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AMERICAN MEDICAL ASSOCIATION HOUSE OF DELEGATES (A-08)

Report of Reference Committee A

Linda B. Ford, MD, Chair

1 In keeping with Resolution 601 (A-96), the Reference Committee recommends the
2 following consent calendar for acceptance:

3
4 **RECOMMENDED FOR ADOPTION**

- 5
6 1. Board of Trustees Report 14 - The RUC: Recent Activities to Improve the
7 Valuation of Primary Care Services (Res 124, A-07)
8
9 2. Resolution 121 – Gain-Sharing
10
11 3. Resolution 112 – AMA Support for Free Clinics for the Uninsured
12

13 **RECOMMENDED FOR ADOPTION AS AMENDED OR SUBSTITUTED**

- 14
15 4. Council on Medical Service Report 5 – Tax Implications of Eliminating the
16 Employee Income Tax Exclusion for Employer-Sponsored Insurance
17
18 5. Council on Medical Service Report 8 – Standardizing AMA Policy on the Tax
19 Treatment of Health Insurance
20 In lieu of
21 Resolution 106 – Health Care Premiums and Medical Care Spending
22
23 6. Resolution 107 – Study of Universal Health Care Systems
24
25 7. Resolution 101 – The AMA's Health Based Plan to Reform Health Care
26
27 8. Resolution 111 – Components of Health Insurance
28
29 9. Resolution 122 – Removing Financial Barriers to Care for Transgender Patients
30 In lieu of
31 Resolution 114 – Removing Barriers to Care for Transgender Patients
32 Resolution 115 – Removing Insurance Barriers to Care for Transgender Patients
33
34 10. Resolution 103 - AMA Progress on Removing Patient Translation Costs from
35 Physician Responsibility
36

1 **RECOMMENDED FOR REFERRAL**

2
3 11. Resolution 110 – MedPAC’s Recommendations Concerning Bundling Payments

4
5 12. Resolution 105 – Male Mammography

6
7
8 **RECOMMENDED FOR REFERRAL FOR DECISION**

9
10 13. Resolution 104 – Fair Treatment of Physicians When Pre-Existing Conditions are
11 Discovered

12
13 **RECOMMENDED FOR NOT ADOPTION**

14
15 14. Resolution 123 – Health Savings Account Penalty Increase for Non-Health Care

16
17 15. Resolution 119 – Hearing Aids

18
19 **RECOMMENDED FOR REAFFIRMATION IN LIEU OF**

20
21 16. Resolution 113 – Reexamining Market Based Health Care Reform

22
23 17. Resolution 124 – Improved Medicaid Payment to Physicians

1 (1) BOARD OF TRUSTEES REPORT 14 - THE RUC:
2 RECENT ACTIVITIES TO IMPROVE THE VALUATION
3 OF PRIMARY CARE SERVICES (RES 124, A-07)
4

5 RECOMMENDATION:
6

7 Mr. Speaker, your Reference Committee recommends that
8 the Recommendations in Board of Trustees Report 14 be
9 adopted and the remainder of the report be filed.

10
11 **HOD ACTION: Board of Trustees Report 14 adopted and**
12 **the remainder of the report filed.**
13

14 Board of Trustees Report 14 recommends that our AMA continue to advocate for the
15 adoption of AMA/Specialty Society RVS Update Committee (RUC) recommendations,
16 and separate payment for physician services that do not necessarily require face-to-face
17 interaction with a patient. The report also recommends reaffirmation of several policies
18 that address the RVS update process (H-400.956, H-400.959, H-400.962, H-400.969,
19 and H-400.972).
20

21 Your Reference Committee heard extensive testimony on Board of Trustees Report 14.
22 Most of the comments heard by your Reference Committee were complimentary of the
23 efforts of the American Medical Association/Specialty Society RVS Update Committee
24 (RUC), and particularly favorable regarding the recent increases to Evaluation and
25 Management (E/M) services. The majority of issues raised in testimony pertained to
26 issues that were beyond the scope and influence of the RUC, such as congressional
27 budget neutrality requirements, the flawed SGR formula, and the reluctance of CMS to
28 adopt RUC recommendations as presented.
29

30 Your Reference Committee acknowledges that the original Resolution 124 (A-07) asked
31 for an increase in primary care representation on the RUC to at least equal the
32 proportion of primary care physicians in the physician workforce. Those who spoke
33 against the adoption of BOT Report 14 expressed concern about E/M reimbursement.
34 They also indicated that the report did not go far enough to ensure that the
35 representation of primary care was increased. However, several speakers testified that
36 the RUC has the expertise that is required to review the valuation of all physician
37 services and that RUC representatives exercise their independent judgment in a manner
38 that is beneficial to the whole house of medicine, rather than those of specialty interests.
39 A member of the Board of Trustees also provided the Reference Committee with letters
40 of support regarding work the RUC has recently done to help value services related to
41 the Medicare Medical Home demonstration project.
42

43 As noted, your Reference Committee heard testimony that identified a continued
44 frustration with physician payment. Testimony indicated that budget neutrality has
45 limited any efforts to improve physician payment, and that the current payment system
46 has resulted in competition for a diminished Medicare Part B resources. Your Reference
47 Committee heard strong support for the AMA to continue to send a unified message to
48 Congress that correcting the SGR is a priority. Your Reference Committee was pleased
49 to hear testimony that the Council on Medical Service will be developing a report that will

1 explore alternative Medicare physician payment methodologies, and hopes that the
2 report will address some of the larger concerns raised in discussion of this item.

