

Report #16, MMA President, Chair of the Board of Trustees and CEO

To: Minnesota Medical Association House of Delegates
Convening September 17, 2008

During this very successful year, the Minnesota Medical Association took a strong step toward achieving meaningful health care reform, blocked a drastic raid on the Health Care Access Fund, prevented reimbursement and eligibility cuts for state programs, and made progress toward its goals regarding interpreter services.

The MMA also evaluated pay-for-performance programs in Minnesota and rated how well they matched up with the MMA's criteria for effective programs and redesigned its website to make it more valuable and interesting for physicians.

Legislative Advocacy

Health Care Reform

The highlight of 2008 was the enactment of health care reform legislation that moves Minnesota closer to the vision outlined in 2005 in the MMA's Physician's Plan for a Healthy Minnesota. This year, the MMA worked closely with lawmakers and the governor to reach an agreement that includes many of the key elements of our reform plan—support for medical homes, an increase in the number of Minnesotans with health insurance, and support for public health programs aimed at disease prevention.

We blocked a controversial payment scheme known as Level 3, which resembled capitated plans of the past and would have held providers accountable for the total cost of caring for patients. The MMA strongly opposed this payment mechanism and made it clear to lawmakers that we would not support any reform bill that included it.

Medical Home The law supports the medical home model, which coordinates care primarily for patients with complex, chronic conditions. This reform focuses on chronic illness, an area where most health care dollars are spent and where there are the most opportunities to improve people's health and save money.

Move toward universal coverage Although the reform legislation stops short of requiring all Minnesotans to have health insurance for an essential benefit set, it moves closer to our reform goal of universal coverage by making about 7,000 more people eligible for public programs and including tax incentives expected to allow 5,000 people to buy insurance in the private market through their employers. We helped defeat proposals to cut eligibility, which would have moved us away from our goal.

Essential benefit set The new law establishes a work group that will make recommendations on the design of an essential benefit set that includes coverage for a broad range of services and technologies that are determined to be clinically effective and cost-efficient. The work group will report to the Legislature by January 2010.

Public health The law provides \$47 million for statewide grants to be awarded in 2010-2011 for programs aimed at reducing obesity and tobacco use.

Cost and quality transparency The commissioner of health will develop a valid method for calculating providers' combined performance on cost and quality and promote payment reform that rewards quality and efficiency.

Bundled services The commissioner of health will define at least seven "baskets of care," sets of related services, and providers may choose to establish a price for each basket. This is voluntary.

Electronic prescribing Standards will be established by 2011 for writing and sending prescriptions to pharmacies electronically.

The MMA will continue to be involved in health care reform, with members serving on the many task forces and committees that are working on this project. The MMA has named two members to the Health Care Reform Review Council, which will oversee the reform process.

Health Care Access Fund

The final budget agreement called for a \$50 million loan from the Health Care Access Fund and \$18 million in new spending from the fund to pay for health programs previously covered from the General Fund. This was a major improvement over the nearly \$400 million Gov. Tim Pawlenty had proposed taking out of the fund over a three-year period.

Interpreter services

A new law establishes a voluntary interpreter roster and requires the development of a plan for an interpreter certification process. The measure does not address payment for interpreter services, which continues to be a priority for the MMA.

Smoking Shacks

The MMA helped fend off efforts to weaken the Freedom to Breathe law, which made Minnesota workplaces smoke free in 2007. A bill was defeated that would have allowed restaurants to build attached structures where patrons could smoke and carry in their food and drinks.

Drivers' Safety

The MMA supported a new law that prohibits teens from driving between midnight and 5 a.m. except for work or school functions or from driving with more than one non-family member in the car during the first six months of having a driver's license. For the second six months, teens cannot drive with more than three non-family members in the vehicle. The law also bans the use of cell phones or PDAs to send text messages when the vehicle is in motion or a part of traffic. The MMA also supported proposals, which did not pass, that would have allowed police officers to stop and ticket motorists for not wearing a seatbelt and required use of booster seats in cars for children up to age 9.

Physical therapists

A new law extends the time a physical therapist can treat a patient without a referral from a physician from 30 to 90 days. Physical therapists can see patients without a referral, if the purpose of the treatment is prevention, wellness, education, or exercise. To protect continuity of care, physical therapists must consult with a referring physician when altering physician-prescribed treatments. Physical therapists also must practice for one year before treating patients without referrals. The MMA opposed the bill until patient-safety and continuity-of-care concessions were included.

