

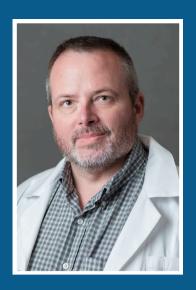
THE FUTURE OF KENTUCKY HEALTHCARE

2024 ANNUAL REPORT





VOICES AND VISIONS: A MESSAGE FROM THE CHAIR OF THE KMA BOARD OF TRUSTEES



As we move further past the COVID-19 pandemic, Kentucky physicians continue to address challenges and work towards needed improvements for both our patients and our profession. In 2024, I'm encouraged by the progress we've made on these fronts and remain optimistic for the future of medicine. It's an honor to present this report reflecting on a year of remarkable progress and collective efforts toward our shared vision for healthcare in Kentucky.

In his inaugural address at the 2023 KMA Annual Meeting, our President, Dr. Michael Kuduk, outlined a visionary agenda for the upcoming year. Dr. Kuduk emphasized three key priorities:

- 1. Restoring Statewide Immunization Rates: We are committed to bringing immunization rates back to pre-pandemic levels, ensuring the health and safety of our communities. Dr. Kuduk spearheaded our successful "Voices for Vaccination" campaign, which brought together the "voices" of Kentucky's nurses, hospitals, and physicians to advocate for immunizations across our state. Through public service announcements, print and digital ads, and educational opportunities for both physicians and other healthcare providers, we reached more than 1 million Kentuckians and addressed challenges such as vaccine hesitancy, misinformation, and communication.
- 2. Advocating for Prior Authorization Reform: We continued to push for meaningful reforms to the prior authorization process, reducing administrative burdens on physicians, and enhancing patient care. While we are disappointed that our priority bill on prior authorization reform did not advance this session, KMA remains optimistic that with continued advocacy from our members and the public, as well as collaboration with lawmakers, this critical legislation will soon be enacted. Of course, your stories, participation in our KMA Physicians' Day at the Capitol, and direct engagement with legislators have been invaluable. We will persist in our efforts to eliminate artificial barriers to patient care.
- 3. Encouraging Future Physician Leaders: We aim to inspire and educate the next generation of physician leaders, fostering a legacy of excellence and advocacy in our profession. Through our Medical Student Outreach and Leadership Program, KMA has trained hundreds of medical students to be successful leaders and advocates in their future profession. In addition, our award-winning Kentucky Physicians Leadership Institute (KPLI) continues to be the premier leadership training program for physicians in the Commonwealth. I am proud to share that a significant and growing number of current KMA leaders are KPLI graduates, representing one of the most diverse leadership groups of any organization in Kentucky.

These achievements are a testament to the effective leadership within KMA. I thank Dr. Kuduk for his inspiring guidance and the Long Range Planning Commission, Budget Committee, and KMA Board of Trustees for their strategic efforts towards a more efficient and sustainable KMA. We are also proud to have KMA's Past President Dr. Bruce Scott share his leadership and vision on the national stage as the new American Medical Association President.

Over the past year, the voices and visions of KMA members have played a pivotal role in shaping the future of healthcare in Kentucky. Your knowledge and advocacy have demonstrated the power of our collective voice in promoting our public health initiatives, our legislative priorities, and the importance of physician leaders.

As we look to the future, I urge you to continue using your voices to encourage your colleagues to join KMA. Together, we can advance our vision for improving healthcare in Kentucky.

Thank you for your unwavering dedication and support.

Sincerely,

Ishmael W. Stevens, Jr., M.D. Chair, Board of Trustees Kentucky Medical Association

ADVOCACY

State Legislative Advocacy

The 2024 General Assembly adjourned on Monday, April 15, concluding the 60-day "long" session which began on Tuesday, January 2. Initially slow-paced and marked by limited bill introduction, multiple committee cancellations, and minimal floor action, the session eventually settled into a rhythm punctuated by intermittent starts and stops. Despite a record-breaking 1,218 bills filed, lawmakers opted for a more measured approach than in recent years, passing only 214 bills, including 25 bills enacted over Governor Beshear's vetoes.

