

## **HEALTH CARE PROTECTION ACT REPORT TO ALBERTANS**

**Subject:** Service Agreement for Oral Maxillofacial Surgical Services under the Health *Care Protection Act* (HCPA)

**Region:** Calgary Health Region

**Providers:** D. I Wakeham Professional Corporation; Dr. Douglas J. Vincelli; Marlborough Surgi-Centre; Royal View Surgi-Centre; South Calgary Oral & Maxillofacial Surgery

**Surgical Service:** Insured Oral Maxillofacial Surgical Procedures

**Providers & Facilities:**

<b>Provider/Operator</b>	<b>Facility</b>
Douglas J. Vincelli Professional Corporation	Dr. Douglas J. Vincelli
Donald I. Wakeham Professional Corporation	D. I Wakeham Professional Corporation
Hedd-Wyn Professional Corporation	Marlborough Surgi-Centre
J.W. Conley Professional Corporation	Royal View Surgi-Centre
Loren J. Kroetsch Professional Corporation	Royal View Surgi-Centre
Carl Young Professional Corporation	Royal View Surgi-Centre
Steve Bureau Professional Corporation	South Calgary Oral & Maxillofacial Surgery
Brett Habijani Professional Corporation	South Calgary Oral & Maxillofacial Surgery
Francis Skulsky Professional Corporation	South Calgary Oral & Maxillofacial Surgery
Brian Whitestone Professional Corporation	South Calgary Oral & Maxillofacial Surgery

**Term:** July 1, 2007 – June 30, 2012

**Background:**

The Calgary Health Region (CHR) has service agreements with non-hospital surgical facilities (NHSF) for the following surgical services: orthopedic, oral maxillofacial (dental), pregnancy termination, ophthalmology, and ear/nose/throat (ENT). These service agreements have been successful in increasing surgical access and capacity as well as reducing wait lists.

**Proposal:**

CHR submitted a proposal requesting Ministerial approval to enter into service agreements for the provision of insured oral maxillofacial surgical services. The CHR has had service agreements for this service since 2000. The service agreements with the ten providers/operators allow the region to increase capacity for other procedures.

- In 2005/2006, a total of 452 procedures were performed in these non-hospital surgical facilities; in 2006/2007 the total was 543.
- The term of the proposed agreement is July 1, 2007 to June 30, 2012.
- The associated volume for these new service agreements 540 procedures per year, shared amongst the providers.
- The average cost of a procedure performed in a hospital in the CHR is \$103.32 per procedure – excluding physician fees. The comparable contracted average price for the non-hospital surgical procedures is \$57.63 per procedure.
- The maximum annual budget for service fees payable for services performed under all of these agreements combined shall not exceed \$212,000 per year for five years.

**Assessment Summary:**

In reviewing proposals, Alberta Health and Wellness considers whether there is a negative impact on the publicly funded health care system and whether public interest is being served.

The CHR's relationship with non-hospital surgical facilities has been successful to date. The service agreement benefits the public by providing an alternate surgical site to meet the needs of the region. It continues to provide the CHR with the ability to increase regional operating room capacity to meet the health needs of the population, increase accessibility and reduce wait lists within the region.

**Rationale:**

The approach taken by CHR benefits the public health care system. The service agreement provides the opportunity for a non-hospital surgical facility to "work" for the public sector. This is about using alternate approaches to increase surgical capacity to meet the public system's demands.

The funding method used by CHR is based only on the costs of services provided to publicly funded patients. Their service agreement demonstrates that publicly funded health care services can be delivered cost effectively in settings other than our hospitals. This type of arrangement strengthens the public health care system by providing an additional surgical site to meet the growing demands of Alberta's population.

The CHR's request to renew its service agreements for these services has been approved.

*Paddy Meade  
Deputy Minister  
Alberta Health and Wellness*