

AMERICAN MEDICAL ASSOCIATION ORGANIZED MEDICAL STAFF SECTION

Resolution: 4
(A-24)

Introduced by: Matthew D. Gold, MD

Subject: Support Before, During, and After Hospital Closure or Reduction in Services

Referred to: OMSS Reference Committee
(xxxx, MD, Chair)

1 Whereas, the mission of our American Medical Association is to promote the art and science of
2 medicine and the betterment of public health by representing physicians with a unified voice in
3 courts and legislative bodies across the nation, removing obstacles that interfere with patient
4 care, and confronting public health crises¹; and
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6 Whereas, in recent months and years, there has been increasingly frequency of hospital
7 closures and/or reduction in services, both of independent facilities and those within extended
8 healthcare systems; and
9

10 Whereas, a search of the AMA Policy Finder reveals existing policy addressing the needs of
11 resident and fellow physicians^{6,7} and conserving the credentialing information of practicing
12 physicians⁸ in the event of a hospital closure but it does not yield any general approach to the
13 crisis of a closure or reduction in services of a hospital poses to patients (as well as physicians)
14 and community access to care, whether addressing preventive or consequence management;
15 and
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17 Whereas, the Massachusetts Medical Society has such a policy⁹ which may serve as a template
18 nationally; therefore be it
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20 Resolved, that our American Medical Association work with state and federal legislators to enact
21 laws and regulations that require for-profit healthcare entities be held to the same financial and
22 quality of care reporting standards as not-for-profit entities and that should either indicate areas
23 of concern, that the state be required to intervene (Directive to Take Action); and be it further
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25 Resolved, that our AMA will work with appropriate federal and state bodies to assure that
26 whenever there is a threatened, or actual, hospital closure a process be instituted to safeguard
27 the continuity of patient care and preserve the physician-patient relationship. Such a process
28 should:

- 29 a) Assure adequate capacity exists in the immediate service area surrounding the
30 hospital closure, including independent health resources, physicians, and support
31 personnel to provide for the citizens of that area;
- 32 b) Allow that in said circumstances, restrictive covenants, records access, and financial
33 barriers which prevent the movement of physicians and their patients to surrounding
34 hospitals should be waived for an appropriate period of time (Directive to Take
35 Action);

36 and be it further
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38 Resolved, that our AMA will work with appropriate stakeholders to study new models of
39 oversight and healthcare planning that address such issues as:

- 1 a) Mandatory concurrent, ongoing financial and quality reporting by healthcare
2 organizations to an appropriate oversight entity to facilitate early identification of any
3 hospital in financial distress;
4 b) A process to intervene when such financial instability is detected;
5 c) A process to ensure adequate funding to maintain the healthcare delivery system
6 and to ensure access to healthcare for all individuals (Directive to Take Action);
7 and be it further

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9 Resolved, that our AMA will proactively offer support to physicians, residents and fellows,
10 patients, and civic leaders affected by threatened or actual healthcare facility closures or
11 significant reductions in services via provision of information, resources, and effective,
12 actionable advocacy (Directive to Take Action).

Fiscal Note: TBD

Received: 4/29/2024

References:

1. AMA Website, <https://www.ama-assn.org/search?search=mission+statement>
2. <https://www.aha.org/news/headline/2022-09-08-aha-report-rural-hospital-closures-threaten-patient-access-care>
3. <https://www.cleveland.com/news/2023/03/600-hospitals-in-danger-of-closing-per-study-is-yours-on-the-list.html>
4. <https://www.beckershospitalreview.com/finance/61-hospitals-closing-departments-or-ending-services.html>
5. <https://www.hsph.harvard.edu/news/features/maternity-obstetric-closure-health-disparities/>
6. Closing of Residency Programs H-310.943
7. Protection of Resident and Fellow Training in the Case of Hospital or Training Program Closure D-310.948
8. Hospital, Ambulatory Surgery Facility, Nursing Home, or Other Health Care Facility Closure: Physician Credentialing Records H-230.956
9. [https://www.massmed.org/Governance-and-Leadership/Policies,-Procedures-and-Bylaws/MMS-Policy-Compendium-\(pdf\)/](https://www.massmed.org/Governance-and-Leadership/Policies,-Procedures-and-Bylaws/MMS-Policy-Compendium-(pdf)/)

RELEVANT AMA POLICY

Closing of Residency Programs H-310.943

1. Our AMA: (a) encourages the Accreditation Council for Graduate Medical Education (ACGME) to address the problem of non-educational closing or downsizing of residency training programs; (b) reminds all institutions involved in educating residents of their contractual responsibilities to the resident; (c) encourages the ACGME and the various Residency Review Committees to reexamine requirements for "years of continuous training" to determine the need for implementing waivers to accommodate residents affected by non-educational closure or downsizing; (d) will work with the American Board of Medical Specialties Member Boards to encourage all its member boards to develop a mechanism to accommodate the discontinuities in training that arise from residency closures, regardless of cause, including waiving continuity care requirements and granting residents credit for partial years of training; (e) urges residency programs and teaching hospitals be monitored by the applicable Residency Review Committees to ensure that decreases in resident numbers do not place undue stress on remaining residents by affecting work hours or working conditions, as specified in Residency Review Committee requirements; (f) opposes the closure of residency/fellowship programs or reductions in the number of current positions in programs as a result of changes in GME funding; and (g) will work with the Centers for Medicare and Medicaid Services (CMS), ACGME, and other appropriate organizations to advocate for the development and implementation of effective policies to permit graduate medical education funding to follow the resident physician from a closing to the receiving residency program (including waivers of CMS caps), in the event of temporary or permanent residency program closure.

