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CANADIAN COLLEGE OF HEALTH SERVICE EXECUTIVES
& NORTHERN AND SOUTHERN ALBERTA CHAPTERS
ALBERTA HEALTH SERVICES EXECUTIVE SPEAKER SERIES

“MANAGING CANADA’S BIGGEST MERGER”

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UNIVERSITY OF ALBERTA HOSPITAL
EDMONTON

WEDNESDAY SEPTEMBER 16, 2009

4:00 – 6:00 P.M.

Managing Canada's Biggest Merger

- **Good afternoon. I'd first like to thank the Canadian College of Health Service Executives for inviting me to join all of you here today at the Bernard Snell auditorium in Edmonton and all of you across the province and, indeed, across Canada, via Telehealth.**
- **I hope you will leave today's session with a sense of what has so far been accomplished in the transformation that began with a merger of 12 organizations that previously delivered health care services and programs in our province, and why our progress would not have been possible had we not taken that critical first step.**
- **By any yardstick, public or private, it was a merger of massive proportions – involving some 90,000 people, a budget approaching \$11B a year and assets of \$9B. We're the largest employer in Alberta, the 4th or 5th biggest in the country, and the largest provider of health care in Canada.**
- **Of course, I mean merger in a much different sense than you read in the business pages. We have owners, a budget and a bottom line, but we are not a corporation. We are not carving out market share, we are supporting communities, big and small, rural and urban. We serve patients, not customers.**

- **We are driven by a set of values unique to health care. Going forward, managing Canada's biggest merger will combine strong leadership, good management and sound strategic thinking but always – *always* – focused on doing the best we can for our patients even in these turbulent times.**
- **I want to start this afternoon by talking about the release yesterday of the 50 or so Alberta Health Services performance measures that are now posted on line, including my own performance agreement, because they relate directly to the four values in the Strategic Direction approved by our Board.**
- **We identified those values early on in this merger – Accountability, Transparency, Engagement and Respect – because for us it was not, and could not, simply be a corporate slogan or tagline.**
- **In creating a new organization, we are also creating a new culture – a different way of thinking and planning, a culture driven not by chance and circumstance, not by playing games and running to the provincial government to fix our problems, but purposefully guided by a set of principles that put the needs of our patients first.**

- **Those values and principles are also the foundation for a community and acute care plan released earlier today that will see us over the next three years add almost 800 more community living spaces, make better use of our hospital beds both now and in the future, and prepare for increased pressure on our Emergency Departments.**
- **It strikes a better balance of hospital and community care, and it will create for all of you on the frontlines of health care new opportunities to provide the right care in the right place.**
- **More on that in a moment. First let's begin with the values of accountability and transparency.**
- **By releasing my own performance agreement targets yesterday, I wanted to set a personal example and make our organization's priorities clear.**
- **Alberta Health Services has three goals: access, quality and sustainability. Not one. All three.**
- **70 per cent of the targets in my performance agreement is directly related to improving access and quality. The remaining 30 per cent is related to sustainability, including the achievement of budget targets set by the Board.**

- **This is a bit of a challenge to those who have incorrectly surmised that we are focused on our budget to the exclusion of all else.**
- **It also sends a message that I will principally be judged on delivering better access for Albertans, and creating a better framework for us to face the future.**
- **Conversely, one of my performance criteria is not the extent to which I follow an Oliver Twist strategy by running to Minister Liepert to say ‘Please sir, can I have some more?’**
- **I cannot overemphasize it: the performance targets for me and for all of you in Alberta Health Services balance all three goals: access, quality and sustainability.**
- **I will not succeed if I do not make it possible for you to succeed in making progress on all three fronts. It is as simple as that.**
- **That means working with you to reduce wait times for complex cases in Emergency Departments from 16 hours to 8 hours over the next three years, and reducing the target wait time for less complex cases from 5.6 hours to 4 hours – building, I hasten to add, on work that is already underway and is already making a difference.**

- **It means reducing wait times for hip replacement surgery from 33 weeks to 26 weeks over three years.**
- **It means increasing community living options to reduce the number of patients waiting in hospital for more appropriate community-based care – again, providing the right care in the right place.**
- **And when I say that part of my job is supporting you, I mean it. What you can expect from me is support for your front line managers as they work with you to face difficult challenges, encouraging you as you pursue innovative solutions. Most of all, I want to liberate you to think and act creatively.**
- **The three targets I've just mentioned are part of about 50 health system measures we're using to track performance across the health system.**
- **It is early days, but we expect it to become one of the most comprehensive consolidations of provincial health data in Canada. It will show where we are, and where we need to improve. And it will enable us to make changes that will have a direct impact on patient care.**

