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Sent: Thursday, May 21, 2009 3:32 PM
To: AMA Prac Mgmt Ctr discussion list
Subject: New AMA resource for contracting with a preferred provider network

AMA advocates on multiple fronts for transparent, fair physician contracts

In most situations, physicians have little control over how their contracts with provider networks are rented or leased to third parties, leaving them vulnerable to inappropriate payment discounts. The AMA public and private sector advocacy team is working on several fronts to secure increased transparency and promote fair contracting and payment practices in the private health care market. The efforts have yielded positive results, including securing strong regulatory oversight in a growing number of states, educating physicians about contracting rights and establishing collaborative relationships with professional organizations with common interests to help further our efforts.

State legislative efforts:

In November 2008, after several years' work, the AMA successfully advocated the National Conference of Insurance Legislators (NCOIL, a conference of lead state legislators who handle insurance issues) to adopt model legislation to regulate the rental network PPO market and prohibit silent PPOs. The AMA has worked with state medical associations to implement rental network PPO reform in several states. Colorado passed groundbreaking legislation in 2007, and Connecticut, Florida, Indiana and Ohio all passed laws in 2008. Georgia and Utah passed rental network PPO reform laws in March and April of 2009, and Oregon, Rhode Island, Tennessee, Texas and Vermont currently have bills pending.

Collaborative physician education:

On May 19, 2009, the AMA unveiled another effort to help ensure fair participating provider agreements. The AMA partnered with the American Association of Preferred Provider Organizations (AAPPO) to develop the "[Physician and other health care provider contracting toolkit](#)," which helps physicians, preferred provider networks (PPNs) and payers develop a common understanding during contracting discussions. The toolkit helps physicians understand what a PPN should include in a participating provider agreement, what kinds of questions to ask and how to determine whether signing is in the best interest of their medical practices. Visit the AMA's Web site at www.ama-assn.org/go/psa to access this toolkit and other AMA resources designed to regulate the rental network PPO market.

Because some states have laws regulating PPNs, physicians should contact their state medical association for specific laws in their state and to report unfair discounting practices.

You can also visit the AMA's news Web page to [view the full press release](#).