Naturopath registry

The new law allows those with four years of education to use the title “naturopathic doctor” and order procedures such as blood tests and MRIs, and admit patients to hospitals. The MMA did not object to the bill after provisions allowing naturopaths to prescribe drugs and perform minor surgeries were removed.

The MMA also made it easy for MMA members to interact with legislators and work together to achieve success. There was increased attendance at Day at the Capitol and the Capitol Rounds program, and MMA Advocacy Rounds is drawing many physicians.

Day at the Capitol Physicians in white coats rallied at the Capitol and talked to their legislators about health care issues that affect their patients.

District Dialogues The MMA held a series of district dialogues where physicians had a chance to talk informally with their legislators and begin to build relationships.

Capitol Rounds The MMA Capitol Rounds program provides MMA members an opportunity to visit their lawmakers on their own schedules.

Advocacy Rounds MMA leaders and staff are traveling throughout the state to meet with physicians and brief them on health care reform and the legislative session and to hear their concerns and comments.

Quality and Safety

The MMA, working through the Minnesota Alliance for Patient Safety (MAPS), led an effort to create an informed-consent form designed to be used at Minnesota health-care organizations statewide. The MAPS form is written at a fourth-grade reading level, which a majority of patients can understand.

MAPS, spearheaded by the MMA, the Minnesota Hospital Association, and the Minnesota Department of Health, also continued to promote My Medicine List, which allows patients to list all the medicines, vitamins, and herbal remedies they use.

The MMA published the *MMA Quality Review*, a quarterly publication, which covered topics such as pay for performance, electronic health records, and communication during patient handoffs. “Quality Rounds” in *Minnesota Medicine* also provides insight into quality improvement efforts in Minnesota. The Quality section of the MMA website links to resources that help physicians continuously improve the care they provide to patients.

The MMA also presents awards that recognize Minnesota physicians for leadership in advancing quality and safety in health care.

Health Plan Advocacy

Pay for Performance

The MMA led an endeavor to coordinate pay-for-performance measurement efforts, specifically to align measurement specifications and data collection methodologies. This effort has resulted in recommendations and commitment from each P4P program to address variation in measures and measure specifications.

The MMA published a report evaluating Minnesota's pay-for-performance programs on how well they meet the MMA's criteria. Such programs should drive improvements in quality care, strengthen the physician-patient partnership, include physicians across medical specialties, and use valid measures. The MMA urged Minnesota's health plans, employers, and others that use pay-for-performance programs to take a number of steps to improve their performance. The MMA recommends adopting a common measurement set and a streamlined data-collection process in order to reduce the administrative burden; providing financial incentives for care coordination, especially for patients with chronic illnesses and for implementing health information technology and electronic medical records; and eliminating financial penalties for providing care that is in the patient's best interest. The MMA Pay-for-Performance Report should serve as a useful reference tool for MMA members and give the health plans reasons to improve their own performance.

Contract Review

The MMA, West Metro Medical Society, East Metro Medical Society, and the Minnesota Medical Group Management Association teamed up to provide a review of the changes made in the 2008 BCBS Aware Provider Service Agreement.

National Advocacy

Medicare

The MMA joined the AMA in urging Congress to roll back the 10.6 percent cut in Medicare reimbursement, which took effect in July. Many MMA members responded to the MMA's Action Alerts and contacted their members of Congress. In addition, MMA leaders have met with the Minnesota delegation and with the media to explain the importance of adequate Medicare reimbursement. We can take some credit for the fact that the entire Minnesota delegation finally voted to override the President's veto of a bill that eliminated the payment cut. The bill also repeals the 50 percent coinsurance for mental health care and ends the inequality in coinsurance required for all mental health services under Medicare Part B. The bill includes an extension of expiring provisions that boost payments in rural areas, bonuses for quality reporting, an expansion of the medical home demonstration project, and increased payments for anesthesia teaching programs.

The MMA continues to work with the Minnesota congressional delegation and the AMA, on urging Congress to find a long-term solution to the flawed physician payment system based on the Sustainable Growth Rate (SGR). The MMA is also working to alter the

current payment system so it no longer penalizes physicians in areas including Minnesota that provide cost-effective high-quality care.

American Medical Association

The Minnesota delegation to the American Medical Association has played an active role on the national scene and influenced AMA policy.

At the AMA Interim Meeting in November 2007, the Minnesota delegation introduced three resolutions, which were well-received.

In response to a Minnesota resolution asking the AMA to work to decrease the complexities of the Tricare contracting process and increase the reimbursement level, the AMA House resolved to convene a meeting with representatives of Tricare to discuss how to improve its contracting process and funding in order to better the health care of veterans and their families.

