At the 2023 Annual Meeting of the House of Delegates (HOD), Policy H-200.947, “Proper Use of Virtual Assistants in Medical Practice”, was adopted. This policy directed the American Medical Association (AMA) to (1) support the concept that properly trained overseas virtual assistants are an acceptable way to staff administrative roles in medical practice (New HOD Policy), and (2) study and offer formal guidance for physicians on how best to utilize overseas virtual assistants in such a way as to ensure protections for physicians, practices, patient outcomes, and overseas medical staff (Directive to Take Action).

This report details guidance, considerations (e.g., equity, diversity and inclusion, business and compliance), opportunities and challenges regarding the appropriate use of overseas virtual assistants by medical practices. Additionally, relevant AMA policy is discussed. Based on this information, AMA identified the need for the creation and publication of educational materials for medical practices that provide guidance on how best to utilize overseas virtual assistants in a manner that protects physicians, practices, patients, and overseas medical staff.

BACKGROUND

Over the last two decades, health care organizations have increasingly outsourced administrative and certain clinical work – such as revenue cycle management, coding and billing, IT support and prior authorization tasks – to entities or individuals that reside in different time zones. Outsourcing, a business agreement in which an organization contracts out the procurement of products or services to an external firm, became widely used in health care during the early 2000s. Organizations pursue these arrangements with the goals of lowering administrative costs, raising productivity, and addressing workforce shortages. In 2017 alone, health care industry outsourcing grew by 36%.

In addition to outsourcing, health care organizations also began using remote employees for administrative positions. Remote work is the practice of working from one’s home or another space separate from the office. Medical practices adopted remote work for employees for several reasons, including office closures during the COVID-19 pandemic, limited working space within the medical practice, employee retention and satisfaction and decreased practice overhead costs.

In recent years, there has been an evolution from remote employees to virtual assistants. While remote employees are employed by the practice directly, a virtual assistant is an independent contractor who provides administrative services to clients while operating outside of the client’s office. As such, the individual can be located anywhere in the world, broadening the candidate options for companies. Virtual assistants can also include artificial intelligence in software used by
medical practices. As this resolution is specific to human virtual assistants, this report does not consider artificial intelligence virtual assistants.\(^1\)

The primary benefit of using virtual assistants in medical practice is to offload administrative duties to decrease physician workload and allow more time for patient care. Properly informed medical practices can successfully utilize overseas or domestic virtual assistants for nonclinical, administrative tasks, including but not limited to appointment scheduling and reminders, sending and receiving patient medical records, visit note dictation, prior authorization requests, charge entry, claim submission, claim control, and follow-up. Additionally, the use of overseas virtual assistants can have economic benefits for medical practices. For instance, virtual assistants can be hired for a set number of hours or tasks each week instead of hiring a full-time employee, lowering staffing costs for the practice. They also typically have a lower hourly rate than those in the U.S. largely due to a lower cost of living in the countries they live.\(^2\)

Medical practices seeking virtual assistants outside of the U.S. can utilize online job boards specific to the geographical area they would like to search. One example is OnlineJobs.ph, a job board that connects companies to virtual assistants located in the Philippines.\(^3\) These online job boards facilitate the initial communication and interview process and provide employers with best practices for training virtual assistants located within the U.S. or overseas.

**Business and Compliance Considerations**

There are several business and compliance considerations that medical practices should review before hiring a virtual assistant, including employee classification, global labor protections, and HIPAA compliance standards. Virtual assistants classified as independent contractors are required to report their income for taxes and social contributions within their country on their own. In contrast, remote direct hires are employed by the practice and may require additional tax liabilities, withholdings and employee benefits depending on local labor laws where the individual lives. Medical practices should consult an accountant for any reporting requirements the practice has for virtual assistants classified as independent contractors.\(^4\)

Securing private and confidential data is of the utmost importance, especially when working remotely. To protect sensitive data, health care organizations and medical practices that utilize virtual assistants should establish data protection protocols and obtain the appropriate consents from users.\(^5\) The AMA has created several resources to guide medical practices through the process of securing patient health information, including guidance on [Implementing a Work-From-Home Program](#), a tip sheet for [Working from home during COVID-19 pandemic](#), a checklist for [protecting office computers in medical practices against cyberattacks](#) and [technology considerations for working remotely](#). However, medical practices employing virtual assistants should still consult with their IT vendor to ensure the security of patient health information.

**Equity, Diversity, and Inclusion Considerations**

When considering using overseas virtual assistants, medical practices and health care organizations should prioritize equity, diversity, and inclusion. For example, it is important that practices and organizations verify the U.S. Dollar conversion to the currency used by the virtual assistant or employee to ensure fair and reasonable compensation.

Other considerations include the virtual assistant work schedule if there is a large time difference between in-office staff within the country the organization operates in and the country in which overseas virtual assistants live. This is essential to promote a healthy work environment.\(^1\) For
example, some medical practices and health care organizations outsource the entirety of their
customer service operations overseas and also supply these services for 24-hours. Time zone
compatibility between the medical practice and virtual assistant can impact employee health and
quality of life. Night shift workers experience an incompatibility with family leisure time and the
unavailability of services during nighttime hours. These workers are prevented from recovering
from a long day of work in the way that day shift workers can. Rather, when their shift ends, they
must still function in a world operating on a completely different schedule. Studies have examined
the social ramifications to this work. For instance, night shift workers have been demonstrated to
experience divorce rates as high as 30 percent. Health risks among night shift workers have also
been analyzed. In a study of night shift employees working at international call centers in the
National Capital Region (NCR) of Delhi, 77.6 percent of participants had some suspicion of
insomnia or suspected insomnia. In addition to sleep quality issues, 44.3 percent of participants
were cigarette smokers and 37 percent reported physical ailments. Further, a Circadian
Technologies study reported that night shift workers were 20 percent more likely to experience
severe accidents. Additionally, research shows that these workers may be at greater risk of
cardiovascular disease, gastrointestinal disease, psychological disorders, cancers, diabetes, obesity
and adverse reproductive outcomes.

