

1
2
3 **Title:** Expand AMA's Position on Health Care Reform Options
4
5 **Introduced by:** Nicklas Bara for the Medical Student Section
6
7 **Original Author:** Eric Bui, Norah Fanning, Rohith Kesaraju, and Grace Tremonti
8
9 **Referred To:** Reference Committee C
10
11 **House Action:** **DISAPPROVED**
12

13
14 Whereas, American Medical Association (AMA) policy states that "health care is a basic
15 human right" and that "the provision of health care services... is an ethical obligation of a civil
16 society, and
17

18 Whereas, AMA Principles of Medical Ethics states that "physicians individually and
19 collectively have an ethical responsibility to ensure that all persons have access to needed care
20 regardless of their economic means," and
21

22 Whereas, AMA policy establishes "a high priority to the problem of the medically uninsured
23 and underinsured and continues to work toward national consensus on providing access to
24 adequate health care coverage for all Americans," and
25

26 Whereas, AMA policy supports streamlining the prior authorization process and reducing
27 the overall volume of prior authorizations for physician practices, and
28

29 Whereas, AMA policy supports comprehensive reforms to reduce administrative
30 inefficiencies, costs, and burdens, and
31

32 Whereas, AMA policy states that "Physicians are the patient advocates in the current health
33 system reform debate. Efforts should continue to seek development of a plan that will effectively
34 provide universal access to an affordable and adequate spectrum of health care services, maintain
35 the quality of such services, and preserve patients' freedom to select physicians," and
36

37 Whereas, evidence suggests that a single-payer health insurance system has the potential
38 to address the above AMA policies via: elimination of uninsurance and underinsurance through
39 universal coverage; improved health insurance affordability and elimination of surprise bills
40 through no out-of-pocket payments; improved financing for physicians in rural areas through the
41 removal of systemic biases; improved health equity through reduced disparities in health insurance
42 coverage and health care access, with the greatest relief to lower-income households; improved
43 prescription drug costs through drug price negotiations; reduced tort claims because medical
44 expenses would no longer be a major concern; reduced prior authorization burden; reduced
45 administrative expenses; expanded patient choice to choose any physician, and
46

47 Whereas, evidence suggests that a single-payer health insurance system has potential
48 added benefits such as saving over 68,000 lives and 1.73 million life-years every year, saving the

49 health system billions annually, having positive effects on the economy, lowering the cost burden
50 for lower-and middle-income households, and even leading to increased physician wages, and
51

52 Whereas, our AMA is limited in its ability to meaningfully contribute to the design and
53 implementation of any potential single-payer proposals due to its blanket opposition to single-
54 payer financing mechanisms, and
55

56 Whereas, other physician groups affiliated with the AMA such as the American College of
57 Physicians, American Medical Women's Association, Hawaii Medical Society, New Hampshire
58 Medical Society, Vermont Medical Society, and Washington State Medical Association, endorse a
59 single-payer financing approach as an option to achieve universal coverage, and
60

61 Whereas, evidence suggests that our AMA's stance against single-payer does not currently
62 represent the majority of physicians, with surveys by Merritt Hawkins (56 percent either strongly
63 support or somewhat support a single-payer system), The Physicians Foundation (67 percent rate a
64 two-tiered system featuring a single-payer option plus private pay insurance as the best or next-
65 best direction for the U.S. health care system), and the Chicago Medical Society (66.8 percent have
66 a "generally favorable" view of a single-payer financing health care system), demonstrating broad
67 support for single-payer health insurance, and
68

69 Whereas, resolutions supporting Medicare for All have been passed in Detroit, MI (March
70 2019), Ann Arbor, MI (May 2020), Pittsfield Township, MI (June 2020), Kalamazoo County, MI (June
71 2020), Ypsilanti, MI (March 2021), And Kalamazoo, MI (July 2022) which combined are home to over
72 1 million Michigan residents, and
73

74 Whereas, MSMS supports access to comprehensive, affordable, high-quality health care, in
75 support of universal health coverage; and
76

77 Whereas, MSMS supports affordable health insurance coverage for all Americans, and
78

79 RESOLVED: That the Michigan Delegation to the American Medical Association (AMA) asks
80 our AMA to adopt a neutral stance on single payer health care reform and evaluate single payer
81 proposals by the extent to which they align with the AMA's policy on healthcare reform.
82

83

84 WAYS AND MEANS COMMITTEE FISCAL NOTE: \$1,000-\$2,000

Relevant MSMS Policy

National Health Care

MSMS supports free-choice methods of medical and health care, providing universal health coverage for all as an evidence-based policy informed by the latest in economic and healthcare policy research that continues to fairly fund all physician practices.

