

AMERICAN MEDICAL ASSOCIATION PRIVATE PRACTICE PHYSICIAN SECTION

Resolution: 7
(JUN-22)

Introduced by: Alex Shteynshlyuger, MD

Subject: Complexity of the US Healthcare System – AMA Communications

Referred to: PPPS Assembly as a Whole

1 WHEREAS, The complexity of the US healthcare system imposes a significant administrative
2 burden on physician practices and impairs patients' access to care and healthcare affordability;
3 and
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5 WHEREAS, The vast majority of healthcare policymakers and legislators in Washington DC and
6 state capitals lack awareness of the complexity of US healthcare, underappreciate the
7 challenges that physician practices have to deal with every day, and as a result, impose rules
8 and regulations that create more problems rather than solve existing problems; and
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10 WHEREAS, official government statistics show that medical practices have to navigate
11 significant complexity. According to the 2021 Annual Report on Self-Insured Group Health
12 Plans from the US Department of Labor, 60,500 distinct commercial health plans operated in the
13 United States in 2018, each with a distinct combination of benefit rules, financial arrangements,
14 and in-network provider networks. Most of the health plans are employer health plans, whose
15 operations are governed by the ERISA Act, a federal law. In addition to commercial health
16 plans, according to the 2021 report from the authoritative and independent Kaiser Family
17 Foundation (FFF), 3,900 government Medicare and Medicaid plans are operating in the US,
18 including 3,550 Medicare Advantage plans, 12 traditional Medicare MACs, and 290 Medicaid
19 Managed Care HMO plans; therefore be it
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21 RESOLVED, That our American Medical Association will include in all its internal and external
22 communications, where relevant, statistics (including reference to the source of data such as
23 the Annual Report on Self-Insured Group Health Plans from the Department of Labor and the
24 Kaiser Family Foundation (FFF) Medicare Advantage in 2021: Enrollment Update and Key
25 Trends) that objectively clarifies the complexity of the US healthcare system, including the
26 number of health plans in the United States (private, Medicare Advantage, Medicaid, others)
27 which testifies to the complexity of the system within which physician practices operate and
28 which contributes to the significant administrative burden and burnout, in the absence of uniform
29 laws, rules and standards. Relevance should be defined as when the complexity of the health
30 US healthcare insurance system contributes to the problems and concerns being communicated
31 or addressed by the AMA (Directive to Take Action); and be it further
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33 RESOLVED, That our AMA will communicate and encourage local medical societies and other
34 organizations that have representation in the House of Delegates to adopt these practices in
35 their outreach (Directive to Take Action).

Fiscal Note: Not yet determined

Received: 5/12/2022

RELEVANT AMA POLICY

AMA Advocacy Analysis (D-330.908)

Our AMA Board of Trustees will provide a report to the House of Delegates at each Interim Meeting highlighting the prior year advocacy activities to include efforts, successes, challenges, and recommendations / actions to further optimize advocacy efforts.

Citation: Res. 615, A-14; Modified: Speakers Rep., I-15

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

Administrative Simplification in the Physician Practice (D-190.974)

1. Our AMA strongly encourages vendors to increase the functionality of their practice management systems to allow physicians to send and receive electronic standard transactions directly to payers and completely automate their claims management revenue cycle and will continue to strongly encourage payers and their vendors to work with the AMA and the Federation to streamline the prior authorization process.
2. Our AMA will continue its strong leadership role in automating, standardizing and simplifying all administrative actions required for transactions between payers and providers.
3. Our AMA will continue its strong leadership role in automating, standardizing, and simplifying the claims revenue cycle for physicians in all specialties and modes of practice with all their trading partners, including, but not limited to, public and private payers, vendors, and clearinghouses.
4. Our AMA will prioritize efforts to automate, standardize and simplify the process for physicians to estimate patient and payer financial responsibility before the service is provided, and determine patient and payer financial responsibility at the point of care, especially for patients in high-deductible health plans.

5. Our AMA will continue to use its strong leadership role to support state and specialty society initiatives to simplify administrative functions.
6. Our AMA will continue its efforts to ensure that physicians are aware of the value of automating their claims cycle.

Citation: CMS Rep. 8, I-11; Appended: Res. 811, I-12; Reaffirmed: A-14; Reaffirmed: A-17; Reaffirmed: BOT Action in response to referred for decision: Res. 805; I-16; Reaffirmed: I-17; Reaffirmed: A-19; Modified: CMS Rep. 09, A-19

Prior Authorization Reform (D-320.982)

Our AMA will 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.

Citation: Res. 704, A-19