

REPORT OF THE BOARD OF TRUSTEES

B of T Report 21 - I-06

Subject: 2007 AMA Strategic Plan

Presented by: Cecil B. Wilson, MD, Chair

Referred to: Reference Committee F
(Susan Hubbell, MD, Chair)

1 Over the past year, the Board of Trustees and AMA's management have worked intensively to
2 enhance the AMA planning process in order to provide strong strategic direction and focus for the
3 organization. This has been an inclusive process in which the AMA councils, sections, and special
4 groups have participated. Appended to this report is the 2007 AMA Strategic Plan that is submitted
5 for the information of the House. This Strategic Plan is the basis for the budget that will be
6 presented at the Reference Committee F hearing at the 2006 Interim Meeting.
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8 The 2007 Strategic Plan outlines AMA's principal commitments in six major areas that are
9 considered especially relevant to our members. As part of the planning process, the Board of
10 Trustees has also reviewed the AMA Mission Statement which was last updated in 2003. Board of
11 Trustees Report 22 (I-06) recommends simplified mission and vision statements. The 2007 AMA
12 Strategic Plan will incorporate the new mission and vision statements following approval by the
13 House.
14

15 The Board looks forward to working with AMA staff to implement the initiatives identified in the
16 Plan as we strive to better help physicians help patients.

**AMERICAN MEDICAL ASSOCIATION
2007 STRATEGIC PLAN**

Since its founding in 1847, our AMA has been dedicated to promoting the science and art of medicine and the betterment of public health. The Core Strategy to carry out this mission today is **helping doctors help patients by uniting physicians nationwide to work on the most important professional and public health issues. Together we are stronger.**

The most important professional and public health issues for the next few years relate to comprehensive reform of our increasingly complex U.S. health care system. This systemic view is needed if we are to meaningfully influence broad-based barriers – both financial and non-financial – that impede patient access to high-quality care.

Accordingly, the 2007 strategic plan outlines our AMA's principal commitments in furtherance of our Core Strategy in the current environment. The commitments consider our AMA's ability to make unique and significant contributions to resolve a number of important issues that exist within the broad spectrum of comprehensive reform. The commitments address six areas considered especially relevant to our members.

- **Health care environment.** Our AMA commits to seeking change in the state and Federal legal/regulatory environments to protect the needs of patients and enable physicians in their care. Specific areas of focus are care for the uninsured, Medicare payment reform, medical liability reform, and appropriate scope of practice regulations.
- **Clinical excellence.** Our AMA commits to advancement of clinical processes, techniques and tools used by physicians in delivering patient care. Specific areas of focus are quality improvement in health care, patient safety, health information technology, health disparities, and care for the aging.
- **Physician practice viability.** Our AMA commits to helping physicians overcome systemic barriers to effective practice management, particularly those that interfere with the physician-patient relationship or impede the economic viability of the physician practice. Specific areas of focus are reforming private health plan payment and other practices, developing credible physician practice information, preparing for privatization of government programs, forming a bridge between physicians and payers, and monitoring the impact of consumerism on healthcare.
- **Health of the public.** Our AMA commits its support for improvements in issues affecting the broader public health. Specific areas of focus are healthy lifestyles, disaster preparedness, adult immunizations, and international medicine.

- **Physician education and professionalism.** Our AMA commits to continuing its stewardship efforts on behalf of the profession, its education system, and its workforce. Specific areas of focus are medical student financing, transformation of medical education, professionalism and ethics, and workforce distribution.
- **A sustainable AMA.** Our AMA commits to continuous improvement in the value of membership and to innovation in businesses that fund much of its issue-focused activity. Specific areas of interest are segment-specific membership strategies, investment in market research and product development, and development of partnerships for non-core functions.

The following sections of the plan describe in more detail the actions to be undertaken. Each of these efforts is being undertaken by multi-disciplinary AMA Teams operating with specific goals, timetables and accountabilities.

Health Care Environment

Care for the Uninsured

Lack of insurance and underinsurance may be the single greatest barrier to access to care. The resulting inadequacies in prevention and treatment of chronic conditions have escalated to become a public health issue. Solutions to this problem are evasive; however it is clear that coverage and access must be a priority for our nation. AMA proposals need ongoing refinement and visibility.

