

AMERICAN MEDICAL ASSOCIATION PRIVATE PRACTICE PHYSICIANS SECTION

Resolution: 6
(A-26)

Introduced by: Alex Shteynshlyuger, MD

Subject: Root-Cause Analysis of the Problems with AMA Advocacy Related to AMA
HIPAA Administrative Simplification Policies

Referred to: PPPS Reference Committee
(, MD, Chair)

1 Whereas, AMA Advocacy has on multiple occasions asked for halfway measures and instead of
2 asking to ban virtual credit cards on electronic transactions, it has asked for “further study at tan
3 NCVHS meeting;” and
4

5 Whereas, AMA Advocacy, well aware that Centers for Medicare and Medicaid Services (CMS)
6 guidance does not carry the weight of law as has been pointed out to it on numerous occasions
7 at the AMA PPPS meeting and AMA meetings, has asked CMS recently for more of the same,
8 well aware that another guidance will provide zero benefit to physicians; and
9

10 Whereas, guidance issued by federal agencies does not carry the weight of law and is non-
11 enforceable, which is well known to any attorney vaguely familiar with the Administrative Law
12 (and it states so on the bottom of every guidance issued by CMS), however despite that being
13 pointed out, AMA Advocacy persists in asking CMS to do what is illegal: enforce a non-
14 enforceable guidance in a July 10, 2025, letter to CMS instead of asking CMS for what is really
15 needed—a legally sound regulation issues in an Administrative Procedure Act complaint
16 manner with 60 day notice and a comment period; and
17

18 Whereas, AMA Advocacy adopted the talking points of Visa, Mastercard, Zelis, and United
19 Healthcare and has provided confusing and contradictory guidance to the AMA leadership that
20 virtual credit cards are legal whereas there is no legal basis for such assertion as they have
21 never been adopted or proposed to be adopted under an APA-compliant process; therefore be it
22

23 RESOLVED, that our American Medical Association performs a root-cause analysis of the
24 internal AMA process that led to mismanagement of the AMA HIPAA Administrative
25 Simplification advocacy that costs physicians \$10 billion annually and produces a report by the
26 2026 Interim AMA Meeting (Directive to Take Action).
27

Fiscal Note: (Assigned by HOD)

Received: 4/6/2026

REFERENCES

1. Madara, James. (June 6, 2025). [AMA comment letter to CMS Administrator Mehmet Oz regarding “Unleashing Prosperity Through Degregulation of the Medicare Program (Executive Order 14192) – Request for Information”]. AMA federal and state correspondence finder.

2. Whyte, John. (July 10, 2025). [AMA comment letter to Health and Human Services Secretary Robert F. Kennedy, Jr regarding “Ensuring Lawful Regulation and Unleashing Innovation to Make American Healthy Again – Request for Information”]. AMA federal and state correspondence finder.

RELEVANT AMA POLICY

Virtual Credit Card Payments H-190.955

1. Our American Medical Association will educate its members about the use of virtual credit cards by third party payers, including the costs of accepting virtual credit card payments from third party payers, the beneficiaries of the administrative fees paid by the physician practice inherent in accepting such payments and the lower cost alternative of electronic funds transfer via the Automated Clearing House.
2. Our AMA will advocate for advance disclosure by third-party payers of transaction fees associated with virtual credit cards and any rebates or other incentives awarded to payers for utilizing virtual credit cards.
3. Our AMA supports transparency, fairness, and provider choice in payers' use of virtual credit card payments, including: advanced physician consent to acceptance of this form of payment; disclosure of transaction fees; clear information about how the provider can opt out of this payment method at any time; and prohibition of payer contracts requiring acceptance of virtual credit card payments for network inclusion.

Citation: Sub. Res. 714, A-15; Reaffirmed: BOT Rep. 09, A-25

Update the status of Virtual Credit card policy, EFT fees, and lack of Enforcement of Administrative Simplification Requirements by CMS D-190.965

Our American Medical Association will report at the Annual 2026 Meeting on the progress of, and action items for implementation of AMA Policies D-190.970, H-190.955, and D-190.968.

Citation: Res. 819, I-25

Amend Virtual Credit Card and Electronic Funds Transfer Fee Policy D-190.968

1. Our American Medical Association will advocate for legislation or regulation that would prohibit the use of virtual credit cards (VCCs) for electronic health care payments.
2. Our AMA will advocate on behalf of physicians and plainly state that it is not advisable or beneficial for medical practices to get paid by VCCs.
3. Our AMA will engage in legislative and regulatory advocacy efforts to address the growing and excessive electronic funds transfer (EFT) add-on service fees charged by payers when paying physicians, including advocacy efforts directed at:
 - a. The issuance of Centers for Medicare & Medicaid Services (CMS) regulatory guidance affirming physicians' right to choose and receive timely basic EFT payments without paying for additional services.
 - b. CMS enforcement activities related to this issue.
 - c. Physician access to a timely no fee EFT option as an alternative to VCCs.

Citation: Res. 819, I-23

CMS Administrative Requirements D-190.970

1. Our American Medical Association will forcefully advocate that the Centers for Medicare and Medicaid Services (CMS) investigate all valid allegations of HIPAA Administrative simplification requirements thoroughly and offers transparency in its processes and decisions as required by the Administrative Procedure Act (APA).
2. Our AMA will forcefully advocate that the CMS resolve all complaints related to the non-compliant payment methods including opt-out virtual credit cards, charging processing fees for electronic claims and other illegal electronic funds transfer (EFT) fees.
3. Our AMA will communicate its strong disapproval of the failure by the CMS 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.
4. Our AMA will through legislation, regulation or other appropriate means, advocate for the prohibition of health insurers charging physicians and other providers to process claims and make payment.

Citation: Res. 229, I-21; Reaffirmed: A-22