

October 17, 2014

AHS selects Sonic Healthcare as preferred lab provider; negotiations to begin

EDMONTON – *Alberta Health Services President and CEO Vickie Kaminski today issued the following statement regarding the selection of Sonic Healthcare as AHS' preferred lab provider in Edmonton:*

Alberta Health Services has selected Sonic Healthcare as its preferred provider of laboratory services in the Edmonton area, as well as parts of central and northern Alberta, and will shortly begin negotiations.

This is the next step in an open Request for Proposals (RFP) process designed to build a strong lab services model for Edmonton and area. The contract with our current private provider is due to expire in 2016; this RFP ensures the best possible lab services solution that offered value for money.

A vigorous review process was undertaken leading to the selection of Sonic as the preferred provider with whom to begin negotiations. Our evaluation process included 108 people, including front-line staff, working in 13 teams.

Lab staff are expected to be transitioned to the new provider. We will begin to negotiate next steps with Sonic as soon as possible. A final negotiated contract with the new provider will span 15 years. The annual value of the contract is expected to be similar to current annual costs for lab services, of approximately \$200 million.

Approximately 27 million lab tests are conducted annually in Edmonton.

The new model is designed specifically for Albertans, and will set the standard for lab services in Canada.

We are excited about the future of lab services in our communities.