Overcoming Challenges

Reaching for New Opportunities

Every year provides its own set of challenges. Often times, the challenges come in the form of laws that affect how we practice medicine. This past year, though, the challenges lay before the MMA like a hurdles race – one after the other with no time to rest. The challenges took many forms – legal, legislative (both locally and nationally) and leadership.

A lawsuit with MMIC, which began in early 2016, continued through early 2017 when we reached an amicable settlement. The lawsuit diverted significant resources and impacted staffing levels. But, we are now well-positioned for long-term fiscal health.

For the first half of the year, our legislative team worked the halls of the Capitol on several key priorities. Some succeeded, others stalled. We continue to be frustrated by the inability for our sensible medication prior authorization reform legislation to move forward in the House.

In late April, CEO Robert Meiches, MD, MBA, who has led the MMA for nearly 15 years, announced that he was moving on to other pursuits. He has agreed to see us through the transition to a new CEO. A search firm has been retained and we expect that the new leader will come on board in the first quarter of 2018.

In the pages of this Annual Report, you’ll learn how the MMA continues to remain Focused on Success and its three strategic priorities: Making Minnesotans the healthiest in the nation: Making Minnesota the best place to practice; and Advancing professionalism. You’ll also see a number of our members, both practicing physicians and physicians-in-training, who are truly making a difference for medicine.

We will continue to persevere. But we could use your help. We are stronger when we are many. If you are already a member, thank you. If you are not, please join us. With more members, we can get past any challenge before us, and continue to serve as the voice of medicine.

DAVID AGERTER, MD
MMA PRESIDENT

DOUGLAS WOOD, MD
CHAIR, BOARD OF DIRECTORS
MMA LEADERSHIP

2016-2017 OFFICERS

PRESIDENT
David Agerter, MD, Mayo Clinic Health System, Austin

PRESIDENT-ELECT
George Schoephoerster, MD, Genevieve, Minneapolis

IMMEDIATE PAST PRESIDENT
David C. Thorson, MD, Entira Family Clinics, White Bear Lake

SECRETARY/TREASURER
Keith L. Stelter, MD, University of Minnesota Physicians/Mayo Clinic Health System, Mankato

SPEAKER OF THE HOUSE
Robert C. Moravec, MD, Mayo Clinic, Rochester

CHAIR OF THE BOARD
Douglas L. Wood, MD, Mayo Clinic, Rochester

CHIEF EXECUTIVE OFFICER
Robert K. Meiches, MD

BOARD OF TRUSTEES

NORTH CENTRAL TRUSTEE DISTRICT
Marilyn J. Peitso, MD, CentraCare Clinic – Women and Children, St. Cloud

NORTHEAST TRUSTEE DISTRICT
Randy J. Rice, MD, Gateway Family Health Clinic, Moose Lake

NORTHWEST TRUSTEE DISTRICT
Abigail Ring, MD, Essentia Health, Detroit Lakes

SOUTHEAST TRUSTEE DISTRICT
Douglas L. Wood, MD, Mayo Clinic, Rochester

SOUTHWEST TRUSTEE DISTRICT
Keith L. Stelter, MD, University of Minnesota Physicians/ Mayo Clinic Health System, Mankato

TWIN CITIES TRUSTEE DISTRICT
Edwin Bogonko, MD, St. Francis Regional Medical Center, Shakopee

RANGE MEDICAL SOCIETY APPOINTEE
Kim Tjaden, MD

STANDING MMA COMMITTEES

ADMINISTRATION AND FINANCE
CHAIR
Keith L. Stelter, MD, University of Minnesota Physicians/ Mayo Clinic Health System, Mankato

ETHICS AND MEDICAL - LEGAL AFFAIRS
CHAIR
Ernest W. Lampe II, MD, Minnesota Metro Treatment Centers, Burnsville and St. Cloud

MEDICAL PRACTICE & QUALITY
CHAIR
Rodney W Christensen, MD, Chair, Allina Health, Minneapolis

