherd. Just a reminder, we've got about a minute and a half left, so quick question, quick answer.

Mr. Shepherd: Thank you. As part of the physician funding framework which you imposed last year, Minister, you made a change for seniors 75 and older to pay more for their driver medical exams. Can you tell me how much was saved with that initiative in the last year?

The Chair: Thank you, Mr. Shepherd.

Now on to Minister Shandro.

Mr. Shandro: Sorry. I'll maybe ask to come to the podium acting ADM Camille Bailer to answer that question.

The Chair: We'll just ask that you please introduce yourself prior to speaking at the podium.

Ms Bailer: Good morning. Camille Bailer, acting ADM for health workforce planning and accountability. Our savings estimate was $4 million, and because we have not yet reached a full year – this only began on March 31, 2020 – we have not reached that amount yet.

Thank you.

The Chair: Thank you.

Back to Mr. Shepherd. You have 24 seconds.

Mr. Shepherd: Thank you, Madam Chair. At this point, then, I'll just simply thank the minister for the opportunity to dig into this this morning. I certainly look forward to the opportunity to dig into this further today, particularly some of the aspects around the COVID contingency fund, the extreme reduction in the business plan, and how much less information is being offered to Albertans in many respects here.

The Chair: With that, we move on to our next block. It will be with the government caucus, and it is 20 minutes of questions and answers. I see Mr. Gotfried on the screen, so, Mr. Gotfried, the floor is yours.

Mr. Gotfried: Thank you, Madam Chair, and thank you to all of the ministry officials and to the minister for attending today. I'd like to start out just by thanking the minister, all of his Alberta Health ministry staff, and the AHS team for all of their incredibly dedicated work during this pandemic and certainly in the times ahead and for his commitment to continuing care. I've had the honour of doing some great work within the facility-based continuing care review. My engagement through this period with all of your ministry staff, Minister, has been nothing but compassionate, professional, and respectful, and I thank you and your team for that.

10:20

Minister, first question is with respect to the pandemic. Of course, it's been almost a year since COVID-19 and the pandemic began here in Alberta and public health orders were put in place to keep Albertans safe through this period. I know that ensuring the continued delivery of health services and making sure that Albertans stay healthy during this public health crisis is a priority for you, for your ministry officials, and for your AHS team, that are also under your purview. It's a big priority for all Albertans, of course. This was clearly demonstrated, I think, in the last fiscal year with line items 15 on pages 113 and 114 of the estimates document, which were labelled, as I note, COVID-19 pandemic response.

However, I note that there's no funding this year allocated under those lines. Instead, from what I can see, it appears that there has been $1.25 billion allocated towards the pandemic under line item 16 on page 217 of the estimates, labelled contingency COVID-19, under the Treasury Board listing. Minister, can you please explain to me and to Albertans why the funding to address COVID-19 costs is not specifically in the Health budget?

The Chair: Thank you, Mr. Gotfried.

Now to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. The Alberta government remains committed to ensuring that the health system has the resources that it needs to continue to fight the pandemic, protecting lives, and keeping Albertans safe, keeping them healthy. As the member says, $1.25 billion has been allocated to fight the pandemic and address the health care pressures that are resulting from the pandemic. It's on top of the $21.4 billion in the operating budget, I guess, a more than 4 per cent increase, excluding the COVID relief costs that the member mentioned. The COVID funding will then be used mostly for testing.

The reason it's not in the budget separately: it was a decision, I suppose, of Treasury Board to be able to make sure that there was the flexibility to make sure that the system has all the resources it needs for testing, for the assessment centres, for contact tracing, PPE, vaccine deployment, addressing the surgical backlog, and increased care as well for our acute- and continuing care systems. That was the reason for the decision of Treasury Board.

Thank you, Madam Chair.

The Chair: Thank you, Minister.

Mr. Gotfried.

Mr. Gotfried: Great. Thank you, Minister, and thank you, Madam Chair, for that answer. Minister, on page 5 of the business plan we also see that there's a total Health budget, which has increased to $23 billion despite some of the comments from other members. Then with capital investment there's an increase of almost $900 million, which is, I think, reflective of the COVID-19 situation but also the ongoing commitment that you've shown to health care. Considering that the Health budget does not include that COVID-19 funding, can you explain why the budget is increased by $900 million and what that means to Albertans?

The Chair: Thank you, Mr. Gotfried.

Now to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. It was our commitment to ensuring that the health system has the resources that it needs to address the pandemic as well as the pressures in health care that result from the pandemic. We are making this historic investment in health care to ensure that the system has the capacity to address both the pandemic as well as other health needs of folks, including addressing the wait times for scheduled surgeries that I was talking about earlier today.

Budget '21 also provides, you know, $16 billion for AHS. In '21-22 that's an increase of $600 million from the previous year. AHS is adding, as I mentioned earlier this morning, 2,940 full-time equivalents in '21-22. That's a total of a 4 per cent increase from the previous year. Budget '21 includes over $3.5 billion as well in the operating funds for community care – so that's continuing care, community care, and health care programs – an increase of over $200 million for those programs. Then improving the wait times for diagnostic imaging exams is obviously going to be another priority area with the access initiative for the CT and MRI scans, that we need to improve those wait times for. We wanted to make sure that we were addressing the backlog that was caused by the pandemic and help reduce the overall wait times.

Yeah. Thank you very much, Madam Chair.

The Chair: Thank you, Minister.

To Mr. Gotfried if you have another question.

Mr. Gotfried: I'm going to pass my time over to MLA Amery, if I may. Thank you.

The Chair: MLA Amery, you've got the floor.

Mr. Amery: Thank you and good morning, Madam Chair. Thank you to the minister for being here to answer our questions this morning. Unsurprisingly, I think that the vast focus for me and my questions will centre around the COVID-19 response and how the Health ministry has addressed these issues. This pandemic has obviously been a major focus of the Health ministry's resources, and I speak about the effort in securing and providing adequate PPE to front-line workers, hiring new AH staff, personnel to handle contact tracing and to assist in continuing care homes and facilities, et cetera. I understand that it will continue to be a priority as this pandemic continues.

Minister, I want to get to my questions right away. Would you please be able to tell us approximately how much the COVID-19 pandemic has cost so far and how you have used this number to predict and project how much the health care system will spend on addressing the pandemic in this fiscal year?

The Chair: Thank you, Mr. Amery.

Now to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. No. It's been an unimaginable year, that has tested each and every one of us, those of us in this room and all Albertans, those who are on the front lines, those in the health care system, everybody who is making personal sacrifices for their fellow Albertans. Our government has invested billions of dollars to support the response to the pandemic, to protect families, to protect our health care system, to protect our economy. We have, I would point out, been a leader in testing and asymptomatic testing, pharmacy testing, the border pilot program as well. They all played roles in preventing the spread of COVID-19 throughout Alberta.

We have done everything that is in our power to protect our most vulnerable with stringent public health measures, unprecedented shutdowns of businesses, limits on social gatherings, and visitation restrictions at our long-term care and other high-risk facilities. We made sure that folks got the medical help when they needed it. We supported phone and virtual visits with doctors, implemented prescription limits to prevent drug shortages, and invested more than $50 million to expand mental health supports for Albertans throughout the pandemic.

How much it's cost so far: I can say that the potential contingency costs for the year 2020-21 would have been – $2.138 billion is projected at this time. The most significant ones would have been personal protective equipment, the testing assessment centres, contact tracing, increases in AHS staffing, and the wage top-up as well. Those have been the most significant line items that would have contributed to the $2.138 billion that we expect for that budget year.

Thank you, Madam Chair.

The Chair: Thank you, Minister.

Mr. Amery.

Mr. Amery: Thank you once again, Madam Chair, and thank you to the minister for that response. I think you might have alluded to this earlier, Minister, but I'm wondering if you can comment on, specifically, what the biggest costs of the health care system have been in responding to the COVID-19 pandemic. How will you plan on addressing these costs, going forward, where they appear in the budget, and what do you expect the biggest expenditures to be in years going forward?

