



November 18, 2009

Dear LSMS Member:

The purpose of this letter is to inform you about LSMS efforts regarding national health system reform at last week's American Medical Association (AMA) Interim Meeting in Houston, Texas.

In mid-July, the US House of Representatives announced its first draft of legislation, HR 3200, a 1,010 page bill that would totally transform America's health care system. The AMA indicated its support for HR 3200 in a news release dated July 16, 2009. On July 17, 2009, the LSMS announced it did not support HR 3200 as written, and urged Congress to slow down the process addressing health system reform in order to do it the right way.

On Thursday, October 29, 2009, the House Democratic leadership released HR 3962, a revised bill combining the amendments to HR 3200 passed by House committees of jurisdiction. The new bill had grown to 1,990 pages at a cost of \$1.1 trillion. The LSMS responded on October 30, 2009, that again it could not support the latest House bill, HR 3962, as written. The AMA issued a news release on November 5, 2009, expressing its support for HR 3962. On Saturday, November 7, 2009, the bill narrowly received the 218 votes necessary for passage. The final vote was 220 to 215, with only one Republican voting in favor of the bill - Louisiana Congressman Anh "Joseph" Cao (2nd Congressional District).

As the AMA House of Delegates convened in Houston November 7-11, a groundswell of its members was calling for the association to rescind its support of HR 3962 announced two days prior to the meeting. The Louisiana Delegation to the AMA joined with a coalition of state associations and national specialty societies, that pushed to rescind the position on the bill and clarify the pivotal role of AMA policies on issues related to national health system reform. The motion to rescind the AMA position on HR 3962 failed.

On Monday, November 9, the AMA affirmed its support for HR 3962 and national health system reform in a statement released by the AMA. The AMA indicated the outcome of the meeting was to reaffirm the prior commitment of the AMA to health system reform. However, other actions taken at the meeting, including the resounding adoption of three Louisiana proposals designed to establish the primacy of AMA House of Delegates Policy in the debate, leaves little doubt as to the lack of an endorsement of HR 3962 by the House of Delegates.

On a Louisiana motion, the House of Delegates clarified that the "AMA principles" for support of health system reform alternatives (pluralism, freedom of choice, freedom of practice, and universal access for patients) endorsed at the Annual Meeting in June 2009 are

to be interpreted in accordance with "AMA policies," and thus are not broad, ill-defined concepts which could possibly be interpreted more liberally.

On a second Louisiana motion, the House of Delegates completely changed the characterization of the AMA "critical elements" to be included in the enactment of health system reforms by the Congress, renaming them as "critical components of AMA policy." This in effect ensures that AMA negotiations on the Senate bill and the final bill must be consistent with AMA policy on these points.

In another critical victory, a new direct requirement was passed that the AMA "actively and publicly" support the inclusion in health system reform legislation the right of physicians and patients to privately contract without penalty to patient and physician; and a new AMA policy was established to actively and publicly oppose an Independent Medicare Commission that could remove Congressional authority over Medicare payment policy.

A clear directive has been established that national health system reform must include a permanent fix to the Medicare Sustainable Growth Rate (SGR) formula which is indexed for cost inflation. In a critical distinction, this was not directed as a negotiation item--it is a *results item* which must be included in the final reform package.

A similar action was taken regarding single payer issues, establishing as a *results item* that a new single payer government-run health care system is *not* to be included in the final reform package. Although a direct effort to prohibit AMA endorsement of the public option failed, a new AMA policy was adopted stating that any insurance coverage option offered in an Insurance Exchange, which would include a public option, must conform to a uniform solvency requirement and must not receive special advantages from government subsidies. In a ruling by the Speaker of the House, the failure of the House to reject the public option was not to be considered an endorsement of the public option by the AMA.

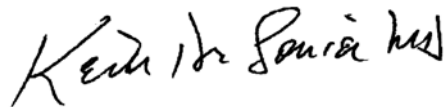
As a result of these and other actions by the House of Delegates, the AMA Web site for the first time in the debate lists publicly those things in HR 3962 that the AMA supports, those that it opposes, and those that are of concern.

On behalf of the membership, LSMS leadership and the Louisiana Delegation will continue to vigorously advocate LSMS policies and positions in the AMA House of Delegates. To stay informed on the health system reform debate, look for the LSMS *eAlert* each Friday and check www.LSMS.org, under the *Advocacy...On Your Behalf* section, for news and updates.

Sincerely,



Roger D. Smith, MD
President



Keith F. Desonier, MD
Chair, AMA Delegation