

AMERICAN MEDICAL ASSOCIATION HOUSE OF DELEGATES

Resolution: 303
(A-19)

Introduced by: California

Subject: Graduate Medical Education and the Corporate Practice of Medicine

Referred to: Reference Committee C
(Nicole Riddle, MD, Chair)

1 Whereas, Many states have policies and laws intended to prevent unlicensed persons from
2 interfering with or influencing a physician's professional judgment; and
3

4 Whereas, At least 38 states have laws that prohibit lay entities from owning or operating medical
5 practices; and
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7 Whereas, The education of residents and fellows is a matter of the highest importance and the
8 foundation of medical education in the United States; and
9

10 Whereas, The environment for education of residents and fellows must be free of the conflict of
11 interest created between corporate-owned lay entities' fiduciary responsibility to shareholders
12 and the educational mission of residency or fellowship training programs; and
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14 Whereas, A growing number of Emergency Medicine residency and fellowship training
15 programs are operated by incorporated lay entities; and
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17 Whereas, Corporate-owned lay entities who manage emergency departments and residency
18 programs can be found nationwide with at least 14 programs currently in Florida, Georgia,
19 Pennsylvania, Ohio, Michigan, West Virginia, Illinois, Nevada, Texas, and Oklahoma; and
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21 Whereas, These same corporate-owned lay entities also sponsor a growing number of graduate
22 medical education (GME) programs in other specialties including Internal Medicine and
23 Anesthesiology; and
24

25 Whereas, The AMA currently has no policy relating to the ownership by corporate-owned lay
26 entities of GME training programs; therefore be it
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28 RESOLVED, That our American Medical Association recognize and support that the
29 environment for education of residents and fellows must be free of the conflict of interest
30 created between corporate-owned lay entities' fiduciary responsibility to shareholders and the
31 educational mission of residency or fellowship training programs (New HOD Policy); and be it
32 further
33

34 RESOLVED, That our AMA support that the Accreditation Council for Graduate Medical
35 Education require that graduate medical education programs must be established in compliance
36 with all state laws, including prohibitions on the corporate practice of medicine, as a condition of
37 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

DRAFT