

REPORT OF THE BOARD OF TRUSTEES

B of T Report 30-A-24

Subject: Proper Use of Overseas Virtual Assistants in Medical Practice

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Referred to: Reference Committee G

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1 At the 2023 Annual Meeting of the House of Delegates (HOD), Policy H-200.947, “Proper Use of  
2 Virtual Assistants in Medical Practice”, was adopted. This policy directed the American Medical  
3 Association (AMA) to (1) support the concept that properly trained overseas virtual assistants are  
4 an acceptable way to staff administrative roles in medical practice (New HOD Policy), and (2)  
5 study and offer formal guidance for physicians on how best to utilize overseas virtual assistants in  
6 such a way as to ensure protections for physicians, practices, patient outcomes, and overseas  
7 medical staff (Directive to Take Action).

8  
9 This report details guidance, considerations (e.g., equity, diversity and inclusion, business and  
10 compliance), opportunities and challenges regarding the appropriate use of overseas virtual  
11 assistants by medical practices. Additionally, relevant AMA policy is discussed. Based on this  
12 information, AMA identified the need for the creation and publication of educational materials for  
13 medical practices that provide guidance on how best to utilize overseas virtual assistants in a  
14 manner that protects physicians, practices, patients, and overseas medical staff.

15  
16 **BACKGROUND**

17  
18 Over the last two decades, health care organizations have increasingly outsourced administrative  
19 and certain clinical work – such as revenue cycle management, coding and billing, IT support and  
20 prior authorization tasks – to entities or individuals that reside in different time zones. Outsourcing,  
21 a business agreement in which an organization contracts out the procurement of products or  
22 services to an external firm, became widely used in health care during the early 2000s.

23 Organizations pursue these arrangements with the goals of lowering administrative costs, raising  
24 productivity, and addressing workforce shortages. In 2017 alone, health care industry outsourcing  
25 grew by 36%.<sup>1</sup>

26  
27 In addition to outsourcing, health care organizations also began using remote employees for  
28 administrative positions. Remote work is the practice of working from one’s home or another space  
29 separate from the office. Medical practices adopted remote work for employees for several reasons,  
30 including office closures during the COVID-19 pandemic, limited working space within the  
31 medical practice, employee retention and satisfaction and decreased practice overhead costs.<sup>1</sup>

32  
33 In recent years, there has been an evolution from remote employees to virtual assistants. While  
34 remote employees are employed by the practice directly, a virtual assistant is an independent  
35 contractor who provides administrative services to clients while operating outside of the client’s  
36 office. As such, the individual can be located anywhere in the world, broadening the candidate  
37 options for companies. Virtual assistants can also include artificial intelligence in software used by

1 medical practices. As this resolution is specific to human virtual assistants, this report does not  
2 consider artificial intelligence virtual assistants.<sup>1</sup>

3  
4 The primary benefit of using virtual assistants in medical practice is to offload administrative  
5 duties to decrease physician workload and allow more time for patient care. Properly informed  
6 medical practices can successfully utilize overseas or domestic virtual assistants for nonclinical,  
7 administrative tasks, including but not limited to appointment scheduling and reminders, sending  
8 and receiving patient medical records, visit note dictation, prior authorization requests, charge  
9 entry, claim submission, claim control, and follow-up. Additionally, the use of overseas virtual  
10 assistants can have economic benefits for medical practices. For instance, virtual assistants can be  
11 hired for a set number of hours or tasks each week instead of hiring a full-time employee, lowering  
12 staffing costs for the practice. They also typically have a lower hourly rate than those in the U.S.  
13 largely due to a lower cost of living in the countries they live.<sup>2</sup>

14  
15 Medical practices seeking virtual assistants outside of the U.S. can utilize online job boards  
16 specific to the geographical area they would like to search. One example is [OnlineJobs.ph](#), a job  
17 board that connects companies to virtual assistants located in the Philippines.<sup>3</sup> These online job  
18 boards facilitate the initial communication and interview process and provide employers with best  
19 practices for training virtual assistants located within the U.S. or overseas.