MEMBERSHIP AND COMMUNICATIONS
CHAIR
Edwin Bogonko, MD, St. Francis Regional Medical Center, Shakopee

PUBLIC HEALTH
CHAIR
Kim Tjaden, MD, St. Cloud

ISSUE-SPECIFIC MMA TASK FORCES

MARCH (MINNESOTA ACTION TO REDUCE COSTS IN HEALTHCARE) STEERING GROUP
CHAIR
Macaran Baird, MD, Dept. of Family Medicine and Community Health, University of Minnesota Family Medicine & Community Health

PHYSICIAN AID-IN-DYING TASK FORCE
CHAIR
Benjamin Whitten, MD, Abbott Northwestern General Medicine Associates

HEALTH EQUITY ADVISORY GROUP
CO-CHAIRS
Fatima R. Jiwa, MBChB, Partners in Pediatrics, Rogers, and Dionne Hart, MD, Care From the Heart, Rochester

PRESCRIPTION OPIOND MANAGEMENT ADVISORY TASK FORCE
CHAIR
Beth Baker, MD, MPH, FACOEM
Canadian Pacific Railway and Specialists in OEM/MN Spine Rehab, Minneapolis

AMA DELEGATION
CHAIR
Paul C. Matson, MD, The Orthopaedic & Fracture Clinic, Mankato

VICE CHAIR
David L. Estrin, MD, South Lake Pediatrics, Minnetonka

John Abenstein, MD, MSEE, Mayo Clinic, Rochester

Sally J. Trippel, MD, Mayo Clinic, Rochester

David Luehr, MD, Raiser Clinic, Cloquet

AMA ALTERNATE DELEGATES
Kathryn Lombardo, MD, Olmsted Medical Center, Rochester

William Nicholson, MD, Phalen Village Clinic, St. Paul

Cindy Firkins Smith, MD, Affiliated Community Medical Centers, Willmar

The Voice OF MEDICINE

MEDPAC (MMA’S POLITICAL ACTION COMMITTEE)
ACTING CHAIR
Alexander Feng, University of Minnesota Medical School, Twin Cities

MMA FOUNDATION
BOARD PRESIDENT
Marilyn Peitso, MD, CentraCare Clinic – Women and Children, St. Cloud

MMA POLICY COUNCIL
CHAIR
Lisa Mattson, MD, UCare Minnesota, Minneapolis

TWIN CITIES MEDICAL SOCIETY APPOINTEES
Leah Anderson, MD
Stuart Cameron, MD
Ramnik (Ricky) Dhaliwal, MD
Mark Eggan, MD
Alex Feng
Evan James
Chris Johnson, MD
Ken Kephart, MD
Doug Pryce, MD
Christopher Reif, MD
Erica Sanders
Caleb Schultz, MD
Neil Shah, MD
Craig Walvatne, MD

ZUMBRO VALLEY MEDICAL SOCIETY APPOINTEES
Peter Amadio, MD
Elizabeth Fracica
Robert Grill, MD
Dionne Hart, MD
Kathryn Lombardo, MD
Kim McKeon, MD
Salma Patel, MD
Noel Peterson, MD
Sally Trippel, MD
Jon Van Loon, MD
Jay Widmer, MD

STEARNS BENTON MEDICAL SOCIETY APPOINTEES
Stephen Cragle, MD
Kim Tjaden, MD

RANGE MEDICAL SOCIETY APPOINTEE
Michael Baich, MD

MEDICAL STUDENT SECTION APPOINTEE
Annabelle Soares

RESIDENT AND FELLOW SECTION APPOINTEE
Matthew Kruse, MD

AT-LARGE BOARD APPOINTEES
Elisabeth Bilden, MD
James Dehen, MD
Dan Heinemann, MD
Ernest Lampe, MD
Ahmed Pasha, MD
Lynne Steiner, MD
Thomas Witt, MD

MMA PRESIDENT-ELECT
George Schoephoerster, MD

ANNUAL REPORT 2017 | MINNESOTA MEDICAL ASSOCIATION | 3
Health Care Reform

When Republicans assumed control in both bodies of Congress as well as the presidency, it seemed likely there would be significant changes in health care, given the GOP has been calling for the repeal of the Affordable Care Act for seven years.

