Whereas, Our American Medical Association (AMA) has previously affirmed that administrative simplification, including automation and standardization of electronic transactions, is a high priority in order to provide affordable, timely, and effective care; and

Whereas, The National Standards Group (NSG) at the Centers for Medicare and Medicaid Services (CMS) Office of Burden Reduction is empowered to enforce administrative simplification requirements to ensure standardization throughout the ecosystem of payers, providers, and clearinghouses; and

Whereas, Violations of administrative simplification requirements by health plans and payer business associates, including clearinghouses, are prevalent and have an adverse effect on healthcare practices and patients via higher costs and resulting in limited access to affordable healthcare; and

Whereas, The NSG at the CMS Office of Burden Reduction has stated that the enforcement mechanism against health plan violations is based on the idea of “voluntary compliance,” the only program of this type in the federal government where compliance is “voluntary;” and

Whereas, The NSG at the CMS Office of Burden Reduction has failed to impose any financial penalties in the past seven years on health plans for violation of HIPAA administrative simplification requirements while at the same time, CMS imposed numerous penalties on providers and the healthcare producer industry, including for violations of HIPAA privacy rules which are governed by the same rules as the HIPAA administrative simplification requirements, MACRA MIPS penalties, “Open Payments” Sunshine Act violation penalties, and numerous other financial penalties; therefore be it

RESOLVED, That our American Medical Association strongly disapproves of the failure by the National Standards Group at the Centers for Medicare and Medicaid Services Office of Burden Reduction to effectively enforce the HIPAA administrative simplification requirements as required by the law and its failure to impose financial penalties for non-compliance by health plans (New HOD Policy); and be it further

RESOLVED, That our AMA strongly disapproves of the National Standards Group at the Centers for Medicare and Medicaid Services Office of Burden Reduction practices of closing complaints without further investigation and ignoring overwhelming evidence that contradicts health plan assertions (New HOD Policy); and be it further

RESOLVED, That our American Medical Association will advocate that there is parity in the enforcement of the HIPAA Privacy Rule and the HIPAA Administrative Simplification
requirements and that it imposes penalties on health plan violations of HIPAA with the same
d zest it does to providers for violations of MIPS (Directive to Take Action).

Fiscal Note: Not yet determined

Received: 4/20/21

RELEVANT AMA POLICY

Administrative Simplification in the Physician Practice D-190.974

1. Our AMA strongly encourages vendors to increase the functionality of their practice
management systems to allow physicians to send and receive electronic standard transactions
directly to payers and completely automate their claims management revenue cycle and will
continue to strongly encourage payers and their vendors to work with the AMA and the
Federation to streamline the prior authorization process.
2. Our AMA will continue its strong leadership role in automating, standardizing and simplifying
all administrative actions required for transactions between payers and providers.
3. Our AMA will continue its strong leadership role in automating, standardizing, and simplifying
the claims revenue cycle for physicians in all specialties and modes of practice with all their
trading partners, including, but not limited to, public and private payers, vendors, and
clearinghouses.
4. Our AMA will prioritize efforts to automate, standardize and simplify the process for
physicians to estimate patient and payer financial responsibility before the service is provided,
and determine patient and payer financial responsibility at the point of care, especially for
patients in high-deductible health plans.
5. Our AMA will continue to use its strong leadership role to support state and specialty society
initiatives to simplify administrative functions.
6. Our AMA will continue its efforts to ensure that physicians are aware of the value of
automating their claims cycle.

Citation: Sub. Res. 814, A-96; Reaffirmed: A-02; Reaffirmed: I-08; Reaffirmed: I-09; Appended:
Reaffirmed: A-11; Reaffirmed in lieu of Res. 822, I-11; Reaffirmed in lieu of Res. 711, A-14;
Reaffirmed: Res. 811, I-19

Police, Payer and Government Access to Patient Health Information D-315.992

Our AMA will: (1) widely publicize to our patients and others, the risk of uses and disclosures of
individually identifiable health information by payers and health plans, without patient consent or
authorization, permitted under the final Health Insurance Portability and Accountability Act
"privacy" rule; and (2) continue to aggressively advocate to Congress, and the Administration,
physician's concerns with the administrative simplification provisions of HIPAA and that the AMA
seek changes, including legislative relief if necessary, to reduce the administrative and cost
burdens on physicians.

Citation: Res. 704, A-19
HIPAA Law And Regulations D-190.989

(1) Our AMA shall continue to aggressively pursue modification of the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule to remove burdensome regulations that could interfere with efficient patient care.

(2) If satisfactory modification to the HIPAA Privacy Rule is not obtained, our AMA shall aggressively pursue appropriate legislative and/or legal relief to prevent implementation of the HIPAA Privacy Rule.

(3) Our AMA shall continue to oppose the creation or use of any unique patient identification number, including the Social Security number, as it might permit unfettered access by governmental agencies or other entities to confidential patient information.

(4) Our AMA shall immediately begin working with the appropriate parties and trade groups to explore ways to help offset the costs of implementing the changes required by the Health Insurance Portability and Accountability Act so as to reduce the fiscal burden on physicians.

Citation: Sub Res. 207, A-02; Reaffirmed: CCB/CLRDP Rep. 4, A-12