The Chair: To the minister.

Mr. Shandro: Thank you, Madam Chair. The vast majority will continue to be focused on testing, focused on the assessment centres, contact tracing, PPE. One of the differences between the ways in which we spend COVID money in the previous budget year and for this budget year, that we're discussing today, is probably going to be vaccine deployment. We obviously did begin the deployment of vaccines in the budget year for Budget '20, but Budget '21 will obviously include a lot more vaccines that are included in the vaccine deployment program. I think we had about $8 million that was included in the previous budget year, so it's obviously going to be a big increase as we make sure that we get vaccines out to Albertans as we receive them. That's going to be a big one.

10:30

Then the surgical backlog, I think, will continue to be a focus for us as well, and then the increased costs for continuing care. As I said, that was a big part of the $2.138 billion for the previous budget year. I think we're expecting it to be a total of $300 million. That's obviously going to be a focus for us in Budget '21, and we expect, perhaps, that line item to continue to be a significant one.

Personal protective equipment may not be as much. I think we did so much work in early calendar year 2020 to be able to assist AHS to buy as much personal protective equipment as we would need for the pandemic. Those inventories are still there, from what I understand from AHS, for the remainder of the pandemic. Perhaps not the same amount is going to be needed for Budget '21.

The Chair: Thank you, Minister.

Back to Mr. Amery.

Mr. Amery: Thank you once again, Madam Chair. I think that in this province we had initially focused very much on COVID testing and contact tracing. Though there have been a little bit of growing pains with respect to that, I'm wondering if you can comment, Minister, on how much funding has been allocated for COVID testing and contact tracing in this year's budget. Are you able to direct me to and point out the line item which reflects that?

The Chair: Thank you, Mr. Amery.

To Minister Shandro.

Mr. Shandro: Thanks, Madam Chair. Yeah. The testing and the contact tracing are going to continue to be important parts of our response to the pandemic, particularly because right now we have seen the variants of concern come to North America and arriving here in Alberta. Having dedicated teams in contact tracing, making sure that 100 per cent of our positive samples for COVID are also being screened for variants of concern: that's going to continue to be really an important part of our continued response to the pandemic.

We made a promise as well, I'd point out, Madam Chair, that the response to COVID would not be constrained by the budget, that any resources the health system needs would be there. That's the reason why Budget '21 allocates $1.25 billion to address COVID. It would include any funding required to support testing and contact tracing within that contingency fund. This funding would be on page 217 and elsewhere in the document, in the Treasury Board and Finance estimates. It's on top of the $2 billion, as well, that's been provided in Budget '20 for COVID costs in Health and will help ensure that we remain a leader in our response to the pandemic.

Yeah. I hope that answers the member's question. Thank you, Madam Chair.

The Chair: Thank you.

Back to Mr. Amery.

Mr. Amery: Thank you once again, Madam Chair. I think it's safe to say that many of us have had a very challenging year. I think I speak for all Albertans when I say that many of us are looking forward to getting back to normal, as close as possible.

A key piece of this, I believe, to the minister, is the vaccine rollout, so my question to the minister is quite simple. How much will it cost to deploy the COVID-19 vaccine to all Albertans who want one? Is this cost included under line item 7.2 on page 113 of the estimates document, or is it reflected elsewhere?

The Chair: Thank you.

To the minister.

Mr. Shandro: Thank you, Madam Chair. Our vaccination program will continue in a phased approach. The general public vaccination rollout we anticipate to be at some point in '21. I think we announced recently that considering the two new vaccines that have been approved by Health Canada and what we understand from Health Canada, what we anticipate for Q2 from the allotment tables for the four vaccines that have been approved so far, is that perhaps every Albertan will be able to get their first dose by the end of June.

In Budget '21 that $1.25 billion in COVID funding to support the pandemic response does include any costs that are associated with the provincial vaccine rollout. Note as well that the costs related to the purchase of the vaccines and getting them shipped to Alberta, all that, is not included in these budgets because it's not stuff that we pay for. That's covered by the federal government.

Element 7.2, that the member is referring to, Madam Chair, on page 113: that's $2.1 million in Budget '21. This provides the support for immunization providers outside of AHS and for operations of the provincial vaccine depot. On page 117 of estimates, under Department Non-cash Amounts, you see $57.1 million for consumption of inventory for population and public health. That's the cost of vaccines that are used for immunizing against diseases, examples like influenza, measles, mumps, rubella. That's how those amounts would be used. All the COVID vaccine amounts would be included in the contingency fund, then, Madam Chair.

The Chair: Thank you, Minister.

With that, we will go back to Mr. Amery.

Mr. Amery: Thank you, Madam Chair. At this time I would like to yield my time to a fellow government caucus colleague.

The Chair: All right.

Ms Lovely, I believe.

Ms Lovely: Yes. Thank you, Madam Chair. Minister, one of the communities in my constituency is Hardisty. It's a small community, but they generate an awful lot of revenue for the province. It's important that we take care of the people who live in that community because, just like all Albertans, they matter. One of the items that they wanted to bring forward is the fact that the emergency department at the Hardisty health centre is currently not being used for its intended purpose. Last year AHS closed the ED, and patients were redirected to other care options. According to the AHS website the five existing acute-care beds were temporarily converted to support other services, including supporting patients waiting for continuing care placements, which do not require immediate access to a physician. This occurred last April and is still the case today. Members of the community are coming to me weekly, worried that their health care centre will be closed permanently.

Budget '21-22 has seen a large increase in funding to the Health ministry. AHS has received an increase of almost $500 million to their budget, as shown on page 112 of the estimates document under line item 2. My question, Minister: is it the intention of this government to close any hospitals under Budget '21-22, and can you provide some insight to my constituents regarding the future of their health care centre and health care centres across the province?

The Chair: Thank you, Ms Lovely.

Minister Shandro, you've got approximately a minute.

Mr. Shandro: Oh. Thank you, Madam Chair. We're committed to rural health care and keeping open all of our rural hospitals and providing that care to residents in all corners of the province. We will not close rural hospitals.

Now, due to the pandemic AHS did make some difficult decisions and take significant steps to protect the health of folks in those facilities. Temporary changes were made to Hardisty, including the closure of the emergency department and conversion of acute-care beds to continuing care spaces. We are simply unable to provide health care at this time the way that we usually do, continuing to provide every service either in hospital or in the community. COVID is restricting our ability to be able to do what we did before, and we want to make sure that we're protecting folks and caring for all patients. We know that that's caused concern in that community, Madam Chair, through you to the member, but these changes were necessary as part of our response to the pandemic.

The Chair: Thank you, Minister Shandro.

That concludes the government members' first block of questions. Now we move to five minutes of questions from the Official Opposition, followed by five minutes of response from the minister.

As mentioned earlier, members are asked to advise the chair at the beginning of their rotation if they wish to combine their time with the minister's. Please remember that discussions should flow through the chair at all times, regardless of whether or not speaking time is combined.

I will just let everyone know that we will be having a break right after this first round from the Official Opposition.

I see Ms Sigurdson.

10:40

Ms Sigurdson: Yes. Thank you.

The Chair: Would you like to share your time?

Ms Sigurdson: Yes. I could share my time with the minister if that's okay?

Mr. Shandro: That's fine with me.

The Chair: Ms Sigurdson.

Ms Sigurdson: Thank you, Madam Chair. You know, this is so important, what we're doing here today, really looking into the estimates of the government and understanding them.

I'd like to focus on the part that deals with continuing care. I think that, you know, obviously, we've been through a very difficult year. We know that 65 per cent of Albertans who died from COVID-19 were residents of the continuing care system, and that means over 1,200 seniors in Alberta have died in those facilities. We also know that Alberta has the highest number of outbreaks in continuing care

facilities of any province in Canada, and that's based on research from the National Institute on Aging at Ryerson University.

