



March 23, 2020

The Honorable Mitch McConnell
Senate Majority Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
House of Representatives
Washington DC 20515

The Honorable Charles Schumer
Senate Democratic Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
House Republican Leader
House of Representatives
Washington, DC 20515

Re: Financial Support for Physician Practices During the COVID-19 Crisis

Dear Leader McConnell, Speaker Pelosi, Leader Schumer, and Leader McCarthy:

In this extraordinary time in our Nation's history, we recognize and acknowledge that your leadership in Congress will provide the necessary resources for us to recover as a Nation. We are grateful that we have such dedicated Congressional leaders to guide us through this unprecedented time of crisis.

As you continue work on legislation to combat the coronavirus outbreak and related economic and health care issues, America's Physician Groups (APG) appreciates the opportunity to provide input regarding what our members need in order to remain operational and continue to serve patients for the duration of the COVID-19 emergency. With the spread of COVID-19, physician groups are quickly pivoting their care models to a virtual system in order to prevent the further spread of the virus while also providing care to patients with chronic conditions. They are committed not only to responding to COVID-19 but also to keeping their patients healthy.

APG is a national professional association representing over 300 physician groups, approximately 195,000 physicians, and the nearly 45 million patients they care for. Our tagline, "Taking Responsibility for America's Health," represents our members' vision and efforts to move away from the antiquated fee-for-service (FFS) reimbursement system where clinicians are paid "per click" for each service rendered rather than on the outcomes of the care provided. Instead, our members are taking responsibility for improving the health of the patients and communities they serve by holding themselves accountable for the cost and quality of care through alternative payment models (APMs).

We want to acknowledge the efforts of our members that are on the front lines of this crisis. In order to both prepare the COVID-19 pandemic response, and scale back certain health care services for patients in accordance with CMS guidelines, many practices are facing significant revenue challenges that may force widespread health care workforce furloughs. Many practices are experiencing a decrease in

typical fee-for-service revenue of 65-70 percent of their typical fee-for-service (FFS) revenue, while continuing to provide care to their chronically-ill patients. On the other hand, some clinics are serving directly on the “front lines” of this pandemic and are reporting performing significantly more COVID-19 diagnostic tests than nearby hospitals. Many of our members are experiencing significant real-time revenue losses. For example, one of our practices estimated \$9 million perday in lost revenue – and is now faced with the real possibility of laying off 4,000 caregivers. Once these layoffs occur, it will be difficult to resume normal operations to previous levels. Our colleagues who are not connected to health systems typically operate with only 30-60 days cash on hand and are facing dire financial situations.

In light of these circumstances, we would like to offer some recommendations for financial assistance to physician group practices so that we may continue to serve the health care needs of our Nation’s citizens.

Summary of APG’s Requests

- **Financial Support:** An emergency fund with both grants and low interest loans designated for physician groups that can be rapidly allocated in order to help these practices maintain operations and prevent furloughs.
- **Stabilizing Provider Revenue:** Congress should urge Department of Health and Human Services (HHS) to immediately distribute “interim payments” to providers based upon total amount of revenue collected from the previous year timeframe. That revenue number accurately reflects the historical and true need of the population. The reconciliation of these payments would be 2 years from the end of the Emergency Declaration. These advance payments are pre-payments against what is expected and are necessary to keep the doors of front-line physicians open. The proposed reconciliation will prevent any gaming of the model.
- **Telehealth:** We need *additional funds* to ramp up telehealth activities that would be an essential bridge to care for so many patients as well as expand the range of communication methods for telehealth. Currently, regulations require both audio and visual capabilities for telehealth. We would recommend an expansion of methods to include “*telephone without video capability*” since many of our patients have limited internet capability. Additionally, some areas are already experiencing slow speeds due to overloading of systems. Also, we recommend that you *lift the requirement to have a prior relationship* with the patient in order to utilize telehealth since we may see internal medicine physicians and other specialists being recruited into acute care hospital services thus decreasing the primary care base.
- **Flexibility in Remote Patient Monitoring (RPM) regulations:** APG recommends that flexibility be expanded in RPM (similar to flexibilities provided in telehealth) to provide more care outside the hospital setting. We have focused on the office visit at this early stage of the disaster response, but in rapid order we will be discharging patients from hospitals earlier than we would have done previously and they will need additional follow-up through RPM.

Conclusion

We know we are not alone in needing help to weather this crisis as we continue to serve people who need care. However, we need immediate assistance to allow us to continue to serve our patients.

We are committed to “Taking Responsibility for America’s Health” as APG members, but as first responders but we need **IMMEDIATE** assistance to maintain our operations.

We reiterate our robust support for your actions in providing necessary financial support for families, businesses and governmental agencies and applaud your leadership in this area. However, it is important during this time of crisis that you not forget the physician groups that continues to serve our citizens. Please feel free to contact me (Dcrane@apg.org) or Valinda Rutledge, Senior Vice President, Federal Affairs, (vrutledge@apg.org) if you have any questions or if America's Physician Groups can provide any assistance as you consider these issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald H. Crane". The signature is fluid and cursive, with a large initial "D" and "C".

Donald H. Crane
President and CEO
America's Physician Groups