Whereas, Our American Medical Association 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, physicians, 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 physicians 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 take the position that 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 is clearly unacceptable (New HOD Policy); and be it further

RESOLVED, That our AMA take the position that 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 is also unacceptable (New HOD Policy); and be it further

RESOLVED, That our AMA advocate for enhanced enforcement of the HIPAA Administrative Simplification requirements for health plans. (Directive to Take Action)
Fiscal Note: Modest - between $1,000 - $5,000

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