Our AMA's strategy includes a mass media campaign to engage political candidates and the public, thereby reinforcing our AMA's position as a coalition leader and patient advocate. We will continue our involvement in the Search for Common Ground/Health Care Coverage for the Uninsured efforts to move a collective agenda to help fix this problem. We will promote our enhanced policy publications, advocacy support and state toolkits with model reform proposals and tax credit simulations that compare and contrast competing proposals and stress an evolving pluralistic approach. Through a renewed focus on business/employer coalition building, we will examine and measure reaction to emerging proposals and shape the perceptions of key stakeholders. Our Medical Student Section national service project will provide direct and immediate help to the uninsured.

Medicare Payment Reform

Shortcomings in the Medicare payment system threaten the viability of many physician practices and therefore access to care for a growing segment of our population. Our AMA will increase awareness of the need, develop proposals, and garner support for reform that is viewed as realistic and credible by the public, policymakers and physicians. We will use mass media toward these goals, backing campaign messages of patient advocacy with updated reform policy and detailed impact analyses.

Legislative enactment of reform proposals is a multi-year goal. In parallel with broader reform efforts, we will commit advocacy resources toward high-impact near-term

decisions. These include investigating alternatives for sustainable growth rate (SGR) proposals, silo inequities and payment for quality reporting. Because both long- and near-term objectives require an extraordinary degree of physician unity, we will engage representatives from key state and specialty societies to find and promote proposals where we can reach consensus.

Medical Liability Reform

Objectives for medical liability reform center on the need to stabilize the medical liability insurance market, thereby reducing some barriers to patient access to care without compromising advances in health care quality and patient safety. While advocacy opportunities tend to shift periodically from federal to state, our AMA will engage at both levels. Effective advocacy requires better data on the judicial system and insurance industry, enhanced analysis of promising alternative reforms, and stronger evidence to support policy objectives and solutions.

In 2007, we will continue advocacy for federal reforms and increase support for state-level targets of opportunity. To improve effectiveness of advocacy at all levels, we will increase the intensity of supporting research and analysis.

Scope of Practice

Our AMA will take a lead role in coordinating medicine's response to proposed scope expansions that are not warranted by non-physicians' education, training or experience. The Scope of Practice Partnership (SOPP) provides a foundation for these activities.

As we gain experience and traction with the SOPP, we anticipate formation of rapid response coalitions that cross specialty groups. We will consider creation of state-level joint review committees, supported in part by a compendium comparing education, licensure, etc. for different types of practitioners. We will also seek data to map the geographic distribution of various practitioner types in order to inform discussion of access to care.

Clinical Excellence

Quality Improvement in Health Care

Our AMA's near-term focus is on defining quality in terms of clinical standards that can be widely adopted and consistently measured. This work extends our AMA's success with the Physician Consortium for Performance Improvement ("the Consortium"). The physician community must take a leadership role in developing measures and helping to improve physician performance. The Consortium will be strategically positioned to take this leadership role.

Toward this end, AMA will commit resources not only toward establishing quality measures, but also toward removing barriers to implementation and facilitating physician engagement. Specific goals include acceptance of a single set of performance measures,

integration of quality into the medical education continuum, and integration of quality measures into electronic health records (EHRs).

Longer term, our AMA may take on broader systemic challenges to clinical quality, such as addressing the fragmentation of care across settings. It will also be important to guard against the unintended consequence of using “performance measures” that incorporate quality standards in a way that exacerbates disparities and under-service of patients with complex conditions.

Patient Safety

Although most medical errors are attributable to system failures, our culture often focuses on individuals as the cause of harmful events. The Patient Safety and Quality Improvement Act of 2005 (PSQIA) provides a platform for change. Still, any meaningful improvement requires widespread physician leadership and participation.

Our strategy emphasizes continued partnership with the Institute for Healthcare Improvement (IHI) on this issue. Our AMA’s specific role focuses on opportunities at the physician practice level. We will support physicians in implementation of the PSQIA, increase physician engagement and competency in patient safety, and provide model programs and tools for physicians at the point of care (as we have done with medicine reconciliation, for example).

Health Information Technology (HIT)

Recent technology advances and the active involvement of the Federal Government have helped fuel expectations for improving the quality and efficiency of patient care through HIT.

In the near term, implementation challenges for many physicians are significant. Physicians’ needs must be adequately represented to policymakers, vendors and those that may finance physician HIT investments. Our AMA is well positioned to take on the role of representing physicians’ needs.

Beyond implementation are the more vexing questions of how the new databases and analytics of clinical information will be safely maintained and controlled. Physicians are the source of much of this information and they must have a leadership role in influencing its use and interpretation. Our AMA will actively participate in finding the best options for networking and warehousing of patients’ clinical information.

