



April 16, 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

Re: CARES Act Relief Funds - Future Distributions

Dear Secretary Azar and Administrator Verma,

On behalf of our member medical group practices, the Medical Group Management Association (MGMA) urges you to establish a mechanism to expeditiously disburse the next round of stimulus relief funds appropriated in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748) to medical groups affected by COVID-19 that treat lower volumes of Medicare patients.

MGMA sincerely appreciates the Administration's quick efforts to distribute the initial \$30 billion in grants to providers. These funds will help medical groups keep their practices open and continue treating patients during this critical time. The first round of relief funds was disbursed based on providers' share of Medicare-fee-for-service (FFS) reimbursements in 2019. MGMA received positive feedback from members regarding these payments and would again like to underscore the critical nature of these funds, considering that a recent MGMA survey indicated 97% of medical groups have experienced a negative financial impact related to COVID-19.

We ask that the next distribution of relief funds account for those medical groups that received proportionally *less* grant funds than those that see a higher volume of traditional Medicare FFS patients. MGMA has heard from members in certain specialties, such as pediatrics and OB/GYN, that they lack adequate access to financial assistance and received a lower portion of grant funding under the initial distribution because they see few or no Medicare patients. Therefore, these group practices require a different approach for determining future disbursements.

In addition to directing the second wave of funding to *all* group practices, MGMA suggests targeted relief for groups experiencing financial losses due to COVID-19 that have low Medicare volumes. For example, HHS could distribute the second wave of funds using a calculation that considers historical Medicaid and Medicare Advantage payment data, or all-payer revenue during a fixed, historical time period in 2019. MGMA appreciates that the initial distribution did not entail a lengthy or complicated applications process and supports a process that deposits funds directly into providers' accounts. We believe HHS could make a similar rapid distribution while at the same time offering support to group practices that have been underrepresented in the first round of funding.

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. If you have any questions, please contact Claire Ernst at cernst@mgma.org or 202-293-3450.

Regards,

/s/

Anders Gilberg, MGA
Senior Vice President, Government Affairs