3
4 Your Reference Committee agrees with the testimony that the continued work of the
5 AMA to correct the SGR and build consensus among all physicians to improve the
6 payment system will be the best use of AMA resources. In light of all of the testimony,
7 your Reference Committee recommends the adoption of BOT Report 14, and looks
8 forward to our AMA's continued efforts regarding physician payment issues.

9
10 (2) RESOLUTION 121 - GAIN-SHARING

11
12 RECOMMENDATION:

13
14 Mr. Speaker, your Reference Committee recommends that
15 Resolution 121 be adopted.

16
17 **HOD ACTION: Resolution 121 be adopted.**

18
19 Resolution 121 asks that our AMA conduct a study and prepare a report on gain-sharing
20 arrangements between physicians and hospitals.

21
22 Consistent with the notation on Resolution 121, testimony indicated that the Council on
23 Medical Service will be developing a report that will address the structure and use of
24 gain-sharing arrangements. Your Reference Committee recommends that this
25 resolution, which asks for a study of gain-sharing arrangements, be adopted, as this
26 study is already underway as part of the Council on Medical Service's work.

27
28 (3) RESOLUTION 112 - AMA SUPPORT OF FREE CLINICS
29 FOR THE UNINSURED

30
31 RECOMMENDATION:

32
33 Mr. Speaker, your Reference Committee recommends that
34 Resolution 112 be adopted.

35
36 **HOD ACTION: Resolution 112 adopted.**

37
38 Resolution 112 asks that our AMA study free clinics with the goal of facilitating improved
39 access to care for the uninsured, consistent with the message of our AMA "Voice for the
40 Uninsured" campaign.

41
42 The preponderance of testimony on Resolution 112 supported the merit of studying the
43 role of free clinics in improving access to care. Your Reference Committee heard
44 several suggestions regarding such a report, including an investigation of funding for
45 free clinics, and also an exploration of whether free clinics help patients obtain access to
46 insurance coverage. Your Reference Committee also agrees with testimony that the
47 study should consider how free clinics may accommodate patients who need more
48 advanced specialty care. Your Reference Committee also notes that the AMA
49 Foundation provides funding for free clinics, and we commend its efforts. Your
50 Committee recommends adoption of Resolution 112

1 (4) COUNCIL ON MEDICAL SERVICE REPORT 5 - TAX
2 IMPLICATIONS OF ELIMINATING THE EMPLOYEE
3 INCOME TAX EXCLUSION FOR EMPLOYER-
4 SPONSORED INSURANCE
5

6 RECOMMENDATION A:
7

8 Mr. Speaker, your Reference Committee recommends that
9 Recommendation 1 in Council on Medical Service Report 5
10 be amended by insertion on page 13, lines 10 – 11 to read
11 as follows:
12

- 13 1. That our American Medical Association (AMA) amend Policy H-165.920[11]
14 by insertion to read as follows: “(11) supports a replacement of the present
15 federal income tax exclusion from employees’ taxable income of employer-
16 provided health expense coverage with tax credits for individuals and
17 families, while allowing all health insurance expenditures to be exempt from
18 federal and state payroll taxes, including FICA (Social Security and Medicare)
19 payroll tax, FUTA (federal unemployment tax act) payroll tax, and SUTA
20 (state unemployment tax act) payroll tax;” (Modify Current HOD Policy)
21

22 RECOMMENDATION B:
23

24 Mr. Speaker, your Reference Committee recommends that
25 the recommendations in Council on Medical Service
26 Report 5 be adopted as amended and the remainder of the
27 report be filed.
28

29 **HOD ACTION: Council on Medical Service Report 5**
30 **adopted as amended and the remainder of the report filed.**
31

32 Council on Medical Service Report 5 recommends that our AMA modify policy to
33 explicitly state that, upon elimination of the income tax exclusion for employer-sponsored
34 health insurance, health insurance expenditures should continue to be exempt from
35 federal payroll tax; advocate that states that eliminate the exclusion of employer-
36 sponsored health insurance from state income tax should be required to use resulting
37 tax revenues for tax credits, vouchers or other coverage subsidies; and support
38 legislation modifying provisions in the US tax code that discriminate against the self-
39 employed by requiring them to pay federal payroll tax on health insurance premiums.
40

41 Your Reference Committee heard extensive, generally supportive testimony on this
42 report. The delegation that requested development of this report at the 2007 Interim
43 Meeting applauded the report and submitted several amendments to expand the scope
44 of the report’s recommendations by adding all state and local taxes, and federal and
45 state unemployment payroll taxes to Recommendation 1 of the report, and by deleting
46 Recommendation 2 of the report. Other testimony went beyond the scope of the report
47 to a general critique of replacing health insurance tax exclusions with tax credits, and
48 potential confusion from the language “health expense coverage” rather than “health
49 insurance.”