Health Disparities

Physicians should take an active role in improving racial/ethnic minority healthcare both clinically and through advocacy. Our AMA will participate actively with medical and other organizations to provide physicians with knowledge, skills and tools to improve care, especially for disadvantaged populations. We will stress with the Consortium the need to incorporate demographic and language information into patient-level data collection mechanisms for quality. As a leader in organized medicine, we will model strategies and

monitor our policies for potential unintended consequences that could otherwise undermine efforts to eliminate disparities.

Care for the Aging

Changing demographics create an imperative for nearly all physicians to have fundamental proficiency in geriatric care. The needs of aging patients underscore the need for healthcare policies designed to encourage continuity/coordination of care across settings, including long-term care. Elderly patients and their caregivers need information to enable informed decisions.

Our AMA will work with certifying boards, medical schools, residency programs and others to increase focus on geriatrics, with a near-term focus on continuing medical education for practicing physicians. Our AMA will also influence stakeholders currently refining models of care to recognize and accommodate the needs of the elderly. In the near term, we will provide physicians and patients with health and self-care management information. Longer term, as new models of care are introduced, we anticipate helping to create a learning collaborative on caring for the elderly.

Health of the Public

Healthy Lifestyles

A few common behaviors contribute greatly to the diseases responsible for most morbidity and premature mortality. By helping to drive improved behaviors in nutrition, physical activity, smoking and alcohol consumption, our AMA will play a major role in preventing premature death and disability in the United States.

Our actions toward achieving this goal are threefold: delivering physician-focused education and tools; influencing the lifestyles of patients and the public through worksites, healthcare facilities and especially schools; and advocating for policies in government and industry that promote healthier lifestyles.

Disaster Preparedness

Our AMA believes that physicians should be involved as leaders in disaster preparedness efforts. Physicians and public health authorities need better communication linkage, and those physicians who will be called upon to respond in emergencies should have the fundamental training required to be effective in that role.

Our AMA will take steps to increase physician involvement, leadership and advocacy in planning and response efforts both locally and nationally. We will help bridge communications gaps between clinical medicine and public health by using our data and tools to improve crisis communications / notifications links. We will also continue educational programming to improve physician knowledge and skills for responding.

Adult Immunizations and Influenza

An effective adult immunization program would improve health and crisis response, save lives and reduce health care costs. Problems in demand, supply and distribution, administration and financing must be corrected if adult immunization goals are to be met.

Our AMA has renowned expertise on this issue. We will continue current efforts to encourage development of a national infrastructure. Over time, we anticipate expanding our role with regard to informing physicians and the public, collaborating on tools to facilitate adult immunization, advocating for fair reimbursement, and examining innovative vaccine financing options.

International Medicine

Even though our primary commitment is to helping US doctors help patients, our AMA is continually presented with opportunities to respond to international issues from a variety of sources. Globalization of health care and public health is increasing through such forces as transmission of infectious diseases and pandemic planning, environmental causes of disease, international marketing of pharmaceuticals, cross-country migration of physicians and nurses, and “offshore” outsourcing of medical services such as medical transcription, reading imaging studies, and health IT support. This phenomenon requires the AMA to be engaged in international health.

This strategy calls for our AMA to continue building upon its relationship with the World Medical Association (WMA) as the primary vehicle for participating in international issues. Our AMA will also seek to reinstate a relationship with the World Health Organization (WHO) to help assure physician perspectives are better represented in that body. Both organizations provide an opportunity for our AMA to advocate internationally on policies of interest to our AMA. These relationships also enable us to share experiences with and learn from other health care systems.

Physician Practice Viability

Health Plan and Payment Reform

Contracts and business relations between physicians and health plans/payers continue to be skewed in favor of the health plans/payers. To shift that balance, our AMA’s advocacy efforts must address the fragmented state/federal regulatory structure, shortcomings in health plan accountability, and secondary insurance market practices.

For 2007, our AMA will develop a new approach to anti-trust relief and examine alternative dispute resolution options. We will aggressively pursue our private payer advocacy agenda and continue our campaign to regulate the secondary discount market. Should the right opportunity become available, we will also support litigation to challenge the ERISA preemption for physician payment.

Source of Physician Practice Information

Our AMA needs defensible, robust physician practice information to support advocacy positions regarding Medicare payment rates. With financial support from the Centers for Medicare and Medicaid Services (CMS) and several specialty societies, we will reinstate a comprehensive physician practice information survey. We will analyze and apply findings from this annual survey in our advocacy and other activities.