The AMA also resolved to advocate that all Joint Commission standards including medication reconciliation standards be consistently interpreted by its survey team members, hospitals, and health care systems to improve patient safety work and standardize interpretation and enforcement of the commission's medication reconciliation policies.

A Minnesota resolution asking the AMA to develop a mechanism that state medical associations can use to tier third-party payers on value and performance, was referred to the AMA Board of Trustees.

At the AMA Annual Meeting in June, 2008, the AMA House of Delegates referred a Minnesota resolution to the AMA Board of Trustees, which called on the AMA to ask specialty societies to include information in their mailings to their specialty members about the AMA's advocacy efforts and successes.

Legal Advocacy

Statute of Limitations Amicus Brief

The MMA, along with the Minnesota Defense Lawyers Association (MDLA), filed an amicus brief with the Minnesota Supreme Court in the case of MacRae v. Group Health Incorporated, et al. At issue is whether damages are established at the time of misdiagnosis or at the time when it becomes likely that the patient will not survive. The MMA supports the decision of the district court and the Minnesota Court of Appeals that the statute of limitations for a medical malpractice action for alleged misdiagnosis begins at the time of misdiagnosis. Changing the statute of limitations for cases of misdiagnosis to be the point at which it becomes more likely than not that a patient will die would extend the statute of limitations for when claims may be brought. The MMA and the MDLA are urging the court to reject the appellant's argument to overturn the decision.

Agreement for Corrective Action Amicus Brief

The MMA along with the Minnesota Podiatric Medical Association (MPMA) submitted an amicus curiae brief in the case O'Rourke v. Buckmaster. At issue is whether an

agreement for corrective action can be used as evidence in a medical negligence proceeding or whether it is considered a “settlement” or “compromise negotiation” and thus excluded from evidence. A decision in which the judge allowed the agreement to be considered as evidence has been appealed. The appeals court’s decision on this issue could affect licensed health care professionals who are considering entering into an agreement for corrective action rather than pursuing a full, contested case hearing.

Information and Education for Physicians

MMAOnline.net

The MMA introduced a newly redesigned website in October, www.MMAonline.net, which won an award for communications excellence from the Midwest Society of Association Executives. The award was presented at the MSAE's annual meeting in St. Paul in May. The website competed against dozens of other association sites in the region. Judges in the competition cited the site’s ease of navigation, its overall attractiveness, and the depth of its information. New features on the website include a Physician Career Center where physicians can post their resumes and clinics can recruit physicians, a calendar of events and CME opportunities, and resources for physicians. Find A Physician allows visitors to search for physicians by name, gender, location, specialty, clinic. The site also includes breaking health care news, advocacy tips, and more. If you haven’t seen it yet, visit www.mmaonline.net

MMAOnline News

To keep physicians up to date on health care news and to encourage them to visit the MMA website, the MMA sends out an email newsletter, *MMA News Now*. Short articles link readers back to the website, where they can read the whole story. Any physician who is not receiving the free newsletter is encouraged to sign up for it at www.mmaonline.net.

MMA Physician Advocate

The *MMA Physician Advocate*, a two-color monthly news publication, provides MMA members with information on MMA advocacy and other health care news during the legislative session.

Minnesota Medicine

Minnesota Medicine, the monthly journal of the MMA, provides practical information as well as political, economic, and public health articles. This year *Minnesota Medicine* received six awards from the Minnesota Magazine and Publishers Association: the Gold Award for best feature article for “Take a Number,” about the shortage of psychiatric beds, in Jan. 2007; the Bronze Award for the feature article, “Change of Pace,” in Nov. 2006; the Gold Award for best single-topic issue for “Of Mice and Medicine,” in April 2007, an issue exploring the use of animals in medical research; the Gold Award for best technical article for “Cool Tools,” a look at applications that can make it easier to get up-to-date medical information in Nov. 2006, the Bronze Award for Overall Excellence, and the Silver Award for the best media kit, a packet of materials used to sell advertising.

In addition Howard Bell, a frequent contributor to *Minnesota Medicine*, received the Michael E. DeBakey Journalism Award for his article "Of Mice and Medicine," on the

topic of animal research, which appeared in the April 2007 issue of *Minnesota Medicine*. The award recognizes outstanding journalism “that discusses the essential role of humane animal research in medical discoveries and scientific breakthroughs.”