1 Your Reference Committee concurs with testimony that the reasoning regarding federal
2 FICA payroll tax, provided on page 12 of the report, applies to payroll taxes in general.
3 Accordingly, the Committee suggests amendment of Recommendation 1 of the report to
4 include state and federal unemployment payroll taxes. However, the Committee does
5 not believe that AMA policy should seek different tax treatment of employer-sponsored
6 health benefits at the federal and state or local levels. The Committee also agrees with
7 the report's conclusion that any additional tax revenues collected by states as a result of
8 eliminating the income tax exclusion should be directed toward tax credits, vouchers or
9 other coverage subsidies and, accordingly does not recommend deletion of
10 Recommendation 2 of the report. Finally, the Committee notes that the issue of
11 inconsistent language regarding "health expense coverage" and "health insurance" is
12 addressed in Council on Medical Service Report 8, also considered by this Reference
13 Committee.

14
15 (5) COUNCIL ON MEDICAL SERVICE REPORT 8 -
16 STANDARDIZING AMA POLICY ON THE TAX
17 TREATMENT OF HEALTH INSURANCE
18 RESOLUTION 106 – HEALTH CARE PREMIUMS AND
19 MEDICAL SPENDING

20
21 RECOMMENDATION A:

22
23 Mr. Speaker, your Reference Committee recommends that
24 the recommendations in Council on Medical Service
25 Report 8 be amended by insertion of new
26 recommendations 15 and 16 to read as follows:

27
28 ~~15. That our AMA study full tax deductibility of insurance premiums and out of~~
29 ~~pocket medical care spending, and allowing individual choice between~~
30 ~~taking a tax deduction on health insurance premiums or receiving a tax~~
31 ~~credit toward health insurance premiums (Directive to Take Action).~~

32
33 15. That our AMA study the tax treatment of health savings account
34 contributions, earnings and withdrawals, both currently and upon enactment
35 of legislation to replace the existing employee income tax exclusion for
36 employer-sponsored health insurance with tax credits for individuals and
37 families, as referenced in AMA Policy H-165.852[2] (Directive to Take
38 Action).

39
40 16. That our AMA study and report back at I-08 the effect of changing
41 the tax system from the deductibility of healthcare "expenses" to the
42 deductibility of "insurance premiums" on self-insured employers.

1 RECOMMENDATION B:
2

3 Mr. Speaker, your Reference Committee recommends that
4 the recommendations in Council on Medical Service
5 Report 8 be adopted as amended in lieu of Resolution 106
6 and the remainder of the report be filed.
7

8 **HOD ACTION: Council on Medical Service Report 8**
9 **adopted as amended in lieu of Resolution 106 and the**
10 **remainder of the report filed.**
11

12 Council on Medical Service Report 8 identifies AMA policies that are inconsistent with
13 the preponderance of related AMA policy, or otherwise outdated or inaccurate. The
14 report makes fourteen recommendations to rescind or modify policies in order to
15 rationalize and update AMA policy.
16

17 Resolution 106 asks that our AMA promote and support legislation that will make health
18 insurance premiums and medical care spending fully tax deductible, and provide
19 refundable tax credits to lower income individuals and families to enable their purchase
20 of basic health insurance coverage.
21

22 Your Reference Committee heard extensive, mixed testimony on this report and on
23 Resolution 106, which raises one of several issues touched on in the report.
24 Introductory comments on Council on Medical Service Report 8 noted that the purposes
25 of the report were to clarify existing AMA policy, remove inconsistent policy, and correct
26 two factual errors. The Council stated that the report was not intended to create new
27 policy, however, it was clear that many speakers took the opportunity to raise concerns
28 about existing policy. Your Reference Committee appreciated testimony that suggested
29 that the report be adopted as a mechanism to “clean the slate” of AMA policy as
30 intended, with the understanding that further comments or concerns could be addressed
31 at subsequent meetings.
32

33 Based on this testimony, your Reference Committee recommends adoption of the
34 recommendations of Council on Medical Service Report 8 as presented. However, your
35 Committee also heard extensive testimony in the context of this item, and in discussion
36 of Resolution 106, that indicated strong support for reconsidering the use of tax
37 deductions in addition to tax credits, including allowing individuals to choose between
38 the two. The author of Resolution 106 requested referral of this item so that it could be
39 studied further. In addition, we heard strong testimony in support of reconsidering AMA
40 Policy H-165.852(2) that supports the elimination of tax deductibility for HSA
41 contributions upon enactment of legislation replacing the tax exclusion with tax credits.
42 Your Reference Committee recognizes that these two issues are of concern to the
43 House, and, accordingly, recommends adoption of the recommendations in CMS Report
44 8 as amended.
45

46 The Committee also notes that the Not Official Business Bag includes a package of
47 advocacy materials, “Expanding health insurance coverage and choice: The AMA
48 proposal for reform,” that includes detailed information about the current AMA reform
49 proposal. We encourage the House to review these excellent documents.