KMA Priority Legislation

Building on momentum from last year's legislative session, KMA's legislative priority for the 2024 session was prior authorization reform. Following an op-ed by KMA and nine specialty societies urging Kentucky lawmakers to act on prior authorization this session, Rep. Kim Moser introduced **House Bill 317**, legislation proposing to eliminate prior authorizations for physicians who have historically been approved for a specific medication, procedure, or service 90 percent of the time.

Due to insurance company opposition, KMA entered negotiations with insurers and other stakeholders in an attempt to reach a compromise. Negotiations ultimately reached an impasse, and a deal could not be reached before the end of the session. **Senate Bill 270**, the KMA-supported prior authorization companion bill introduced by Sen. Jason Howell, also failed to be considered in the Senate.

KMA is extremely disappointed by House Bill 317 and Senate Bill 270's failure to pass. However, the Association is encouraged by the overwhelming bipartisan support the measure received and remains optimistic that with continued advocacy from our members and the public, as well as collaboration with lawmakers, this critical legislation, which proposes to streamline the prior authorization process and ensure patients have timely access to care will soon be enacted.

Other Healthcare Legislation of Interest

Although the prior authorization bill did not pass, lawmakers acted on a wide range of healthcare measures with which KMA had significant involvement.

Maternal & Child Health: Rep. Kim Moser introduced House Bill 10 to support maternal and infant health and reduce the high mortality rate for mothers in Kentucky. Nicknamed the "Momnibus," the measure requires most health plans to cover pregnancy, childbirth, and postpartum care along with in-home treatment for substance use disorder. It also calls on most plans to cover labor and delivery costs and all breastfeeding services and supplies. The legislation was ultimately attached to Senate Bill 74, a separate bill on

maternal health sponsored by Sen. Shelley Funke Frommeyer that, among other things, establishes the Kentucky Maternal Mortality Review Committee as a permanent entity under the state Department for Public Health. The amended bill cleared both chambers and was signed by the governor.

Healthcare Workforce Protections: House Bill 194, a measure by Rep. Kim Moser to address workplace violence against healthcare providers, successfully passed both chambers. The legislation expands assault in the third degree to cover harm to healthcare providers in a health clinic, doctor's office, dental office, long-term care facility, or a hospital or hospital-owned facility. Another workforce measure, House Bill 159, sponsored by Rep. Patrick Flannery, provides immunity for healthcare providers from criminal liability for inadvertent medical mistakes committed while providing healthcare services. However, providers can still be held liable in cases of gross negligence or wanton, willful, malicious, or intentional misconduct.

Cannabis: Introduced as a follow-up to last year's **Senate Bill 47** that allows Kentuckians access to cannabis for specific medical conditions starting in 2025, **House Bill 829**, sponsored by Rep. Jason Nemes, addresses medicinal cannabis use for K-12 students, allows public and private schools to opt out of the program and requires schools to establish policies if they choose to participate. Additionally, the bill allows local governments to apply fees and opt out of the program, prioritizes hemp businesses, clarifies state inspection powers, and ensures the program starts on time.

Vaping & e-Cigarettes: Another bill sparking a great deal of discussion was House Bill 11, sponsored by Rep. Rebecca Raymer, which imposes fines on wholesalers and manufacturers who engage in the distribution of tobacco products that have not been granted authorization by the FDA. The bill also establishes escalating fines on retailers selling authorized products to individuals under 21. Another anti-vaping bill, House Bill 142, introduced by Rep. Mark Hart, bans all tobacco, alternative nicotine, and vapor products in Kentucky public schools. It also requires school districts to adopt disciplinary procedures for students who violate the bans. KMA policy supports a ban on the use of electronic nicotine delivery systems in locations where tobacco use is prohibited and encourages education for the public, especially youth, on the dangers of using electronic nicotine delivery systems.

Kratom: Lawmakers also acted to regulate kratom, an herbal substance frequently sold online and in convenience stores. **House Bill 293**, sponsored by Rep. Kim Moser, prohibits sales to people under 21 and provides guidelines for manufacturing and labeling the product. KMA policy supports a complete ban on over-the-counter sales of kratom in Kentucky.

ADVOCACY

Greater Access to AEDs in Schools: Sponsored by Rep. Ruth Ann Palumbo, House Bill 169 updates current state law by mandating all Kentucky school buildings, including elementary schools, house a portable automated external defibrillator (AED) in a public, easily accessible location. This builds upon 2023's House Bill 331 ensuring AED presence in middle and high school buildings and at school events. Additionally, House Bill 1, the one-time spending and investment bill passed this session, designates \$2.5 million to the Department of Education for AEDs in public schools. KMA policy calls for AED education and instruction as part of CPR training and supports the increased availability of AEDs in public spaces throughout the state.

Cancer Detection and Screening: Continuing the state's efforts in recent years to increase access to cancer detection and screening initiatives, House Bill 52, by Rep. Deanna Frazier Gordon, requires health benefits plans to cover preventive cancer screenings and tests without any cost-sharing requirements. Likewise, House Bill 115, co-sponsored by Reps. Kim Moser and Lisa Wilner, eliminates co-pays and cost-sharing requirements for high-risk individuals who need follow-up diagnostic imaging to rule out breast cancer.

For details on additional healthcare-related bills addressed during the legislative session, please view the full **2024 Advocacy in Action Report**.

Policy and Regulatory Advocacy

In addition to legislative advocacy, KMA continues to advocate on policy and regulatory issues affecting the practice of medicine in Kentucky. Over the past year, the Technical Advisory Committee on Physician Services for Medicaid (PTAC) has redoubled its efforts to enhance Medicaid reimbursement for physician primary care services. At the request of the PTAC, the Department for Medicaid Services (DMS) conducted a rate study to determine the cost to the state to increase reimbursement for the Affordable Care Act-designated primary care CPT codes to 100 percent of the Medicare rate. The study projected the average cost to the state to be \$69 million annually, a relatively small investment for potentially significant outcomes for physicians and patients. DMS is currently refining the study to determine the cost of increasing payments for CPT codes 99213 and 99214 only. KMA plans to use this data to support our efforts in advocating for much-needed enhancements to the Medicaid Physician fee schedule.

ADVOCACY IN ACTION: 2024 KMA PHYSICIANS' DAY AT THE CAPITOL

Nealy 100 physicians and medical students from across Kentucky gathered in Frankfort on February 21 to advocate for the passage of prior authorization legislation as part of the 2024 KMA Physicians' Day at the Capitol (PDAC). In addition to the advocacy efforts at PDAC, KMA members sent many messages to their legislators throughout the session and laid the groundwork for future endeavors on prior authorization reforms. The KMA leadership and advocacy teams sincerely appreciate the dedication and commitment of members as we work to create a strong medical community and enact sound health policies across the state.









PUBLIC HEALTH



In December 2023, under the leadership of KMA President Michael Kuduk, M.D., KMA launched the "Voices for Vaccination" campaign, which encourages Kentuckians to receive their COVID, flu, and all other scheduled vaccinations, particularly those in areas of the state where immunization rates are the lowest. The campaign is the result of an \$88,000 grant KMA and the Kentucky Foundation for Medical Care (KFMC) received from the Cabinet for Health and Family Services and is a partnership with the Kentucky Hospital Association (KHA) and Kentucky Nurses Association (KNA).



The effort kicked off during National Influenza Vaccination Week and aims to meet patients "where they are" through social media and web advertisements, earned media, public service announcements, and newspaper ads. In addition, the campaign conducted two highly successful educational events for providers, which discussed "The Modern Anti-Vaccine Movement" as well as the "State of Vaccinations in Kentucky." Dr. Kuduk was joined by past KNA President and infectious disease specialist Ruth Carrico, PhD, DNP, APRN, for the latter event, which analyzed current vaccine trends across the state and discussed how physicians and nurses can work together to address vaccine challenges. Hundreds of physicians, nurses, and healthcare professionals from across the state joined these virtual events, which have been made available online as enduring material.

The social media and web ad campaign, held during the winter months, generated nearly 1 million impressions across the state. In the spring, Voices for Vaccination released two public service announcements, which were also deployed as ads on streaming services targeting the five Kentucky counties with the lowest COVID-19 vaccination rates (Edmonson, Hart, Knox, Spencer, and Elliott counties). These ads generated nearly 700,000 impressions and more than 200 clicks to the website, VoicesforVaccinationKY.com.

The campaign will continue to run through the fall of 2024, with another round of social media and digital ads planned, as well as newspaper and print advertisements, and public service announcements that will highlight the need for Kentuckians to update their immunizations prior to the "back to school" season.

EDUCATION

2023 KMA Annual Meeting



The 2023 KMA
Annual Meeting was
held August 25-27
at the Marriott
Louisville East. The
meeting's theme of
"Rejuvenating
Medicine:

Innovation and Inspiration Across Kentucky" built on outgoing KMA President Dr. Monalisa Tailor's vision for her presidency and celebrated those who bring joy, innovation, and inspiration back to the practice of medicine.

The education sessions featured a dynamic panel discussion on addressing social determinants of health. Led by Dr. Tailor, the panelists shared their unique perspectives and expertise on how they are working to address population health considerations in their organizations. This highly attended session generated robust discussion about how physicians

can become more involved in providing resources and encouraging positive patient outcomes.

The President's Celebration once again offered members the opportunity to socialize and connect with their colleagues. The event featured a bluegrass band, caricature artists, a photo booth, and a visit from the always popular Kentucky Humane Society puppies. The Association also recognized graduates of the Medical Student Outreach and Leadership Program and presented four of its highest awards at the reception.

During the House of Delegates meeting, Michael Kuduk, M.D., a Winchester pediatrician, was installed as the 173rd KMA President. Dr. Kuduk serves as an Assistant Professor of Pediatrics at Kentucky Children's Hospital.

EDUCATION

Virtual Education

The 2023 KMA Annual Meeting also marked the launch of the highly popular "Meet the Mandates" continuing medical education (CME) sessions. All sessions were offered virtually and "on demand" for the convenience of the participants. Nearly 2,000 physicians participated in these activities on domestic violence, pediatric abusive head trauma, and clinical considerations of substance abuse.

Now in its second year, the KMA CME Guarantee program continues to be a valuable resource for members. This member-only benefit allows physicians to access at least 30 hours of Category I CME credit each three-year cycle at no cost. Most sessions are offered as both internet live and enduring material. This year's featured courses included the ongoing "Learn with Me" series led by KMA Immediate Past President Monalisa Tailor, M.D., with sessions on weight management, dermatology, back-to-school protocols, and women's and men's health.

KMA also hosted a two-part educational series on vaccinations as part of its "Voices for Vaccination" public health campaign. Featured speakers included KMA President Michael Kuduk, M.D., and the Kentucky Nurses Association President and infectious disease specialist Ruth Carrico, PhD, DNP, APRN. These sessions explored the misinformation and myths surrounding vaccines and how physicians and nurses can work together to address these challenges.

CME Accreditation

KMA accredits 18 organizations throughout the state to provide CME and provides resources, training, and ongoing monitoring of these programs to ensure they maintain compliance with accreditation requirements and policies. "KMA Provider Hours," a learning and professional development opportunity for CME providers, is offered monthly to any KMA-accredited provider and allows staff to address questions, provide clarification, and inform providers about changes in process and expectations in the planning and implementation of CME activities. This successful initiative helps facilitate direct and consistent interactions with accredited providers.

In October, KMA hosted its annual CME Coordinator Conference. Keynote speaker Dion Richetti, ACCME Vice President of Accreditation, led participants through exercises related to expectations for achieving accreditation with commendation. Discussions also included addressing social determinants of health through continuing medical education and innovative approaches to CME programs.

Over the last year, KMA reviewed five Accredited CME providers for re-accreditation with all five receiving reaccreditation decisions.





Joint Providership

Joint providership allows non-accredited organizations to be approved by KMA to provide CME to local audiences. KMA continues to see an increase in groups interested in partnering with KMA for CME offerings. Joint provider relationships create non-dues revenue for the organization and opportunities for future collaboration through education and advocacy.

This year, KMA continued its partnership with Lexington Clinic to provide continuing medical education for its monthly grand round series. KMA members were invited to attend at no cost, and the program was well-attended with over 350 physicians participating. In January, KMA signed a one-year contract with Primary Plus, a Federally Qualified Health Center, to provide CME for their 12-part grand round series. To date, over 400 physicians and support staff have participated in this offering.

LEADERSHIP

Kentucky Physicians Leadership Institute





The Kentucky Physicians Leadership Institute (KPLI) is the premier physician leadership training program for physicians in the state. Each year, this exclusive program selects up to 15 physicians to participate in a year-long series of learning events to cultivate the next generation of physician leaders. KPLI participants study the personal, business, advocacy, and communications aspects of leadership and hear from healthcare leaders and experts during the popular "Fireside Chat" sessions. Last year, ten physicians were recognized during the 2023 KMA Annual Meeting for completing the award-winning program.

Made possible by the generous support of KMA's charitable arm, the Kentucky Foundation for Medical Care, the program produces exceptional ambassadors and leaders for the organization. A significant and growing number of KMA's officers, including this year's President, President-Elect, Vice President, Secretary, Treasurer, and Immediate Past President, are KPLI graduates. Over the past year, KPLI graduates have represented KMA in legislative hearings, public health campaigns, and media interviews.

As one of KMA's most successful and long-standing initiatives, the KPLI program attracts physicians from a wide range of specialties and practice types. The 2024 incoming class is one of the most diverse in program history. KMA continues to promote this exceptional program to Kentucky physicians and other state medical societies interested in establishing similar programs in their states.

Medical Student Outreach & Leadership Program

Designed to engage students early in organized medicine, the Medical Student Outreach and Leadership (MSOL) Program creates future physician leaders through educational sessions and community involvement. The program includes medical students at six campuses throughout the state: the University of Louisville, the Kentucky College of Osteopathic Medicine, and the University of Kentucky's Lexington, Northern Kentucky, Morehead, and Bowling Green campuses. Now in its ninth year, the MSOL program has trained hundreds of medical students to be successful leaders and advocates in their future profession. This year's class of 51 graduates brings the total number of MSOL graduates to 660. The MSOL program is funded through the generous support of the Kentucky Foundation for Medical Care.



ADMINISTRATION

Membership

For 2024, KMA achieved a 79 percent membership retention rate. Additionally, the number of new first-time member physicians increased by over 14 percent, and there was a 34 percent rise in previous members rejoining after a break in their membership. Other membership categories such as Life, Inactive, Associate, Resident, and Student memberships also showed gains this year.

Budget

KMA's finances continue to evolve as operations modernize and change. Operational income through outside organizational management, additional non-dues revenue, and cost reductions have replaced much of the membership revenue lost over the past few years. This change in income streams has resulted in a shift in operational resources better aligned with the needs of member physicians. Investment income has also increased over the past year due to favorable market conditions and higher interest returns on more conservative investments. As of the writing of this report, cash and investments available to KMA are up 6.1 percent compared to the same time in 2023.

