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Dear Friends:

As clinicians our voices are confident and strong when caring for patients in our offices, our clinics and our hospitals. And yet we often become silent when faced with the discouraging and often gut-wrenching facts that affect our professional lives. Sure, we turn to one another and complain about rising costs, decreasing reimbursement, and more regulation, but our voices are not heard in places where they count. Decisions about the way we practice medicine are being made by individuals who simply do not understand the essence of medical care—the essence of what we do. Insurance companies, trial lawyers, and politicians make decisions that require our participation but exclude our input. We all know this.

In the District of Columbia the very real personal pressures associated with delivering high-quality medical care are made worse by rising operational costs, a toxic medical liability climate, and a City Council that is unsympathetic and insensitive to the medical liability concerns of physicians. But, there is hope. And that hope comes in two words: physician leadership. If we are to have any voice in the direction of our medical system, either locally or nationally, we as physicians need to assume and become comfortable with leadership roles outside our normal domains of expertise. This means we need to get involved as change agents in this system. We need to learn how to lead.

My agenda as president of MSDC is simple: identify and develop the physician leaders in our community and provide them with opportunities to fine-tune their leadership skills. Our membership revenue will be directed towards leadership workshops, public-speaking workshops, and media training. MSDC will develop a forum for physician leaders to learn to think differently about the problems that we face. Furthermore, for those of you who are interested—and I hope that there are many—MSDC will match physicians with leadership opportunities in this community.

It is my belief that strong physician leadership is the solution to many of the problems that are in front of us. If we are to have a place at the table in discussions about health care in general and patient care in particular, we need to develop the skills of the clinical leaders among us so that our positions are well-represented. There is too much at stake to leave the future of medicine in the hands of non-physicians. The voices of physician leaders must be identified, developed and heard if we are to succeed. We can lead and must lead.

Thanks,

Damian P. Alagia, III, MD, MBA
2006 President
2. We Moved Fight for Medical Liability Reform to Center Stage

2004 came to a close without the DC Council taking action on medical liability reform. Choosing not to waste a single day in 2005, MSDC redoubled its reform efforts and hit the floor running in January.

"Keep Your Doctor in DC" Campaign Launched
MSDC began the year with the introduction of the “Keep Your Doctor in DC” campaign—an aggressive medical liability reform initiative to secure meaningful reform in the District of Columbia to:

- Stem the exodus of physicians from the District;
- Provide relief for those committed to providing health care in the City; and
- Stabilize the District's healthcare infrastructure.

The Mayor’s Reform Legislation Reintroduced
The campaign received an important boost in May 2005 when Mayor Anthony Williams, at the Medical Society's urging, reintroduced landmark medical liability reform legislation. The Health Care Reform Act of 2005 was a mirror image of his Health Care Liability Reform Act of 2004.

The campaign continued to build momentum throughout the year:

Surveys Conducted to Quantify Crisis
MSDC conducted a series of surveys in 2005 to gather valuable data to support the anecdotal information we continued to receive. The surveys revealed that the crisis is growing and impacting DC physicians regardless of specialty. A September 2005 survey showed that one in five physicians said they plan to stop practicing medicine in the District because of rising medical liability insurance rates.

Meetings with Councilmembers Held to Urge Support for Mayor’s Bill
MSDC leaders met with individual DC councilmembers to underscore the need for multi-faceted liability reform. These meetings allowed the Medical Society to lay the groundwork for a positive working relationship with the Council as debate on this important issue heated up.

Physician Action/Patient Information Kits Distributed to Build Grassroots Support
In July 2005, recognizing that patients— as well as physicians and their office staffs—are crucial partners in the effort, MSDC distributed 500 Physician Action and Patient Information Kits to MSDC members for display in their practices. The kits helped physicians and their patients become effective advocates for reform.

Widespread Media Exposure Achieved, Educating Larger Audience

Coalition Formed to Strengthen Efforts
In June 2005, MSDC hosted a stakeholders meeting to form a coalition to strengthen efforts to secure medical liability reform in the District. Throughout the year, we continued to work closely with allies in the fight, including MedStar, the DC Hospital Association, the Board of Trade, and the Tort Reform Institute.

Individual Physician and Patient Stories Grew, Showing Impact of Problem
MSDC collected stories from physicians and their patients to provide concrete, anecdotal examples on how the crisis is impacting DC residents.