1 (6) RESOLUTION 107 - STUDY OF UNIVERSAL HEALTH
2 CARE SYSTEMS

3
4 RECOMMENDATION A:

5
6 Mr. Speaker, your Reference Committee recommends that
7 the first resolve of Resolution 107 be amended by deletion
8 as follows:

9
10 ~~RESOLVED, That our American Medical Association~~
11 ~~support policy that health care must continue as a priority~~
12 ~~item of funding at the national, state, and local levels (New~~
13 ~~HOD Policy); and be it further~~

14
15
16 RECOMMENDATION B:

17
18 Mr. Speaker, your Reference Committee recommends that
19 the second resolve of Resolution 107 be amended by
20 deletion as follows:

21
22 ~~RESOLVED, That our AMA recognize the need for~~
23 ~~expanding health care coverage to all citizens of the~~
24 ~~United States and engage in more detailed study of~~
25 ~~aspects of national systems including, but not limited to,~~
26 ~~funding sources, payment models, administrative overhead~~
27 ~~and physician education in Canada, the United Kingdom,~~
28 ~~Germany, and other appropriate industrialized nations as is~~
29 ~~necessary (Directive to Take Action); and be it further~~

30
31 RECOMMENDATION C:

32
33 Mr. Speaker, your Reference Committee recommends that
34 the third resolve of Resolution 107 be amended by
35 insertion and deletion on lines 30 – 31 to read as follows:

36
37 RESOLVED, That our AMA recognize that as our health
38 care delivery system evolves, direct, and meaningful ~~and~~
39 ~~obligatory~~ physician input is essential and must be present
40 at every level of debate (New HOD Policy); ~~and be it~~
41 ~~further~~

1 RECOMMENDATION D:
2

3 Mr. Speaker, your Reference Committee recommends that
4 the fourth resolve of Resolution 107 be amended by
5 deletion as follows:
6

7 ~~RESOLVED, That our AMA affirm that the private practice~~
8 ~~of medicine must be permitted as the US health care~~
9 ~~delivery system evolves. (New HOD Policy)~~

10
11 RECOMMENDATION E:
12

13 Mr. Speaker, your Reference Committee recommends that
14 Resolution 107 be adopted as amended.
15

16 **HOD ACTION: Resolution 107 adopted as amended.**
17

18 Resolution 107 asks that our AMA support policy that health care must continue as a
19 priority item of funding at the national, state, and local levels; recognize the need for
20 expanding health care coverage to all citizens of the United States and engage in more
21 detailed study of aspects of national systems including, but not limited to, funding
22 sources, payment models, administrative overhead and physician education; recognize
23 that as our health care delivery system evolves, direct, meaningful and obligatory
24 physician input is essential and must be present at every level of debate; and affirm
25 that the private practice of medicine must be permitted as the US health care delivery
26 system evolves. There was limited testimony on Resolution 107. A speaker noted that
27 the American College of Physicians published a comprehensive analysis of international
28 health care systems in December 2007, which included several observations about
29 areas in which the US could learn from other countries. In addition, the AMA Council on
30 Medical Service presented an informational report at the 2006 Annual Meeting that
31 included a comparison of health systems in the United States, Canada, Britain, Germany
32 and Switzerland. That report concluded that each of the countries struggles in various
33 ways with balancing costs, coverage, and equity, and that maintaining a pluralistic health
34 care system that emphasizes patient choice is the best way to ensure adequate access
35 to health care. These conclusions appear consistent with Resolution 107's emphasis on
36 preserving the rights of physicians to continue the private practice of medicine.
37

38 Your Reference Committee believes that the second resolve of Resolution 107 has
39 already been accomplished through the Council on Medical Service's A-06 report
40 (available at <http://www.ama-assn.org/ama1/pub/upload/mm/372/a-06cmsreport5.pdf>),
41 and through the excellent work of the American College of Physicians
42 (<http://www.annals.org/cgi/content/full/0000605-200801010-00196v1>).
43 Additionally, existing AMA policy (e.g., H-165.847) already establishes health system
44 reform that achieves high quality care and improves the physician practice environment
45 as a high priority issue. However, your Reference Committee agrees that it is extremely
46 important that the AMA have a clear policy statement regarding the role of physicians in
47 the discussion and development of reforms in the health care delivery system.
48 Accordingly, your Reference Committee recommends adoption of Resolution 107 as
49 amended.

1 (7) RESOLUTION 101 - THE AMA'S HEALTH BASED PLAN
2 TO REFORM HEALTH CARE

3
4 RECOMMENDATION:

5
6 Mr. Speaker, your Reference Committee recommends that
7 the following Substitute Resolution 101 be adopted:

8
9 COORDINATION OF PREVENTIVE CARE SERVICES

10
11 RESOLVED, That our AMA reaffirm Policy H-425.997,
12 which supports assuring the continuity, coordination and
13 availability of cost effective preventive care services
14 (Reaffirm HOD Policy); and be it further

15
16 RESOLVED, That our AMA believes that preventive care
17 should ideally be coordinated by a patient's physician
18 (New HOD Policy); and be it further

19
20 RESOLVED, That our AMA reaffirm Policy H-405.982,
21 which supports the development of computer technologies
22 that will help improve patient care and create a more
23 efficient work environment for physicians (Reaffirm HOD
24 Policy).

25
26 **HOD ACTION: Substitute Resolution 101 adopted.**

27
28
29 Resolution 101 asks that our AMA advocate for universal coverage of high value
30 preventive care that is coordinated and integrated within a medical home. Resolution
31 101 also asks the AMA to advocate for a digital infrastructure to support coordination
32 and the administration of universal preventive care, and that the infrastructure be used to
33 organize the many competing systems of treatment to achieve health process
34 simplifications, such as uniform and simplified billing and credentialing.

