

November 29, 2019

Mr. David Harrigan
Director of Labour Relations
United Nurses of Alberta
700, 11150 Jasper Avenue NW
EDMONTON, AB T5K 0L1

Dear David:

In advance of 2020 collective bargaining commencing, we wish to provide information on a number of initiatives that could impact the AHS workforce and specifically the Direct Nursing bargaining unit.

While our budget has remained stable, Alberta's growing and aging population means we need to be more efficient and focused in terms of healthcare spending. This places increased demand on our healthcare services and it means we have to do things differently in order to provide safe, effective and high quality care for Albertans.

The following initiatives are opportunities AHS has identified to address savings and efficiencies in the health care system, and/or changes in services to better serve patients and families.

In Progress – Operational Best Practice (OBP):

AHS will proceed using an "attrition-only" approach until March 31, 2020. Beginning April 1, 2020, AHS will use all options under the collective agreement to implement OBP. Total FTE impact over the next 3 years is estimated to be 500. As the work progresses, the impact may change and AHS will relay any impact changes if, and once, they become known.

As you may recall, AHS is commencing work in the remaining sites where OBP has not commenced. As we are in the early stages of this work we do not know the extent of any potential impacts to the workforce at this time. As the OBP work progresses we will update you.

Potential Contracting Out Initiatives That May be Considered in the Future:

Home care services including nursing, palliative and pediatric. This would impact approximately 60 FTE.

If further contracting out initiatives are to be considered in the future, we will advise as required.

Other Initiatives under Consideration:

As these are under consideration only at this time, specific details are not available. As plans are developed, more specific details including potential sites and workforce impacts will be shared when that information is available:

- Reconfiguring services provided at some smaller sites. There are no specific plans at this time. This work may commence in 2020.

- Close acute beds as continuing care beds open. There are no specific plans at this time. This work may commence in 2020.
- Reduce clinic visits in all Zones by targeting those that could move to non-hospital facilities. This work may commence in 2020.

Potential Options under Consideration in the Future:

AHS will continue to consider all options available to meet our organizational needs including changes to staff mix, service redesign including changes and repurposing of sites, relocating services, reducing or ceasing the provision of services. As these are under consideration for the future only at this time, specific details are not available. As plans are developed, more specific details including potential sites and workforce impacts will be shared when that information is available.

AHS Review:

Ernst & Young has been contracted by the Government of Alberta to conduct a comprehensive review of all AHS, AHS Subsidiaries and Alberta Health operations from back office functions to the frontline. This work is expected to be completed in December 2019 and recommendations presented to the Government of Alberta shortly thereafter. There is the potential a number of initiatives may come from the recommendations to Government that AHS will have to review and/or implement. More detail will be coming to AHS in the coming months. Plans will be disclosed as soon as possible.

Business as Usual Initiatives:

It is also anticipated there will be other initiatives arising out of the identification of savings and efficiencies as part of AHS' business as usual management and review of its operations, although such initiatives are not fully understood or assessed at this time. Initiatives may vary in magnitude and level of impact to the workforce. Initiatives will be disclosed as required and in accordance with AHS' collective agreement obligations.

Sincerely,



Raelene Fitz
Lead Negotiator
Alberta Health Services