

Government myth: “Alberta doctors are overpaid”

The AMA has presented our own figures to counter government’s talking points and we are confident in the analysis we have performed.

As we represent physicians, it’s important that physician payment data is accurate. Payment rates linked to physician supply are key determinants of the Physician Services Budget. The Physician Services Budget itself flows through payment models that can align incentives with the way quality care is delivered to our patients.

At some point, the parties need to reach an agreement on figures that both sides can accept as a foundation for a new agreement. That is why we are willing to be bound by the ruling of an independent third-party arbitrator. That is how such things are done.

The following are some counterpoints to government’s narrative for the years reported:

- Government’s information comes from the MacKinnon report, which was flawed because of:
 - 1) The comparator jurisdictions selected
 - 2) The data sources and comparability (see below)
 - 3) The benchmarking methodology applied
- [AMA’s own analysis](#) has shown that physician compensation in Alberta is competitive with other jurisdictions in Canada. Government’s approach should have considered the complexities of interprovincial comparisons because:
 - 1) Different provinces report data differently (e.g., some provinces do not report technical fees while Alberta does: apples-to-oranges effect).
 - 2) Physician overhead costs, including staffing, are higher in Alberta while Albertans in general tend to earn more.
 - 3) Alberta’s data includes a higher mix of specialist fees, many arising from services provided to other provinces.
 - 4) Alberta physicians have contributed over \$593 million in planned expenditure reductions while other provinces have implemented fee increases.
- [An independent analysis](#) commissioned by the AMA (from a firm that government has used numerous times in the past) provided confirmation that Alberta’s rates are in line with those of our counterparts when proper comparators are used.

- The MacKinnon report and AMA's analysis were both calculated prior to the unilateral changes imposed by government on March 31, 2020. Taking government's Physician Funding Framework into consideration, any minor compensation edge that Alberta physicians' enjoy today is shrinking.
- Today, we are competitive when recruiting physicians and learners, but if Alberta fails to offset costs for population growth and aging of population, new physicians, overhead costs, etc., it will reduce Alberta's attractiveness. Other provinces or countries will stand to gain what we may lose.
- Physician payments are only one issue in a complex system. The AMA has been clear that physicians understand the province's critical financial state. We are not seeking fee increases and we are willing to do our part. The road to finding savings together is through a negotiated agreement with access to binding, third-party arbitration. We have brought proposals with significant savings and practical, innovative ideas to achieve value for patients and affordability for the health care system.