Universal Coverage

MSMS supports comprehensive health system reform described in the MSMS Future of Medicine Report. *(See Addendum P in website version)*

ACA Reform Principles

MSMS supports the AMA's "core principles" for reform of the Affordable Care Act (ACA) as follows: "In considering opportunities to make coverage more affordable and accessible to all Americans, it is essential that gains in the number of Americans with health insurance coverage be maintained. Consistent with this core principle, we believe that before any action is taken through reconciliation or other means that would potentially alter coverage, policymakers should lay out for the American people, in reasonable detail, what will replace current policies. Patients and other stakeholders should be able to clearly compare current policy to new proposals so they can make informed decisions about whether it represents a step forward in the ongoing process of health reform."

Automatic and Affordable Health Insurance Coverage for All

MSMS supports affordable health insurance coverage for Americans.

Relevant AMA Policy

National Healthcare Finance Reform: Single Payer Solution 165.020MSS

(1) AMA-MSS supports the implementation of a national single payer system; and (2) while our AMA-MSS shall prioritize its support of a federal single payer system, our AMA-MSS may continue to advocate for intermediate federal policy solutions including but not limited to a federal Medicare, Medicaid, or other public insurance option that abides by the guidelines for health systems reform in 165.019MSS.

Health, In All Its Dimensions, Is a Basic Right H-65.960

Our AMA acknowledges: (1) that enjoyment of the highest attainable standard of health, in all its dimensions, including health care is a basic human right; and (2) that the provision of health care services as well as optimizing the social determinants of health is an ethical obligation of a civil society.

Universal Health Coverage H-165.904

Our AMA: (1) seeks to ensure that federal health system reform include payment for the urgent and emergent treatment of illnesses and injuries of indigent, non-U.S. citizens in the U.S. or its territories; (2) seeks federal legislation that would require the federal government to provide financial support to any individuals, organizations, and institutions providing legally-mandated health care services to foreign nationals and other persons not covered under health system reform; and (3) continues to assign a high priority to the problem of the medically uninsured and underinsured and continues to work toward national consensus on providing access to adequate health care coverage for all Americans

Educating the American People About Health System Reform H-165.844

Our AMA reaffirms support of pluralism, freedom of enterprise and strong opposition to a single payer system.

Opposition to Nationalized Health Care H-165.985

Our AMA reaffirms the following statement of principles as a positive articulation of the Association's opposition to socialized or nationalized health care:

(1) Free market competition among all modes of health care delivery and financing, with the growth of any one system determined by the number of people who prefer that mode of delivery, and not determined by preferential federal subsidy, regulations or promotion.

- (2) Freedom of patients to select and to change their physician or medical care plan, including those patients whose care is financed through Medicaid or other tax-supported programs, recognizing that in the choice of some plans the patient is accepting limitations in the free choice of medical services.
- (3) Full and clear information to consumers on the provisions and benefits offered by alternative medical care and health benefit plans, so that the choice of a source of medical care delivery is an informed one.
- (4) Freedom of physicians to choose whom they will serve, to establish their fees at a level which they believe fairly reflect the value of their services, to participate or not participate in a particular insurance plan or method of payment, and to accept or decline a third-party allowance as payment in full for a service.
- (5) Inclusion in all methods of medical care payment of mechanisms to foster increased cost awareness by both providers and recipients of service, which could include patient cost sharing in an amount which does not preclude access to needed care, deferral by physicians of a specified portion of fee income, and voluntary professionally directed peer review.
- (6) The use of tax incentives to encourage provision of specified adequate benefits, including catastrophic expense protection, in health benefit plans.
- (7) The expansion of adequate health insurance coverage to the presently uninsured, through formation of insurance risk pools in each state, sliding-scale vouchers to help those with marginal incomes purchase pool coverage, development of state funds for reimbursing providers of uncompensated care, and reform of the Medicaid program to provide uniform adequate benefits to all persons with incomes below the poverty level.
- (8) Development of improved methods of financing long-term care expense through a combination of private and public resources, including encouragement of privately prefunded long-term care financing to the extent that personal income permits, assurance of access to needed services when personal resources are inadequate to finance needed care, and promotion of family caregiving.

