

1 MEDICAL SOCIETY OF THE STATE OF NEW YORK 2026 HOUSE OF DELEGATES

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3 Report of the Reference Committee on Socio-Medical Economics

4
5 Presented by: Inderpal Chhabra, MD, Chair

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7 Dr. Speaker and Members of the House of Delegates:

8 Your Reference Committee recommends the following consent calendar for acceptance:

9
10 **RECOMMENDED FOR ADOPTION**

- 11 1. 2026 Socio-Medical Economics Sunset Report
- 12 2. Resolution 252 – Efficiency Adjustment – Another Medicare Number Based on
- 13 Nothing but a Guess
- 14 3. Resolution 253 – Stop the Medicare Advantage Trap Known as Auto Enrollment
- 15 4. Resolution 254 – Resolution to Amend Timely Filing Requirements for Commercial
- 16 Health Insurance Claims in New York State
- 17 5. Resolution 261- Prohibiting Insurers from mandating a Specific Date of Service in the
- 18 Preauthorization Process for a Surgical Procedure
- 19 6. Resolution 263- Protecting Physicians From Improper Workers’ Compensation
- 20 Penalties and Ensuring Oversight, Due Process, and Accountability
- 21 7. Resolution 264- Payment Parity for Preventive Screening Services Performed by
- 22 Primary Care Physicians Under Capitated Contracts
- 23 8. Resolution 262- Telephone Preauthorization Peer Review Improvement
- 24 9. Resolution 260- Preventing insurance companies from using the lack of a Medicare
- 25 IPO listing to deny prior authorization as not medically necessary

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36 **RECOMMENDED FOR ADOPTION AS AMENDED**

- 37 10. Resolution 250 – Avoiding misuse of artificial intelligence (AI) in clinical practice
- 38 11. Resolution 256 – Addressing Physician Burnout Through Fair Compensation and
- 39 Reduction of Administrative Burdens

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43 **RECOMMENDED FOR ADOPTION IN LIEU OF**

- 44 12. Resolution 251- Devaluation of Medical Services
- 45 13. Resolution 258 – Mismanagement by the AMA Advocacy / AMA Advocacy Center

1 14. Resolution 259 – Increasing Physician Work RVU calculations due to Increasing Use
2 of Technology
3

4 **RECOMMENDED REFERRAL TO COUNCIL**
5

6 15. Resolution 257 – Oppose the Legal Position That Virtual Credit Cards are a Legal
7 Method of Payment Under HIPAA
8

9 **RECOMMENDED NOT TO ADOPT**
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11 16. Resolution 255- Advocacy for a National Centralized Electronic Transaction
12 Clearinghouse
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1 **RECOMMENDED FOR ADOPTION**

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3 1. 2026 Socio-Medical Economics Sunset Report

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5 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT THE SUNSET REPORT FOR**
6 **SOCIO-MEDICAL ECONOMICS BE ADOPTED**

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8 Your reference committee did not receive any testimony in virtual or live therefore the committee
9 recommends to adopt.

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11 2. RESOLUTION 252 – Efficiency Adjustment – Another Medicare Number Based on Nothing
12 but a Guess

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14 Original resolution 252 reads as follows:

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16 RESOLVED, that the Medical Society of the State of New York support all efforts, whether by
17 legislation or regulation, to restrict the use of arbitrary new factors such as the efficiency
18 adjustment used in the 2026 Medicare Physician Payment Schedule; and be it further

19
20 RESOLVED, that this resolution be forwarded to the American Medical Association (AMA) at A-26.

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22 **RECOMMENDATION:**

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24 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 252 BE ADOPTED**

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26 The reference Committee heard testimony from several physicians that support it. Many
27 strongly support as there are already many factors going to into Medicare & Medicaid Services
28 (CMS) that make it complex and adding another one is not helping physicians.

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31 3. RESOLUTION 253- Stop the Medicare Advantage Trap Known as Auto Enrollment

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33 Original resolution 253 reads as follows:

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35 RESOLVED, that the Medical Society of the State of New York oppose efforts to force Medicare
36 recipients to be auto enrolled into Medicare Advantage plans, thus making Medicare Advantage
37 plans the default option; and be it further

38
39 RESOLVED, that this resolution be submitted to the American Medical Association (AMA) at A-
40 26.

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42 **RECOMMENDATION:**

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44 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 253 BE ADOPTED**

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46 The reference Committee heard testimony from a significant number of physicians that are in
47 support of this resolution. There was discussion about how this current process of auto
48 enrollment often times causes a delay in care as well as disruption administrative wise.

1 4. RESOLUTION 254- Resolution to Amend Timely Filing Requirements for Commercial Health
2 Insurance Claims in New York State

3 Original resolution 254 reads as follows:
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5 RESOLVED, that the Medical Society of the State of New York (MSSNY) formally calls upon
6 New York State insurance payers and regulators (New York State Department of Financial
7 Services) to update their provider contracts and regulations to extend the timely filing limit for all
8 commercial health insurance claims to a minimum of 365 days (1 year) from the date of
9 service.; and be it further

10
11 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocates for this
12 change to be implemented immediately to ensure fair, prompt payment practices, thereby
13 protecting patient access to care by reducing the administrative burden on providers.
14

15 **RECOMMENDATION:**

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17 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 254 BE ADOPTED**
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19 The reference Committee heard testimony from many physicians who are in support of this.
20 There was discussion in a hearing that the resolves within this resolution is similar to another
21 resolution in a different committee. The reference committee reviewed this resolution and do not
22 agree with this. Both resolves in resolution 254 are extremely different than the other resolution,
23 therefore the committee recommends to adopt as is.
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26 5. RESOLUTION 261 - Prohibiting Insurers from mandating a Specific Date of Service in the
27 Preauthorization Process for a Surgical Procedure
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29 Original resolution 261 reads as follows:
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31 RESOLVED, that the Medical Society of the State of New York (MSSNY), through advocacy
32 and/or legislation, encourage changes in New York State Health Insurance Laws and
33 Department of Financial Services regulation to prohibit insurers from denying payment for a
34 preauthorized surgical procedure due to a change in the date of the proposed procedure.
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36 **RECOMMENDATION:**

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38 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 261 BE ADOPTED**
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40 The reference Committee heard testimony from multiple physicians in support of this resolution.
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43 6. RESOLUTION 263- Protecting Physicians From Improper Workers' Compensation Penalties
44 and Ensuring Oversight, Due Process, and Accountability
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46 Original resolution 263 reads as follows:
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48 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate that the New
49 York State Workers' Compensation Board shall not impose penalties, certification denials, or
50 non-renewals under WCL §13-b or 12 NYCRR Part 325 solely due to billing or administrative

1 errors committed by third-party or off-site contracted billing offices, provided that good-faith
2 corrective action is taken once identified; and be it further

3
4 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate that
5 physicians shall not be penalized or subjected to adverse administrative action based solely on
6 the volume of permanency or maximum medical improvement (MMI) examinations performed,
7 absent evidence of fraud or intentional misconduct as defined under WCL §114-a; and be it
8 further

9
10 RESOLVED, that the Medical Society of the State of New York (MSSNY) urge the Workers'
11 Compensation Board to clearly distinguish between intentional misconduct and good-faith
12 administrative or billing errors when evaluating physician certification and recertification under
13 12 NYCRR §325-4.2; and be it further

14
15 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate for prompt,
16 written notice by certified means to physicians of alleged deficiencies, with a meaningful
17 opportunity to cure or correct such issues prior to the imposition of penalties or exclusionary
18 actions; and be it further

19
20 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate for
21 enhanced oversight, transparency, and accountability of the Workers' Compensation Board's
22 physician certification and enforcement processes, particularly where such
23 actions exacerbate shortages of certified Workers' Compensation providers; and be it further

24
25 RESOLVED, that the Medical Society of the State of New York (MSSNY) communicate these
26 concerns to the New York State Workers' Compensation Board, the New York State
27 Department of Labor, the Governor, and the New York State Legislature.

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29 **RECOMMENDATION:**

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31 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 263 BE ADOPTED**

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33 The reference committee heard from few physicians that support this resolution, no opposition.

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36 **7. RESOLUTION 264- Payment Parity for Preventive Screening Services Performed by Primary**
37 **Care Physicians Under Capitated Contracts**

38 Original resolution 264 reads as follows:

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40 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate for payment
41 parity for preventive and screening services provided by primary care physicians under
42 capitated contracts when such services would otherwise be separately reimbursed if performed
43 in another care setting; and be it further

44
45 RESOLVED, that the Medical Society of the State of New York work with state and federal
46 policymakers, insurance regulators, and other relevant stakeholders to ensure equitable and
47 transparent reimbursement policies for primary care—provided preventive screening services
48 that are consistent with parity principles, quality benchmarks, and patient-centered care goals;
49 and be it further

1 RESOLVED, that our delegation to the American Medical Association introduce or support
2 national policy ensuring equitable reimbursement for preventive screening services performed
3 by primary care physicians, regardless of payment methodology, including capitation and other
4 value-based payment models.

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6 **RECOMMENDATION:**

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8 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 264 BE ADOPTED**

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10 The reference committee heard few testimony in support of this resolution in the live and virtual
11 hearings.

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14 8. RESOLUTION 262- Telephone Preauthorization Peer Review Improvement

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16 Original resolution 262 reads as follows:

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18 RESOLVED, that the Medical Society of the State of New York (MSSNY), through legislation
19 and/or regulation, advocate for the Department of Financial Services requiring utilization review
20 companies participating in peer review for preauthorization in New York mandate caller
21 identification being used for telephone peer preauthorization reviews and to prevent the
22 companies from disguising calling reviewers as spam; and be it further

23
24 RESOLVED, that the Medical Society of the State of New York (MSSNY), through legislation
25 and regulation, advocate for the Department of Financial Services to require utilization review
26 company physicians to leave a direct callback number to expedite the process and to avoid
27 wasting the requesting physicians' valuable time

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29 **RECOMMENDATION:**

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31 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 262 BE ADOPTED**

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33 The reference committee heard testimony from multiple physicians in support of this resolution
34 in virtual and live testimony.

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37 9. RESOLUTION 260- Preventing insurance companies from using the lack of a Medicare IPO
38 listing to deny prior authorization as not medically necessary

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40 Original resolution 260 reads as follows:

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42 RESOLVED, that the Medical Society of the State of New York (MSSNY) supports the physician's
43 determination regarding the site of service of a medically-indicated procedure, based on individual
44 risk factors.

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46 **RECOMMENDATION:**

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48 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 262 BE ADOPTED**

1 Your reference committee received multiple testimonies in support of this resolution in the virtual
2 and live hearings therefore we recommend to adopt.

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4 **RECOMMENDED FOR ADOPTION AS AMENDED**

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6 10. RESOLUTION 250- Avoiding Misuse of Artificial Intelligence (AI) in Clinical Practice

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8 Original resolution 250 reads as follows:

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10 RESOLVED, that prior to the use of Artificial Intelligence (AI) in the medical record, training in
11 the use of AI be mandated and to include the benefits of AI, as well as the potential harms that
12 could exist in an AI generated document and be it further; and be it further

13 RESOLVED, that any physician or healthcare professional, who chooses to use Artificial
14 Intelligence (AI) in the creation of the medical record, understands that the accuracy of that
15 record is completely the responsibility of that author; and be it further

16
17 RESOLVED, that this resolution be forwarded to the American Medical Association (AMA) for
18 national consideration.