However, instances also exist where time zone differences can benefit both U.S. and overseas staff.
For example, some organizations and practices outsource their operations overseas part-time so that
work is performed by overseas staff during their local day-time hours after which their workday
concludes and the work they performed is available to U.S. staff who then begin working their day-
time schedule.

Training for Overseas Virtual Assistants in Medical Practice

Medical practices would benefit from the adoption of in-house training programs for virtual
assistants that includes general knowledge of health care administration and compliance, as well as
processes and procedures specific to the practice. Training on the general knowledge of health care
administration is available for little or no cost from professional organizations, such as the AMA’s
Navigating Practice Series and AMA STEPS Forward® Private Practice playbook. Several
resources also exist from the Medical Group Management Association. Before implementing any
virtual assistant or employee, the medical practice or health care organization would benefit from a
clear strategic plan that outlines and addresses the risks previously mentioned.

AMA POLICY

The AMA has several policies related to the appropriate use of overseas virtual assistants for
administrative functions within medical practices.

The AMA will work towards its goal of health equity, defined as optimal health for all, by
advocating for health care access, research, and data collection; promoting equity in care;
increasing health workforce diversity; influencing determinants of health; and voicing and
modeling commitment to health equity (Policy H-180.944, “Plan for Continued Progress Toward
Health Equity”).

The AMA will also explore emerging technologies to automate the prior authorization process for
medical services and evaluate their efficiency and scalability, while advocating for reduction in the
overall volume of prior authorization requirements to ensure timely access to medically necessary
care for patients and reduce practice administrative burdens (Policy D-320.982, “Prior
Authorization Reform”).
Additionally, the AMA:

a. Supports the need for developing and implementing technologies to reduce glare from vehicle headlamps and roadway lighting schemes, and developing lighting technologies at home and at work that minimize circadian disruption, while maintaining visual efficiency.

b. Recognizes that exposure to excessive light at night, including extended use of various electronic media, can disrupt sleep or exacerbate sleep disorders, especially in children and adolescents. This effect can be minimized by using dim red lighting in the nighttime bedroom environment.

c. Supports the need for further multidisciplinary research on the risks and benefits of occupational and environmental exposure to light-at-night.

d. Encourages work environments that operate in a 24/7 hour fashion to have an employee fatigue risk management plan in place (Policy H-135.932, “Light Pollution: Adverse Health Effects of Nighttime Lighting”).

DISCUSSION

Opportunities for Overseas Virtual Assistants in Medical Practice

U.S. companies have struggled with staffing shortages since 2021, known as “The Great Resignation”. Health care is no exception, and the industry has arguably struggled more with staffing shortages due to higher levels of burnout post-COVID-19 pandemic, higher levels of administrative burden, diminished reimbursement and a decline in overall annual revenue. The ability to quickly find and hire experienced individuals is crucial for the success of medical practices. When practices are short-staffed, physicians take on the extra workload, decreasing time spent with patients and contributing to burnout. Overseas virtual assistants, when successfully integrated into practice operations, can enable medical practices to expand their talent search beyond U.S. borders to choose among an expansive talent pool to quickly hire an experienced workforce at a much lower cost than those based in the U.S. Additionally, virtual assistants do not require physical space to work in the office, thus lowering the physical infrastructure cost for medical practices.

Risks Associated with Utilizing Overseas Virtual Assistants in Medical Practice

Despite expectations, studies show that outsourcing any health care role contains risks such as the loss of control over work quality, exposure of patient health information and other secure data, the lack of provision of anticipated financial benefits and jeopardization of the organization’s culture and reputation.

CONCLUSION

Medical practices struggling to fill vacant positions may turn to virtual assistants within the U.S. or overseas. While virtual assistants can offer cost-saving and efficiency benefits to medical practices, it is imperative that practices have a clear strategic plan before hiring a virtual assistant. This plan should include the security of patient information, in-house training/onboarding for the employee, fair pay and working hours, and management of the virtual employee's work quality and engagement with the rest of the practice. The creation of a strategic plan will allow the medical practice to consider all variables and determine how best to utilize a virtual assistant within their
practice. With an informed approach, the use of properly trained overseas virtual assistants is an option for medical practices.

RECOMMENDATIONS

The Board of Trustees recommends that the following be adopted, and the remainder of the report be filed:

1. That our American Medical Association (AMA) reaffirm the following policies:
   a. H-385.951 - Remuneration for Physician Services
   b. H-180.944 - Plan for Continued Progress Toward Health Equity
   c. H-135.932 - Light Pollution: Adverse Health Effects of Nighttime Lighting; (Reaffirm HOD Policy) and

2. That Policy H-200.947 be amended to read as follows: “Our AMA: (1) supports the concept that properly trained overseas virtual assistants, in the U.S. or overseas, are an acceptable way to staff administrative roles in medical practices; and (2) will study and offer formal guidance for physicians on how best to utilize overseas virtual assistants to ensure protection of patients, physicians, practices, and equitable employment in communities served, in a manner consistent with appropriate compliance standards create and publish educational materials for medical practices that offer formal guidance on how best to utilize virtual assistants to ensure protection of patients, physicians, virtual assistants and practices.” (Modify Current HOD Policy).

Fiscal Note: Moderate
REFERENCES