The MMA did not weigh in loudly when the ACA was first proposed and passed, instead deferring to AMA for national advocacy and support. But, the MMA has resisted past and current efforts to repeal the ACA, while acknowledging that improvements are needed. The MMA has long supported insurance coverage for all and, as such, spoke out against the House’s American Health Care Act and the Senate’s Better Care Reconciliation Act, both of which would have resulted in 15 or more million Americans losing coverage.

We sent letters to the Minnesota Congressional delegation asking them to keep in mind the health care reform principles endorsed by the MMA:

- Preserve patient-physician relationship
- Insurance coverage for all Minnesotans
- Ensure access to appropriate care for all Minnesotans
- Improve affordability of care
- Invest in public health and prevention
- Promote health equity
- Support innovation in care delivery and payment
- Advocate for broad-based, stable and adequate financing

In late April, we convened a forum at the University of Minnesota and online that covered the following topics: health care priorities for Congress and the Centers for Medicare and Medicaid Services (CMS); challenges and opportunities for Minnesota; the future of the individual market, Medicaid and MinnesotaCare; and the politics of reform. Featured speakers included: Jean M. Abraham, Wegmiller professor and master of healthcare administration, program director at the University of Minnesota; Emily Johnson Piper, the commissioner of the Minnesota Department of Human Services; and Richard Deem, the senior vice president of advocacy for the AMA.
The Opioid Epidemic

As the opioid epidemic continued to grow, take lives and frustrate the health care field, the MMA increased its work to educate physicians and develop strategic partnerships.

The MMA continues to be a strong supporter of the Minnesota Prescription Monitoring Program (PMP), but we recognize that mandatory use of the PMP would be a cumbersome administrative requirement, given the PMP's current limitations, most notably its lack of interoperability with most electronic health record systems (EHRs). In 2016, the MMA’s Prescription Opioid Management Advisory Task Force reconvened, and provided guidance to the MMA in its efforts to address the opioid epidemic. In order to provide physicians with access to patient data within their clinical workflow, one of the task force’s recommendations highlighted the need to embed the PMP into EHRs.

In 2017, the MMA continued to add content to its online Pain, Opioids and Addiction Lecture Series, a partnership with the Steve Rummler Hope Network and the University of Minnesota Medical School. By mid-2017, 21 lectures were available for viewing online. Since its launch in 2014, it’s been viewed by approximately 1,000 health care professionals around the world including 43 states, Europe, Asia, Australia and New Zealand.

This year’s Annual Conference dedicated much of its content to the opioid epidemic. The keynote session featured experts Charles Reznikoff, MD, FACP, and Erin Krebs, MD, MPH, who addressed the epidemic, focusing on treatment guidelines, the regulatory landscape, and referral and treatment options for substance use disorders. In separate breakout sessions, Reznikoff and Krebs dove deeper into the topics addressed in their keynote.
Medication Prior Authorization

At nearly $83,000 per physician per year, the administrative costs associated with medication prior authorization and other interactions with health plans demand relief. Hoping that the third time would be the charm, the MMA’s medication prior authorization legislation, authored by Sen. Carla Nelson (R-Rochester), once again progressed swiftly and in a bipartisan fashion through the Senate. But, progress was denied for a third session in a row by the House. This, despite a pared-down version of the bill that was first introduced in 2015. In an effort to get it through the Republican-controlled Legislature, the MMA focused the bill on:

- Prohibiting plans from withdrawing coverage for a drug a patient is on during the patient’s enrollment year
- Improving communication during the enrollment process so that enrollees know exactly what medications are covered and what their cost-sharing obligations will be
- Requiring any formulary change to be communicated to prescribers and enrollees at least 60 days prior to the change.