2. Our AMA will work with the Centers for Medicare and Medicaid Services (CMS) to establish regulations that protect residents and fellows impacted by program or hospital closure, which may include recommendations for:

A. Notice by the training hospital, intending to file for bankruptcy within 30 days, to all residents and fellows primarily associated with the training hospital, as well as those contractually matched at that training institution who may not yet have matriculated, of its intention to close, along with provision of reasonable and appropriate procedures to assist current and matched residents and fellows to find and obtain alternative training positions that minimize undue financial and professional consequences, including but not limited to maintenance of specialty choice, length of training, initial expected time of graduation, location and reallocation of funding, and coverage of tail medical malpractice insurance that would have been offered had the program or hospital not closed;

B. Revision of the current CMS guidelines that may prohibit transfer of funding prior to formal financial closure of a teaching institution;

C. Improved provisions regarding transfer of GME funding for displaced residents and fellows for the duration of their training in the event of program closure at a training institution; and

D. Protections against the discrimination of displaced residents and fellows consistent with H-295.969.

3. Our AMA will work with the Accreditation Council for Graduate Medical Education, Association of American Medical Colleges, National Resident Matching Program, Educational Commission for Foreign Medical Graduates, Centers for Medicare and Medicaid Services, and other relevant stakeholders to identify a process by which displaced residents and fellows may be directly represented in proceedings surrounding the closure of a training hospital or program.

4. Our AMA will work with the Accreditation Council for Graduate Medical Education, Association of American Medical Colleges, National Resident Matching Program, Educational Commission for Foreign Medical Graduates, Centers for Medicare and Medicaid Services, and other relevant stakeholders to:

A. Develop a stepwise algorithm for designated institutional officials and program directors to assist residents and fellows with finding and obtaining alternative training positions;

B. Create a centralized, regulated process for displaced residents and fellows to obtain new training positions; and

C. Develop pathways that ensure that closing and accepting institutions provide liability insurance coverage to residents, at no cost to residents.

Citation: Sub. Res. 328, A-94; Appended: CME Rep. 11, A-98; Reaffirmed: CME Rep. 7, -06; Appended: Res. 926, I-12; Modified: CME Rep. 1, A-15; Appended: Res. 310, I-19; Modified: CME Rep. 3, I-20; Reaffirmed: CME Rep. 01, I-22

Protection of Resident and Fellow Training in the Case of Hospital or Training Program Closure D-310.948

Our AMA will:

1. ask the Centers for Medicare & Medicaid Services (CMS) to stipulate in its regulations that residency slots are not assets that belong to the teaching institution;

2. encourage the Association of American Medical Colleges (AAMC), American Association of Colleges of Osteopathic Medicine (AACOM), and National Resident Matching Program (NRMP) to develop a process similar to the Supplemental Offer and Acceptance Program (SOAP) that could be used in the event of a sudden teaching institution or program closure;

3. encourage the Accreditation Council for Graduate Medical Education (ACGME) to specify in its Institutional Requirements that sponsoring institutions are to provide residents and residency applicants information regarding the financial health of the institution, such as its credit rating, or if it has recently been part of an acquisition or merger;

4. work with AAMC, AACOM, ACGME, and relevant state and specialty societies to coordinate and collaborate on the communication with sponsoring institutions, residency programs, and resident physicians in the event of a sudden institution or program closure to minimize confusion, reduce misinformation, and increase clarity;

5. encourage ACGME to revise its Institutional Requirements, under section IV.E., Professional Liability Insurance, to state that sponsoring institutions must create and maintain a fund that will ensure professional liability coverage for residents in the event of an institution or program closure; and

6. continue to work with ACGME, interested specialty societies, and others to monitor issues, collect data, and share information related to training programs run by nonprofit and for-profit entities and their effect on medical education.

Citation: CME Rep. 3, I-10; Modified: CME Rep. 01, I-22; Modified: Res. 301, I-23

**Hospital, Ambulatory Surgery Facility, Nursing Home, or Other Health Care Facility
Closure: Physician Credentialing Records H-230.956**

1. AMA policy regarding the appropriate disposition of physician credentialing records following the closure of hospitals, ambulatory surgery facilities, nursing homes and other health care facilities, where in accordance with state law and regulations is as follows:

A. Governing Body to Make Arrangements: The governing body of the hospital, ambulatory surgery facility, nursing home, or other health care facility shall be responsible for making arrangements for the disposition of physician credentialing records or CME information upon the closing of a facility.

B. Transfer to New or Succeeding Custodian: Such a facility shall attempt to make arrangements with a comparable facility for the transfer and receipt of the physician credentialing records or CME information. In the alternative, the facility shall seek to make arrangements with a reputable commercial storage firm. The new or succeeding custodian shall be obligated to treat these records as confidential.

C. Documentation of Physician Credentials: The governing body shall make appropriate arrangements so that each physician will have the opportunity to make a timely request to obtain a copy of the verification of his/her credentials, clinical privileges, CME information, and medical staff status.

D. Maintenance and Retention: Physician credentialing information and CME information transferred from a closed facility to another hospital, other entity, or commercial storage firm shall be maintained in a secure manner intended to protect the confidentiality of the records.

E. Access and Fees: The new custodian of the records shall provide access at a reasonable cost and in a reasonable manner that maintains the confidential status of the records.

2. Our AMA advocates for the implementation of this policy with the American Hospital Association.

Citation: Res. 808, I-04; Reaffirmed: CMS Rep. 1, A-14; Reaffirmed: BOT Rep. 09, I-18