

RESOLUTION 78-07A

Title: Health Executive Compensation Report

Introduced: Gail A. Cookingham, MD, for the Michigan Allergy & Asthma Society

Original Author: Gail A. Cookingham, MD

Referred to: Reference Committee C

House Action: Adopted as Amended

Whereas, the newly proposed Security and Exchange Commission (SEC) rules require all publicly traded companies to use Summary Compensation Tables for complete disclosure of executive compensation, and

Whereas, nonprofit corporations are required, under federal law, to file Form 990, disclosing top executive compensation, and

Whereas, the CEO of Aetna, Ronald Williams earned \$30 million just after his first six months as CEO (www.forbes.com), and

Whereas, the CEO of Caremark RX, Edwin Crawford earned \$161 million in the last five reported years (www.forbes.com), and

Whereas, the CEO of United Health Group, William McGuire earned \$297 million in the last five reported years (www.forbes.com), and

Whereas, health care cost reform requires cost containment measures in all sectors of the health care delivery system, including insurers, medical equipment suppliers, and pharmaceutical companies; therefore be it

RESOLVED: That the Michigan Delegation to the AMA ask the AMA to make information on the finances of publicly traded health insurance, medical supply, and pharmaceutical companies, including CEO salaries, easily available to physicians.

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE