Whereas, Health insurance is a contract between a health insurance company and a patient; and

Whereas, Health insurers and employers have created insurance products with copayments, coinsurance, and increased deductibles to lower premium costs, reduce utilization of unnecessary services, and to transfer costs to patients and physicians; and

Whereas, Insurers establish cost sharing via contracts with employers and their insured; and

Whereas, According to the Kaiser Family Foundation, between 2004-2014, patient cost sharing rose substantially faster than payment for care by health plans; and

Whereas, High deductible health plans have increased dramatically. According to a Commonwealth Fund study, the share of privately insured adults who had a health plan without a deductible fell from 40% in 2003 to 25% in 2014. By 2014, 11% of adults had a deductible of $3,000 or more, up from just 1% in 2003. Plans experienced a 22% increase of enrollment in high deductible plans in 2015 from 2014; and

Whereas, EMTALA providers are obligated to provide care without any guarantee that the patient will be able to meet any cost sharing obligations, particularly because there is not an established relationship with the patient. According to CroweHorwath.com hospitals collect significantly less from patients with higher cost-sharing amounts; and

Whereas, The shift to more patient cost-sharing means physicians must collect more costs directly from patients and physicians are collecting less. According to an MGMA study, 23% of total patient services revenue is attributed to patient cost-sharing. For patient obligations of $200 or more, a physician collects payment within one year only 66% of the time. An average of 3.33 billing statements were sent before a patient’s outstanding balance was paid in full; and

Whereas, Payment for services may be more convenient for patients if the health plan bills the enrollee directly for the total cost-sharing balance; therefore be it

RESOLVED, That our American Medical Association urge health plans and insurers to bear the responsibility of ensuring physicians promptly receive full payment for patient copayments, coinsurance and deductibles. (New HOD Policy)

Fiscal Note: Not yet determined

Received: 05/01/18
RELEVANT AMA POLICY

Update on HSAs, HRAs, and Other Consumer-Driven Health Care Plans H-165.849

1. Our AMA opposes health plan requirements that require physicians to bill patients for out-of-pocket payments and do not allow physicians to collect these payments in a more efficient manner, such as collecting at point-of-service, establishing systems of electronic transfers from a patient's account, or offering cash discounts for expedited payment, particularly for patients enrolled in health savings accounts (HSAs), health reimbursement arrangements (HRAs), and other consumer-directed health care plans.

2. Our AMA will engage in a dialogue with health plan representatives (e.g., Americas Health Insurance Plans, Blue Cross and Blue Shield Association) about the increasing difficulty faced by physician practices in collecting co-payments and deductibles from patients enrolled in high-deductible health plans.