



August 24, 2021

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Re: Upcoming Provider Relief Fund reporting deadline

Dear Secretary Becerra,

The Medical Group Management Association (MGMA) appreciates the actions taken by the Department of Health and Human Services (HHS) to implement programmatic changes to the Provider Relief Fund (PRF) on June 11, 2021. In particular, MGMA is pleased that HHS heeded our recommendations to allow medical groups more time to use PRF payments by establishing rolling deadlines and to extend the period during which recipients must report their use of funds. However, in considering the sharp increase in COVID-19 cases across the country coupled with the complex and arduous reporting requirements of the program, MGMA is concerned that many medical groups will struggle to complete reporting by the upcoming September 30, 2021 reporting deadline. **MGMA respectfully requests that HHS extend the deadline for all PRF recipients to report their use of funds until at least March 31, 2023, regardless of when funds were originally received.**

With a membership of more than 60,000 medical practice administrators, executives, and leaders, MGMA represents more than 15,000 group medical practices ranging from small private medical practices to large national health systems representing more than 350,000 physicians. An MGMA survey conducted in July 2020 found that 70% of MGMA members received PRF payments, and most of these practices indicated that they received payments from Phase 1 of the General Distribution between April 10 and June 30, 2020. Per current HHS guidance, all such recipients are required to complete reporting on the use of these funds by September 30, 2021.

The ongoing surge in COVID-19 cases across the country is once again putting significant strain on our nation's medical groups, and many practices are experiencing challenges with adequate clinical and administrative staffing to meet current patient demand. Given the complexity and laborious requirements involved in reporting for this program, further addressed below, the requirement to complete reporting during this already challenging time is unreasonable, particularly for small group practices and those in rural and underserved areas. Such practices should not have to divert limited, critical resources away from patient care in order to meet an arbitrary reporting deadline.

Moreover, the upcoming deadline poses a significant challenge to all PRF recipients given the ambiguity around acceptable uses of funds. MGMA member practices continue to express confusion around whether

certain expenses would be deemed permissible uses of funds and question what documentation would be necessary to substantiate that a particular expense is “attributable to coronavirus [and] not reimbursed by other sources.” In the case of general and administrative expenses, it remains unclear whether such expenses would need to be incremental (i.e., demonstrate a clear increase from normal or budgeted expenditures due to the pandemic). Many practices feel the need to consult with legal counsel and other compliance professionals for help understanding and complying with these complex requirements. **MGMA strongly urges HHS to clarify its existing reporting guidance and address outstanding confusion around acceptable uses of funds prior to requiring PRF recipients to complete reporting.**

MGMA still believes that medical groups should have the ability to apply PRF payments towards eligible expenses through the end of the COVID-19 Public Health Emergency (PHE), particularly in light of the most recent surge in cases indicating the ongoing nature of the pandemic. Furthermore, MGMA asserts there is unnecessary complexity and administrative burden inherent in current PRF reporting guidance due to the creation of four separate and arbitrary deadlines to both expend funds and report the use of funds based on the date payments were received. This creates a confusing and laborious scenario in which practices will need to keep track of multiple deadlines and may need to report up to four separate times.

For this reason, MGMA recommends HHS revise its PRF reporting requirements by collapsing the four proposed reporting periods into a single reporting period at the conclusion of the COVID-19 PHE. This would create a more streamlined reporting process and alleviate reporting burden for the numerous practices that received funds during multiple periods. Such a reporting mechanism would also allow medical groups to continue using the funds on expenses that help them meet the demands of the COVID-19 pandemic, without fear of needing to return any unused funds as the pandemic rages on. Finally, this extension would provide HHS additional time to simplify and clarify its reporting requirements prior to requiring recipients to report. **Therefore, MGMA urges HHS to extend the deadline for all PRF recipients to report their use of funds until at least March 31, 2023, to align with the end of the fourth reporting period established by HHS. Should the COVID-19 PHE extend beyond the end of 2022, it would be appropriate for this mandatory reporting deadline to be further extended.**

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 during the COVID-19 PHE and to ensure that patient care takes priority over arbitrary reporting requirements during this challenging time. Should you have any questions, please contact Matt Devino at mdevino@mgma.org or 202-293-3450.

Sincerely,

/s/

Anders Gilberg, MGA
Senior Vice President, Government Affairs

cc: The Honorable Diana Espinosa, Acting Administrator, Health Resources & Services Administration