Really, what is needed are two things. We would need to keep seniors safe, of course, and we need to keep them connected. But sometimes, you know, because of the pandemic, keeping seniors safe meant keeping them away from family. If so, those two major goals for caring for seniors were sort of at crosspurposes because of the pandemic, and how we balanced that was a challenge, I would say, in Alberta.

Certainly an expert, Dr. Carole Estabrooks – she's a nursing professor from the University of Alberta – said that the biggest problem that all people in nursing homes have is loneliness, boredom, and lack of purpose. So what have we done? We stopped communal dining, stopped recreational activities, stopped families from visiting. We stopped excursions. We stopped children from coming in.

We just know that can't go on. It has been a real challenge, that safety and connection that, you know, has caused many challenges for seniors. Certainly, I know that this is a complex situation, and that's why we've repeatedly called for a public inquiry into the continuing care system, also having an independent seniors advocate so there would be a champion for seniors in Alberta.

I'm going to get right down to it after those few remarks, Madam Chair. I want to look at the fiscal plan, pages 100 and 101. At the bottom it says Care in the Community, that title at the bottom, and it says, "Budget 2021 includes operating and capital funding to support new continuing care spaces in priority communities, based on the best aspects of the Affordable Supportive Living Initiative." We sometimes call that ASLI, is what the government is saying.

Of course, we need more beds, so this is a positive move, more funding for beds. We know that they're needed and necessary. But the how of that is very important, and that's what I'd like to talk to the minister about a bit. You know, we know that extensive research has shown that the best outcomes for residents in continuing care facilities are in public facilities. The next best are nonprofits, and the worst outcomes are for private, for-profit facilities. I'm just wondering if you would tell us a bit about how these capital dollars will be distributed through the ASLI program and how those decisions will be made.

The Chair: Thank you, Ms Sigurdson.

Now to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. Quite a bit to unpack, but first of all, I'm very pleased to hear the member compliment the ASLI program since it was a program that was cancelled by the previous government and something we campaigned on bringing back, and we are bringing it back. The first phase of it, the noncapital portion of it, has already begun. We received a significant number of applications through the noncapital phase of that. It will also include a capital phase as well as a refurbishment phase. The fourth one is going to be an indigenous phase to make sure that we have more culturally appropriate continuing care beds throughout the province. I'm very pleased to see the ASLI program complimented by the member. That's correct.

Also, a lot of questions, it seemed like, or concerns about the chief medical officer of health's orders throughout the pandemic when it relates to our long-term care and designated supported living and other congregate living. If that's the question, it doesn't really relate to estimates, but Dr. Hinshaw is here. If the member does want to have any questions answered related to those orders and the balancing by us to make sure that we are protecting the most vulnerable while also trying to be considerate of the consequences on them, for example, with the restriction of visitors, I'm happy to make those questions available at estimates even though it doesn't relate to the budget.

Maybe I'll say this. I think there was something that was absolutely incorrect that was said about the differences between – I'll say that 20 per cent of our beds in continuing care for long-term care and designated supportive living are beds that are owned by AHS, that would be publicly owned, and then the remainder of the system is through independent providers. Half of them are nonprofit and faith-based groups, and half of them are independent providers that are privately owned. We've seen some of our worst outbreaks, our highest deaths, unfortunately, throughout the pandemic being at facilities that are publicly owned, so the member is incorrect about that, just to make sure that's corrected on the record.

Now, the ASLI dollars: I guess I hinted that there are four phases of this. We did begin with the noncapital phase, and the extent to which we can provide further information to the member's question is going to depend on the further work that AHS has to do in reviewing those submissions from the noncapital phase for us to be able to understand the remainder of the grants that go out for refurbishment or go out for the capital portion. It just depends on how many beds we're going to have accommodated for in the noncapital piece, but over three years it will be $154 million in capital funding. But which of the phases it goes to – the indigenous phase, the capital phase, or the refurbishment phase – we're still going to have to figure out.

The Chair: Thank you, Minister Shandro.

Back to Ms Sigurdson.

Ms Sigurdson: Well, thank you very much, Madam Chair, and I guess that I just want to correct the record also. I certainly, you know, read the title, the affordable supportive living initiative, but I wasn't complimenting the program; I was identifying it as it was identified in the fiscal plan. Certainly, our government did end that program because we know that care in public facilities is much superior to private facilities. Certainly, we did honour contracts, because the government previous to us had contracts in place, but we pivoted to supporting more public facilities because we know the outcomes. If the minister is not aware of the research by Dr. Margaret McGregor, a Canadian PhD researcher in this area, she's done extensive research about the far superiority of publicly delivered continuing care. Certainly, metrics like pressure ulcers, hospital transfers . . .

Ms Glasgo: Point of order, Madam Chair.

The Chair: Yes, Ms Glasgo.

Ms Glasgo: Under 23(b). I'm just concerned as to how the member's comments relate to the estimates at all. I understand that we're allowed a wide amount of breadth in order to represent our constituents, which is very important, of course, Madam Chair, but it seems as though the member is using the time to pontificate on her time as the former Minister of Seniors and Housing. I'm just curious as to how her comments relate to the estimates at all, so if she could clear that up or we could be redirected to keep our comments succinct and to the estimates.

The Chair: Thank you.

Ms Ganley.

Ms Ganley: Thank you, Madam Chair. I'll be brief. This is clearly not a point of order. The minister opened the door. He's the one who started the conversation. The member was merely commenting with respect to that. I think that this use of time for things that are

clearly not points of order is not a good use of the very limited time we all have here today. I'm sure that the member would be happy to carry on to her question immediately.

The Chair: Well, thank you. I am inclined to agree that this is not a point of order, but I will remind all members to keep all questions and comments to the estimates at hand.

With that, Ms Sigurdson, you've got about 13 seconds left.

Ms Sigurdson: Thank you, Madam Chair. Certainly, I was just clarifying some comments about the ASLI program.

The Chair: Thank you.

With that, I recommend that we now go to a break. It is 10:50, so we will return at 10:56 on the nose.

[The committee adjourned at 10:50 a.m. to 10:56 a.m.]

The Chair: With that, we will return from our five-minute break.

We're on to the government caucus, and I believe we're back to Ms Lovely.

Ms Lovely: Thank you, Chair. I would actually like to cede my remaining time to Member Glasgo.

Ms Glasgo: Madam Chair, may I please have a time check?

The Chair: Forty-five seconds.

Ms Glasgo: Thank you very much.

Minister, I just want to say thank you for joining us today. I have a couple of questions, and I will admit that they're totally unrelated to each other, but I will give you time to find them. I'm going to let you know right now that I'm referring to page 113 of your estimates document, and I note that there's almost $143 million allocated to the line item addiction and mental health. Just for reference, that's where I'm starting off.

Minister, I know that you're aware, and your office has been very helpful as well as Associate Minister Luan's, of the heartbreaking loss that was experienced in Medicine Hat when several young men died by suicide this year and last year. As we know, it's a preventable tragedy, which is why I was so grateful in October when your ministry announced that the Canadian Mental Health Association would receive more than $220,000 as well as the Inner Man Project and Our Collective Journey, both grassroots organizations in the constituency of Brooks-Medicine Hat who do incredible work to support people in their time of need. Ensuring that Albertans have access to mental health supports is crucial to me as an MLA, and I know it is to our government as well, so strong collaboration with stakeholders and community members in the Medicine Hat area, we know, is necessary in developing initiatives to raise awareness about available suicide prevention and how to access resources.

Could you please elaborate on what initiatives have been developed for Medicine Hat, and how much funding has been dedicated under this line item?

The Chair: Thank you, Ms Glasgo.

Minister Shandro.

Mr. Shandro: Thank you, Madam Chair, and thank you to the member for the question, an important question, and thank you to her for the amazing work that she's also done in her community and done with both our office as well as with the office of Associate Minister Luan, who helped to react quickly to the situation. As the member alluded to, in October of last year we announced that the CMHA, the Canadian Mental Health Association, their Alberta southeast division, would receive more than $220,000 to help to ensure that folks have access to the mental health supports that they need. Services being funded through that grant to the CMHA include a number of initiatives like the applied suicide intervention skills training, or ASIST; Straight Talk, Tattered Teddies, the SafeTalk workshops; Hope and Healing after Suicide support groups. There are also a number of grief counselling sessions for those who are experiencing loss due to suicide and support for increased participation in the Buddying Up campaign.

