

**Address to the AMA House of Delegates  
Interim Meeting 2023**

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### **Origins of AMA long-range strategic framework**

Doctor Speaker, members of the board, delegates, and guests ...

In June, my comments to this house focused on the importance of uniform support of our endorsed policies as a means to strengthen physician voice ... and further empower the impact of those policies.

Tonight, I'll focus on a less philosophical aspect of our work ... how we effectively balance the immediate needs of physicians and patients while maintaining focus on our long-term strategic goals - goals that lend gravitas and add integrity to this iconic organization.

In 2011, soon after being hired as CEO of the AMA, a senior trustee said this in conversation: "the beautiful thing about the AMA is that at every meeting I attend I hear about a variety of work being done of which I had not previously been aware."

That seemed odd to me because I knew that an effective long-term strategy depends on clarity of focus. Strategists like Michael Porter - a senior professor of strategy at Harvard's Business School, probably known to most of you - famously said that organizations aiming for impact "**can't be all things to all people.**"

He added that one necessary aspect of strategy "**is choosing what not to do.**"

In other words, a coherent strategy relies not only on selecting the most important areas on which to focus, but also choosing the areas of lesser importance that will not be pursued ... this, as a means of being crystal clear about what one hopes to accomplish. Not only does Porter emphasize the criticality of focus in strategy, but he and many others emphasize maintaining that focus for the long term ... calling it essential to success.

In his words: "**Strategy must have continuity, it can't be constantly reinvented.**"

So, having this context in that conversation so many years ago, I had to wonder: is the AMA trying to do too much?

Are we, as the metaphor goes, trying to "boil the ocean"?

I'm sure it's no coincidence that the selection committee that recruited me indicated a major organizational aspiration and charge as the new CEO was to create an organizational strategy.

To respond, our management team took an inventory of the active projects within the AMA at that time: we wanted to see if there was evidence of the organizational focus that the selection committee and Board sought.

We discovered 110 active projects ... projects that often seemed unrelated to one another. This suggested a lack of intellectual, strategic, and practical cohesion – a lack of focus.

As we were exploring in this way, I heard one of the AMA's elected leaders elegantly present organizational accomplishments at a national gathering. For the first several minutes it seemed a lot of interesting things were being done ... but deep into the presentation it seemed far too broad to accomplish anything real and lasting. It was a dissociated laundry list of interesting, but not particularly cohesive, topics.

Where was the overall strategy which, as strategists might say, required focus, cohesion and commitment over substantial periods of time?

Now it is also true that the AMA's need for a long-term strategic plan occurs in the context of a dynamic health care environment.

An environment which includes regular fiats from courts, federal and state agencies, as well as shifts in societal direction. All of these unexpected short-term matters must also be addressed.

So, the net of this requires the ability to respond to short-term environmental challenges along with responses to the long-term strategic needs ... it requires what I'll call a balanced portfolio of organizational activity and the capacity to be ambidextrous ... the capacity to balance short-term matters with a focused, long-term vision.

The AMA has indeed shown a great ability to generate short-term responses to suddenly emerging challenges. The Covid pandemic wasn't all that long ago, after all.

But those urgent needs must be paired with long-term strategic goals aligned with our mission.

As Lee Bolman, an expert in leadership, states: "**A vision without a strategy remains simply an illusion.**"

So here is how our House policies fit in:

In 2011 we were dealing with multiple short-term elements, but we essentially lacked a long-term strategic component of our portfolio. So, the Board tasked me with developing this strategy to bring greater focus ... and therefore impact....to our work.

The first step was to create a process to apply the tools of strategy – establishing priorities - isolating issues of lasting importance, while also deciding what not to do.

To accomplish that, we created several evaluation criteria, which the Board then refined and approved. That allowed us to judge the desirability and feasibility of existing projects. The management team graded the projects using those board criteria, and managements evaluation of such was validated by an external panel of experts.

Two additional elements were critical in this prioritization process:

First, the critical input of the reports of our Council's.

And second, the fact that any long-term strategic framework had to both align with and amplify AMA's policy portfolio.

In that portfolio we discovered meta-signals – aggregates of policies around broad central themes - that would bring focus by taking individual elements with high priority and combining them into an intellectually cohesive theme.

This process of triangulation of existing project evaluations, abstracting the content of Council reports, and AMA policy meta-signals - together informed the creation of AMA's long-term strategy ... and it reflected a “balanced portfolio of activity” that was approved by and embraced by our AMA Board at the time.