35
36 Your Reference Committee heard mixed testimony on Resolution 101. Some speakers
37 questioned what criteria would be used to define "preventive care" services provided
38 under a universal coverage system, and whether preventive care initiatives would be
39 financed in a "budget neutral" way, which could disadvantage other types of services. In
40 addition, speakers expressed concern that the concept of "medical home" has not
41 adequately been defined, and that it may be premature to advocate that care be
42 coordinated within a medical home.

43
44 The substitute language proposed by your Reference Committee attempts to address
45 these concerns, while still supporting the intent of Resolution 101. Our AMA has strong
46 policy supporting preventive care services, and your Reference Committee recommends
47 reaffirmation of Policy H-425.997 as follows:

48
49 H-425.997 Preventive Services

1 (1) Our AMA encourages the development of policies and mechanisms to assure
2 the continuity, coordination and continuous availability of patient care, including
3 professional preventive care and early-detection screening services, provided the
4 services are cost effective; and (2) It is the policy of the AMA that any preventive
5 service that is being considered for inclusion in public or private sector insurance
6 products have evidence-based data to demonstrate improved outcomes or
7 quality of life and the cost effectiveness of the service. (BOT Rep. A, NCCMC
8 Rec. 31, A-78; Reaffirmed: CLRPD Rep. C, A-89; Reaffirmed: Sunset Report and
9 Reaffirmed and Appended: CMS Rep. 7, A-00; Reaffirmed in lieu of Res. 104, A-
10 06; Reaffirmation A-07)

11
12 Your Committee agrees with testimony that the medical home concept continues to
13 develop, and recommends that our AMA adopt policy stating that preventive care should
14 be coordinated by a patient's physician. This substitute language emphasizes the
15 physician's role in coordinating preventive care for his or her patient, without specifying
16 the organizational or administrative structure under which that care takes place.

17
18 Your Reference Committee notes that the final resolve of Resolution 101 is also
19 addressed by current policy, and believes that reaffirmation of the following policy is
20 appropriate in lieu of the language presented in Resolution 101:

21
22 H-405.982 Medical Informatics - Policy Initiatives for the AMA

23 It is the policy of the AMA to (1) develop appropriate strategies to foster the
24 identification and continuing development of activities designed to make the
25 computer a useful tool for creating a more efficient work environment for the
26 physician, while at the same time improving patient care; and (2) participate as
27 appropriate in major, national initiatives associated with medical applications of
28 computers, particularly in the areas of quality assurance, physician education,
29 computer stored medical records, biomedical terminology, component and
30 systems standardization, patient care, and office management. (Joint
31 CSA/CLRPD Rep., A-90; Reaffirmed: BOT Rep. R, A-93; Reaffirmed: CSA Rep.
32 8, A-03)

33
34 (8) RESOLUTION 111 - COMPONENTS OF HEALTH
35 INSURANCE

36
37 RECOMMENDATION A:

38
39 Mr. Speaker, your Reference Committee recommends that
40 Resolution 111 be amended by insertion and deletion on
41 lines 11 – 12 to read as follows:

42
43 RESOLVED, That our American Medical Association study
44 and clearly spell out to what extent a prepaid health
45 service component and a risk-based component contribute
46 to the costs of health insurance, and report back to the
47 House of Delegates (Directive to Take Action), ~~and be it~~
48 ~~further~~

1 RECOMMENDATION B:

2
3 Mr. Speaker, your Reference Committee recommends that
4 the second resolve of Resolution 111 be amended by
5 deletion as follows:

6
7 ~~RESOLVED, That our AMA, in all discussion of health~~
8 ~~insurance, comment separately on a prepaid health-~~
9 ~~service component and a risk-based component. (Directive~~
10 ~~to Take Action)~~

11
12 RECOMMENDATION C:

13
14 Mr. Speaker, your Reference Committee recommends that
15 Resolution 111 be adopted as amended.

16
17 **HOD ACTION: Resolution 111 adopted as amended.**

18
19 Resolution 111 asks that our AMA study and explain to what extent a prepaid health
20 service component and a risk-based component contribute to the costs of health
21 insurance, and that all AMA discussions of health insurance comment separately on a
22 prepaid health-service component and a risk-based component.

23
24 Your Reference Committee heard generally supportive testimony on this resolution.
25 There seemed to be agreement that a clarification of the various elements or uses of
26 health insurance would be useful. Your Reference Committee agrees with testimony
27 indicating that the second resolve may be onerous and unnecessary. Accordingly, your
28 Committee recommends adoption of Resolution 111 as amended.