More recently Alberta's government awarded $150,000 in grants through the $53 million COVID mental health action plan. Organizations such as the Inner Man Project Foundation and Our Collective Journey, which is a grassroots organization, have risen to action as a result of those tragedies in the member's constituency, in her communities. Our Collective Journey, for instance, is made up of three residents of Medicine Hat who are in recovery from addiction, and they have already begun to provide addiction and mental health outreach supports in the community 24/7 in collaboration with several other organizations, including the CMHA.

As of the end of January, over 30,000 people had engaged on their social media platforms, and they personally connected about 50 people with local agencies to support their needs. We will continue to look for ways in which we can support the people of Medicine Hat.

The Chair: Thank you.

Ms Glasgo.

Ms Glasgo: Thank you, Madam Chair. Through you to the minister, the people of Medicine Hat are overwhelmingly grateful for your intervention. As well, I know the personal visit from Associate Minister Luan was very helpful as well as your personal engagement. I know that you had phoned me personally to make sure that things were going well and that we had what we needed. I can never repay you for that support that you've shown my community and the people that I care about so much.

On a totally different wavelength, another thing that's going on in Medicine Hat is the rumoured closure of the Medicine Hat family maternity clinic. Obviously, maternity supports are extremely important to women and families in southeastern Alberta, and in rural Alberta it's even more difficult to find that care. Last fall a report that this clinic was closing circulated, which created a lot of fear, worry, and uncertainty among my constituents. As a young woman who is getting married this year, I can say that it concerned me as well because, you know, we all look to access those services. Minister, this clinic has been in our community for 17 years and is run by some outstanding physicians and is the cornerstone of obstetrical support in southeastern Alberta. In rural Alberta especially, having access for expectant mothers is so important so that we can continue to grow our communities. I was pleased when, in response to concerns, it was announced that the clinic will continue to see patients until at least July of this year.

Outcome 3 on page 54 of your business plan is ensuring that "the health and well-being of all Albertans is supported and improved, and health inequities among population groups are reduced," which I presume includes rural Alberta as it would make sense. Minister, I wanted to give you an opportunity and ask if you could please elaborate on the status of the Medicine Hat maternity clinic under Budget 2021 and outcome 3 on page 54 of the business plan.

The Chair: Thank you, Ms Glasgo. Maternal health is very important.

With that, I will cede to Mr. Shandro.

Mr. Shandro: Thank you, Madam Chair. For clarification, clinics, including the Medicine Hat family medicine maternity clinic, are not funded directly by Alberta Health. They're therefore not part of Budget '21-22. I understand there are in any given year between five and 10 physicians who do work out of the Medicine Hat family medicine maternity clinic. They bill the ministry through a fee for service for the work that they do for patients. They will continue to do that.

Obviously, maternity care in Medicine Hat will continue to be important, as it is important throughout the rest of the province, for us and for AHS. The physicians and Alberta Health Services, the south zone leadership, will continue to work to make sure that there is going to continue to be not just the five obstetricians who are not part of the Medicine Hat family medicine maternity clinic – there are five obstetricians who provide care. Obstetricians typically can deliver up to 200 babies a year. There are five obstetricians who will continue to remain in the community. We also have the five to 10 physicians who are family physicians who also provide some low-risk maternity care for moms and their babies in the Medicine Hat family medicine maternity clinic. They continue to have the opportunities to provide that care in the community. They also have practices in their own offices as well.

We will continue to encourage Alberta Health Services' south zone leadership to work with the physicians in the community, both those obstetricians that are outside of this clinic that's mentioned by the member but also the five to 10 family physicians in the community who also do low-risk maternity care, for them to continue to have the ability to provide those services in the community.

11:05

The Chair: Thank you.

Ms Glasgo: Thank you very much, Minister. Before I resign my time to another member, I just wanted to personally thank you for your intervention and for your office's dedication to making sure that Medicine Hat mothers and families have the support that they need. I know that your personally speaking with the physicians meant a lot to people in my community, and I just wanted to thank you for your dedication to that.

I will resign my time to Member Neudorf.

The Chair: Mr. Neudorf.

Mr. Neudorf: Thank you, Madam Chair. Can I just check the time?

The Chair: Thirty-seven seconds.

Mr. Neudorf: Thank you.

The Chair: I'm sorry.

Mr. Neudorf: That's all right. I'll just begin some comments, and I will pick up next time. Minister, I will be asking questions about mental health and addictions. It is your government's fiscal plan 2021 through 2024 on page 101, just so you have that prepped. I will be going into some depth in that section as it is an issue of high concern for Lethbridge in particular. I look forward to that conversation happening shortly.

Thank you.

The Chair: Thank you, Mr. Neudorf.

With that, we move back over to the opposition. We will go to Ms Hoffman.

Ms Hoffman: Thank you very much, Madam Chair. I know that this 10 minutes is going to go incredibly quickly, so I am going to try to touch on a few topics. They relate essentially to the business plan. I want to begin by acknowledging that the business plan used to be 10 pages, and now it's down to three, so it definitely, I'd say, impedes our ability to understand the comprehensive metrics that will be measured to address a number of these initiatives.

The first one I want to start with is 1.1, which talks about the backlog in delayed surgeries due to COVID-19. I know that the minister on Friday spoke to the fact that these would be funded under the COVID emergency fund at least in part and, I believe, earlier this morning as well, but I also understand that simultaneously Treasury Board and Finance is considering estimates as well and that when Minister Toews was asked about approvals to the contingency fund, he told the committee and internal Albertans that no approvals had been given to spend money out of the contingency fund yet. So I'm wondering if that's correct or if the minister did get approval to invest in some of these initiatives outside of the Health budget and, if not, how this will be accommodated in the base grant, because I know that it is incredibly tight given the current pressures and a growing population.

Thank you.

The Chair: Thank you, Ms Hoffman.

Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. First of all, just because there was, at the end of the previous opposition member's question, some allusion that there are different standards in facilities that are independently provided as opposed to publicly owned – that is not the case at all. The standards are the same for every facility in continuing care throughout the province, regardless of who owns and operates the facility.

For the member's question most recently, the Member for Edmonton-Glenora, Madam Chair, there are no specific amounts that have been approved at this time, but the general categories do remain. The general categories have already been provided for, but the specific approvals have not at this time yet.

The Chair: Thank you, Minister Shandro.

Ms Hoffman: Just to clarify, the announcement on Friday around the strategies to eliminate wait times around surgeries or reduce them is not funded in this budget, the Health budget, nor have there been approvals given from the contingency fund through Treasury Board and Finance to pay for the announcement that was made on Friday. I think it's important that we have transparency on that.

Mr. Shandro: Thank you, Madam Chair. As we announced on Friday, we made that announcement because the categories are included, and we fully expect them to be funded. That's why we made the announcement.

The Chair: Thank you, Minister.

Ms Hoffman: Thanks, Madam Chair. For the record there is no money approved yet for this initiative that has already been announced. I certainly hope that the money will be approved, but that's one of the reasons why I was so concerned that I didn't see it in the Health budget, because if it was in the Health budget, it would be Health money. That's certainly a concern.

I also want to say that in that same key objective it's been amended from what it was written as previously around surgical wait times, and the words around "medically necessary" have been added to the key objective. That certainly, I know, raises some

concerns among folks in the trans community, who have under previous Conservative governments had their both top and bottom surgery completions threatened under government funding, as well as, I would say, for women's health and gender-diverse folks around maternal health as well as other reproductive health services and women-specific surgeries, including breast augmentation. Would the minister provide clarity to the people of Alberta why the words "medically necessary" were added this year when they weren't in previous iterations of the key objectives and if there are any efforts under way to amend what's currently deemed medically necessary?

