



March 27, 2020

The Honorable Alex Azar
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

The Honorable Seema Verma
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Subject: Economic Stimulus Bill

Dear Secretary Azar and Administrator Verma,

On behalf of our member medical group practices, the Medical Group Management Association (MGMA) urges you to immediately establish a mechanism to disburse direct payments to medical groups who are on the front lines of the COVID-19 crisis. The Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748) provides ample authority and flexibility for the Secretary to make such payments to practices enrolled as Medicare and Medicaid suppliers.

With a membership of more than 55,000 medical practice administrators, executives, and leaders, MGMA represents more than 15,500 organizations of all sizes, types, structures, and specialties that deliver almost half of the healthcare in the United States. These practices are seeing immediate impacts. Patient visits and surgeries are being cancelled or postponed in wholesale fashion as patients avoid care for fear of exposure, and as facilities prioritize resources away from routine care to better prepare for a possible surge in emergency cases. And while our members have embraced the opportunity to make fuller use of telemedicine in the current crisis, this, too, leads to reduced payment per encounter and in many cases no payment.

The lost revenue attributable to the coronavirus for physician practices will be swift and dramatic. It will jeopardize their ability to maintain staffing levels, equipment and supplies, and therefore reduce their preparedness to do their critical part if and when the surge comes. **These practices need immediate financial support in order to sustain operations, continue treating routine patients, and prepare for worst case scenarios. The situation demands swift action by the Administration through the following mechanisms to distribute the \$100 billion emergency fund:**

- Prepayments to enrolled suppliers not subject to recoupment;
- An immediate increase in the Part B conversion factor through the end of the year to offset lost revenues from Medicare patients deferring care. This is the most efficient way to get relief to practices without a cumbersome grant application process; and
- An expedited grant process designed for those practices that have the resources to interface directly with the Department in the weeks ahead.

Regardless of the mechanism chosen, MGMA strongly recommends that a significant percentage of the authorized \$100 billion emergency fund be specifically earmarked for the physician community. This will ensure that available funds do not go disproportionately to inpatient providers that have greater ability to work a complicated grant process.

Conclusion

As the voice for the country's medical group practices, MGMA remains committed to promoting policies that enhance the ability of our members to provide high-quality, cost-effective care to the millions of patients they serve routinely, and to the emergency cases they may be called upon to serve in the current crisis. Should you have any questions, please contact Mollie Gelburd at mgelburd@mgma.org or 202-293-3450.

Sincerely,

/s/

Anders Gilberg, MGA
Senior Vice President, Government Affairs