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COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

WASHINGTON, DC 20510-6300

MATT GALLIVAN, MAJORITY STAFF DIRECTOR

www.help.senate.gov

October 6, 2025

## VIA ELECTRONIC TRANSMISSION

Bobby Mukkamala, M.D. President American Medical Association 330 N. Wabash Ave., Suite 39300 Chicago, IL 60611-5885

Dear Dr. Mukkamala,

As Chairman of the Senate Committee on Health, Education, Labor, and Pensions (HELP), I am writing to seek information regarding the American Medical Association's (AMA's) costly monopoly over the Current Procedural Terminology® (CPT) coding system.

The AMA maintains and annually updates the CPT coding system as a standardized set of descriptive terms and identifying codes used primarily to report medical, surgical, and diagnostic services performed by physicians and other health care professionals. CPT codes are essential for accurate medical billing and claims processing by both public and private health insurers. The codes enable communication and efficient processing of information throughout the entire health care system, and they are relied upon by providers, suppliers, government agencies, and ultimately patients.

Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (42 U.S. Code § 1320d-2), the federal government mandates the use of standard code sets for the purposes of conducting transactions. In the implementing regulations (45 CFR § 162.1002), CPT codes, as trademarked by the AMA, were selected as one of the standard code sets that must be used. As a result, the government has endorsed a coding monopoly for the AMA.

I am particularly offended by the AMA abusing its government-endorsed CPT monopoly to charge every stakeholder in the health care system significant amounts of money while advancing an anti-patient agenda. The enormous revenue from offering these required tools while advocating non-evidence-based policies raises questions about the AMA's commitment to physicians and the patients they serve.

The AMA characterizes the CPT coding system as "a shared language facilitating the delivery of quality care." Shared does not translate to free, however. The AMA charges substantial fees for licenses to use its CPT codes, based on the number of users and the terms of the specific licensing

<sup>&</sup>lt;sup>1</sup> CPT® Codes: A Shared Language Facilitating the Delivery of Quality Care, Am. Med. Ass'n, https://www.amaassn.org/practice-management/cpt/cpt-codes-shared-language-medicine (last visited Sept. 23, 2025).

agreement. The AMA also sells subscriptions to "CPT Assistant online," which provides access to articles and resources related to CPT codes.

Last year, the AMA generated over \$500 million in revenue.<sup>2</sup> More than half of that revenue came from the publication of books and digital content, including the annual publication of CPT codes that are used to code for medical procedures and services.<sup>3</sup> CPT codes are required to be used by providers to bill for services, and the AMA has had an exclusive monopoly on publishing these codes for over 40 years.<sup>4</sup>

Your organization has abused this government-backed monopoly by charging exorbitant fees to anyone using the CPT code set, including doctors, hospitals, health plans, and health IT vendors. These fees inevitably are passed on by CPT users to patients in the form of higher health care costs. This is anti-patient and anti-doctor.

As Chairman of the HELP Committee, which has jurisdiction over HIPAA, I am actively reviewing the government-backed monopoly around CPT codes and the impact on patient health care costs, especially in the wake of the AMA's anti-patient, anti-science advocacy efforts. To that end, I request answers to the following questions by October 20, 2025:

- 1. One of the AMA's primary activities is generating and updating CPT codes used to code for medical procedures and services. The AMA has held the exclusive right to generate these codes since 1983. This process involves internal deliberations before a public stakeholder session prior to finalizing codes. While the AMA holds an outsized role in this process, only approximately 26% of physicians in the United States are members of the AMA.
  - a. What steps has the AMA leadership taken to ensure that this mandatory process incorporates the feedback and concerns of all providers?
- 2. Last year, the AMA generated total revenue of \$513.2 million. \$281.4 million of that amount was generated from "books and digital content." However, AMA does not provide transparency about how many millions in revenues it receives from licensing CPT products and subscriptions.
  - a. How much of the total revenue amount was generated specifically from the sale and licensing of CPT coding materials?

<sup>4</sup> American Medical Association Terms and Conditions, Centers for Medicare and Medicaid Services, <a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/AMA-Terms-Conditions.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/AMA-Terms-Conditions.pdf</a>.

<sup>&</sup>lt;sup>2</sup> Why We Fight: 2024 Annual Report, American Medical Association (Jun. 6, 2025), <a href="https://www.ama-assn.org/system/files/2021-06/ama-10-years-2021-fact-sheet.pdf">https://www.ama-assn.org/system/files/2021-06/ama-10-years-2021-fact-sheet.pdf</a>

<sup>&</sup>lt;sup>3</sup> *Id.* at Page 23.

<sup>&</sup>lt;sup>5</sup> *CPT*® *purpose & mission*, American Medical Association, <a href="https://www.ama-assn.org/about/cpt-editorial-panel/cpt-purpose-mission">https://www.ama-assn.org/about/cpt-editorial-panel/cpt-purpose-mission</a>.

<sup>&</sup>lt;sup>6</sup> AMA Fact Sheet on its Decade of Membership Growth, American Medical Association (Jun. 11, 2021), https://www.ama-assn.org/system/files/2021-06/ama-10-years-2021-fact-sheet.pdf.

<sup>&</sup>lt;sup>7</sup> See note 11 at Page 2.

<sup>&</sup>lt;sup>8</sup> *Id.* at Page 23.

- b. What were the administrative costs associated with generating CPT coding materials?
- c. How does the AMA calculate the for-sale price of CPT coding materials?
- d. How has the for-sale price of CPT coding materials changed in the last five years?
- e. In the last five years, how much revenue has the AMA generated from the sale of CPT coding materials and related products and subscriptions?
- 3. In 2024, AMA also recorded \$434.4 million in "general and administrative expenses." 9
  - a. What amount of these expenses were used to support work associated with DEI mandates?
  - b. What amount of these expenses were used to support research supporting gender transition care?

Sincerely,

Bill Cassidy, M.D.

Chairman

U.S. Senate Committee on Health, Education, Labor, and Pensions

cc: John Whyte, M.D., MPH, CEO

<sup>&</sup>lt;sup>9</sup> *Id.* at Page 2.