Seminars

Continuing Medical Education (CME) Activities During 2007, the MMA directly sponsored three CME conferences, including the Day at the Capitol, the Second Annual Coding Billing and Reimbursement Coding Seminar, and the CME Sessions at the Annual Meeting. The MMA worked with non-accredited organizations such as state specialty societies in the joint sponsorship of 75 CME activities. MMA CME activities provided 537 continuing education credits to 3,304 physicians and 3,202 other health care professionals, a substantial increase over the previous year.

Preparing for Medicare A seminar on changes in Medicare Part B was presented on October 3, 2007 in Roseville.

2008 CPT Code Updates A seminar on coding was held December 13, 2007, in Bloomington.

2007 Young Physician Section Mid-Winter Gathering was held February 1, 2008, at the University of Minnesota Campus Club in Minneapolis.

3rd Annual Spring Coding and Billing Symposium The two-day symposium was offered May 5-6, 2008, at the Grand Casino in Hinckley.

Minnesota Medical Business Resources

Minnesota Medical Business Resources (MMBR), founded in 1993, is a jointly owned subsidiary of the Minnesota Medical Association and the West Metro Medical Society. MMBR provides products and services to health care professionals in Minnesota. Some of the products provided by MMBR that are related to MMA activities are listed below:

- Insurance services for clinics and individuals through Stanton Group
 - Employee benefits (including life, health, and disability coverage)
 - Individual coverage (including life, health, disability, and long-term care coverage)
- Vehicle lease and purchase services through Creative Leasing
- Office products through Office Depot
- Consumer credit cards through MBNA
- Credit card acceptance/merchant programs through BancCard Financial Services
- Practice financial products through MBNA Financial Services
- Business insurance coverage (e.g. business owners' and workers' compensation) through MMIC.
- Individual Financial Planning through Sterling Retirement Services
- Document Management Services through Iron Mountain (formally Clary Document Management)

- Pre-Paid Legal Services and Identity Theft Protection through Pre-Paid Legal Services, Inc.

Minnesota Medical Association Foundation

In cooperation with the medical schools of the University of Minnesota and Mayo Medical Center, the MMA Foundation provides four-year scholarships to promising students. This year, the MMA Foundation is providing \$40,000 for scholarships to nine medical students in amounts ranging from \$2,500 to \$10,000 per student per year.

The Foundation is also working with the Minnesota Department of Health's Office of Rural Health and Primary Care to help rural communities attract physicians to practice in underserved rural areas through the Rural Physician Loan Forgiveness Program. The Foundation, by supporting one additional loan forgiveness contract this year, has helped a physician begin her career in family medicine in Ortonville, Minnesota.

The Foundation also made a grant of \$10,000 to Minnesota's Future Doctors. This program works with 150 premed students from Minnesota's diverse communities to help them achieve success in college, engage in volunteer work that makes a difference, and ultimately develop a successful application to medical school.

Relationships and Coalitions

The MMA met regularly with the Minnesota Council of Health Plans, Minnesota Hospital Association, Minnesota Senior Federation, and the Minnesota Medical Group Management Association to discuss ways to work together to achieve common goals.

The MMA also works in partnership with other public health and safety organizations including Clearway Minnesota, the Minnesota Department of Health, the Minnesota Alliance for Patient Safety (MAPS), AAA-Minnesota, the Minnesota Cancer Society, the Center for Prevention of Blue Cross, and others.

The MMA has a good working relationship with the MMA Alliance and collaborates on a variety of projects including the MMA Day at the Capitol. Alliance members offer a valuable perspective as members of MMA committees.

Media Relations

The MMA fielded hundreds of phone calls from reporters who sought help in developing health care articles. MMA staff provided background information and set up interviews with physician leaders. To encourage accurate health care reporting, the MMA presents awards for excellence in medical journalism at the MMA Annual Meeting.

MMA Outreach

During the past year, there have been many MMA outreach meetings as well as informal

MMA visits to Minnesota physicians. MMA physician leaders and staff have visited component medical societies, hospital medical staffs, and clinics throughout the state. The main topics of the visits have been the MMA's health care reform plan, legislative updates, and information about MMA membership.

Membership

The MMA experienced a 1 percent membership increase in 2007, bringing our regular active membership to nearly 6,000 at year-end. Member retention has been a primary focus this year. A retention program and the Multi-year Membership Plan were implemented, and participation in the grassroots programs grew. More than 1,500 physicians have committed to four years of membership.

As directed by the MMA House of Delegates, MMA officers, staff, and the Board of Trustees, the MMA continues to work for a healthy Minnesota, advocating for physicians and their patients, championing health care quality improvement, providing valuable information and services for Minnesota physicians, and enhancing the professionalism of medicine.

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