Updates on Campaign Activities Communicated Regularly to Members
MSDC launched innovative communication vehicles to provide valuable, timely information on advocacy efforts. These included a revised, state-of-the-art web site and conference call briefings.
3. We Established Program to Identify Future MSDC Leaders

Strategic Planning Update #1

The strategic planning process revealed the need for MSDC to develop a mechanism to "identify, recruit, listen to, train, reward and otherwise nurture physicians for positions of leadership in the Medical Society for both the short and long terms." To address this need, MSDC formed the Committee on Leadership Development and Nominations. For more leadership development initiatives, see the President's Letter on the facing page.

4. We Tackled Hot-Button Issues Above and Beyond Liability Reform

Although MSDC concentrated on medical liability reform in 2005, it did not neglect a host of important issues impacting the DC physician community:

"Don't Tax Health Care to Pay for Baseball!" Coined
MSDC warned the DC Council of unintended consequences of the gross receipts tax on health care, and advocated for an exemption for physicians. We also convinced the DC Council to raise the threshold for those impacted by a gross receipts fee from $4 million to $5 million.

NCRIC Merger with ProAssurance Supported
MSDC testified in support of the merger between NCRIC and ProAssurance, noting that it is good for DC physicians and their patients. We emphasized that it is imperative to have a strong, financially sound company providing liability insurance to the physicians of the Nation's Capital. In 2005, we renewed a three-year endorsement deal with NCRIC, Inc., resulting in reduced MSDC membership dues for NCRIC insureds.

Details on Proposed National Capital Medical Center Requested
When a proposal was made to build a National Capital Medical Center on the site formerly occupied by DC General, MSDC requested additional information to get a better sense of how the proposed entity would impact DC physicians and the City's healthcare infrastructure. In July 2005, MSDC noted that the Center would improve patient access to health care, but potential adverse effects remained unclear.

Adequate Funding for Board of Medicine Recommended
When the Board of Medicine came under attack in 2005, the Medical Society encouraged the DC government to re-think the Board's budget so that it would be better-positioned to perform all activities the City and DC residents expect of it.

Inappropriate Release of Physician Information Not Recommended
In a recommendation to the Department of Health, MSDC went on record in opposition to the indiscriminate release of malpractice information about physicians. We encouraged the Board of Medicine to "look for repeat offenders, recurrent patterns of injury and sanctionable behavior."

AMA Pay-for-Performance Position Supported
In March 2005, MSDC endorsed the American Medical Association's new set of principles and guidelines for the formation and implementation of pay-for-performance programs.

5. We Helped Physicians Conquer Impairments:
PHYSICIAN HEALTH PROGRAM

MSDC created the Physician Health Program over 20 years ago to help physicians and medical students impaired by alcoholism, drug abuse, mental illness, psychosexual disorders, and/or aging. Over the years, the program has helped hundreds of individuals get their lives back on track. The primary goal is to help physicians obtain treatment and get back to work. The program, conducted by the Medical Society's Physician Health Committee, encourages confidential referrals about physicians with impairments. When a concern is submitted, MSDC investigates discreetly, asks the physician to meet with the appropriate specialist for evaluation, recommends an appropriate treatment plan, and asks the physician to sign a five-year contract.

6. We Launched State-of-the-Art Web Site with 24-7 Communication Capability

Strategic Planning Update #2

The strategic planning process revealed that MSDC must not only be able to provide valuable information to its members, but be able to provide it when members want and need it. As a result, MSDC revamped its current web site at www.msdc.org with enhanced functionality that members could access seven days a week, 24 hours a day. Originally launched to showcase information and resources related to the "Keep Your Doctor in DC" medical liability reform campaign, throughout the year MSDC expanded the site to provide resources on many issues impacting the practice of medicine in DC.

7. We Worked with AMA on Long-Term Medicare Fix

The work of organized medicine paid off in 2005 with a 1.5% increase in Medicare physician reimbursements instead of a projected cut dictated by a faulty reimbursement formula. With another cut projected for 2006, the work continued.

MSDC joined forces with the AMA, specialty societies and other state medical societies to prevent looming future cuts in physician reimbursements.

- We supported the Preserving Patient Access to Physicians Act of 2005 in the Senate, which would stop impending Medicare physician payment cuts. It calls for an increase of at least 2.7% in 2006 and 2.6% in 2007.
- We supported the Preserving Patient Access to Physicians Act of 2005 in the House, which would increase Medicare physician payments by at least 2.7% in 2006, and stop payment cuts in 2007 and beyond by replacing Medicare's flawed Sustainable Growth Rate Formula with a new formula that reflects changes in the Medicare Economic Index.
- More Medicare Efforts.