At the request of House author Rep. Rod Hamilton (R-Mountain Lake), HHS Finance Committee Chair Rep. Matt Dean (R-Dellwood) gave the bill an informational hearing near the end of the 2017 session. Much of the discussion among legislators from both parties was supportive of the proposal, with pointed questions directed at the bill’s opponents, particularly pharmacy benefit managers.
Provider Tax

Early in the session, Gov. Mark Dayton proposed reinstating the 2 percent provider tax. He said it would be “a serious mistake to eliminate such an essential source of state funding for health care.” While the MMA agrees that the public programs funded by the provider tax are essential, the state should find other revenue sources.

The 2 percent tax, often called “the sick tax,” is scheduled for repeal at the end of 2019, to which the MMA remains committed.

After Dayton revealed his plan, the MMA sent out an Action Alert to physicians encouraging them to contact their state representative and senator to oppose Dayton’s provider tax recommendation. The governor’s push for the provider tax never gained momentum.

Aligning Quality Measures

The MMA supported efforts at the Capitol to better align state and federal quality measures and reduce reporting burdens for clinics. The MMA remains supportive of efforts to measure the quality of health care provided to patients, but those efforts must be focused on improving care and be as efficient as possible.

As a result of passed legislation, the Minnesota Department of Health is now required to cap the number of state-mandated statewide quality measures (SQRMS) to six for a single-specialty clinic and 10 for a multi-specialty clinic. These measures must also align with the measures defined by the new Medicare physician payment system (MACRA). The measures shall be selected in consultation with a stakeholder group for implementation no later than Dec. 15, 2018.
Biggest Day at the Capitol Yet

More than 150 physicians and physicians-in-training descended on the newly refurbished Capitol in mid-February to meet with their legislators as part of the MMA’s annual Day at the Capitol.

Along with health care reform, attendees discussed reforming medication prior authorization, ensuring the sunset of the provider tax, aligning quality measures and fighting the opioid epidemic in Minnesota.

“Now more than ever, physicians, medical students and residents need to band together and speak out on behalf of their patients and their profession,” said MMA President David Agerter, MD. “All signs point to a lot of uncertainty ahead in St. Paul and Washington, DC, regarding health care reform. When decisions affecting physicians are made, we need to be at the table.”

Guest speakers included: Sen. Michelle Benson (R-Ham Lake); and Sen. Matt Klein, MD (DFL-Mendota Heights), who is one of two physicians in the Senate.

A New Kind of Doctor’s Lounge

Dozens of physicians, residents and medical students gathered at socials in the Twin Cities, Rochester, the St. Cloud area and Duluth this past spring. The socials – which include free food, wine, beer and other beverages – are now in their third year. They are designed to be a celebration of medicine, a thank you to members, and a welcome to new and prospective members. It’s a perfect, relaxed setting for physicians and physicians-in-training to connect and discuss the issues of the day.
Stronger Together

When we combine forces, we are much stronger and our voices are much louder. In 2017, the MMA continued to collaborate with the state’s specialty societies in a number of ways. This past May, MMA leadership and representatives from specialty societies gathered in St. Paul to discuss top strategic priorities. We also continue to provide lobbying services for four specialty groups: Minnesota Academy of Family Physicians, the Minnesota Chapter of the American Academy of Pediatrics, the Minnesota Orthopaedic Society and the Minnesota Academy of Otolaryngology. In addition, we partnered with several specialty societies to host our annual Day at the Capitol and a special forum on health care reform in late April.
Members Making a Difference

Shining stars, each and every one of the following physicians and physicians-in-training. Being a physician is a full-time job, but some are called to serve in additional ways — be it in their community, their state or their country. This year, the MMA recognizes six physicians and two medical students who have gone beyond their day-to-day duties to help improve health care in Minnesota (and the world).

**The Do-er**  Lynn Hassan Jones, MD

Jones certainly keeps busy outside of her Mankato radiology practice. She recently became a board member for MN Community Measurement. This is in addition to her volunteer work at the MMA, having served on the MMA Health Disparities Work Group, and currently serving on the MMA Health Equity Advisory Group.