The Chair: Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. I can confirm for the member, Madam Chair, that there are no policy changes related to the surgeries we provide to Albertans, including to the trans community. Our volumes: I can speak for last fiscal year. I can see that we had 59 in the last fiscal year, knowing that our surgery volumes did decrease, and I anticipate they will continue to prepandemic levels in Budget '21. But why it was included: I assume that it was to align with the Canada Health Act. It's a term that's used in federal legislation, so there's been no policy change at all to change what's included in what's medically necessary in Alberta, including for the trans community.

The Chair: Thank you, Minister Shandro.

Ms Hoffman: Thanks for that.

Can we get confirmation that that's also going to be the case around women's health and that initiatives, including the full services available through Lougheed, Woman's Health Options, and Kensington, will stay intact under this budget, that there won't be any reduction in the comprehensive nature and services that are available there and that they will too be eligible for increased funding, as was identified by the minister through his announcement on Friday, that other initiatives that are related to women's health will also qualify for increased access to make up for the gaps during COVID-19?

The Chair: Thank you, Ms Hoffman.

With that, back to Mr. Shandro.

Mr. Shandro: Thank you, Madam Chair. I can confirm that there are no changes to the patient services that the member mentioned, including the ones that are in AHS facilities as well as the chartered surgical facilities that provide those services, no changes at all to what would be included as medically necessary for those services. The volumes and access are to a great extent determined by physicians and referrals, and we will continue to make sure that these medically necessary services continue to be provided to those patients.

The Chair: Thank you, Minister Shandro.

Ms Hoffman: That's certainly a relief as something that I know many Alberta women fear is not necessarily going to be the case moving forward. Getting that clarity that the budget and the government policies align with the continuation of surgical services as well as Mifegymiso, which isn't necessarily administrated through the three clinics I mentioned – if the minister is able to confirm that.

The other question I wanted to touch on briefly at this point is around the expansion of midwifery services, something that – we definitely worked with AHS to have targeted investment and expand in a variety of communities, including Fort McMurray and many other communities throughout the province. I'm hoping that the minister can provide an update as it relates to his business plan in terms of the expansion of women's reproductive health services, including midwifery services as an expansion from the services that are currently available.

The Chair: Thank you, Ms Hoffman.

Mr. Shandro: Well, Madam Chair, I may not have understood the question, but I can speak a little bit to the increases in Mifegymiso claims over the last four years. You know, 2017 may have been the first year because before that I don't see any data. That would have been a little over 1,000 claims. In 2020 there were 3,546 claims, a significant increase in those claims. They do represent about 28 per cent of the services that would be included in what the members were referring to in the services for patients. There's also reference to – well, anyway. I may have misunderstood the member's question. Maybe I'll ask the member to clarify what she was asking.

11:15

Ms Hoffman: Thank you. You absolutely answered the first part.

My second part, through you, Madam Chair, was around expansion of midwifery services in the province. What will the case counts be? What communities will be receiving access consistent with the strategies that we laid out?

And you're absolutely right. It was 2017 when it was first approved through Health Canada. That was the first year that we funded Mifegymiso.

Mr. Shandro: Thank you, Madam Chair. For midwifery services, as the member would know, midwives are paid through courses of care. This budget does include 400 more courses of care for midwives to be able to provide services to patients.

Ms Hoffman: Sorry. Where in the province, Madam Chair, will those courses of care be expanded to?

The Chair: Minister Shandro, there are 22 seconds remaining.

Mr. Shandro: I don't have that at my fingertips, but I'm happy to provide you with that information, Member.

Ms Hoffman: Yeah. Thank you very much, Madam Chair. It'd be great if it could be tabled prior to our voting on the budget so we can take that information into consideration, including Fort McMurray, which has definitely been an area I've been advocating for for years.

Thank you very much.

The Chair: Thank you.

With that, we are going back over to the government caucus, and I believe Mr. Neudorf has some questions.

Mr. Neudorf: Yes. Thank you, Madam Chair. I appreciate that. Again we'll be looking into the government's fiscal plan for 2021-2024 on page 101. Mental health and addictions, in particular, are a huge issue for Lethbridge, those who are caught in addiction, their families, those who help, businesses in the immediate surrounding communities and then the larger community as we try to bring programs and services that help reach and treat these individuals. I'd like to particularly thank you and the associate minister, both of your chiefs of staff, and all the staff, in fact, in both your offices who have worked so very hard, particularly for Lethbridge, to address these issues.

In the second paragraph in your business plan you speak to the government's plan regarding mental health and addiction at large. It states:

> Budget 2021 continues to provide funding to ensure Albertans have access to a continuum of high quality care and supports for mental health and addictions issues, including supporting prevention, stabilization, treatment and recovery for the long term.

My first question in this area, Minister, if you can just provide a little bit more and expand on some of these areas, that funding for life-saving treatment programs will be expanded in the 2021-22 budget. If you have any examples, particularly for Lethbridge and area, I would love to hear your comments on that as well.

Thank you.

The Chair: Thank you, Mr. Neudorf.

Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. For about two years Alberta's government has been working on building a recovery-oriented continuum care for Albertans. To date that has included initiatives like the expansion of treatment capacity by adding 4,000 spaces over our mandate, increasing the quality of care at the ODCs, the opioid dependency clinics, by adding psychosocial supports, and during the response to the pandemic rolling out the most comprehensive support package in Canada for operators of these treatment spaces. This year we'll continue with the expansion of treatment spaces as part of the 4,000-spaces initiative. I also look forward to bringing new announcements and initiatives forward as part of our creation of a full continuum of care.

I'll also point out that, you know, many of the spaces in previous governments were not funded publicly, so for us to be able to have this ability to have 4,000 treatment spaces that are publicly funded and available to all Albertans who need that care rather than those who had to qualify under Alberta Works or through having to pay out of pocket, mortgaging their house, selling a car to be able to provide treatment for their child or for themselves, this is our commitment to folks throughout the province, including in Lethbridge, to be able to provide these publicly funded treatment spaces so that we can make sure that the people get the recovery opportunities that they deserve in their communities.

The Chair: Thank you, Minister.

Mr. Neudorf.

Mr. Neudorf: Thank you, Madam Chair, and thank you, Minister, for that. Yeah. It is such a comprehensive question and answer because it impacts so much of the community. I do want to allude to how far-reaching it can be with just a quick example and a thank you.

We've had some manufacturing businesses in Lethbridge who employ some of these individuals as that kind of repetitive, entry-level work is often a place where they can get used to a new lifestyle. One of these businesses recently had new equipment come into Lethbridge for manufacturing purposes. They had hired 150 new jobs even despite COVID and the economy and everything else that we're doing. In order to get the specialized technicians from the U.S. and other places around the world to come and work on this equipment, we required some letters from your staff. A special thanks to Dr. Deena Hinshaw, who is in the room with you, I believe, for the incredible amount of work that she's done in providing these letters to allow these technicians to come into Lethbridge so that manufacturing jobs can be stabilized and increased and not go elsewhere, in particular the United States.

Again, the importance of these measures, these issues, the treatment program and the jobs that come from that, and the places that they can go: they are all linked. So although it's outside of your Health ministry – I thank you for your leniency, Chair, to allow me to speak to that – thank you for keeping 150 jobs in Lethbridge. That is just a huge boost to us and part of the whole cycle of what you're doing here.

My second question, that is still regarding the same part of the business plan, comes from the $140 million investment and commitment that we did over our campaign, and it states that "Alberta's government remains committed to transforming the mental health and addictions system by investing $140 million over four years to increase access to services, expand programs," some of which I alluded to, "and establish new publicly funded . . . treatment spaces which will support over . . . 4,000 Albertans," which you spoke to a little bit already, "in their journey to recovery." Can you continue to elaborate on the organizations that are benefiting from this increase in funding and how they fill a previous gap in the continuity of care?

The Chair: Minister Shandro.

