Whereas, Many states have policies and laws intended to prevent unlicensed persons from interfering with or influencing a physician’s professional judgment; and

Whereas, At least 38 states have laws that prohibit lay entities from owning or operating medical practices; and

Whereas, The education of residents and fellows is a matter of the highest importance and the foundation of medical education in the United States; and

Whereas, The environment for education of residents and fellows must be free of the conflict of interest created between corporate-owned lay entities’ fiduciary responsibility to shareholders and the educational mission of residency or fellowship training programs; and

Whereas, A growing number of Emergency Medicine residency and fellowship training programs are operated by incorporated lay entities; and

Whereas, Corporate-owned lay entities who manage emergency departments and residency programs can be found nationwide with at least 14 programs currently in Florida, Georgia, Pennsylvania, Ohio, Michigan, West Virginia, Illinois, Nevada, Texas, and Oklahoma; and

Whereas, These same corporate-owned lay entities also sponsor a growing number of graduate medical education (GME) programs in other specialties including Internal Medicine and Anesthesiology; and

Whereas, The AMA currently has no policy relating to the ownership by corporate-owned lay entities of GME training programs; therefore be it

RESOLVED, That our American Medical Association recognize and support that the environment for education of residents and fellows must be free of the conflict of interest created between corporate-owned lay entities’ fiduciary responsibility to shareholders and the educational mission of residency or fellowship training programs (New HOD Policy); and be it further

RESOLVED, That our AMA support that the Accreditation Council for Graduate Medical Education require that graduate medical education programs must be established in compliance with all state laws, including prohibitions on the corporate practice of medicine, as a condition of accreditation. (New HOD Policy)

Fiscal Note: Not yet determined
Received: 04/29/19
RELEVANT AMA POLICY

Accounting for GME Funding D-305.992
Our AMA will encourage: (1) department chairs and residency program directors to learn effective use of the information that is currently available on Medicare funding accounting of GME at the level of individual hospitals to assure appropriate support for their training programs, and publicize sources for this information, including placing links on our AMA web site; and (2) hospital administrators to share with residency program directors and department chairs, accounting and budgeting information on the disbursement of Medicare education funding within the hospital to ensure the appropriate use of those funds for Graduate Medical Education.
Citation: (Sub. Res. 302, I-00; Reaffirmed: CME Rep. 2, A-10; Reaffirmation A-11