**The Veteran**  Paul Huddleston, MD

Huddleston believes in service to his patients as well as his country. The Mayo Clinic orthopedic surgeon is also a lieutenant colonel in the U.S. Army Reserves. As such, he has made a number of trips to war-torn parts of the globe to help perform surgery in less than ideal conditions. Huddleston has completed tours in Afghanistan in 2008 and in Iraq in 2003, 2006 and 2011. He also spent three weeks in Haiti after that country’s devastating 2010 earthquake.

**The Vaccinators**  Erica Sanders and Elizabeth Fairbairn

As if medical school isn’t challenging enough, Sanders and Fairbairn, both medical students at the University of Minnesota Medical School, are spending much of their free time trying to increase vaccination rates in Minnesota. Sanders and Fairbairn are spearheading a student-led effort called Hands on Advocacy. The group’s current campaign is to work on materials to prepare medical students and physicians to have influential, effective conversations with parents who have concerns about vaccines.
The Convener  Benjamin Whitten, MD

It is one of the most controversial topics the MMA has handled over the past few years – physician aid-in-dying. It’s an issue that splits our membership and also split a task force convened specifically to delve into the topic. It takes quite a bit of diplomacy to navigate the issue and to come out with a result that is supported by two-thirds of MMA members polled. Whitten, MMA president in 2009, deftly chaired the group. It was another feather in the cap for a long-time MMA volunteer.

The Testifier  Caleb Schultz, MD, MPH

In early May, Edina became Minnesota’s first city to raise the minimum legal sale age for tobacco products from 18 to 21 thanks to the tireless efforts of people like Schultz. Schultz, a member of the MMA’s Policy Council, the Twin Cities Medical Society board and the Physician Advocacy Network, presented the issue of raising the tobacco purchasing age to 21 to the Edina City Council and testified in support of the ordinance. Edina’s success served as an impetus for various other cities now considering T21 (Bloomington, Mankato, Robbinsdale, Frazee and Detroit Lakes) and the introduction of state legislation.

The Advocate  Ken Kephart, MD

Honoring Choices Minnesota (HCM), a public health initiative of the Twin Cities Medical Society (TCMS), continues to gain momentum under Kephart’s able leadership. This year, it has partnered with MPR’s Cathy Wurzer and KARE-TV to take its message of advance care planning across the state as part of The Convenings series. In his role as HCM’s medical director, Kephart testifies before the Legislature, meets with regulators and interacts with the media. Kephart has been active in organized medicine his entire career. He has chaired the MMA’s governance task force, serves on the MMA’s Policy Council, and is a member of MMA’s POLST Minnesota Steering Committee. He has also served on the TCMS’s board and served as TCMS president in 2015. Earlier this year, he received the First a Physician Award for 2016.

The Activist  Renee Crichlow, MD

Crichlow is a multi-dimensional activist -- In person. On social media. On the radio. Wherever she can make an impact. In her role as the associate program director of the University of Minnesota North Memorial Family Medicine Residency Program, advocacy and serving the underserved is just part of the job. Her main focus this year has been generating support for the University of Minnesota Medical School’s budget increase request with the Legislature by organizing students and working with the Minnesota Academy of Family Physicians. In June, she was featured on an MPR program in which she advocated for better communication between physicians and their patients.
12 | MINNESOTA MEDICAL ASSOCIATION | ANNUAL REPORT 2017

The Voice OF MEDICINE

2017 FINANCIAL HIGHLIGHTS

How your dues are used
1 GOVERNANCE 27%
   MMA Board, AMA delegation
2 ADVOCACY 30%
   Legislative and regulatory lobbying, payer relations, quality, public health
3 COMMUNICATIONS 19%
   Minnesota Medicine, MMA News Now, website, special reports
4 MEMBERSHIP 20%
   Member relations, Annual Conference, outreach, education, events
5 OTHER 4%
   Accreditation, co-sponsorships, credentialing, component society staffing

Total MMA Revenue: $2,610,508
1 DUES 66%
   Dues payments from members
2 NON-DUES REVENUE 34%
   Includes:
   • revenue earned from advertising sold in Minnesota Medicine, MMA News Now and on the MMA website
   • revenue earned by the MMA for accreditation, sponsorships and lobbying support for medical specialties
   • income from investments, grants and events.

