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June 9, 2020

Majority Leader Mitch McConnell
U.S. Senate
317 Russell Senate Office Building
Washington, D.C. 20510

Minority Leader Charles Schumer
U.S. Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Majority Leader McConnell and Minority Leader Schumer:

On behalf of AMGA, I would like to thank you for assisting our members and other healthcare providers as we battle the novel coronavirus (COVID-19) pandemic. Founded in 1950, AMGA represents more than 440 multispecialty medical groups and integrated delivery systems, representing about 175,000 physicians who care for one in three Americans. Our member medical groups work diligently to provide high-quality, cost-effective, patient-centered medical care. These physicians, groups, and integrated systems are on the front lines of the fight against COVID-19.

As you know, on May 15 the House of Representatives took action to continue addressing this public health emergency by approving the Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES) Act, which addresses the continued dire financial difficulties medical groups face. The HEROES Act provides additional funding to the Public Health and Social Services Emergency Fund (Provider Relief Fund), improves the Medicare Accelerated and Advance Payment (AAP) Program, and expands federal, state, and local COVID-19 testing and tracing efforts. These provisions will help medical groups and integrated delivery systems continue to operate in their communities and care for their patients. We urge you to act swiftly to approve a much-needed additional COVID-19 relief package. As Congress continues to work together on these COVID-19 relief efforts, AMGA asks policymakers to consider the following:

Continue Provider Relief Fund

We appreciate the inclusion of an additional \$100 billion into the Provider Relief Fund in the HEROES Act. We also applaud Congress' prior financial support through the inclusion of \$175 billion in relief funding for healthcare providers in the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Paycheck Protection Program and Health Care Enhancement Act. Despite these funds, some groups and systems remain at risk of closure. Closure of any large medical group or health system would have a destructive and long-term impact on the health and financial wellbeing of the communities they serve.

This situation requires immediate assistance if our members are to survive and continue meeting the needs of patients—both during and after the pandemic. To mitigate any further impact, we ask Congress to continue funding the Provider Relief Fund in future legislative packages. We also

ask that Congress work with the Department of Health and Human Services to continue to exercise oversight over the distribution of these funds to ensure that providers are receiving them in an efficient, effective, and timely manner.

Improve the Medicare Accelerated and Advance Payment Program

We know there is a concerted effort in both chambers to reinstate the AAP Program and include more reasonable repayment terms and interest rates. To date, the AAP Program has extended more than \$100 billion in loans to providers. However, providers are subject to high interest rates and short time periods for repayment of these loans. On top of these already arduous requirements, the Centers for Medicare & Medicaid Services on April 26 abruptly and without any previous notice announced its intentions to suspend and reevaluate the AAP Program. We support the provisions in the HEROES Act to improve the AAP Program policies and hope you can find common ground to ensure that the program continues offering essential relief to healthcare providers.

Permanently Lift Restrictive Barriers in Telehealth

This public health emergency has forced providers across the nation to reevaluate the way they deliver care. The new delivery model for AMGA providers is to utilize telehealth technology for their patients, regardless of their COVID-19 status. This pandemic has exposed the underlying flaws in the site-of-service limitations for telehealth services and how these limitations neglect the needs of many Medicare beneficiaries. All Medicare beneficiaries should have access to care based on what they and their providers determine is the most clinically appropriate.

Congress has already enacted legislation to waive Medicare's geographic limitations during this national emergency through H.R. 6074, the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020. Given that telehealth has become the new "norm," we request that these Medicare telehealth waivers be extended permanently.

In order for telehealth to have the greatest impact, the maximum number of providers should be able to offer this service. Providers are often restricted from providing telehealth services across state lines. Certain state licensure and credentialing policies restrict how and where providers can deliver care. Especially during this pandemic, providers should be able to provide care to patients regardless of their location. Policymakers need to create a framework where the best provider can provide or suggest the most appropriate therapy to a patient, no matter in which state a provider or patient resides, so that patients can have access to care where quality, value, and cost are the main drivers. We urge you to approve policy to allow providers to practice across state lines during this public health emergency.

Enhance the Employee Retention Tax Credit

We applaud Congressional efforts to ensure businesses remain open through focused tax policy reform. The CARES Act created the Employee Retention Tax Credit (ERTC), which provides payroll relief to employers financially impacted by COVID-19. The HEROES Act went a step further to ensure the ERTC makes a greater impact upon the economy. Major improvements to the ERTC include increasing the credit to cover 80% (up from 50%) of up to \$45,000 in qualified wages this year (up from \$10,000). The proposal clarifies that "qualified wages" include qualified health benefits and that employers who continue providing such benefits to their employees qualify for the ERTC even if they do not continue paying other qualifying wages. The improvement also alters the size limit for large employers from originally having more than 100 employees to

having more than 1,500 employees, which grants more employers significant tax relief. Congress should work to include these tax reforms in a final COVID-19 relief package so that employers have the opportunity to retain employees.

Thank you for supporting policies that ensure providers have the resources they need to care for vulnerable patients during this unprecedented public health crisis. If we can provide you with any more information, please feel free to contact me or AMGA's Chief Policy Officer Chet Speed at cspeed@amga.org.

Sincerely,

A handwritten signature in cursive script that reads "Jerry Penso".

Jerry Penso, M.D., M.B.A.
President and Chief Executive Officer
AMGA