Mr. Shandro: Thank you, Madam Chair, and thank you to the member for the question and the feedback as well. We appreciate that feedback. The 4,000 publicly funded treatment spaces that would open over the government's mandate: in order to achieve that commitment that the Premier made in September 2019, Alberta's government is partnering with the high-quality nonprofit sector, who have been delivering these services to Albertans for years. Examples would be nonprofits in Alberta such as Fresh Start, Sunrise Healing Lodge, the Thorpe Recovery Centre, bringing the spirit home detox, and many other organizations are being contracted with to meet this commitment. All contracted agencies are and will be nationally accredited organizations providing high-quality recovery or into support to Albertans who are seeking recovery from mental illness and addiction.

The Chair: Thank you, Minister.

Mr. Neudorf: Thank you, Minister.

Continuing in that vein, we talked a little bit already about the continuum of high-quality care and the supports for mental health and addiction issues. I'm asking, Minister, if you can please elaborate on the funding and outcomes of the full continuum of care that continues to receive funding in Lethbridge. I am particularly interested in the number of referrals and the services provided since Alberta's government made a change in regard to the operator of consumption services in Lethbridge. Obviously, that's one of the first lines of interaction with those who are caught in addiction, but that's not where we want to leave them. We want to continue them moving into further follow-up and into further services. That referral and additional service piece is the next step that I'm asking you to elaborate on.

Thank you, Minister.

11:25

The Chair: Thank you, Mr. Neudorf.

Back to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. In August 2020 the decision was made to transition the operations of supervised consumption services from the ARCHES operator after an independent audit concluded that there was fiscal mismanagement. Government expects organizations that provide services to patients

with taxpayer money meet high standards of accountability and high standards of transparency.

Prior to the termination of the funding for that organization Alberta Health Services began operating a temporary overdose prevention site in the community, and that service has been extremely effective. There have been no fatalities at this site. Use of the site remains well below its available capacity, and no one has been turned away. AHS is providing concrete referrals to detoxification and treatment services, including opioid agonist therapies.

The total cost of the previous site was approximately – I should say, Madam Chair, through you to the member – $7 million per year. The operations for the new temporary site has a budget of $2 million per year, so a lot of efficiencies as well in us now avoiding contracting out to an operator that had those concerns about their fiscal mismanagement.

The Chair: Thank you, Minister Shandro.

There are three seconds remaining.

With that, we will go back to the ND caucus and Ms Sigurdson.

Ms Sigurdson: Thank you very much, Madam Chair. I'd like to draw everybody's attention to the estimates, page 112, line 1.6, about the Health Advocate's office. We can see that from the budget for '20-21 there has been a slight decrease in that office. We know that seniors are certainly the largest growing demographic in our country, and our seniors population certainly has been quite hard hit by the pandemic. So certainly, you know, I can only suppose there would be quite a few concerns and that because the Seniors Advocate, which was a stand-alone office under our government, was amalgamated with the Health Advocate, they would have an increase in demand for services. It's kind of a little bit concerning to me to see a decrease. It's not a big decrease, but it's a decrease nonetheless. With more seniors in our province plus, of course, increases in cost of living, I just wonder if the minister would address the decrease in funding, certainly at a time when seniors need the supports more than ever.

The Chair: Thank you, Ms Sigurdson.

Now Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. My understanding is that the Health Advocate's office, who is providing – as the member knows, it's the investigative body that reports to us and works to resolve the concerns that folks have when it comes to the health system and the impacts that seniors see in the health care system. They will continue to, obviously, be more efficient in how they spend their money, and we look forward to them being able to continue to provide the services that seniors and patients need for them to continue to do their role on behalf of patients and seniors in a more efficient way.

The Chair: Thank you, Minister Shandro.

Ms Sigurdson: Well, as I identified already, on line 1.6, the decrease in funding for the Health Advocate's office, I just also wanted to draw everyone's attention to just the annual report by the Health Advocate. In that report she identifies serving 1,353 individuals. The last report from the Seniors Advocate reported serving 1,254. That's very confusing to me because if that office was amalgamated, then should those numbers be – and that number was fairly consistent. You know, about 1,200 individuals were supported annually. Yet the Health Advocate in her report is only indicating she's doing 100 more cases than she did the previous year, and she's gotten not quite a million but something like that of the previous funding that went to the Seniors Advocate. I mean, this is concerning. Like, what's happened? I have no doubt the cases have not gone down. Is there some, you know, more rigorous screening so that people can't actually have the support of the advocate? There are 1,100 individuals sort of left off this accounting. So if the minister, through you, Madam Chair, would like to respond to that.

The Chair: Thank you, Ms Sigurdson.

With that, back to Minister Shandro.

Mr. Shandro: Sure. Thank you, Madam Chair. The member's questions in her previous allotted time weren't really related to estimates, but I'm still happy to answer her questions and respond to her advocacy.

Madam Chair, the reason is because previously the Seniors Advocate was receiving many calls and many concerns that related to health, so there was a duplication. There was a Health Advocate and a Seniors Advocate, where most of the communication to the Seniors Advocate's office was related to health. Now we don't have the duplication. The health concerns, the health issues are now dealt with separately under the Health Advocate's office but by the Health Advocate, and the Seniors Advocate now can focus on other issues. It's because there's no duplication anymore, and the office is now able to operate in a more efficient way while still continuing to provide the services as required to be provided to patients and Albertans.

The Chair: Thank you, Minister Shandro.

Back to Ms Sigurdson.

Ms Sigurdson: Well, thank you, Madam Chair. Respectfully, I guess I would like to challenge the minister's rationale because we know that only about a third of the cases that the Seniors Advocate dealt with were health related. There was income support, financial supports, housing and home supports, social supports. So that wouldn't account – it's not complete duplication. That's just not what the data shows, what the reports show. I'm just challenging the minister's rationale because that seems like it's not congruent with the documents that are available to the government. So if he wants to respond to that.

The Chair: Thank you, Ms Sigurdson.

I'm starting to see that this is straying a little bit away from the estimates at hand. I will allow the minister to answer if he so chooses, but I would ask that all members please make sure that they're tying this back to the estimates at hand.

Mr. Shandro: Thank you, Madam Chair. I can appreciate the member's questions related to a $36,000 decrease in the budget, but I would point out that the member is confusing the differences between the number of topics that relate to the Health Advocate's office and the number of files they receive related to these issues. We have seen, as the three advocates are now housed under one office, that we are able to find those efficiencies so that seniors and patients can continue to have their questions answered. They continue to help resolve their concerns about the health system and the impacts on seniors, and they can do it in a more efficient way, resulting in, as we see from the estimates, a $36,000 line item that we're discussing right now.

The Chair: Thank you, Mr. Shandro.

Back to Ms Sigurdson.

Ms Sigurdson: I guess that I would just once again question the minister's rationale. I mean, certainly, with the numbers of different

cases, it's clear that there was a third that had health-related things, but the other two-thirds did not. Let's just let the record show that certainly there shouldn't be, you know, a thousand fewer cases. It just doesn't make any sense. So there must be a different kind of accounting, which, I guess, we will need to dig into at a different time.

You know, it's a very important role, the Health Advocate, and certainly having someone who is eminently qualified for that role is very key. I guess I do continue to have significant concerns because we have a FOIP document that the minister actually partisanly appointed Janice Harrington to that position and stopped a public recruitment . . .

Mr. Smith: Point of order.

Ms Sigurdson: . . . regarding that. She is a former . . .

The Chair: Ms Sigurdson, there has been a point of order called by Mr. Smith.

Mr. Smith.

11:35

Mr. Smith: Yes. I would point to section 23, point (b):

> speaks to matters other than
>
> (i) the question under discussion.

This is about budget estimates, and I'm failing to see how bringing this up has anything to do with the budget that we're taking a look at right now. I'd like you to instruct the member to get back onto budget estimates if at all possible.

Thank you.

The Chair: Thank you, Mr. Smith.

Ms Ganley.