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20 **RECOMMENDATION A:**

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22 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 250 BE AMENDED**
23 **BY ADDITION AS FOLLOWS:**

24
25 RESOLVED, that prior to the use of Artificial Intelligence (AI) in the medical record, training in
26 the use of AI be ~~mandated~~ highly recommend and to include the benefits of AI, as well as the
27 potential harms that could exist in an AI generated document and be it further; and be it further

28
29 RESOLVED, that any physician or healthcare professional, who chooses to use Artificial
30 Intelligence (AI) in the creation of the medical record, understands that the accuracy of that
31 record is completely the responsibility of that author; and be it further

32
33 RESOLVED, that this resolution be forwarded to the American Medical Association (AMA) for
34 national consideration.

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36 **RECOMMENDATION B:**

37 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 250 BE ADOPTED**
38 **AS AMENDED**

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40 The reference committee heard testimony from a several doctors that are in support of this but
41 recommended to remove the word mandate and replace with highly recommend which the
42 committee agrees with.

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45 11. RESOLUTION 256- Addressing Physician Burnout Through Fair Compensation and
46 Reduction of Administrative Burdens

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48 Original resolution 256 reads as follows:

1 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate for fair and
2 sustainable physician reimbursement that reflects rising practice costs and the essential role of
3 physicians in delivering high-quality medical care; and be it further
4

5 RESOLVED, that the Medical Society of the State of New York (MSSNY) urge federal and state
6 policymakers to reduce unnecessary administrative burdens, including excessive medical
7 record documentation requirements and prior authorization demands, that contribute to
8 physician burnout and limit patient access to timely care; and be it further
9

10 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate for reforms
11 to streamline or eliminate redundant insurance-driven documentation mandates within
12 Electronic Health Record (EHR) systems, ensuring that electronic records support clinical care
13 rather than impose clerical burden; and be it further
14

15 RESOLVED, that the Medical Society of the State of New York (MSSNY) support initiatives
16 aimed at reducing practice overhead, including malpractice reform, simplification of regulatory
17 requirements, and improved insurer accountability; and be it further
18

19 RESOLVED, that the Medical Society of the State of New York (MSSNY) reaffirm its
20 commitment to protecting physician well-being and promoting a practice environment that allows
21 physicians to focus on meaningful patient care rather than burdensome administrative tasks.
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23 **RECOMMENDATION A:**

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25 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT THE FIRST RESOLVE OF**
26 **RESOLUTION 256 BE AMENDED AS FOLLOWS:**
27

28 RESOLVED, that Medical Society of the State of New York (MSSNY) ~~support~~ prioritize
29 initiatives aimed at reducing practice overhead, including malpractice reform, simplification of
30 regulatory requirements, and improved insurer accountability; and be it further
31

32 **RECOMMENDATION B:**

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34 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 256 BE ADOPTED**
35 **AS AMENDED**
36

37 The reference committee heard testimony from several physicians that support this resolution.
38 However, we felt that resolution should be amended to be more actionable. The committee
39 discussed and agreed that the word prioritize has stronger and more actionable representation
40 than support.
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43 **RECOMMENDED FOR ADOPTION IN LIEU OF**
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45 **12. RESOLUTION 251 - Ensuring Fair Reimbursement Rates for Physicians in New York**
46

47 Original resolution 251 reads as follows:
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1 RESOLVED, that insurance companies be obliged to publicly post the level of reimbursement
2 for each service in clear language, and that any subsequent changes also be made publicly
3 available; and be it further
4

5 RESOLVED, that parity in reimbursement must be established between physicians for identical
6 services; and be it further
7

8 RESOLVED, that the Medical Society of the State of New York (MSSNY) work to establish a
9 structure for collective bargaining that will define the objective value of a service, to be adopted
10 by all third-party payors; and be it further
11