Privatization of Government Programs

The migration of government healthcare program administration to the private sector is likely to increase complexity and reduce predictability of physician reimbursement. In order to positively influence these changes and help doctors navigate them, our AMA must build the same level and quality of staff, information and technology for privatized Medicare programs that it already has for traditional fee-for-service Medicare.

Specific goals in this regard are to increase AMA expertise on Medicare Advantage issues, educate Congress and policymakers on oversight needs, and create (in collaboration with others) a uniform set of transparency standards.

Bridge between Physicians and Payers

Physicians continue to need AMA support and intervention with regard to claims processing and other health insurer administrative practices and policies. Our Practice Management Center, chartered in 2006, provides a base of operations for such activities.

To ensure that AMA actions meet the needs of our members in this area, we will seek input from advisory committees comprising state/specialty society staff and representatives from AMA member group practices. We will also expand relationships with vendors and other professional groups and step up our involvement in standard-setting organizations.

Impact of Consumerism on Healthcare

Consumer-driven health plans have the potential, paradoxically, to both increase and reduce complexity in physician payment and clinical decision-making. As a service to our members, we will provide physicians with educational materials on the various types of plans and potential impact.

While the industry has tracked adoption of such plans, no national survey data have been assembled on physician experience, key practice challenges and opinions on their efficacy. As plans become more mature, we will survey physicians on their experiences to identify challenges and solutions. Findings from these surveys will guide future commitments to physician education and advocacy.

Physician Education and Professionalism

Medical Student Financing

The high cost of medical education is known to prevent many talented candidates from choosing medicine as a profession, and carries undue influence on the choice of specialty and practice location for many graduating students. The rising debt burden creates demand for our AMA to help medical graduates manage their debt.

Advocacy for improved loan terms, loan forgiveness/repayment, and deferment opportunities provides a partial solution. However, increased availability and awareness of financial aid are also necessary. In 2007 we will complement our advocacy work by developing a philanthropic strategy for increased funding through our AMA Alliance and AMA Foundation.

Transformation of Medical Education

Significant change is needed in the US system of medical education in order to better prepare physicians for practice in the changing healthcare environment.

Our AMA, working in collaboration with others, will work toward meaningful advances in three aspects of medical education: (1) we will address gaps in the current preparation of physicians through comprehensive curricular change, (2) we will provide practicing physicians with tools to support lifelong learning that results in practice improvement, and, (3) we will advocate for adequate funding of medical education across the continuum.

Professionalism and Ethics

Challenges to professionalism demand action to preserve pride in the profession and public trust. Appropriate self-regulation is key to maintaining professionalism.

Our AMA's role encompasses setting the professional standards of medicine and educating medical students and physicians about the standards. It requires creating an environment that promotes adoption of the standards. We will also examine whether the Council on Ethical and Judicial Affairs (CEJA) should play a stronger judicial role in ensuring adherence to ethical standards.

Physician Workforce and Distribution

Several studies indicate a shortfall in the availability of physicians in some specialty areas and geographic locations. Our AMA will participate in communities convened to analyze and plan for our nation's physician workforce and distribution needs and will provide input on strategies to shape the future workforce.

A Sustainable AMA

AMA membership will remain relatively flat without redefinition of our value proposition for growing segments, early/new career segments, and segments (such as academic physicians) who influence membership decisions of others. Our AMA will conduct needs assessment research focused on these groups and use the findings to formulate specific programming aimed at attracting and retaining these physicians. We will internally strengthen, organize and package existing AMA resources that serve group practices and their physicians to improve the value we bring to this segment. We will also expand outreach to academic physicians.

From a business perspective, our funding levels appear to be stable in the near term. However, there are significant long-term challenges to the business model. To overcome these challenges we will call upon our AMA's core sustainable advantage – our ability to convene medical talent to produce valuable information. Over time, this will lead toward convergence of the products and services we offer to generate revenue and the products and services we offer to attract and retain members.

Throughout the transition we will manage the product portfolio for customer value, driving growth from strength in existing markets. To stay ahead of the curve, we will formally invest in market research and product development. Staff will apply a systematic approach to scanning markets, evaluating opportunities, and developing new products.

Operationally, we will examine options to take on strategic partners for some non-core functions such as distribution, fulfillment and production, thereby maximizing focus on AMA's core skills in providing valuable products and services.