Ms Ganley: Yes. Let's start with the fact that ministry business plans and reports of agencies which fall under the ministry and on which it is spending money are fairly clearly in order. Beyond that, I think we listened to Mr. Neudorf's rather long tangent, we listened to Ms Glasgo's rather long tangent, so how we choose to use the time in asking questions which are clearly within the general subject matter of the budget, I think, is really none of Mr. Smith's affair. I think that this is clearly not a point of order because it is, again, on money spent within the Health budget.

The Chair: Well, I appreciate that. After considering all of the argumentation on this, I tend to side with the Official Opposition and agree that this is not a point of order, but I would strongly urge all members to make sure that they are keeping their discussions and their questions to the estimates at hand and tying them either to a line item or to a section in the business plan.

With that, that section has elapsed, and we move back to the government caucus and Mr. Neudorf.

Mr. Neudorf: Thank you, Madam Chair. I appreciate that. Again, continuing on the government's fiscal plan for 2021 through 2024, on page 101 the second paragraph details the government's plan to build new recovery communities for Albertans struggling with addiction. It states:

> Further, Alberta's government announced $25 million to support construction of five therapeutic communities across Alberta to be part of an integrated system that encompasses clients of the health care system, justice system and community social services system.

Again, this is part of our reaching out to those struggling with addiction, along with our drug courts.

It talks about our indigenous and culturally sensitive understanding of that culture and how we can better serve those in our community. I would like to mention that one of the outcomes of some of this funding has been some culturally appropriate training for those of us in government, and I was able to take part in a teepee camp. We learned how to set up a teepee, where we slept for that night. We heard an oral history from elders and knowledge keepers within the First Nations community, we ate some traditional food, and then we had a sweat in a sweat lodge, which I can attest puts our saunas to shame. It was hot. I can tell the minister that. It was literally breaking the rocks which they use to heat that sweat lodge hot. That is such a culturally appropriate way to help those struggling with addiction be in touch with their spiritual forefathers, their roots and heritage, and when we build that cultural sensitivity, we have seen great strides in helping those struggling with mental health and addictions issues.

Along those lines, Minister, can you speak to when the recovery communities in Lethbridge and on the Blood Tribe, that were announced last year, will be accepting clients, and will any of those clients have to pay for their care once those supports are available?

Thank you.

The Chair: Thank you, Mr. Neudorf.

With that, back to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair, and thank you to the member for the question. During my training when I was a member of the National Parole Board, I had the experience as well of experiencing a sweat, and it's truly a remarkable experience for anyone to be able to experience.

Maybe I'll just back up, because there was a mention about the recovery communities, just to say that as part of Alberta's recovery plan there was capital funding that was earmarked for the creation of these communities that the member mentioned. More than 65 countries around the world use this evidence-based approach to substance use recovery, including the highly regarded Portuguese model.

These recovery communities, once they're completed, will provide comprehensive care, and they will be a place where Albertans who need long-term recovery support can engage with others who are seeking the same objectives. Given the impact of the pandemic on the procurement of services, we are hesitant to give a timeline, but rest assured that we are diligently working through the process to get these recovery communities built, and all the new spaces will be fully funded by Albertans, for Albertans. The challenges that addiction is causing in our communities is not an issue that we can shun away from. Alberta's government is investing in long-term solutions to addiction that don't simply look to add a Band-Aid to the solution but, rather, provide long-term solutions like this.

Thank you, Madam Chair.

The Chair: Thank you, Minister Shandro.

I can agree with you guys, having attended a sweat myself, that it is definitely not for the faint of heart.

Back to Mr. Neudorf.

Mr. Neudorf: Thank you, Madam Chair, and thank you to the minister. I do look forward to the time when COVID restrictions allow us to get back to a sweat. Maybe that would be a team-building exercise.

But I wish to cede the rest of my time to MLA Smith.

The Chair: Fantastic. MLA Smith.

Mr. Smith: Thank you, Madam Chair. I want to just take a second to say thank you to Minister Shandro. On occasion I have need in my office to reach out to your office, and your staff have always provided my constituents with great care and with great attention, and I want to thank you for that very much.

I'll be asking questions today about physician compensation and rural doctors. I will be referring to page 120 in the government estimates and looking at the budget line for physician compensation and development.

Now, I noticed that on page 120 of the estimates document the line item Physician Compensation and Development has held relatively even. The NDP last year tried to claim multiple times that physicians were fleeing the province, causing a province-wide shortage of doctors. However, reports now state that there is actually an anticipated growth in doctors practising in Alberta. I know that I've read accounts, I believe from the College of Physicians & Surgeons, that something like 172 more doctors were registered in Alberta in 2019 and into 2020, for a total of about 11,120 doctors if I read the documents correctly.

I guess the question that I have for the minister is this. Can you explain the rationale in keeping this line item fairly flat between this year and last year, and then, secondly, how are you going to accommodate growth in the number of doctors in Alberta when the physician budget is the same as last year?

The Chair: Thank you, Mr. Smith.
With that, Mr. Shandro.

Mr. Shandro: Thank you, Madam Chair, and thank you to the member. Yes, the physician compensation and development budget is being maintained at $5.4 billion in Budget '21, keeping our physicians among the highest paid in Canada. As was alluded to earlier this morning, Alberta's government and the Alberta Medical Association, the AMA, recently reached a tentative agreement. As the tentative agreement is currently being ratified by the AMA, I want to respect our physicians and not provide any further details today, allow them the opportunity to review that tentative agreement that was approved by the board of the AMA, give them the opportunity to review those documents, and have the opportunity to vote to ratify.

I'll just simply state that the budget before the Legislature will not change as a result of the tentative agreement, which balances – and I said this before, this morning as well as in my public comments, that the focus of this tentative agreement is to balance three things. It's to balance patient care. Fairness and equity for physicians will be the second thing we're balancing. The third would be fiscal sustainability for the province.

Thank you, Madam Chair.

The Chair: Thank you, Minister Shandro.
With that, back to Mr. Smith.

Mr. Smith: Thank you, Madam Chair. Though we will be experiencing growth in how many doctors will be practising in the province, rural areas, of which I am in one, are still experiencing difficulties in attracting and retaining physicians. I note that within the last couple of weeks I've had some correspondence with some of the doctors in one of my towns, Drayton Valley, and they're telling me that within the next few years as many as six or seven doctors are going to be retiring. Of course, with the difficulty that we have in retaining doctors and obtaining doctors, you know, that's a concern for one of my communities.

11:45

Now, we know that we have a physician recruitment committee in my town of Drayton Valley that works very hard at trying to attract doctors. I guess for us today I would ask the minister to consider: how does Budget 2021-22 and your business plan – how are you going to address the needs of rural Alberta and aim to attract physicians to rural areas like the communities in my constituency?

The Chair: Great. Mr. Smith, thank you for that question.
And now to Minister Shandro.

Mr. Shandro: Thank you, Madam Chair and to the member. I'd say this. We're committed to ensuring that all Albertans, everyone, including those in rural, remote, and small communities, have access to strong, publicly funded health services. Rural recruitment and retention for primary care physicians: it's been a long-standing challenge not just in Alberta but across Canada for years. Part of the difficulty is because physicians aren't employees, so it does include robust strategies like having recruitment committees like the one the member mentions in communities that need to be able to work to recruit physicians, to encourage them to want to come to the community and stay in the community. We're taking action to get physicians where they're needed the most in the province. One of the reasons why we . . .

The Chair: I'll let you finish your very quick sentence.

Mr. Shandro: I'll just mention the action plan that we announced last April, with the member and yourself, Madam Chair, to be able to develop a suite of initiatives for us to be able to help not just recruit but retain physicians in our smaller communities.