We, of course, continue to refine and re-evaluate this portfolio each year, taking into account progress made and any shift in environmental context.

This is a graphic representation of that strategic development work. At this point I hope all have some familiarity with this.

Three long term strategic arcs are depicted in the central circle.

One is protecting the future of the profession by reimagining medical education for the 21<sup>st</sup> century. This arc started at the medical school level and has grown to a 37-school consortium whose work is ongoing. This was extended to reimagining residency and now continues with our focus on precision education ... the work of the last several years has resulted in the AMA resuming its place as the thought leader in physician education.

A second strategic arc, concerns the challenge of chronic disease ... a challenge which consumes 90 percent of our nation's four-plus-trillion dollar health care spend. Here we have focused on hypertension – the number one cause of death and disability in our country and, even though there is a reliable biological marker and excellent therapies, nearly half of our hypertensive population remains uncontrolled.

Here we have created the MAP program that results in improved blood pressure control, have piloted this product, and can actually now see a pathway to diminish adverse cardiovascular events and stroke.

And, as a third arc, we have the all-important focus on removing obstacles that interfere

with patient care ... from prior authorization to a sustainable Medicare payment model that are represented in the [AMA Recovery Plan for America's Physicians](#), which Dr. Ehrenfeld just discussed.

As work in these areas evolved, we recognized – as reflected in council reports and house policy - that additional factors accelerated gains in each of these three strategic arcs.

These accelerators, three in number and noted by the external circle, include health equity, since inequities are a glass ceiling to progress in each arc. You'll recall a recent component of work in this area includes the Task Force for Truth, Reconciliation, Transformation and Healing, which I touched on in June and was responsive to a House request.

This task force has been formed, reports to the Board, is actively engaged in its work, and we foresee its work being completed in approximately two years.

Another obvious accelerator across each arc is our advocacy – here in DC as well as in the courts - to memorialize our progress by helping sculpt laws and their regulatory frameworks.

The third accelerator is innovation – creating new products and solutions for physicians that improve delivery of care.

And, of course, none of this work would be possible without a solid foundation, shown as the supporting structure at the bottom ... a foundation of must-haves that include membership, health science and ethics, a strong financial base, and excellent support services for our business units.

I'll expand slightly on that third accelerator. Innovation and digital health tools have been on the mind of many physicians in recent years, further emphasized with the continued emergence of AI. Innovation takes on many forms, and innovative work is now routinely done by the AMA management team. However, some forms of innovation are facilitated by an environment of a different type.

For that reason, the AMA's innovation or venture studio, Health2047, was launched in the heart of Silicon Valley in 2016. The strategic pillars of Health2047 are the commercial translation of the AMA's strategic arcs – so the alignment is tight.

Nine companies have been launched to date and have attracted investment from others – in fact, for every dollar the AMA has invested in these companies, between two and ten dollars have been invested by others.

Critically, unlike other products and services we often get in health care, companies originating from [Health2047](#) define problems at the level of the patient-physician interface ....having a focus of improving the environment for physicians.

For example, one company, **SiteBridge**, creates a “clinical trial in a box”, which will allow even small practices to participate in clinical trials with resulting positive aspects for patients and practice revenue empowering the practice.

Another company, **Zing Health**, is a physician-led Medicare Advantage plan that focuses on patient needs in marginalized communities, and in so doing extends the capabilities of physicians practicing there – a dramatic need in our society.

While Health2047 launches such companies, it also helps inform and develop products coming out of the AMA itself.

For example, after several successful pilots, the AMA is in process of launching a business named “**VeriCre**”, which provides physicians a “credentialing wallet” ... so you don’t have to wait weeks to restart a practice in a new environment. This AMA business would not have been possible without Health2047 expertise and participation. Several other examples exist.

In essence, it’s critical that we respond to immediate challenges but also maintain a long-term vision for the future ... a vision rooted in House policy, committed to taking on large challenges over time ...

.... challenges such as physician education for 21<sup>st</sup> century, dealing with the tsunami of chronic disease, and freeing physicians from administrative burdens so patient care can again be our focus.

And that is what our decade-long journey has been about – the ambidexterity of addressing needs in the moment while simultaneously engaging in a focused long-term vision of success ... and by these means, **promoting the art and science of medicine and the betterment of public health.**

Thank you.

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