12 RESOLVED, that Medical Society of the State of New York (MSSNY) advocate for transparency
13 and fairness in physician reimbursement practices across all payer systems.
14

15 **RECOMMENDATION:**
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17 **THE REFERENCE COMMITTEE RECOMMENDS THAT THE FOLLOWING SUBSTITUTE**
18 **RESOLUTION BE ADOPTED IN LIEU OF RESOLUTION 251:**
19

20 RESOLVED, that parity in reimbursement must be established between physicians for identical
21 services; and be it further
22

23 RESOLVED, that Medical Society of the State of New York (MSSNY) work to establish a
24 structure for collective bargaining that will define the objective value of a service, to be adopted
25 by all third-party payors; and be it further
26

27 RESOLVED, that Medical Society of the State of New York (MSSNY) advocate for transparency
28 and fairness in physician reimbursement practices across all payer systems.
29

30 The reference Committee heard testimony from multiple physicians that support this resolution
31 strongly. The committee also reviewed current MSSNY policy 165.962 and 265.820 as it was
32 mentioned they are the same. After review of the resolves the committee felt they were different.
33 The committee also discussed the removal of first resolve as this would not be possible to due
34 the language in the CURES Act. The committee felt the rest of the resolves were appropriate
35 and supported.
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38 13. RESOLUTION 258 - Mismanagement by the AMA Advocacy / AMA Advocacy Center
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40 Original resolution 258 reads as follows:
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42 RESOLVED, that the Medical Society of the State of New York (MSSNY) issues a formal
43 rebuke to the American Medical Association (AMA) Advocacy Center for severe
44 mismanagement of the AMAHealth Insurance Portability and Accountability Act (HIPAA)
45 Administrative Simplification advocacy policy that costs physicians \$10 billion annually and asks
46 for root-cause analysis of the internal AMA process that led to mismanagement of this issue;
47 and be it further
48

1 RESOLVED, that the American Medical Association (AMA) asks Centers for Medicare &
2 Medicaid Services (CMS) to issue a legally-binding rules compliant with the Administrative
3 Procedure Act with a notice and comment period preventing the use of virtual credit cards or
4 imposition of electronic funds transfer (EFT) fees, or any fees on Health Insurance Portability
5 and Accountability Act (HIPAA) standard electronic transactions; and be it further
6

7 RESOLVED, that the Medical Society of the State of New York (MSSNY) forward this resolution
8 promptly to the American Medical Association (AMA) 2026 Annual House of Delegates
9 meeting.

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11 **RECOMMENDATION :**

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13 **THE REFERENCE COMMITTEE RECOMMENDS THAT THE FOLLOWING SUBSTITUTE**
14 **RESOLUTION BE ADOPTED IN LIEU OF RESOLUTION 258:**

15
16 RESOLVED, that the American Medical Association (AMA) asks Centers for Medicare &
17 Medicaid Services (CMS) to issue a legally-binding rules compliant with the Administrative
18 Procedure Act with a notice and comment period preventing the use of virtual credit cards or
19 imposition of electronic funds transfer (EFT) fees, or any fees on Health Insurance Portability
20 and Accountability Act (HIPAA) standard electronic transactions; and be it further
21

22 RESOLVED, that Medical Society of the State of New York (MSSNY) forward this resolution
23 promptly to the 2026 Annual House of Delegates meeting.

24
25 The Reference Committee received extensive testimony from physicians in virtual and live
26 hearings supporting this resolution. While the overall intent was well-received, many physicians
27 suggested that removing the first 'Resolve' would strengthen the measure. Concerns were
28 raised regarding the language used to rebuke the AMA Advocacy Center, particularly as many
29 MSSNY members also serve within that organization. To maintain professional unity while
30 addressing the core issue, the committee recommends adoption of the resolution removing the
31 1st resolve.