The Chair: Thank you, Minister Shandro. I know I appreciated that, as did my community.
With that, we're over to the NDP caucus for Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. Through you to the minister, I'd like to continue along a similar line of questioning. Certainly, we recognize the ongoing challenge of recruiting rural physicians and the challenges that came with that over the last year with some of the changes that were imposed and then reversed. We do know that one of the changes, through you to the minister, that he did bring in, which he has not reversed, was the ability for him, starting, I believe, next year, to restrict prac IDs and where doctors are in fact able to practise. I just wanted to confirm if that is still part of his plan and if that is built into his assumptions, then, based on the fiscal plan, page 101, looking into the out-years, the years following this year, in holding that budget flat. Is the use of those prac IDs to restrict where physicians can practise part of the assumptions in holding that budget flat?

The Chair: Thank you, Mr. Shepherd.
And now Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. For clarity the prac IDs would only apply to physicians who would become licensed and get their practitioner ID after that time; it would not apply to anyone who is currently practising before that time. The reasons why we're able to budget the amounts that we are for our physicians and the patient services they provide throughout the province on behalf of taxpayers – and for clarity that'll be April 1, 2022, so everybody who gets their billing number before April 1, 2022, would not be included in this initiative to have an ability to tie a practitioner ID to a geographic area.

As well, the details for how that will be determined are still something that we are investigating, and we're getting feedback from the two medical student associations on how we can work with them and answer their questions on the best way for us to be able to implement the prac ID, as it were, the practitioner ID, to make sure that patients are getting the care that they need in the communities that they need it. So not so much an issue of budget but more about us being able to recruit and retain physicians in rural, remote, and smaller communities.

The Chair: Fantastic. Thank you, Minister Shandro.
Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. And, indeed, thank you to the minister for that response. As we just heard from Mr. Smith, he's expecting six or seven physicians to be leaving his area within the next year, and certainly – pardon me; five. Anyways, he's expecting a number of physicians to be leaving his area within the next year. We know that there is difficulty with recruitment already. So while this will only apply to new physicians, I imagine that that is precisely where we need to be recruiting. If we don't have enough physicians to cover these areas, we need both younger ones who are entering into practice and others who are coming to practise in Alberta and registering for that prac ID to be willing to move in to those areas.

To the minister, I guess, through you, Madam Chair: are there any concerns that this kind of a program, which has been unsuccessful in other provinces, is indeed going to make it more difficult to recruit physicians to come and work in Alberta in these areas or for it to keep young physicians in the province, and if these limitations are challenged and fail in court, what impact will that have for these communities and indeed for his budget?

The Chair: Thank you, Mr. Shepherd. With that, I can quite honestly say that I am not sure why anyone would not want to live in rural Alberta. I think it is absolutely spectacular.

But with that, Minister Shandro, you have got the floor.

Mr. Shandro: Thank you, Madam Chair. I think the real answer to the member's questions, though, is the action plan that we announced last April with you, Madam Chair, and with a number of our caucus colleagues for us to be able to recruit and retain physicians to those communities. One of them, and probably the most significant one, was taking the cap off the variable fee for the rural and northern program. This is a premium that a physician may charge depending on their isolation points, and it used to be capped at $60,000 per year that they would be able to charge for the various services and the fees that they get for those services throughout a given year. We took that cap off, which for some physicians was a very significant increase in their funding.

As well as working with our universities to buy spots in our medical schools for us to have a return-of-service agreement, as they call it in other provinces, for us to be able to have an opportunity to have an agreement with a physician for them to go in a certain community after we help them with their medical school fees.

Other programs as well are giving us another tool in the tool box for how we pay physicians. A lot of physicians, most of the physicians in the province, are paid fee-for-service. Some of them are paid through what we're calling still, right now, an alternate relationship plan, giving an option to some rural physicians, which is what we heard from a lot of rural physicians, to be paid a salary so that they can just focus on their patients and not have to worry about administration, not have to worry about their overhead, allowing them to earn a salary and just focus on the patients. With the other initiatives as well that I did mention this morning, that's really going to be the issue on how we can recruit and retain physicians to those communities like Member Smith's.

The Chair: Thank you, Minister Shandro.
With that, back to Mr. Shepherd.

Mr. Shepherd: Thank you, Madam Chair. The ministry has a fairly sunny and optimistic view, I guess, of how physicians are going to view this kind of regulation, when, again, it has not been successful in any other jurisdiction in Canada. Indeed, jurisdictions in Canada are reversing their decisions in regard to these kinds of restrictions because it harmed the attraction of physicians to the areas where they were most needed. I would also note that throughout the chaos that has occurred over the last year as the ministry has worked through some of the elements that were in the previous business plan, not in this one, or through this physician funding which, again, is here in the budget that we are discussing, we have seen a large amount of disruption in the very rural training centres and physicians who provide so much of the support to give young physicians the opportunity to get experience in rural areas and indeed fall in love with that work. So I remain concerned that despite the minister's feeling that the other changes he has made and his attempts to reverse, I guess, the somewhat troubling tone of this discussion over the last year, they aren't going to reverse this trend.

That said, how much time do we have left, Madam Chair?

11:55

The Chair: Two minutes and 13 seconds.

Mr. Shepherd: I will move to one final question, then, in my time. Over the past year as part of that imposed funding framework which we've been speaking of, the minister removed good-faith billing, which physicians often use to cover medical care to homeless individuals, others who might not have an ID or access to their health care number. Can he provide a number specifically on how much that change saved?

The Chair: Thank you, Mr. Shepherd.
Minister Shandro.

Mr. Shandro: Thank you, Madam Chair. I suppose we are returning to a tone of questions that is disrespectful and misrepresenting facts again to this committee, which is unfortunate. Thank you to the other members of the committee for continuing their questions in a much more respectful way than this member is choosing to.

For clarity about the good-faith billing, I'm happy to ask Acting ADM Bailer to come and provide details about how that consultation proposal has proceeded.

The Chair: I would just ask that you introduce yourself for the record.

Ms Bailer: Good morning. Camille Bailer. In terms of the good-faith billing it was one of the initiatives with the physician funding framework. What we did was to align with the rest of Canada. In terms of the actual – it was a way of just making sure that everyone that needs a service gets the service, so in terms of cost savings it was more about aligning our services.

The Chair: Thank you, Ms Bailer.
Mr. Shepherd, 20 seconds left.

Mr. Shepherd: Thank you, Madam Chair. I'll just note, then, for the record that the response appears to be that there were, in fact,

no dollars saved. Indeed, at this point I would wonder if there are any other measurements of the potential impacts this may have had on access to services for individuals caught in this position.

The Chair: Thank you, Mr. Shepherd.

With that, we are on to questions, and I see Mr. Neudorf.

Mr. Neudorf: Thank you, Madam Chair. Just a point of clarification. I see that we have only a couple of minutes left. Do we start fresh in the afternoon session, or do we have these two minutes taken off our time at that point?

The Chair: It's eight minutes.

Mr. Neudorf: Thank you. I appreciate that.

Minister, I would now like to direct some questions toward the Alberta Health Services performance review and the recommendations that they brought forward for this budget. Given that we're nearly out of time right now, I won't get into that, but I just want to preset the stage for the questions that will come this afternoon. Again, I just want to go into depth on that review and where we could go in terms of discussion, the recommendations brought forward, the thoughts and considerations, how this impacted your thinking, so on and so forth. But, again, we'll look to this afternoon's session to more fully dive into that.

I appreciate your time and your responses this morning in sharing so much insight. I appreciate the work that you and your staff have done to date. Thank you very much, Minister.

The Chair: Minister, if you'd like, you have 52 seconds to make a response.

Mr. Shandro: Well, thank you, Madam Chair. I'm happy to answer those questions about the performance review and the balanced, staged approach for AHS in implementing those recommendations, considering the pandemic. I look forward to answering that question and others when we return, then, in the afternoon.

The Chair: There are still 25 seconds.

Mr. Neudorf: Thank you very much, Minister. Again, with the number of people involved and the length of time that this review took place, I would be interested just to understand the depth and breadth of that as we prepare for this afternoon's session. I'm sure there are many different ministries involved.

The Chair: Fantastic. With that, it is now noon, and we are now adjourned for this section of the estimates. We will be returning at a later point to finish this, at 3:30 today.

[The committee adjourned at 12 p.m.]

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