Evaluating Health System Reform Proposals H-165.888

1. Our AMA will continue its efforts to ensure that health system reform proposals adhere to the following principles:
 - A. Physicians maintain primary ethical responsibility to advocate for their patients' interests and needs.
 - B. Unfair concentration of market power of payers is detrimental to patients and physicians, if patient freedom of choice or physician ability to select mode of practice is limited or denied. Single-payer systems clearly fall within such a definition and, consequently, should continue to be opposed by the AMA. Reform proposals should balance fairly the market power between payers and physicians or be opposed.
 - C. All health system reform proposals should include a valid estimate of implementation cost, based on all health care expenditures to be included in the reform; and supports the concept that all health system reform proposals should identify specifically what means of funding (including employer-mandated funding, general taxation, payroll or value-added taxation) will be used to pay for the reform proposal and what the impact will be.
 - D. All physicians participating in managed care plans and medical delivery systems must be able without threat of punitive action to comment on and present their positions on the plan's policies and procedures for medical review, quality assurance, grievance procedures, credentialing criteria, and other financial and administrative matters, including physician representation on the governing board and key committees of the plan.
 - E. Any national legislation for health system reform should include sufficient and continuing financial support for inner-city and rural hospitals, community health centers, clinics, special

programs for special populations and other essential public health facilities that serve underserved populations that otherwise lack the financial means to pay for their health care.

F. Health system reform proposals and ultimate legislation should result in adequate resources to enable medical schools and residency programs to produce an adequate supply and appropriate generalist/specialist mix of physicians to deliver patient care in a reformed health care system.

G. All civilian federal government employees, including Congress and the Administration, should be covered by any health care delivery system passed by Congress and signed by the President.

H. True health reform is impossible without true tort reform.

2. Our AMA supports health care reform that meets the needs of all Americans including people with injuries, congenital or acquired disabilities, and chronic conditions, and as such values function and its improvement as key outcomes to be specifically included in national health care reform legislation.

3. Our AMA supports health care reform that meets the needs of all Americans including people with mental illness and substance use / addiction disorders and will advocate for the inclusion of full parity for the treatment of mental illness and substance use / addiction disorders in all national health care reform legislation.

4. Our AMA supports health system reform alternatives that are consistent with AMA principles of pluralism, freedom of choice, freedom of practice, and universal access for patients.

Health System Reform Legislation H-165.838

1. Our American Medical Association is committed to working with Congress, the Administration, and other stakeholders to achieve enactment of health system reforms that include the following seven critical components of AMA policy: a. Health insurance coverage for all Americans; b. Insurance market reforms that expand choice of affordable coverage and eliminate denials for pre-existing conditions or due to arbitrary caps; c. Assurance that health care decisions will remain in the hands of patients and their physicians, not insurance companies or government officials; d. Investments and incentives for quality improvement and prevention and wellness initiatives e. Repeal of the Medicare physician payment formula that triggers steep cuts and threaten seniors' access to care

f. Implementation of medical liability reforms to reduce the cost of defensive medicine g. Streamline and standardize insurance claims processing requirements to eliminate unnecessary costs and administrative burdens

2. Our American Medical Association advocates that elimination of denials due to pre-existing conditions is understood to include rescission of insurance coverage for reasons not related to fraudulent representation.

3. Our American Medical Association House of Delegates supports AMA leadership in their unwavering and bold efforts to promote AMA policies for health system reform in the United States.

4. Our American Medical Association supports health system reform alternatives that are consistent with AMA policies concerning pluralism, freedom of choice, freedom of practice, and universal access for patients.

5. AMA policy is that insurance coverage options offered in a health insurance exchange be self-supporting, have uniform solvency requirements; not receive special advantages from government subsidies; include payment rates established through meaningful negotiations and contracts; not require provider participation; and not restrict enrollees' access to out-of-network physicians.

6. Our AMA will actively and publicly support the inclusion in health system reform legislation the right of patients and physicians to privately contract, without penalty to patient or physician.

