

Legislative Assembly
of the NWT

MAY 19 2010

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Members Offices

104-600 Gitzel Street
Yellowknife, NT
X1A 2R4
873-3429

May 16, 2010

Mr. Robert Hawkins, MLA
Yellowknife, NT

Dear Robert:

In my opinion there is a good possibility that the health care changes proposed by Sandy Lee may not have been drawn up by the NWT Department of Health and Social Services. In my opinion they may have been "boiler-plated" for the Department by Alberta Blue Cross, based on the Province of Alberta's health care plan recently turned down for the second time by the people of Alberta.

If this were the case, we certainly would not have a new health care plan prepared in the north by northerners, suited to the needs of northerners and to the needs of the NWT government. We would have a dysfunctional system perhaps more suited to the political agendas of some of the provinces in the south. In my opinion Ms. Lee's approach, if this is indeed what has happened, smacks of incompetence.

If the proposed changes were in fact from Alberta Blue Cross, it would explain a lot of the unanswered questions:

1. Why the Department's proposed changes to the Extended Benefits program are so similar to what was proposed by the Alberta government, and recently rejected by the people of Alberta.
2. How the Department could come up with a plan in a relatively short time frame and expect to implement it in a similarly short time frame. In my opinion the work on this may already have been done by Alberta Blue Cross for the Alberta government.
3. Why there would be a cost to the new program, when in fact there should be no cost to extending coverage to the "working poor," since these people would already be receiving coverage for their children's eye glasses and dental work, and so forth, through Income Support. In my opinion the cost may actually be to pay Alberta Blue Cross for administering the program.
4. Why Ms. Lee seems to have so little information on the cost of the new plan. The cost would not come from the cost of claims by the "working poor" the new plan

would cover, but in my opinion, from administration fees charged by Alberta Blue Cross.

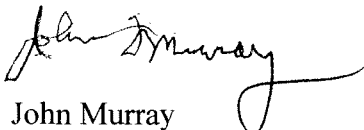
5. Why Ms. Lee seems not to have examined possible alternative sources of funding from within her Department. The Alberta Blue Cross Plan, if that is what we would be getting, may already have been set up to extract premiums or co-payments.
6. Why the second version of the changes, produced following the government's pass at public consultation, were so similar to the first version. Alberta Blue Cross probably could not produce an entirely new plan on short notice, nor would the Department of Health, in my view, be likely to want to pay them to do so.
7. Why the pharmacists were not consulted. Perhaps the pharmacists would have a different view than the one which has possibly been developed by Alberta Blue Cross. This would, in my opinion, be a bit embarrassing for the government.
8. Why the Department of Health seems to have paid almost no attention to the recommendations of its Stakeholders' Committee and to the opinions voiced at the public consultation meetings. In my opinion there was no intention of asking Alberta Blue Cross to make any major changes to what was already prepared, if in fact the plan came from them.

Furthermore, if Alberta Blue Cross is the author of the changes, a serious management issue is raised: The government is planning to have Alberta Blue Cross administer the new health system.

The government should not be handing administration of a system to an organization that designed the system. This would create a conflict of interest, because an incentive would exist to provide a costly system, if the system designer will be the one to charge for the administrative services.

In my opinion instead of changing the present system, the government should be attempting to fix the flaws in the present system, such as the fact that many people seem to have been encouraged to opt out of private health insurance, and thus 100% of their claims were being paid by the GNWT.

Sincerely,

A handwritten signature in black ink, appearing to read "John Murray". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John Murray

Cc: G. Abernethy, W. Bisaro, R. Bromley, D. Ramsay, D. Wind