- **It will help us make sure we have equitable access to services across the province, which is not always the case here and, I suspect, in many health systems across Canada.**
- **The performance measures include:**
- **the number of people in hospital and in the community waiting for continuing care,**
- **patient satisfaction surveys,**
- **volume and wait lists for surgeries**
- **Caesarean section rates**
- **Primary Care information - including the percentage of the population with family doctors and patients who are part of Primary Care Networks, and immunization rates.**
- **Bringing this information together and building on it in the years ahead will provide a rich resource of information unparalleled in Canada. It will not only track our performance, it will also effectively inform our service delivery decisions going forward.**

- **In one way or another all of us in Alberta Health Services are accountable for meeting these targets. Going forward at every level, operational units will develop strategies and action plans to support our goals and focus areas.**
- **Remember, accountability is one of our four values - respect, transparency, accountability and engagement.**
- **I'm asking you to keep these values at the centre of every decision you make.**
- **We have much to do. Earlier today we announced a coordinated, three-year, three-step plan to improve access to health services.**
- **We are going to do this by:**
- **Increasing community living spaces,**
- **Preparing for an expected increase in pressure on Emergency Departments this fall,**
- **And using our acute care beds for acute care patients.**
- **Step One will be to increase community living spaces, including home care, supportive living and long-term care,**

- to make sure patients across the system are getting the right care in the right place;**
- In Step Two, as new community care spaces are opened, we will transfer hundreds of patients currently waiting in hospital beds to more appropriate care settings in the community;**
 - Step Three will be to adjust as necessary the hospital beds not currently being used for patients with acute care needs. Not close the beds – because they remain available as needed for future growth, easing pressure on Emergency and other immediate needs – but for the time being use those resources to increase community care opportunities.**
 - Why? Because every day, about 350 patients who could be better cared for in the community are waiting in Edmonton and Calgary hospital beds. Patients who do not need hospital care. Patients who should be, today, being cared for in the community.**
 - I suspect that those of you watching by Telehealth from outside Alberta will agree that this is not unique to our province. Rethinking the balance of community and acute care is a bold step, but a necessary step if we are to be able to provide the right care in the right place.**

- **Treating patients in hospital who are there because we do not have the necessary spaces in the community is neither right for the patient, nor an effective use of health resources.**
- **Increasing community care means that people at home or in purpose-designed facilities will have greater access to community facilities, and decreases the risk that they will need to be hospitalized.**
- **The cost savings in expanding the number of community spaces while decreasing the number of hospital beds is significant – about \$50M.**
- **But let me be clear that this plan is only for those patients in hospitals who should be receiving care and treatment in the community.**
- **All of the hospital beds we have staffed today will remain staffed until new community spaces are up and running. Let me say it again: All of the hospital beds we have staffed today will stay staffed until new community spaces are up and running.**
- **Period.**

- **So, what does that look like?**
- **In the Edmonton area:**
- **Right now, about 160 patients a day are in hospital waiting for community care spaces.**
- **Over the next three years, about 420 community living spaces will open.**
- **About 140 patients will be transferred from hospitals to these new community living spaces as they are opened.**
- **About 20 beds will remain staffed to assist with Emergency Department pressures and the rest will be set aside for future growth and other needs.**
- **Of the 420 new community spaces, we have currently designated 150 of those beds for Mental Health patients, but we will continue to consult with the staff and physicians to land on the final number of patients that will be moved from Alberta Hospital Edmonton.**
- **In the Calgary area:**

- **Right now, about 190 patients a day are in hospital waiting for community care spaces**
- **Over the next 12 to 18 months, 356 community living spaces will open.**
- **Most of those 190 patients will be transferred from hospitals to community living options. Again – the right care in the right place.**
- **About 40 beds will remain staffed to assist with Emergency Department pressures as needed.**
- **Let me be transparent in anticipating one of your questions: We are not contemplating any lay-offs at this stage in relation staffing beds. We first need to assess the impact of the vacancy management program and voluntary retirement program.**
- **We will move as quickly as is prudent, knowing that coordination is imperative.**
- **For those of you tuning in by Telehealth from outside of Alberta these numbers don't mean much, so thank-you for bearing with me. The point I want to stress is it will be a well-planned, well-executed, coordinated transition. There will be no gap in staffing or patient care.**

Now let's turn to a third value – engagement.