7. Our AMA will actively and publicly oppose the Independent Medicare Commission (or other similar construct), which would take Medicare payment policy out of the hands of Congress and place it under the control of a group of unelected individuals.
8. Our AMA will actively and publicly oppose, in accordance with AMA policy, inclusion of the following provisions in health system reform legislation:
 - a. Reduced payments to physicians for failing to report quality data when there is evidence that widespread operational problems still have not been corrected by the Centers for Medicare and Medicaid Services
 - b. Medicare payment rate cuts mandated by a commission that would create a double-jeopardy situation for physicians who are already subject to an expenditure target and potential payment reductions under the Medicare physician payment system
 - c. Medicare payments cuts for higher utilization with no operational mechanism to assure that the Centers for Medicare and Medicaid Services can report accurate information that is properly attributed and risk-adjusted
 - d. Redistributed Medicare payments among providers based on outcomes, quality, and risk-adjustment measurements that are not scientifically valid, verifiable and accurate
 - e. Medicare payment cuts for all physician services to partially offset bonuses from one specialty to another
 - f. Arbitrary restrictions on physicians who refer Medicare patients to high quality facilities in which they have an ownership interest
9. Our AMA will continue to actively engage grassroots physicians and physicians in training in collaboration with the state medical and national specialty societies to contact their Members of Congress, and that the grassroots message communicate our AMA's position based on AMA policy.
10. Our AMA will use the most effective media event or campaign to outline what physicians and patients need from health system reform.
11. AMA policy is that national health system reform must include replacing the sustainable growth rate (SGR) with a Medicare physician payment system that automatically keeps pace with the cost of running a practice and is backed by a fair, stable funding formula, and that the AMA initiate a "call to action" with the Federation to advance this goal.
12. AMA policy is that creation of a new single payer, government-run health care system is not in the best interest of the country and must not be part of national health system reform.
13. AMA policy is that effective medical liability reform that will significantly lower health care costs by reducing defensive medicine and eliminating unnecessary litigation from the system should be part of any national health system reform.

Sources:

1. Woolhandler S, Himmelstein DU. Single-payer reform-"medicare for all". *JAMA*. 2019;321(24):2399-2400. doi:10.1001/jama.2019.7031
2. Levitt L. Single-Payer Health Care: Opportunities and Vulnerabilities. *JAMA*. 2018;319(16):1646-1647. doi:10.1001/jama.2018.3997
3. Fuchs VR. Is single payer the answer for the US health care system? *JAMA*. 2018;319(1):15. doi:10.1001/jama.2017.18739
4. Blumberg LJ, Holahan J. The pros and cons of single-payer health plans. *Urban.org*. Accessed April 9, 2023. https://www.urban.org/sites/default/files/publication/99918/pros_and_cons_of_a_single-payer_plan.pdf
5. Rural Hospitals Would Be Better Off Under Medicare for All. *Public Citizen*. Published January 9, 2020. Accessed April 9, 2023. <https://www.citizen.org/news/rural-hospitals-would-be-better-off-under-medicare-for-all/>
6. Hirschfield JM. Single-payer reform and rural health in the United States: Lessons from our northern neighbor. *Inquiries Journal*. 2021;13(03). Accessed April 9, 2023. <http://www.inquiriesjournal.com/articles/1889/single-payer-reform-and-rural-health-in-the-united-states-lessons-from-our-northern-neighbor>
7. Markowitz W, McLeod-Sordjan R. Values-based foundation for a U.S. single payer health system model. *Front Sociol*. 2021;6:627560. doi:10.3389/fsoc.2021.627560

