



January 27, 2014

The Honorable Joshua McKoon
Georgia State Senate
319-A Coverdell Legislative Office Building
Atlanta, GA 30334

Re: AMA support for Senate Bill 173, the Accuracy and Transparency in
Physician/Provider Profiling Act

Dear Senator McKoon:

On behalf of the American Medical Association (AMA) and our physician and student members, I am writing in strong support of Senate Bill (S.B.) 173, the “Accuracy and Transparency in Physician/Provider Profiling Act.” Although I have previously stated our support for this bill, the AMA believes enactment is now more important than ever to ensure patients have meaningful access to quality care.

The timing of this legislation is critical given the growing trend toward narrow provider networks, which are witnessing in public and private exchange plans and throughout the insurance market. While narrow networks may be a legitimate way for health insurers to reduce costs, the process by which many of these networks are being created produces great risk for patients.

Unfortunately, insurers are often profiling physicians for exclusion from networks using crude cost data, without considering the physician’s case mix, the complexity of the services provided or the needs of the community. As a result of these network decisions, long-standing patient-physician relationships may be severed, the quality of care provided to patients may decrease and access to specialized care may be threatened.

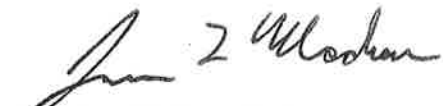
S.B. 173 would address many of these problems. Your legislation would improve the accuracy and utility of physician profiling activities by requiring health insurers to follow consistent standards for analyzing and reporting physician data, and allowing physicians a fair appeals process when data are inaccurate. Importantly, S.B. 173 would ensure that profiling programs are not based solely on cost, instead requiring that quality measurements are incorporated into every evaluation.

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The legislation would also improve the transparency of these profiling programs, so that physicians and patients can understand the data and analyses. Under S.B. 173, health insurers would disclose how the profiling systems are designed, including the methodologies, criteria and analyses used to evaluate physicians. Moreover, the legislation would establish proper safeguards such as risk adjustment of the data, to ensure that physicians are able to treat the most vulnerable patients without being penalized.

In conclusion, the AMA strongly supports S.B. 173 and believes this legislation is extremely timely given the shift toward narrow provider networks in the insurance market. We thank you for your leadership on this issue and for the opportunity to provide our input. If you have any questions, please contact Emily Carroll, Senior Legislative Attorney, Advocacy Resource Center, at emily.carroll@ama-assn.org or (312) 464-4967. We look forward to working with you toward enactment of this important legislation.

Sincerely,



James L. Madara, MD

cc: Members of the Senate Insurance and Labor Committee
Medical Association of Georgia