- **I have been criticized for providing information about plans when they are in the early stages of development, before all the decisions are made and the details are in place.**
- **But that is what engagement is really all about : genuine consultation and an openness to ideas and different ways of doing things.**
- **I would rather be criticized for not having all the answers than for not involving soon enough the people who make this complex healthcare system function – and who know it far more intimately than I.**
- **That complexity makes it imperative that we be open to engagement across our organization, that we trust in our ability – in your ability – to identify the solutions and work through the myriad questions that will arise.**
- **The Strategic Direction was an early and key engagement opportunity for us. We received more than 7,000 responses to the draft document.**

- **If you haven't had a chance to read the consultation report, please do. The respondents were generous and candid, and it's a great resource to all of us as leaders.**
- **That input shaped the finished draft. It led to additions to our areas of focus and changes to the wording we used to express our priorities.**
- **It was a better document for it.**
- **The Code of Conduct is going through a similar engagement process now – adapting, responding, revising.**
- **The Strategic Direction, the Code of Conduct, like other Alberta Health Services policies, are living documents. If it's clear that amendments need to be made before a scheduled review, they'll be made.**
- **Our new organization will be agile and dynamic, and able to respond to changing times and needs. It will be responsive to what our community needs, and it will be responsive to you.**
- **In order to make that possible, if I am to be criticized for not delivering a plan that is cast in stone, so be it.**

- **It is no surprise to you that our health system needs to better deliver preventive and early care, chronic disease management, and the health supports that allow people better quality of life and independence.**
- **As an organization, we are committed to striking a better balance of community and hospital-based care.**
- **This coordinated strategy would never have been possible without the integration and cooperation between Edmonton and Calgary, and rural and urban, that is emerging in our new organization.**
- **Our integration teams and new, consolidated program areas are doing absolutely critical work that will improve patient care and streamline our back-shop processes.**
- **Some of this work flows from the merger is purely good business.**
- **By purchasing as a single system, we will save \$2 million on arthroplasty supplies. We can save about \$3.5 million dollars by moving to a single vendor for cardiac supplies, along with a backup vendor.**

- **We've identified cost savings in food services such as eggs and skim milk just through reducing the types and brands being ordered.**
- **Focusing on savings in procurement also emphasizes a key point: we have to do everything we can to reduce spending without adversely affecting patient care.**
- **But of course it is more than that.**
- **All highly successful transformations – successful mergers, if you will – combine good management and good leadership.**
- **Good management requires action plans to achieve our objectives, to organize teams for implementation, and monitor and evaluate progress.**
- **Good leadership requires the ability to help others see what the future can look like.**
- **I invite all you to step out of your comfort zone, to be open to new ideas and approaches – from the executive team, from your colleagues, and from your team members.**

- **Tiger Woods, who became a role model for young people all over the world, put it this way: Being a role model means more than having others look up to you. A role model is someone who accepts responsibility for getting others to do great things.**
- **We will do great things together. It's an incredible professional opportunity – one that drew me to Alberta from a very long distance away, where there was much better weather, and to this opportunity to meet with you today.**

Which brings us to our fourth value: Respect.

- **The timing of today's speech is fortuitous, but not accidental. We chose this opportunity to discuss performance measures and the community and acute care plan because I know that what you need and expect me to be is timely and candid.**
- **With me, what you see is what you get.**
- **It's important to me to be here today, and to be as frank as I possibly can about what we're doing, why, and where it's leading.**

- **It's important because of the respect I have for you as professionals: this incredibly complex system functions 24-7 because of you.**
- **I know that the last year and a half have been rough.**
- **You've seen colleagues and, in some cases, mentors, leave. Change is difficult; anxiety and uncertainty even more so.**
- **Know that I respect the work you do and that I am sincere in thanking you for patience and for all that you are doing and have done.**
- **As a side note, I hope you see my blog as a sign of respect.**
- **The response to the blog has been phenomenal. I answer questions as promptly as I can, and find the feedback I get through the blog extremely valuable.**
- **It's my chance to communicate directly with everyone in the organization and if occasionally I mystify readers with a phrase that's perfectly well understood in my own country, please accept my apology in advance.**
- **Be tolerant. Give me, as we say in Australia, a fair shake of the sauce bottle.**

- **Thank-you once again to the College for making this discussion possible and opening it to our staff and physicians.**
- **I look forward to your questions.**