Physician Community Educated on Medicare Part D

Before members began receiving questions from patients on Medicare Part D—the next phase of the prescription drug benefit program—MSDC hosted a comprehensive seminar on the subject in partnership with the Greater Metropolitan District of Columbia Medical Group Management Association and underwritten by Rx4DC—a local project of the Pharmaceutical Research and Manufacturers of America.

Medicare Part D Took Kits Distributed to Members

MSDC worked with the Centers for Medicare and Medicaid Services (CMS) to provide physicians with a tool kit outlining key dates associated with the roll-out of the program, the various choices available to beneficiaries, as well as brochures and other resources for patients.
8. We Put CareFirst in the Hot Seat

Late last year, MSDC was concerned that the business practices of CareFirst BlueCross BlueShield were anti-physician and anti-patient. What did we do? Throughout 2005, MSDC compiled data on problems that members were experiencing with CareFirst and shared them with the Insurance Commissioner who directed CareFirst to work with MSDC to resolve the problems. Progress is being monitored closely.

MSDC also remained a member of the CareFirst Watch Coalition, which was formed to make sure CareFirst meets the requirements of its charter as a not-for-profit company. In 2005, the Coalition endorsed a report with recommendations on how CareFirst should better serve its non-subscriber public.

Provided One-On-One Assistance with Health Plan Problems

- As part of the Aetna and CIGNA class action lawsuit settlements, MSDC was available to help members file claims and get the reimbursement they deserved.
- When a member encountered problems with a health plan, MSDC stepped in to help on matters, including reimbursement, credentialing and retroactive denials.

9. We Monitored Questionable Medical Practices:

PROFESSIONAL STANDARDS COMMITTEE

The Medical Society's Professional Standards Committee continued to perform a vital role on behalf of the DC physicians community-tracking complaints and concerns from patients, physicians, and organizations on questionable medical practices and practitioners. Following receipt of a complaint, the Committee provided a mechanism for the voluntary, non-binding resolution of the dispute.

10. We Enhanced Communication Efforts Between MSDC and DC Physicians

Strategic Planning Update #3

The strategic planning process revealed that many physicians were not aware of the efforts of MSDC. To address this problem, the Medical Society took a new look at its communication vehicles and adjusted its communication activities to better reflect how physicians want to receive information. MSDC also developed a large physician database with the capability to e-mail or fax information to DC physicians quickly.

11. We Positioned the Physician as "Patient Advocate Number One"
MSDC continued to support the physician-patient relationship with programs and activities that showcased DC physicians as patient advocates.

**Flu Vaccine Secured for At-Risk Patients**
During the flu vaccine shortage earlier this year, MSDC partnered with the Department of Health to distribute nearly 5,500 doses of the flu vaccine to community-based physicians.

**DC's TB Program Reviewed**
The MSDC TB Task Force joined the Centers for Disease Control and Prevention in a review of the District's TB program.

**Value of Cultural Competency Promoted**
MSDC supported the Delmarva Foundation's Cultural Competency Initiative, designed to offer support to physicians as they continue to understand diversity, enhance communication and improve care in the communities they serve.

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**12. We Supported Initiatives to Halt Violence in the City:**

**FAMILY VIOLENCE TASK FORCE**

The MSDC Task Force on Family Violence was very active in 2005 on a host of programs and initiatives to support victims of domestic violence and prevent future violence. The Task Force:

- Participated in a number of collaborative grant projects resulting in published works, including Body Image and Empowerment Program for Survivors of Domestic Violence and Heal Victims of Violence (a CDC study);
- Provided support for Georgetown University's Department of Family Medicine in the development of a domestic violence program at a DC clinic;
- Developed several violence prevention workshops, including programs at the University of the District of Columbia, Children's Hospital, and Georgetown;
- Supported Mayor Williams' initiative to combat violence in the District through representation at multi-disciplinary meetings and in crafting a domestic violence response plan for the District in collaboration with the DC Coalition on Domestic Violence and other organizations;
- Participated in the Social Service Administration's "Protect Victims of Domestic Violence" initiative;
- Collaborated with the DC SAFE KIDS Coalition Injury Prevention Committee on a number of activities; and
- Developed a health-based survivor's manual for usage across the country by healthcare professionals and shelters as part of a collaborative initiative with the Georgetown Department of Family Medicine.
13. We Developed New Partnerships--and Nourished Existing Ones--to Ease Introduction of Information Technology by Physicians

Recognizing that the adoption of information technology (IT) is just one more expense for physicians who are experiencing escalating medical liability insurance rates while health plan reimbursement rates remain low, MSDC partnered with entities to make sure its members would have advantages when they decided to implement IT products and services in their practices.