To temper the need for using investment income in the future, the Budget Committee explored and planned for several cost-saving measures in 2024 and discussed possible future reductions. The KMA Annual Meeting warranted special attention given the rising costs of meetings in general and the per-attendee costs in particular. As such, the Board of Trustees tasked the Long Range Commission with reviewing possible changes to the Annual Meeting.

Moving forward, the Budget Committee will continue to look at ways to increase revenues, modernize operations, and find efficiencies. The modernization of KMA's finances has been a work in progress for over a decade, and the financial results showing an increase in available assets reflect the success of these efforts.

Long Range Planning

As part of the 2024 budget approval process, the KMA Budget Committee recommended to the Board of Trustees that the Long Range Planning Commission review the various activities and costs associated with the KMA Annual Meeting. To assist with the review, Commission members were informally polled before the Commission's meeting regarding their thoughts about the Annual Meeting. The results of the poll, along with cost and other information regarding the Annual Meeting, were discussed by the Commission. Based on the information and discussion, the Commission made three recommendations to the Board of Trustees, all of which were adopted.

The first recommendation is to have some specialty societies meet with the KMA Annual Meeting when it is financially advantageous to both the KMA and the specialty society. The Commission believes this would provide overall cost savings since the organizations working together may be able to obtain better cost concessions from a hotel or other venue. It may also bring more physicians together at the same location for social activities, something many physicians indicate they desire.

The second recommendation is to move the meeting from a Saturday and Sunday to a Friday and Saturday schedule. Commission members believe these days to be more convenient for physicians and specialty societies who may want to meet with KMA.

The third recommendation is to hold a virtual reference committee hearing to review resolutions submitted to the House of Delegates before the start of the Annual Meeting. This was done during the pandemic and seemed to work well. Holding a virtual reference committee hearing before the Annual Meeting allows for easier participation by members across the state and opens the schedule to further changes and additional cost savings.

Food, beverage, audio-visual services, and room rentals have all risen in price over the past few years and now make it extraordinarily expensive to hold in-person meetings. The Commission believes these small changes could positively impact the future by saving money while making the meeting more accessible and convenient to all members who would like to participate.





ADMINISTRATION

Administrative and Association Management Services

In 2023, KMA expanded its meeting and administrative services offerings to include full-service society management. KMA has since contracted with the Kentucky Dermatological Association and the Southeast Delegation to the American Medical Association to provide complete administrative support and financial management for these organizations. In addition to its association management services, KMA also provides select administrative and meeting services for the Kentucky Society of Gastrointestinal Endoscopy and the Kentucky Society of Addiction Medicine. KMA plans to continue growing this important revenue stream and is currently in discussions with other organizations interested in these services.





Delegation to the American Medical Association

The KMA Delegation to the American Medical Association (AMA) attended the AMA interim meeting in November and the recent annual meeting in Chicago. The delegation was proud to represent all KMA members as KMA Past President Bruce Scott, M.D., was inaugurated as the 179th President of the AMA and the 11th AMA President elected from Kentucky.

Dr. Scott is a Louisville otolaryngologist and president of Kentuckiana Ear, Nose & Throat. In his inaugural address, Dr. Scott shared his plans to address Medicare payment cuts, growing administrative burdens, and continued threats to the patient-physician relationship. The delegation looks forward to serving under Dr. Scott's leadership as he advocates for physicians and patients in Kentucky and across the nation.

The delegation also worked to review hundreds of resolutions and provide testimony during reference committee hearings and on the House floor about issues of import to our organization. Policy items addressed by this year's AMA House of Delegates include reinforcing Medicare physician



payment reform as the organization's top advocacy priority and continuing efforts to combat scope of practice creep and reduce youth access to tobacco and vaping products. The House of Delegates also passed measures advocating for the protection of physicians' personal and biological data obtained to improve workforce well-being and reforms to Medicare Advantage payment policies.