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34 **14. RESOLUTION 259 - Increasing Physician Work RVU calculations due to Increasing Use of**
35 **Technology**

36
37 Original resolution 259 reads as follows:

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39 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocate for the
40 American Medical Association (AMA) to conduct a study to include surveying physicians
41 to determine the amount of physician time utilized in accessing electronic clinical data for a
42 patient visit, and update physician work calculation accordingly
43

44 **RECOMMENDATION:**

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46 **THE REFERENCE COMMITTEE RECOMMENDS THAT THE FOLLOWING SUBSTITUTE**
47 **RESOLUTION BE ADOPTED IN LIEU OF RESOLUTION 259:**

48
49 RESOLVED, that Medical Society of the State of New York (MSSNY) work collaboratively with
50 appropriate national specialty societies, through their RUC (Relative Value Scale Update

1 Committee) and CPT (Current Procedural Terminology) advisors, to (1) clarify whether these data-
2 access activities are adequately described by existing CPT/HCPCS (Healthcare Common
3 Procedure Coding System) G-codes(G2211 + G2212), and (2) if gaps are identified, consider
4 supporting those specialty societies in developing and advancing any needed code or valuation
5 changes through the AMA (American Medical Association) RUC and CPT Editorial Panel pathways.
6

7 The Reference Committee appreciates the testimony from many physicians in favor of this
8 resolution. However, following a thorough review, the Committee determined that the proposed
9 study would likely fall short of its intended purpose. We suggest that providing education on
10 RUC operations would be a more productive and targeted approach.
11

12
13 **RECOMMENDATION REFERRAL TO COUNCIL**
14

15 **15. RESOLUTION 257 – Oppose the legal position that virtual credit cards are a legal**
16 **method of payment under HIPAA**
17

18 Original resolution 257 reads as follows:
19

20 RESOLVED, that the Medical Society of the State of New York (MSSNY) will advocate for
21 the American Medical Association (AMA) to take a resolute legal position that virtual credit cards
22 (1) have not been adopted as an electronic payment method from health plans to healthcare
23 providers under Health Insurance Portability and Accountability Act (HIPAA), (2) they are not a
24 legal method for electronic payment method from health plans to healthcare providers under
25 HIPAA.; and be it further
26

27 RESOLVED, that the Medical Society of the State of New York (MSSNY) will advocate for
28 the American Medical Association (AMA) to to take a legal position that physicians are entitled
29 to receive the very first payment from health plans in compliance with the adopted Health
30 Insurance Portability and Accountability Act (HIPAA) electronic transactions regulations and
31 must be allowed to elect no-cost electronic funds transfer (EFT) within 72 hour of submission of
32 the first claim, and as such the health plan must enroll the provider in electronic standard
33 automated clearing house (ACH) no-cost EFT within 72 hours and issue the first payment via a
34 standard transaction.; and be it further
35

36 RESOLVED, that the Medical Society of the State of New York (MSSNY) will advocate for
37 the American Medical Association (AMA) to to take a legal position that a preference to enroll
38 and get paid via a standard automated clearing house electronic funds transfer (ACH EFT) be
39 communicated within the electronic claim transaction, ASC X12 837, and advocate for
40 legislation to mandate such a change.
41

42 **RECOMMENDATION:**
43

44 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 257 BE REFERRED**
45 **TO COUNCIL**
46

47 The committee heard extensive testimony from physicians in the virtual as well as the live
48 testimony that this is complex issue. Due to the verbiage used within the resolves speaking
49 specifically to legal the committee felt it was best to refer to council for input.
50

1
2 **RECOMMEND NOT TO ADOPT**
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4 16. RESOLUTION 255 - Advocacy for a National Centralized Electronic Transaction
5 Clearinghouse
6