- 29
30
31 (9) RESOLUTION 122 – REMOVING FINANCIAL BARRIERS
32 TO CARE FOR TRANSGENDER PATIENTS
33 RESOLUTION 114 - REMOVING BARRIERS TO CARE
34 FOR TRANSGENDER PATIENTS
35 RESOLUTION 115 – REMOVING INSURANCE
36 BARRIERS TO CARE FOR TRANSGENDER PATIENTS

37
38 RECOMMENDATION A:

39
40 Mr. Speaker, your Reference Committee recommends that
41 the first resolve of Resolution 122 be amended by insertion
42 and deletion on line 9 to read as follows:

43
44 RESOLVED, That our American Medical Association
45 support public and private health insurance coverage for
46 treatment of gender identity disorder as recommended by
47 the patient's physician. (New HOD Policy); and be it further

1 RECOMMENDATION B:
2

3 Mr. Speaker, your Reference Committee recommends that
4 the second resolve of Resolution 122 on lines 11 -12 be
5 amended by deletion as follows:
6

7 ~~RESOLVED, That our AMA oppose categorical exclusions~~
8 ~~of coverage for treatment of gender identity disorder when~~
9 ~~prescribed by a physician. (Directive to Take Action)~~

10
11 RECOMMENDATION C:
12

13 Mr. Speaker, your Reference Committee recommends that
14 Resolution 122 be adopted by as amended in lieu of
15 Resolution 114 and Resolution 115.
16

17 **HOD ACTION: Resolution 122 adopted as amended in lieu**
18 **of Resolution 114 and Resolution 115.**
19

20 Resolution 114, 115, and 122 ask the AMA to support public and private health
21 insurance coverage for treatment of gender identity disorder (GID), and oppose
22 categorical exclusions of coverage for treatment of GID when prescribed by a physician.
23

24 Your Reference Committee heard supportive testimony on the general intent of
25 Resolutions 114, 115 and 122. Testimony pointed out that the resolutions are consistent
26 with AMA ethical policies opposing discrimination on the basis of gender identity, and
27 with more general policies that support the ability of patients to access health care
28 services that are prescribed or recommended by their physicians.
29

30 Speakers expressed a preference for Resolution 122, as the title highlighted the need to
31 remove financial barriers to care for GID. Your Reference Committee recommends the
32 amended language, which clarifies that physicians must be involved in the assessment
33 of the appropriate course of treatment for GID. The Committee is concerned that the
34 wording of the second resolve is suggestive of a benefit mandate, and recommends it be
35 deleted. Your Reference Committee recommends adoption of amended Resolution 122.

1 (10) RESOLUTION 103 - AMA PROGRESS ON REMOVING
2 PATIENT TRANSLATION COSTS FROM PHYSICIAN
3 RESPONSIBILITY
4

5 RECOMMENDATION A:
6

7 Mr. Speaker, your Reference Committee recommends that
8 Resolution 103 be amended by insertion and deletion on
9 lines 11 - 12 to read as follows:

10
11 RESOLVED, That our American Medical Association
12 provide an update to its membership on the progress it has
13 made on eliminating the requirement that physicians pay
14 payment for translation and interpretation services for
15 patients by the physician, an analysis of the implications of
16 current regulatory activity on this issue, and their future
17 plans for addressing this problem. (Directive to Take
18 Action)
19

20 RECOMMENDATION B:
21

22 Mr. Speaker, your Reference Committee recommends that
23 Resolution 103 be adopted as amended.
24

25 RECOMMENDATION C:
26

27 Mr. Speaker, your Reference Committee recommends that
28 the title of Resolution 103 be changed to read as follows:
29

30 REMOVING PATIENT TRANSLATION AND
31 INTERPRETATION COSTS FROM PHYSICIAN
32 RESPONSIBILITY
33

34 **HOD ACTION: Resolution 103 adopted as amended with**
35 **change in title.**
36

37 Resolution 103 asks that our AMA provide an update on the progress made on
38 eliminating payment for translation services for patients by the physician and future
39 plans for addressing this problem.
40

41 Your Reference Committee heard supportive testimony on this resolution. It was noted
42 that the Department of Justice is proposing revisions to the Americans with Disabilities
43 Act that could result in a requirement that physicians make translation services available
44 to patient companions, in addition to the patients themselves. Speakers also noted that
45 the requirement that physicians provide translation services to patients includes
46 interpretation services for the deaf, which is reflected in the amended language. In
47 addition to asking for an update on AMA activities to remove patient translation and
48 interpretation costs from physician responsibility, the amended language asks for our
49 AMA to provide an analysis of the current regulatory landscape with regard to this issue,
50 and to articulate its plans for addressing this problem.

1 (11) RESOLUTION 110 - MEDPAC'S RECOMMENDATIONS
2 CONCERNING BUNDLING PAYMENTS

3
4 RECOMMENDATION:

5
6 Mr. Speaker, your Reference Committee recommends that
7 Resolution 110 be referred.

8
9 **HOD ACTION: Resolution 110 referred.**

10
11 Resolution 110 asks that our AMA oppose all public and private efforts to bundle
12 providers' payments around a hospitalization and follow-up outpatient care, and work
13 with appropriate public and private officials and advisory bodies to ensure that bundled
14 payment reforms do not lead to hospital-controlled payments.

15
16 There was strong interest in Resolution 110, and speakers noted that the concept of
17 bundled payments is being discussed in many forums, and merits careful consideration.
18 Consistent with the notation on Resolution 110, speakers noted that the Council on
19 Medical Service will be developing a report that will include a discussion of the use of
20 bundled payments. The Reference Committee learned that this report will be presented
21 to the House at the 2008 Interim Meeting, and concurs with testimony that it would be
22 appropriate to refer this item so that it could be considered more thoroughly during the
23 development of the Council report.

24
25 (12) RESOLUTION 105 - MALE MAMMOGRAPHY

26
27 RECOMMENDATION:

28
29 Mr. Speaker, your Reference Committee recommends that
30 Resolution 105 be referred.