Free Practice Web Sites and IT Tools Offered Via Partnership with Medem
In 2005, MSDC continued its five-year relationship with Medem—the nation’s premier physician-patient communications network. Medem offers MSDC members free practice web sites, tools to conduct online consultations with patients, and the "iHealth" record for patients—a portable, paperless patient record stored online.

Help with Installation of EHR Systems Provided Via "DOQ-IT" Program
As a result of the Delmarva Foundation's participation in a nationwide pilot program to promote the adoption of electronic health record (EHR) systems, MSDC members who had adopted such a system—or planned to do so in the near future—became eligible for free assistance.

Regular Updates on VistA-Office Communicated to Members
MSDC provided updates to members on plans by the Centers for Medicare and Medicaid Services (CMS) to offer inexpensive EHR software-VistA-Office-to physicians. MSDC members were invited to participate in a beta-test of the software starting in late 2005.

14. We Highlighted the Physician-Patient Relationship:

MINI-INTERNSHIP PROGRAM

In March 2005, the Medical Society once again conducted its annual Mini-Internship Program, which gives key healthcare stakeholders and public opinion leaders a firsthand experience of physicians taking care of patients. The program stresses the human concerns of medicine, allowing participants to observe physicians in action.

15. We Reached Out to the Next Generation of DC Doctors

Strategic Planning Update #4

In 2005, MSDC continued to roll out programs and initiatives-identified as part of the Medical Society's ongoing strategic planning-to better position itself for future success. Recognizing that its future would be short-lived without the input and support of young physicians, MSDC organized a series of focus groups and events to tap into the expectations of this physician group. In April 2005, MSDC conducted a Young Physician Advocacy Forum in conjunction with the American Medical Association.
16. We Shifted Focus of Emergency Preparedness to Support National Security Events and Respond to Natural Disasters

In 2005, MSDC, DC officials, and the healthcare community continued to prepare for a large-scale, city-wide emergency that all hoped would never occur.

Fortunately, no bioterrorist events warranted the involvement of MSDC’s emergency preparedness program. As a result, the local Medical Reserve Corps (MRC)-originally conceived with an emergency response focus-gained valuable experience by providing support at national security events. These activities included the second inauguration ceremonies of President George W. Bush in January 2005.

In September 2005, another job for the MRC blew in from the Atlantic-to support relief efforts following the devastation and displacement caused by Hurricane Katrina and Hurricane Rita. DC physicians went to the areas affected by these hurricanes to lend support, and the MRC provided medical care to hundreds of evacuees transported to the DC Armory in the days following Katrina.

17. We Instituted Ongoing Survey Program to Gather Valuable Data on DC Doctors

Strategic Planning Update #5

The strategic planning process revealed that MSDC must beef up its data collection efforts in order to continue to offer programs and services that resonate with DC physicians. To address this need, MSDC developed an ongoing survey process to collect data from existing and potential members.

18. 2005 Events Impacting DC Physicians

- The construction of a National Capital Medical Center is proposed; Center would be built on site formerly occupied by DC General.
- Devastation by Hurricane Katrina emphasizes importance of strong emergency preparedness infrastructure to respond to natural disasters.
- U.S. House again passes medical liability reform legislation—the third time in recent years; U.S. Senate again refuses to address issue.
- CMS launched next phase of Medicare Part D—a program to offer prescription drug coverage for Medicare beneficiaries.
- NCRIC Merged with ProAssurance.
- DC Insurance Commissioner Larry Mirel stepped down after seven years of service in Mayor Williams’ administration.

19. Related Organizations

Medical Society and Alliance Foundation (MSAF)
MSAF supports the educational, philanthropic and scientific initiatives of MSDC. MSAF also secures grant monies to support emergency preparedness and community health activities.

Medical Society Alliance of DC
The Alliance helps promote health education in the community and encourages volunteer participation in health-related outreach activities.

DC Political Action Committee (DOCPAC)
DOCPAC supports DC elected officials and candidates for elected office who are sensitive to the issues that impact physicians, their patients, and the practice of medicine.

Medical Society Services, Inc. (MSS)
MSS, a for-profit entity, monitors the product and service agreements that enhance the value of MSDC membership.