#### 20 21 *Business and Compliance Considerations*

22  
23 There are several business and compliance considerations that medical practices should review  
24 before hiring a virtual assistant, including employee classification, global labor protections, and  
25 HIPAA compliance standards. Virtual assistants classified as independent contractors are required  
26 to report their income for taxes and social contributions within their country on their own. In  
27 contrast, remote direct hires are employed by the practice and may require additional tax liabilities,  
28 withholdings and employee benefits depending on local labor laws where the individual lives.  
29 Medical practices should consult an accountant for any reporting requirements the practice has for  
30 virtual assistants classified as independent contractors.<sup>4</sup>

31  
32 Securing private and confidential data is of the utmost importance, especially when working  
33 remotely. To protect sensitive data, health care organizations and medical practices that utilize  
34 virtual assistants should establish data protection protocols and obtain the appropriate consents  
35 from users.<sup>5</sup> The AMA has created several resources to guide medical practices through the process  
36 of securing patient health information, including guidance on [Implementing a Work-From-Home  
37 Program](#), a tip sheet for [Working from home during COVID-19 pandemic](#), a checklist for  
38 [protecting office computers in medical practices against cyberattacks](#) and [technology  
39 considerations for working remotely](#). However, medical practices employing virtual assistants  
40 should still consult with their IT vendor to ensure the security of patient health information.

#### 41 42 *Equity, Diversity, and Inclusion Considerations*

43  
44 When considering using overseas virtual assistants, medical practices and health care organizations  
45 should prioritize equity, diversity, and inclusion. For example, it is important that practices and  
46 organizations verify the U.S. Dollar conversion to the currency used by the virtual assistant or  
47 employee to ensure fair and reasonable compensation.

48  
49 Other considerations include the virtual assistant work schedule if there is a large time difference  
50 between in-office staff within the country the organization operates in and the country in which  
51 overseas virtual assistants live. This is essential to promote a healthy work environment.<sup>1</sup> For

1 example, some medical practices and health care organizations outsource the entirety of their  
2 customer service operations overseas and also supply these services for 24-hours. Time zone  
3 compatibility between the medical practice and virtual assistant can impact employee health and  
4 quality of life. Night shift workers experience an incompatibility with family leisure time and the  
5 unavailability of services during nighttime hours.<sup>6</sup> These workers are prevented from recovering  
6 from a long day of work in the way that day shift workers can. Rather, when their shift ends, they  
7 must still function in a world operating on a completely different schedule. Studies have examined  
8 the social ramifications to this work. For instance, night shift workers have been demonstrated to  
9 experience divorce rates as high as 30 percent.<sup>7</sup> Health risks among night shift workers have also  
10 been analyzed. In a study of night shift employees working at international call centers in the  
11 National Capital Region (NCR) of Delhi, 77.6 percent of participants had some suspicion of  
12 insomnia or suspected insomnia. In addition to sleep quality issues, 44.3 percent of participants  
13 were cigarette smokers and 37 percent reported physical ailments.<sup>8</sup> Further, a Circadian  
14 Technologies study reported that night shift workers were 20 percent more likely to experience  
15 severe accidents.<sup>7</sup> Additionally, research shows that these workers may be at greater risk of  
16 cardiovascular disease, gastrointestinal disease, psychological disorders, cancers, diabetes, obesity  
17 and adverse reproductive outcomes.<sup>7,9</sup>

18  
19 However, instances also exist where time zone differences can benefit both U.S. and overseas staff.  
20 For example, some organizations and practices outsource their operations overseas part-time so that  
21 work is performed by overseas staff during their local day-time hours after which their workday  
22 concludes and the work they performed is available to U.S. staff who then begin working their day-  
23 time schedule.

#### 24 25 *Training for Overseas Virtual Assistants in Medical Practice*

26  
27 Medical practices would benefit from the adoption of in-house training programs for virtual  
28 assistants that includes general knowledge of health care administration and compliance, as well as  
29 processes and procedures specific to the practice. Training on the general knowledge of health care  
30 administration is available for little or no cost from professional organizations, such as the AMA's  
31 [Navigating Practice Series](#) and [AMA STEPS Forward® Private Practice playbook](#). Several  
32 resources also exist from the Medical Group Management Association. Before implementing any  
33 virtual assistant or employee, the medical practice or health care organization would benefit from a  
34 clear strategic plan that outlines and addresses the risks previously mentioned.

#### 35 36 AMA POLICY

37  
38 The AMA has several policies related to the appropriate use of overseas virtual assistants for  
39 administrative functions within medical practices.

40  
41 The AMA will work towards its goal of health equity, defined as optimal health for all, by  
42 advocating for health care access, research, and data collection; promoting equity in care;  
43 increasing health workforce diversity; influencing determinants of health; and voicing and  
44 modeling commitment to health equity ([Policy H-180.944, "Plan for Continued Progress Toward  
45 Health Equity"](#)).

46  
47 The AMA will also explore emerging technologies to automate the prior authorization process for  
48 medical services and evaluate their efficiency and scalability, while advocating for reduction in the  
49 overall volume of prior authorization requirements to ensure timely access to medically necessary  
50 care for patients and reduce practice administrative burdens ([Policy D-320.982, "Prior  
51 Authorization Reform"](#)).

