

AMA House Divided on Pay for Performance

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CHICAGO — The American Medical Association's new policy on pay for performance will limit its ability to negotiate with Congress, several medical specialty society groups claim.

Tensions surfaced at the annual meeting of the AMA's House of Delegates, when delegates voted to oppose any private or federal initiative that did not meet AMA's new principles and guidelines on pay for performance. These and other provisions were contained in a report that established the AMA's principles as official policy.

"Let's face it, pay for performance is here," said AMA Secretary John Armstrong, M.D., who headed the organization's task force on the issue. These new

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policies will help the organization establish a leadership position on pay for performance, "so when programs are being developed, we have a voice to say: This is the way to do it, that they should not just be used as a tool to cut reimbursement."

However, not everyone agrees with such a hard-line approach. "To say that 'you better meet every single one of these principles and guidelines,' that's digging in your heels—and tying your hands," Mary Frank, M.D., president of the American Academy of Family Physicians, told this newspaper.

"There needs to be flexibility in dealing with Congress, and the AMA is not being flexible," said Ralph Hale, M.D., delegate from the American College of Obstetricians and Gynecologists.

"You don't want to tie the hands of the AMA" on pay-for-performance programs, Stuart Cohen, M.D., delegate from the American Academy of Pediatrics, said in an interview.

Bob Doherty, the senior vice president for governmental affairs and public policy for the American College of Physicians, observed that the AMA's actions might specifically limit its ability to support a pay-for-performance bill linked to fixing the Medicare physician fee schedule, "if the bill in question doesn't meet all of the conditions set by the House of Delegates."

The AMA in its proceedings had expressly decided not to link pay for performance with Medicare pay. "We think they're separate issues," John Nelson, M.D., the AMA's immediate past president, told this newspaper.

But whenever physician groups have brought up the payment fix—either with Centers for Medicare and Medicaid Services Administrator Mark McClellan, M.D., or with members of Congress—the suggestion has always been that "there's no way

we were going to get a [sustainable growth rate] fix without there being some kind of a quid pro quo, that they were going to look at this issue in light of other things, such as pay for performance," Dr. Frank said.

The two issues were highlighted extensively in a letter sent by ACP, AAFP, AAP, and ACOG to Senate Majority Leader Bill Frist (R-Tenn.), outlining their own wish list for physician payment reforms.

Given the limitations of the actions by the AMA, "the ACP and the other groups felt

we needed to go forward on our own and try to develop the best possible bill based on our own policies," Mr. Doherty said.

In the letter to Sen. Frist, the groups specified that they would support legislation that would provide positive updates to Medicare's physician fee schedule, and reverse cuts that would otherwise occur under the sustainable growth rate (SGR).

In other recommendations, the letter stated that:

► Physicians should receive additional pay-

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Dr. Frank clarified that the letter “was not a preemptive strike” against the AMA, that the groups had gotten word that the

Senate Finance Committee was planning a hearing on pay for performance, and they wanted to weigh in on the issue.

“Although we had issues with the board report, we would have written to the Senate regardless of the AMA’s actions,” she said. The hope is the AMA will end up supporting these measures in the Frist letter, “but that is a judgment it will have to make” in the context of its own policy, Mr. Doherty added.

Representatives from the primary care groups stressed that they were not breaking ranks from the AMA, but that they wanted to continue negotiations with the organization on pay for performance. The

bottom line is “the AMA does not speak for us as individual policy groups,” said Donna Sweet, M.D., delegate from the ACP.

Considering that performance measures for pediatricians don’t exist—with the exception of immunizations, “the pediatricians want to be involved as [lawmakers] go forward in developing quality measures,” AAP’s Dr. Cohen said.

Some delegates, such as James Bean, M.D., of the American Association of Neurological Surgeons, thought the AMA should stand by and defend its principles. “We shouldn’t negotiate out of fear,” he said during House of Delegates proceedings.

In an interview, Dr. Armstrong said the

AMA would continue to work with the delegation’s specialty groups, to make sure that all physicians were on the same page with pay for performance.

The internal battles over payments have erupted at a time when the AMA is testing new approaches to improve its public reputation and solidify its relationship with other physician groups. In the meeting’s opening session, Gary Epstein, the AMA’s chief marketing officer, urged delegates to transform their impassioned debates into a consensus process to help patients.

“Together we are stronger,” he said, reciting one of the AMA’s new mantras. “That’s not debatable.” ■

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