8. Galvani AP, Parpia AS, Foster EM, Singer BH, Fitzpatrick MC. Improving the prognosis of health care in the USA. *Lancet*. 2020;395(10223):524-533. doi:10.1016/S0140-6736(19)33019-3
9. Caruso DF, Himmelstein DU, Woolhandler S. A step toward reducing structural racism in health care. *Harv Public Health Rev (Camb)*. 2015;7:1-4. <https://www.jstor.org/stable/48503129>
10. Key Design Components and Considerations for Establishing a Single-Payer Health Care System. Cbo.gov. Accessed April 9, 2023. <https://www.cbo.gov/system/files/2019-05/55150-singlepayer.pdf>
11. Pimentel D. Our tort system our tort system. Uidaho.edu. Accessed April 9, 2023. https://digitalcommons.law.uidaho.edu/cgi/viewcontent.cgi?article=1561&context=faculty_scholarship
12. Cutler D. Taming the Paper Tiger. *Health Affairs Forefront*. Published online October 2, 2020. <https://www.healthaffairs.org/doi/10.1377/forefront.20200929.284683>
13. Scheinker D, Richman BD, Milstein A, Schulman KA. Reducing administrative costs in US health care: Assessing single payer and its alternatives. *Health Serv Res*. 2021;56(4):615-625. doi:10.1111/1475-6773.13649
14. Cai C, Runte J, Ostrer I, et al. Projected costs of single-payer healthcare financing in the United States: A systematic review of economic analyses. *PLoS medicine*. 2020;17(1):e1003013.
15. Gaffney A, Himmelstein D, Woolhandler S. Congressional budget office scores medicare-for-all: Universal coverage for less spending. *Health Affairs Forefront*. Published online February 16, 2021. <https://www.healthaffairs.org/doi/10.1377/forefront.20210210.190243/>
16. Economic Effects of Five Illustrative Single-Payer Health Care Systems: Working Paper 2022-02. Cbo.gov. Accessed April 9, 2023. <https://www.cbo.gov/publication/57637>
17. Zezza M, Sandman D. Single payer or not: Matching problems with solutions. *Health Affairs Forefront*. Published online May 19, 2020. <https://www.healthaffairs.org/doi/10.1377/forefront.20200512.121763/full/>
18. Cai C. How would medicare for all affect physician revenue? *J Gen Intern Med*. 2022;37(3):671-672. doi:10.1007/s11606-021-06979-z
19. Liu JL, Brook RH. What is single-payer health care? A review of definitions and proposals in the U.s. *J Gen Intern Med*. 2017;32(7):822-831. doi:10.1007/s11606-017-4063-5
20. Crowley R, Daniel H, Cooney TG, Engel LS, Health and Public Policy Committee of the American College of Physicians. Envisioning a better U.s. health care system for all: Coverage and cost of care. *Ann Intern Med*. 2020;172(2 Suppl):S7-S32. doi:10.7326/M19-2415
21. American Medical Women's Association. POSITION STATEMENT ON HEALTH CARE REFORM. Unc.edu. Accessed April 9, 2023. http://fbaum.unc.edu/lobby/010_Insuring_the_Uninsured/Organizational_Statements/AMWA/AMWA_Position_State ment.htm
22. Hawaii Medical Association House Of Delegates. Resolution: Single-Payer Health Care Financing for Hawaii. 2008. https://msr.pnhp.org/wordpress/wp-content/uploads/2021/07/Resolution_HawaiiMedicalAssociation.pdf
23. New Hampshire Medical Society. Resolution in Support of a Simplified Public Payer System. 2022. <https://pnhp.org/chapter/new-hampshire/>
24. Vermont Medical Society. Resolution in support of a single-payer, national health program. 2020. https://vtmd.org/client_media/files/1_Single_Payer_National_Health_Program_002.pdf
25. Washington State Medical Association. Universal Access to Health Care. 2021. https://medicalsocietyresolutions.org/wordpress/wp-content/uploads/2022/04/WSMAResolutions_2021.pdf
26. Finnegan J. In major reversal, survey finds 56% of physicians now support single-payer healthcare system. *Fierce Healthcare*. Published August 14, 2017. Accessed March 6, 2023. <https://www.fiercehealthcare.com/practices/major-reversal-survey-finds-56-physicians-support-single-payer-system>
27. America's Physicians COVID-19 impact edition A survey examining how the Coronavirus pandemic is affecting and is perceived by the nation's physicians Part Three Of Three: COVID-19 and the Future of the Health Care System. Physiciansfoundation.org. Accessed April 9, 2023. <https://physiciansfoundation.org/wp-content/uploads/2020/10/2020-Physicians-Foundation-Survey-Part3.pdf>
28. Survey: Physician Attitudes Shift To Single Payer. Cmsdocs.org. Accessed March 6, 2023. <http://www.cmsdocs.org/news/survey-physician-attitudes-shift-to-single-payer>