1 Additionally, the AMA:

- 2
- 3 a. Supports the need for developing and implementing technologies to reduce glare from  
4 vehicle headlamps and roadway lighting schemes, and developing lighting technologies at  
5 home and at work that minimize circadian disruption, while maintaining visual efficiency.
- 6 b. Recognizes that exposure to excessive light at night, including extended use of various  
7 electronic media, can disrupt sleep or exacerbate sleep disorders, especially in children and  
8 adolescents. This effect can be minimized by using dim red lighting in the nighttime  
9 bedroom environment.
- 10
- 11 c. Supports the need for further multidisciplinary research on the risks and benefits of  
12 occupational and environmental exposure to light-at-night.
- 13
- 14 d. Encourages work environments that operate in a 24/7 hour fashion to have an employee  
15 fatigue risk management plan in place ([Policy H-135.932, "Light Pollution: Adverse  
16 Health Effects of Nighttime Lighting"](#)).
- 17

## 18 DISCUSSION

### 19 *Opportunities for Overseas Virtual Assistants in Medical Practice*

20 U.S. companies have struggled with staffing shortages since 2021, known as “The Great  
21 Resignation”.<sup>10</sup> Health care is no exception, and the industry has arguably struggled more with  
22 staffing shortages due to higher levels of burnout post-COVID-19 pandemic, higher levels of  
23 administrative burden, diminished reimbursement and a decline in overall annual revenue.<sup>11-14</sup>  
24

25 The ability to quickly find and hire experienced individuals is crucial for the success of medical  
26 practices. When practices are short-staffed, physicians take on the extra workload, decreasing time  
27 spent with patients and contributing to burnout. Overseas virtual assistants, when successfully  
28 integrated into practice operations, can enable medical practices to expand their talent search  
29 beyond U.S. borders to choose among an expansive talent pool to quickly hire an experienced  
30 workforce at a much lower cost than those based in the U.S. Additionally, virtual assistants do not  
31 require physical space to work in the office, thus lowering the physical infrastructure cost for  
32 medical practices.  
33

### 34 *Risks Associated with Utilizing Overseas Virtual Assistants in Medical Practice*

35

36 Despite expectations, studies show that outsourcing any health care role contains risks such as the  
37 loss of control over work quality, exposure of patient health information and other secure data, the  
38 lack of provision of anticipated financial benefits and jeopardization of the organization’s culture  
39 and reputation.<sup>1</sup>  
40

## 41 CONCLUSION

42

43 Medical practices struggling to fill vacant positions may turn to virtual assistants within the U.S. or  
44 overseas. While virtual assistants can offer cost-saving and efficiency benefits to medical practices,  
45 it is imperative that practices have a clear strategic plan before hiring a virtual assistant. This plan  
46 should include the security of patient information, in-house training/onboarding for the employee,  
47 fair pay and working hours, and management of the virtual employee's work quality and  
48 engagement with the rest of the practice. The creation of a strategic plan will allow the medical  
49 practice to consider all variables and determine how best to utilize a virtual assistant within their  
50  
51

1 practice. With an informed approach, the use of properly trained overseas virtual assistants is an  
2 option for medical practices.

3

4 RECOMMENDATIONS

5

6 The Board of Trustees recommends that the following be adopted, and the remainder of the report  
7 be filed:

8

- 9 1. That our American Medical Association (AMA) reaffirm the following policies:
- 10 a. H-385.951- Remuneration for Physician Services
  - 11 b. H-180.944 - Plan for Continued Progress Toward Health Equity
  - 12 c. H-135.932 - Light Pollution: Adverse Health Effects of Nighttime Lighting;  
13 (Reaffirm HOD Policy) and
- 14
- 15 2. That Policy H-200.947 be amended to read as follows: “Our AMA: (1) supports the  
16 concept that properly trained ~~overseas~~ virtual assistants, in the U.S. or overseas, are an  
17 acceptable way to staff administrative roles in medical practices; and (2) will ~~study and~~  
18 ~~offer formal guidance for physicians on how best to utilize overseas virtual assistants to~~  
19 ~~ensure protection of patients, physicians, practices, and equitable employment in~~  
20 ~~communities served, in a manner consistent with appropriate compliance standards~~ create  
21 and publish educational materials for medical practices that offer formal guidance on how  
22 best to utilize virtual assistants to ensure protection of patients, physicians, virtual  
23 assistants and practices.” (Modify Current HOD Policy).

Fiscal Note: Moderate

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