MEMBERSHIP OVERVIEW

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Members</th>
<th>Year</th>
<th>Total Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>9,089</td>
<td>2009</td>
<td>11,330</td>
</tr>
<tr>
<td>2001</td>
<td>9,162</td>
<td>2010</td>
<td>11,250</td>
</tr>
<tr>
<td>2002</td>
<td>9,109</td>
<td>2011</td>
<td>10,106</td>
</tr>
<tr>
<td>2003</td>
<td>9,116</td>
<td>2012</td>
<td>10,347</td>
</tr>
<tr>
<td>2004</td>
<td>9,297</td>
<td>2013</td>
<td>9,998</td>
</tr>
<tr>
<td>2005</td>
<td>10,858</td>
<td>2014</td>
<td>10,309</td>
</tr>
<tr>
<td>2006</td>
<td>10,835</td>
<td>2015</td>
<td>10,257</td>
</tr>
<tr>
<td>2007</td>
<td>10,909</td>
<td>2016</td>
<td>10,171</td>
</tr>
<tr>
<td>2008</td>
<td>10,969</td>
<td>2017</td>
<td>10,260*</td>
</tr>
</tbody>
</table>

*Numbers as of Aug. 2, 2017 for the membership year ending 12/31/17

MEMBERSHIP TYPES

<table>
<thead>
<tr>
<th>Member Type</th>
<th>2017 Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>4,559</td>
</tr>
<tr>
<td>Resident/Fellow</td>
<td>2,511</td>
</tr>
<tr>
<td>Retired</td>
<td>1,712</td>
</tr>
<tr>
<td>Student</td>
<td>1,478</td>
</tr>
</tbody>
</table>

MEMBERSHIP

NORTH CENTRAL TRUSTEE DISTRICT 392
South Park Region ............... 58
Stearns-Benton ................. 229
Upper Mississippi .............. 76
West Central .................. 17
Wright ....................... 12

NORTHEAST TRUSTEE DISTRICT 65
Range ....................... 65

NORTHWEST TRUSTEE DISTRICT 242
Headwaters .................. 123
Heart of the Lakes Region ...... 57
Red River Valley .............. 62

SOUTHEAST TRUSTEE DISTRICT 3,626
Freeborn .................... 52
Goodhue ..................... 71
Rice ......................... 37
Steele ....................... 62
Wabasha ..................... 9
Winona ...................... 15
Zumbro Valley ............... 3,380

SOUTHWEST TRUSTEE DISTRICT 598
McLeod-Sibley ............... 20
Nicollet-Le Sueur ........... 25
Prairie ...................... 545
Waseca ..................... 8

TWIN CITIES TRUSTEE DISTRICT 4,605

AT LARGE 732

TOTAL: .................. 10,260*
Includes: regular/active, retired, students, residents/fellows
Note: Resident and Student numbers can fluctuate significantly throughout the year due to large additions or subtractions.

1300 Godward Street NE, Suite 2500
Minneapolis MN 55413
PHONE: 612-378-1875 or 800-342-5662
FAX: 612-378-3875
EMAIL: mma@mnmed.org
WEB: mnmed.org
JOIN US ON FACEBOOK, TWITTER AND LINKEDIN

1300 Godward Street NE, Suite 2500
Minneapolis MN 55413
PHONE: 612-378-1875 or 800-342-5662
FAX: 612-378-3875
EMAIL: mma@mnmed.org
WEB: mnmed.org
JOIN US ON FACEBOOK, TWITTER AND LINKEDIN