31
32 **HOD ACTION: Resolution 105 referred.**

33
34 Resolution 105 asks that our AMA endorse the widespread dissemination of information
35 regarding the risk to males as well as females for the development of breast carcinoma
36 when genetic testing has shown prevalence in the family (BRCA especially), and support
37 public and private insurance coverage of annual or periodic mammography in high risk
38 males.

39
40 Your Reference Committee heard mixed testimony on Resolution 105. Many recognized
41 the intent of the resolution and acknowledged that there is a general lack of awareness
42 of the risks of developing breast cancer, not only by patients of both genders, but also by
43 physicians. Several testified that the resolution should be referred so that the AMA
44 could study of the value of screening mammograms in men with BRCA mutations from
45 an evidence-based perspective. In light of the testimony, your Reference Committee
46 recommends referral of Resolution 105.

1 (13) RESOLUTION 104 - FAIR TREATMENT OF PHYSICIANS
2 WHEN PRE-EXISTING CONDITIONS ARE DISCOVERED

3
4 RECOMMENDATION:

5
6 Mr. Speaker, your Reference Committee recommends that
7 Resolution 104 be referred for decision.

8
9 **HOD ACTION: Resolution 104 referred for decision.**

10
11 Resolution 104 asks that our AMA support HR2833, the “Pre-existing Condition
12 Exclusion Patient Protection Act of 2007,” and HR2842, the “Children’s Health Protection
13 Act of 2007,” in respect to the elimination and/or streamlining of health plan pre-existing
14 conditions.

15
16 Your Reference Committee heard testimony urging our AMA to support pending
17 legislation to address situations in which insurers are denying payment for treatment of
18 conditions that they determine were “pre-existing.” Several speakers noted a reluctance
19 to adopt AMA policy in support of specific pieces of legislation, and expressed a
20 preference for policy that would articulate specific principles that the AMA would support
21 when evaluating legislation. Consistent with the notation on Resolution 104, the Council
22 on Medical Service will be preparing a report that will address issues related to high risk
23 patients and on ways to facilitate access to affordable and appropriate insurance
24 coverage for patients with chronic conditions.

25
26 Your Reference Committee recognizes the importance of a timely decision on the
27 specific bills cited in the resolution, and accordingly recommends that the resolution be
28 referred for decision. However, the Committee looks forward to the Council’s report on
29 this topic, and hopes that it considers the issues raised in this resolution.

30
31 (14) RESOLUTION 123 - HEALTH SAVINGS ACCOUNT
32 PENALTY INCREASE FOR NON-HEALTH CARE

33
34 RECOMMENDATION:

35
36 Mr. Speaker, your Reference Committee recommends that
37 Resolution 123 not be adopted.

38
39 **HOD ACTION: Resolution 123 not adopted.**

40
41 Resolution 123 asks that our AMA urge Congress to increase penalties for withdrawing
42 health savings account funds for non-medical purposes.

43
44 Your Reference Committee heard limited testimony on this resolution. Speakers
45 questioned whether there is actually a significant problem with individuals withdrawing
46 HSA funds for non-health care uses, especially since HSAs are still in their infancy and
47 make up only a small part of the health insurance market. A speaker also indicated that
48 the penalties for HSA withdrawal of non-medical expenses are clearly outlined by the
49 IRS, and are extensive. Reference Committee agrees with testimony that we should be
50 encouraging individuals to use HSAs (as outlined in policy H-165.852), rather than

1 focusing on penalties for their misuse, and recommends that Resolution 123 not be
2 adopted.

3
4
5 (15) RESOLUTION 119 - HEARING AIDS

6
7 RECOMMENDATION:

8
9 Mr. Speaker, your Reference Committee recommends that
10 Resolution 119 not be adopted.

11
12 **HOD ACTION: Resolution 119 not adopted.**

13
14 Resolution 119 asks that our AMA encourage all insurers, including Medicare, to provide
15 coverage for hearing aids for individuals determined by professionals to be hearing
16 impaired.

17
18 Your Reference Committee commends the sponsor of Resolution 119 for raising issues
19 regarding safety and quality of life issues related to hearing loss. However, the majority
20 of testimony expressed concern over the use of limited Medicare dollars for an additional
21 defined benefit. In addition, several delegates indicated that the variety and cost of
22 hearing aids varies greatly, and establishing an insurance benefit could limit the ability of
23 physicians to prescribe, or patients to obtain, the most appropriate device based on their
24 medical needs. Your Reference Committee also heard concern that many non-
25 physician practitioners could be included under the definition of "professionals"
26 determining hearing impairment, which could further strain financial resources.
27 Accordingly, your Reference Committee recommends that Resolution 119 not be
28 adopted.

29
30 (16) RESOLUTION 113 - REEXAMINING MARKET BASED
31 HEALTH CARE REFORM

32
33 RECOMMENDATION:

34
35 Mr. Speaker, your Reference Committee recommends that
36 Policy H-165.888 be reaffirmed in lieu of Resolution 113.

37
38 **HOD ACTION: Policy H-165.888 reaffirmed in lieu of**
39 **Resolution 113.**

40
41 Resolution 113 asks that our AMA reanalyze the concept of market based health care
42 reform, specifically addressing the financial, ethical, and moral soundness of a system
43 that relies on private health insurance, and report back at the A-09.