7 Original resolution 255 reads as follows:
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9 RESOLVED, that the Medical Society of the State of New York (MSSNY) advocates that the
10 American Medical Association (AMA) adopts a policy supporting a rational implementation of
11 the standard, national Health Plan Identifier (HPID) to facilitate true interoperability at scale, with
12 overriding principle that all transactions must be communicated directly with the health plan
13 which must be a single contact for all health plan communications and transactions; and it
14 should be the health plan's responsibility to build and maintain real-time Application
15 Programming Interface (API) connections to all its business associates and vendors, returning
16 all information through a single two-way connection to the physician practice, and asks the
17 Centers for Medicare & Medicaid Services (CMS) to implement it promptly; and be it further
18

19 RESOLVED, that our American Medical Association (AMA), advocates for the implementation
20 of a National Centralized Electronic Healthcare Transaction Clearinghouse that would allow
21 physician practices, other providers, health plans, clearinghouses, Health Information
22 Technology (IT) vendors, state and federal regulators, digital health products, and consumer
23 apps to maintain only one standard direct connection, through which data for all electronic
24 transactions can flow seamlessly, securely, and at low cost, to any other participant guided by a
25 transaction Identifier (ID) and a standard identifier such as the Health Plan Identifier (HPID)
26 and/or National Provider Identifier (NPI); such real-time Application Programming Interface
27 (API)-based National Electronic Transaction Clearinghouse should be modeled after well-
28 functioning Automated Clearing House (ACH) Network in the Banking industry, specifically (1)
29 the electronic transaction clearinghouse should be created and maintained by the Federal
30 Government, with the option for a single, interconnected, competing member-owned private
31 entity similar to the National Automated Clearing House Association (NACHA)-governed "The
32 Clearing House," and (2) that such API-based transactions have embedded functionality to file
33 complaints to governing bodies about health plan or vendor non-compliance that is seamless
34 and easy to use.
35

36 RESOLVED, the American Medical Association (AMA) reports at the 2027 Annual Meeting on
37 the status of implementation of the National Centralized Electronic Healthcare Transaction
38 Clearinghouse and Health Plan Identifier (HPID).
39

40 **RECOMMENDATION:**
41

42 **YOUR REFERENCE COMMITTEE RECOMMENDS THAT RESOLUTION 255 NOT BE**
43 **ADOPTED**
44

45 The Reference Committee heard testimony from several physicians both in the virtual and live
46 hearings who support the spirit of this resolution and the goal of improving interoperability and
47 simplifying administrative processes. However, there was significant concern raised regarding
48 the risks of centralization. Specifically, physicians cited the February 21, 2024 cyberattack
49 on Change Healthcare, in which an attack by the Russian ransomware group ALPHV BlackCat
50 encrypted and incapacitated significant portions of its functionality, severely disrupting physician
51 practices nationwide. This event highlights how a centralized system may become a single point

1 of failure and a major liability. While the intent of the resolution is commendable, these concerns
2 must be carefully considered. Establishing a national single identification system would be a
3 risky endeavor. As the reference committee noted previously we have already witnessed the
4 catastrophic consequences of the Change Healthcare breach, which severely disrupted the
5 operations of numerous healthcare practices across the entire country. Consequently, the
6 committee strongly advises against adopting this resolution.

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1 Your chairperson is grateful to the committee members, namely: Inderpal Chhabra, MD,
2 Hemant Kalia, MD, Suganya Mahinthan, MD, Meghana Pagadala, MD, Michael Terranova, MD and
3 Heather K. Lopez, staff.
4

5 **Respectfully submitted,**
6

7 *Inderpal Chhabra MD, Chair FACP*
8 **Inderpal Chhabra, MD, Chair, FACP**
9

Hemant Kalia MD, MPH
Hemant Kalia, MD, MPH

10
11 *Suganya Mahinthan MD*
12 Suganya Mahinthan, MD

Meghana Pagadala MD, PhD
Meghana Pagadala, MD, PHD

13
14 *Michael Terranova MD, FAAP*
15 Michael Terranova, MD, FAAP
16

Heather K. Lopez BSc, MSihm
Heather K. Lopez, BSc., MSihm
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