



“Reforming the Future, Remembering Our Roots”

**President’s Address
AMA House of Delegates
Interim Meeting
George Brown Convention Center
Houston, Texas
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Thank you for that introduction, and that welcome.

Five months ago, I stood before you for the first time as AMA president.

I spoke then of the Evolution of Medicine, from the use of spells and nostrums – through our turbulent modern times – toward a future unknown but rich with promise.

Since then, I’ve been an eyewitness to the latest phase of this evolution – and that is major health system reform in America. Though decades in the works, it is unfolding fast and taking shape even as I speak.

A great confluence of events has brought us to this time and place – and now we in medicine find ourselves at a crossroads.

In the life of every organization, there are defining moments.

At this meeting of the House of Delegates, we have arrived at just such a moment. And it demands big decisions. As they say, everything’s big in Texas.

And that’s not always a good thing. Texas has the largest percentage of uninsured in the nation. Here in Houston, one in three adults has no health insurance. We’re proud of many things in the Lone Star State. This isn’t one of them.

As physicians, from the moment we enter this noble profession, we are held to a different standard than others in society. We exist to serve those who suffer – to treat, at times to cure – but always, to act with compassion.

Over the next 72 hours, this House of Delegates will debate issues on health reform that will impact our nation – and our profession – for years to come. Each speaker believes he or she is right. But once the votes are tallied, the Medical Profession – through the AMA’s voice – will speak as one. Will it be for our patients? Or for someone else?

The AMA has made sure that issues vital to physicians and our patients are being heard – by lawmakers in Washington – and by opinion-makers in the media.

But this has come at a cost. Some in the House of Medicine have taken issue with our tactics, our strategy or our positions.

This reflects the same deep divide as in the nation as a whole – evidence that health care is a deeply personal matter.

Fueling those passions has been relentless partisan spin emanating from Washington and corners of the media. When the AMA and other groups pursue an agenda designed to help physicians help patients – and that path diverges from that ordained by Democrats or Republicans -- the attacks have been swift, sharp and hostile. And just as often, just plain wrong.

Those satisfied with the status quo will stop at nothing to derail reform. They seek to sow division among their opponents, divide them, and conquer. It's a strategy as old as the art of warfare itself. We should not hand them the rope with which to hang us.

In a public policy debate this sweeping, politics is impossible to avoid. But we need to look past the posturing, the gamesmanship and the distortions, and hold our elected representatives in Washington accountable for what they do – and the results they achieve.

In this debate about health reform, we honor and respect the fact that physicians have honest philosophical disagreements amongst themselves and with the AMA. Both about the course reform is taking, and its destination.

This is nothing new, and nothing that hasn't been overcome before. Sir William Osler noted a century ago that: "The dangers and evils that threaten harmony among the units of the medical profession are internal, not external. In this profession – more than any other – is complete organic unity possible."

When we achieve that unity, we achieve great things.

Since 1847, the AMA has ethically stood for physicians and our patients both. We've done more than any single organization to advance medical education, public health and the position of trust and respect physicians hold in our society.

We've also seen the practice of medicine evolve, with more specialties, more sophisticated business approaches and more complexity in rules and regulations put forth by the health insurance industry and government policy makers – and administered by bureaucrats in both camps.

Our history, heritage, bylaws and ethics directs the AMA to represent the physician community as broad a way possible. To reflect consensus among our House of Delegates. We believe that together – we are stronger. Not an empty slogan – but a promise.

That's why our reform agenda is driven by seven critical elements. By best serving our patients, they best serve us as physicians. They are:

- Provide health insurance coverage for all Americans
- Insurance market reforms to expand choice of affordable coverage and eliminate denials for pre-existing conditions
- Health care decisions made by patients and their physicians, not by insurance companies or government officials – and protection for the right to privately contract for medical care
- Investment and incentives for quality improvement, prevention and wellness initiatives
- Repeal the Medicare physician payment formula that threatens access to care for seniors and our military families

- Medical liability reforms to curb the cost of unnecessary defensive medicine
- Standardize insurance claims processing to trim costs and red tape

We have aggressively pursued these policies to form a stronger system that preserves choice, and improves access to affordable, high-quality care.

We've made significant progress on the goals that reflect our seven signposts but we also know that no one in this debate is getting everything they want – not the interest groups, not the President, not the Speaker of the House, not the Majority Leader in the Senate or the chairmen of the committees of jurisdiction.

There's been much to like in some of the legislative proposals – and by being involved early in the process, the AMA has been able to influence it.

Here's the scorecard so far:

The House bill HR 3961 has a permanent SGR fix based on AMA proposals and now widely accepted – rebase it, wipe out the debt, scrap the current calculations and use a realistic formula. The AMA was adamant about this. We got it.

The main bill, HR 3962, includes provisions to prohibit a taxpayer bailout of a public plan, and does not link physician payments in a public plan to Medicare. The AMA was adamant about this. We got it.

As a direct result of AMA advocacy, President Obama set aside \$25 million for pilot programs to test alternative medical liability reform measures. After eight years of a lot of talk with no results, this was the first significant federal development on medical liability reform in decades. And the AMA made it happen.

The President has announced his plans to take physician-administered drugs out of Medicare Part B – removing it from the Medicare physician payment formula. This means physicians receive \$45.4 billion more over those five years. The AMA made this happen.