44
45 The sponsor of Resolution 113 testified that the primary intent of the resolution was to
46 encourage our AMA to update its analysis of health system reform issues based on the
47 current health care landscape, which includes rising health care costs and new
48 strategies being implemented by health insurers to control expenses. Several speakers
49 commended the sponsors on their commitment to ensuring that our AMA continues to
50 examine its fundamental assumptions regarding health system reform. However, your

1 Reference Committee concurs with testimony stating that the business before the House
2 of Delegates – at this and other meetings – provides a mechanism for AMA members
3 and leadership to continually refine and update its policies. Policy H-165.888 describes
4 the framework by which our AMA is continually evaluating health system reform
5 proposals, and we recommend that it be reaffirmed in lieu of Resolution 113.
6

7 H-165.888 Evaluating Health System Reform Proposals

8 Our AMA will continue its efforts to ensure that health system reform proposals
9 adhere to the following principles: (1) Physicians maintain primary ethical
10 responsibility to advocate for their patients' interests and needs. (2) Unfair
11 concentration of market power of payers is detrimental to patients and
12 physicians, if patient freedom of choice or physician ability to select mode of
13 practice is limited or denied. Single-payer systems clearly fall within such a
14 definition and, consequently, should continue to be opposed by the AMA. Reform
15 proposals should balance fairly the market power between payers and physicians
16 or be opposed. (3) All health system reform proposals should include a valid
17 estimate of implementation cost, based on all health care expenditures to be
18 included in the reform; and supports the concept that all health system reform
19 proposals should identify specifically what means of funding (including employer-
20 mandated funding, general taxation, payroll or value-added taxation) will be used
21 to pay for the reform proposal and what the impact will be. (4) All physicians
22 participating in managed care plans and medical delivery systems must be able
23 without threat of punitive action to comment on and present their positions on the
24 plan's policies and procedures for medical review, quality assurance, grievance
25 procedures, credentialing criteria, and other financial and administrative matters,
26 including physician representation on the governing board and key committees of
27 the plan. (5) Any national legislation for health system reform should include
28 sufficient and continuing financial support for inner-city and rural hospitals,
29 community health centers, clinics, special programs for special populations and
30 other essential public health facilities that serve underserved populations that
31 otherwise lack the financial means to pay for their health care. (6) Health system
32 reform proposals and ultimate legislation should result in adequate resources to
33 enable medical schools and residency programs to produce an adequate supply
34 and appropriate generalist/specialist mix of physicians to deliver patient care in a
35 reformed health care system. (7) All civilian federal government employees,
36 including Congress and the Administration, should be covered by any health care
37 delivery system passed by Congress and signed by the President. (8) True
38 health reform is impossible without true tort reform. (Res. 118, I-91; Res. 102, I-
39 92; BOT Rep. NN, I-92; BOT Rep. S, A-93; Reaffirmed: Res. 135, A-93;
40 Reaffirmed: BOT Reps. 25 and 40, I-93; Reaffirmed in lieu of Res. 714, I-93;
41 Res. 130, I-93; Res. 316, I-93; Sub. Res. 718, I-93; Reaffirmed: CMS Rep. 5, I-
42 93; Res. 124, A-94; Reaffirmed by BOT Rep.1- I-94; CEJA Rep. 3, A-95;
43 Reaffirmed: BOT Rep. 34, I-95; Reaffirmation A-00; Reaffirmation A-01;
44 Reaffirmed: CMS Rep. 10, A-03; Reaffirmed: CME Rep. 2, A-03; Reaffirmed and
45 Modified: CMS Rep. 5, A-04; Reaffirmed with change in title: CEJA Rep. 2, A-05;
46 Consolidated: CMS Rep. 7, I-05; Reaffirmation I-07)
47

1 (17) RESOLUTION 124 – IMPROVED MEDICAID PAYMENT
2 TO PHYSICIANS
3

4 RECOMMENDATION:
5

6 Mr. Speaker, your Reference Committee recommends
7 Policy H-290.980 be reaffirmed in lieu of Resolution 124.
8

9 **HOD ACTION: Policy H-290.980 reaffirmed in lieu of**
10 **Resolution 124.**
11

12 Resolution 124 asks that our that our American Medical Association advocate to improve
13 State Medicaid payments to providers by working with CMS to maintain greater federal
14 oversight of State Medicaid payments and their compliance with the equal access
15 provisions of federal law.
16

17
18 Testimony on Resolution 124 was limited to the sponsor. Your Reference Committee
19 notes that the resolution is consistent with AMA policy advocating adequate payments
20 for physicians under the Medicaid program. Therefore your Reference Committee
21 recommends reaffirmation of Policy H-290.980 in lieu of Resolution 124.
22

23 H-290.980 Status Report on the Medicaid Program

24 Our AMA continues to advocate for appropriate payment to
25 physicians under the Medicaid program. (CMS Rep. 5, I-
26 99; Reaffirmation A-00; Reaffirmed: CMS Rep. 1, A-05)

1 Mr. Speaker, this concludes the report of Reference Committee A. I would like to thank
2 Gregor Emmert, MD, Charles Hofmann, MD, Lisa S. Miller, MD, Michael B. Simon, MD,
3 Phillip W. Tally, MD, Rodney Trytko, MD, and all those who testified before the
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