RESOLUTION 37 – 06A

Title: **Pay For Infrastructure Then Performance Will Result**

Introduced by: **Narinder K. Sherma, MD, for the Organized Medical Staff Section**

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Referred to: **Reference Committee A**

House Action:

Whereas, pay for performance is such a popular concept that has captured the insurers of health care and because of this popularity, our House of Medicine has tried to find ways to make the system fair, and

Whereas, the possibility of creating accurate and fair data is presently impossible, requiring assessment of a physician's patient panel for health literacy, socioeconomic factors, community differences, disease burden, and other factors, and

Whereas, inaccurate data can only be disruptive to a physician/patient relationship, and

Whereas, costs of implementing the infrastructure are born by physicians irregardless of the results or reward, and

Whereas, quality of care tends to improve with higher accessibility to primary care physicians (PCP's), yet a higher cost structure will drive PCP's supply further downward, leading to a slow but steady degradation in quality; therefore be it

RESOLVED: That the Michigan Delegation to the AMA ask the AMA to oppose any tenets of "pay for performance" such as proposed in substitute HOD Resolution 902 only after the following issues are adequately addressed:

1. **Payment to cover the costs of quality improvement needs to be addressed before implementation. This should include the cost of electronic health record (EHR) implementation, the cost of extra staff, postage, physician time, and others.**

Adequate resources are employed to research differences in the patient related factors that affect a physician achieving his or her performance targets. These factors likely include health literacy, socioeconomic factors, community differences, disease burden, among other factors.

2. **Once research has clarified patient vs. physician specific differences, adequate resources are employed to accurately calculate the aspects solely related to physician performance.**

3. **Assessment of the impact on physician supply should be performed prior to increasing physician burden.**

4. **Assessment of the impact on the physician/patient relationship should also be calculated.**

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE