

RESOLUTION 80-07A

Title: Prohibition of Blue Cross Blue Shield of Michigan Economic Credentialing and Physician Re-Affiliation

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

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Referred to: Reference Committee A

House Action: Adopted as Amended

Whereas, health care cost savings measures such as economic credentialing and physician disaffiliation have contributed to Blue Cross Blue Shield of Michigan (BCBSM) accumulation of a \$2.46 billion surplus, which is \$1.42 billion more than the national BCBS Association required amount of \$1.04 billion, according to the web site lbcf.legis.state.pa.us/factsheets/2005/374%20Ins%20Resvs2.pdf, and the BCBSM 2005 Health Annual Statement, and

Whereas, economic credentialing and physician disaffiliation have occurred using flawed claim data as exemplified by the successful lawsuit against Washington Regence Blue Shield Select Network according to the article by the AMA, Washington State Medical Society, and Washington physicians, "AMA joins suit against Regence," 11/30/2006 at <http://www.ama-assn.org/ama/pub/category/17109.html>, and

Whereas, it is the AMA policy to oppose the use of unproven efficiency criteria to compare physician performance and take legal action where warranted to expose and stop questionable economic profiling of physicians, and

Whereas, in excess of 1,300 Michigan physicians were disaffiliated between 2003 and 2005 by the BCBSM economic credentialing process during the same period of massive BCBSM surplus accumulation, according to an article in *The Detroit News* on 8/1/2004; therefore be it

RESOLVED: That MSMS urge Blue Cross Blue Shield of Michigan to allow physicians who have been previously disaffiliated through the process of economic credentialing to apply for PPO reaffiliation by way of an expeditious application process.

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE