

RESOLUTION 17-09A

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3 **Title: Medical Advantage Group and Physician Organizations**
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5 **Introduced by: Michael A. Genord, MD, Oakland County**
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7 **Original Author: Michael A. Genord, MD**
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9 **Referred to: Reference Committee C**
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11 **House Action: Referred to the Board for Study**
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14 **Whereas, many physicians belong to a physician organization (PO) and**
15 **their local and state medical societies, and**
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17 **Whereas, physicians who belong to a PO have a financial investment in**
18 **their PO, and**
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20 **Whereas, physician POs often enter in strategic financial agreements**
21 **with suppliers, insurance providers, etc., and**
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23 **Whereas, physician POs have developed out of a need to the physician**
24 **community and are likely to increase in membership and role in insurance**
25 **contracting for physicians, and**
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27 **Whereas, MSMS owns a portion of Medical Advantage Group (MAG) that**
28 **was developed of out a need to fund MSMS to effectively serve as an advocate**
29 **for physicians, and**
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31 **Whereas, MAG is owned by MSMS, AP Capital, and 250 Michigan**
32 **physicians as listed on their website, and**
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34 **Whereas, MAG uses the MSMS name and reputation to market it**
35 **services, and**
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37 **Whereas, MAG has entered into various business agreements that**
38 **directly compete with individual PO groups within the state, thus competing**
39 **with individual physicians that are members of both organizations, and**
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41 **Whereas, the increased membership to our local and state medical**
42 **organizations if POs were able to deliver on a 75 percent membership would**
43 **justify their position on the MSMS board and financially relieve some of the**
44 **demands that MAG contributes to MSMS, and**

45 **Whereas, granting permanent positions to the POs on the MSMS board**
46 **would give them a legitimate and relevant voice in MSMS and provide an**
47 **opportunity for productive collaboration; therefore be it**
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49 **RESOLVED: That MSMS clearly outline the operating agreement of its**
50 **relationship with Medical Advantage Group (MAG), clearly specify the**
51 **marketing relationship and cost MAG has when utilizing MSMS's name,**
52 **seminars, venues, bulletins, etc, and divulge its total financial ownership and**
53 **control it has in MAG; and be it further**
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55 **RESOLVED: That MSMS request that Medical Advantage Group (MAG)**
56 **outline the ownership of the 250 physicians who are invested in MAG, who**
57 **benefit from the success of MAG at potentially the detriment of individual**
58 **physician organizations in the state; and be it further**
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60 **RESOLVED: That MSMS grant physician organizations two permanent**
61 **positions on the MSMS Board filled by representatives from two physician**
62 **organizations that have equal to or greater than 75 percent of their members**
63 **who are paid members of MSMS and their county medical societies and if**
64 **more than two physician organizations are eligible for board seats they would**
65 **elect their representatives to the board.**
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68 **WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE**