

News Release

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AHS responds to Ministerial Directive on Lab Project Lab Appeal Panel Report released

EDMONTON – Alberta Health Services (AHS) today responded to the Ministerial Directive it has received regarding the Edmonton Lab Project that directs AHS not to expand the level of laboratory services provided by the private sector at this time and to cancel the RFP (Request for Proposal) process for the project.

"The Ministerial Directive provides clarity on the position of the provincial government on the Edmonton Lab Project and provides direction as to what actions AHS needs to take," said Vickie Kaminski, AHS President and CEO. "I look forward to a comprehensive review of how lab services are delivered in Alberta."

Today, AHS also released the report of the <u>Vendor Bid Appeal Panel</u> that was established following the appeal on the selection of the preferred proponent for the Edmonton Lab Project. The appeal panel determined that AHS breached its duty of procedural fairness in the RFP process in a substantive manner.

The appeal panel report made three recommendations:

- AHS enter into separate and concurrent, good faith negotiations with each of the proponents for the purposes of concluding an agreement for the delivery of laboratory services that best serves the needs of Albertans.
- Recognizing that AHS and Sonic have already engaged in negotiations, AHS should not award a contract until such time as negotiations with all of the proponents has identified the opportunity for the delivery of laboratory services that best serves the needs of Albertans; and,
- A condition precedent to any concurrent negotiations should be an extension of the Consolidated Agreement between AHS and Dynalife for an amount of time equivalent to the delay caused by any concurrent negotiations.

While the decision of the appeal panel is no longer relevant due to the Ministerial Directive, Kaminski said it was in the best interests of those involved in the RFP process to release the report publicly.

"The fact the panel determined AHS breached fairness does not mean it failed process," said Kaminski. "This was a significant RFP process with a lot at stake – a critical health service and a significant amount of taxpayers' dollars. I don't believe there could ever be a perfect process in such circumstances."

Kaminski expressed gratitude to the over 100 evaluators, including front-line staff and physicians, who were involved in the RFP process.

"I support the panel's statement that AHS conducted its process with integrity and I believe that speaks to the actions and integrity of those involved," said Kaminski. "The finding of the panel rested on whether there was enough documentation to support the AHS position that the process was fairly conducted."



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Kaminski added that work will begin immediately on a plan to ensure laboratory services will continue after the expiration of the current contract in March 2016.

"I want to assure the people of Edmonton and northern Alberta that there will be no disruption of lab services with the cancellation of the RFP," said Kaminski. "AHS is committed to ensuring safe, quality lab services are available today and will be available in the future."

Alberta Health Services is the provincial health authority responsible for planning and delivering health supports and services for more than four million adults and children living in Alberta. Its mission is to provide a patient-focused, quality health system that is accessible and sustainable for all Albertans.

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