

AMERICAN MEDICAL ASSOCIATION PRIVATE PRACTICE PHYSICIAN SECTION

Resolution: 10
(JUN-22)

Introduced by: Alex Shteynshlyuger, MD

Subject: CPT Licensing Categories for Licensees Imposing Fees on Physicians

Referred to: PPPS Assembly as a Whole

1 WHEREAS, AMA is chartered for the benefit of its members and a stoic advocate for its
2 member physicians; and the AMA previously endorsed that credit card transaction/bank fees
3 shall be paid by the insurer and not the healthcare provider (190.972); and
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5 WHEREAS, AMA CPT® Editorial Panel is the authorized custodian of the CPT code by the AMA
6 Board of Trustees; and
7

8 WHEREAS, The AMA owns intellectual rights to the CPT code and is legally authorized to
9 charge just and fair fees for the use of its intellectual property; and
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11 WHEREAS, Price discrimination is a legal and fair business practice as long as all similarly
12 positioned customers are treated in an equal manner; and
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14 WHEREAS, 'an eye for an eye' is a well-grounded legal principle going back to Babylonian Law,
15 Hebrew Law, and the Code of Hammurabi that is the basis of the American tort system; and
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17 WHEREAS, Certain health plans, their business associates, and clearinghouses engage in
18 unfair business practices by subjecting physician practices to high-cost virtual credit, debit, and
19 other payment cards, charge fees for EFT and ERA transactions when paying for medical care
20 provided to their members; therefore be it
21

22 RESOLVED, That our American Medical Association consider creating additional pricing
23 categories for CPT licensees that (1) engage in sending virtual and physical credit, debit, or
24 other payment cards themselves or employ business associates that do so, (2) impose fees on
25 ERA and/or EFT transactions themselves or employ business associates that do so (Directive to
26 Take Action); and be it further
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28 RESOLVED, That the AMA conducts a tri-annual survey of healthcare practices to determine
29 the rates that medical practices pay for processing credit, debit, or other payment cards that are
30 used by health plans to pay for provided medical care (Directive to Take Action);
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32 RESOLVED, That our AMA will advocate against unfair business practices that harm physicians
33 and patients (Directive to Take Action).

Fiscal Note: Not yet determined

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RELEVANT AMA POLICY

CMS Administrative Requirements (D-190.970)

Our AMA will: (1) 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) 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) 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; and (4) 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

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. 704, A-15

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

Our AMA will consider legislation on behalf of physicians that any credit card transaction/bank fees are paid by the insurer and not the health care provider.

Citation: Res. 225, I-14