

MSSNY COMMITTEE ON HEALTH INSURANCE

Discussion by email

Committee Evaluation for the following of HOD Resolution:

2020-64 - Insurers and Vertical Integration

RESOLVED, that The Medical Society of The State of New York (MSSNY) seek legislation and regulation to prevent health payers (except non-profit HMO's) from owning or operating other entities in the health care supply chain; and be it further

RESOLVED, that MSSNY introduce a resolution to the AMA HOD to seek legislation and regulation to prevent health payers (except non-profit HMO's) from owning or operating other entities in the health care supply chain.

At the 2020 House of Delegates, this resolution was referred to MSSNY Council. The council referred the resolution to MSSNY's Committee on Health Insurance. Since there was no scheduled Committee meeting, Committee discussion was conducted via email.

Members were apprised of the HOD Reference Committee report, which stated the following:

AMENDMENTS BE ACCEPTED INSTEAD OF THE ORIGINAL RESOLUTION:

RESOLVED, that the Medical Society of the State of New York re-affirm MSSNY Policy 165.876.

Your reference committee received much virtual testimony in support of this resolution, but notes that MSSNY has policy that urges that health insurers not be permitted to own other parts of the health care delivery chain. To that end, MSSNY recently strongly advocated against mergers of CVS buying Aetna, and Cigna purchasing Express Scripts. Therefore, this policy should be reaffirmed.

165.876 Ownership of Managed Care Organizations:

MSSNY will advocate for legislation or regulation that would prohibit a health insurance company from having a financial interest in any subsidiary or other organization which may negatively influence health care spending, such as restrictions on patient access to care or reductions in physician reimbursement. (HOD 2009-61; Reaffirmed HOD 2019)

Committee members also considered the following in their deliberation -

<http://www.physiciansadvocacyinstitute.org/Advocacy/Promoting-Competition/Health-Insurer-Mergers>

Members ask that as policy, action and advocacy is developed around this, the PAI document is just a start. It is accurate but clearly focused mostly on the plight of private medical practices. It should be expanded to point out the value of private practices to patients. It should consider small private practices joining larger entities because of an inability to compete in recruiting replacements. But more importantly the impact on patient care and experience should be emphasized even more, along with the distortions vertical integration imposes on how health care dollars are spent. It is not just, or mostly about keeping costs down, but rather about spending dollars wisely. Vertical systems encourage spending where the "product" is most profitable, not the most valuable.

Committee Recommendation: The Committee on Health Insurance recommends the Reference Committee recommendation to reaffirm existing Policy 165.876.

(For Council Approval)