We've entered an entirely new kind of dialogue with the Federal Trade Commission and the Justice Department regarding changes to antitrust enforcement policies for physicians and to raise questions about the merger mania of health plans during the last decade. We've wanted this for years, and we got it.

We've also had setbacks.

Last month, S. 1776 to repeal the SGR didn't get past a procedural hurdle in the U.S. Senate despite the work of the medical profession, AARP and the Military Officers Association of America. This vote was the symptom of a poisonous partisan atmosphere in Washington.

Physicians across America rose up to remind Congress of its obligations – and thousands did so through the AMA Grassroots Network. It generated nearly 50,000 contacts to Capitol Hill, including nearly 15,000 phone calls to U.S. Senate offices.

An overwhelming majority of Congress — Democrats and Republicans alike — are on record stating that the Medicare physician payment formula is flawed and should be repealed.

But the Senate failed to live up to the commitment it made when it created Medicare — to preserve access to high-quality health care for America's seniors and military families.

It is hard not to take it personally. The vote showed me that promises made by some people in the past to fix this flawed formula have been hollow. Some even had the gall to attack the AMA over the vote on this bill – a display of political hypocrisy and posturing at its most brazen.

In all, 53 Senators opposed sending the bill to the Senate floor.

Some who voted “no” cried “fiscal responsibility.” For some, these were newfound convictions.

But what about fulfilling current obligations? On January 1, Medicare physician payments are scheduled to be cut by 21 percent, with more deep cuts to come. Right now – in 2009 – American physicians receive 20 percent less than what reimbursement would be under the Medicare Economic Index – the guideline for hospitals that has paid them an increase each year.

Since 2001, Congress has punted on the SGR and expected a miracle to happen. This Congress seems willing to apply yet another temporary patch, avoid the impending crisis and hope we’ll shut up and go away.

Talk about the ultimate denial scheme – control utilization of services by making sure there are no physicians providing care.

This Ponzi scheme isn’t going to work much longer. Permanent repeal of the payment formula is essential to ensuring the security and stability of Medicare, and an essential part of health system reform.

Congress created the Medicare physician payment system. Now Congress needs to fix it – once and for all. Toss it into the dustbin of history and use a method rooted in reality.

Even as we meet this afternoon, the House of Representatives and the Senate are meeting in Washington, and our AMA advocacy team is there, pressing the seven essential elements of reform with members of Congress and staff, and officials at the White House.

The American people will take their cue from what they – and we – do. They will pull together once our leaders provide a clear vision for the future.

Health system reform is an evolutionary – not revolutionary – process. There will be life after this reform effort, and we fully intend to be part of it.

In the 162 years of the AMA’s existence, we’ve helped drive a history of progress in medicine, science, education and technology. We’ve seen the best of times and the worst of times, but we’ve endured, thrived and survived.

When Nathan Davis and his colleagues gathered in Philadelphia in 1847, they probably couldn’t foresee a culture with a short memory and shorter attention spans – one that expects profound change overnight.

But for all the Twitters and viral videos on YouTube – and the cut-in coverage of non-events on 24-hour cable news – the instant gratification of brain candy is not the way real life works. Nor is it how we treat patients, nor is it the way our profession has evolved and conducts itself in society.

It is not in the nature of physicians to throw up their hands and head for the exits when the going gets tough. For that our patients are grateful. Our role in the health reform effort parallels our obligation as physicians.

Just as the treatment of disease is a process, so too is the path of reform. We know it's not a sprint but a marathon. We need to run this race together as the medical profession, and not split into special interests that tear us apart in a frantic, futile bid toward separate finish lines.

When a health system reform bill is signed, it won't mark the end of the process.

Down the road there will be more health care legislation, and decisions in the public and private sectors that will determine how reform is administered. The AMA will be in the thick of this process.

In a crisis, true character is revealed. Times change, situations change, technology changes. Rules change. The landscape may be altered, the players come and go, but basic values must not.

Sir William Osler put it this way: "Some will tell you that the medical profession is underrated, unhonored, underpaid, the very last profession they would recommend a young person to take up. Listen not to those croakers; there are such in every calling and the secret of their discontent is not hard to discover. The evils which they...ascribe in themselves lie: sown when they were students; sown in the hours of idleness, in failure to grasp those principles of their medical profession which makes it an honor to serve, and as a result, the practice of medicine indeed becomes for them a drudgery -- for it degenerates into a business."

Our ethical responsibility to our medical profession and the patient's we serve will continue to be the standard that determines the AMA's action – and we've set a course that is decent and civilized.

Medicine is a science – but it's also an art. It deals in facts – but also compassion. We use surgical instruments – but also our hands. We use our minds – but also our hearts.

Remember: As physicians, we are blessed. And with that comes a great responsibility.

We must hold true to our Ethics as the Evolution of the American health care system unfolds. Especially the 9th Ethical Principle: A physician shall support access to medical care for all.

And never forget that we have pledged to promote the art and science of medicine and the betterment of public health. To help doctors help patients. To be the everyday heroes who do the right thing – for them.

When this House of Delegates leaves for home on Tuesday, let it be noted that we met to do the right thing for our patients and our medical profession – by putting patients first. When the next history of the AMA is written, let it say that when we came to our crossroads, we chose the road best taken – and lived up to our sacred obligation. This is the moment. This history is in your hands.

Thank you for the humbling honor to serve you and our AMA. God Bless America and God Bless our AMA.

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