



06/11/2020
(Submitted via E-Mail)

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington D.C. 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, D.C. 20515

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

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

On behalf of the National Coalition on Health Care (NCHC), we write to urge you to direct the Secretary of Health and Human Services to allocate funding appropriated in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* to primary care practices. Primary care practices are closing and consolidating due to COVID-19, with long-term ramifications for health care affordability.

NCHC is a nonpartisan, nonprofit, multi-stakeholder organization dedicated to promoting health care affordability and accessibility. The Coalition represents more than 80 participating organizations, including medical societies, businesses, unions, health care providers, faith-based organizations, pension and health funds, insurers, and groups representing consumers, patients, women, minorities, and persons with disabilities. Collectively, our organizations represent more than 100 million Americans.

We applaud Congress' swift action on legislative responses to COVID-19, which provided critical funding and regulatory flexibility for providers. However, NCHC members close to frontline primary care providers have voiced critical concerns about the financial stress caused by the pandemic. *Importantly, primary care practices have largely not received sufficient provider assistance aid from existing programs, even while larger hospital systems have.*¹

Immediate need:

Primary care is an integral component of a holistic, affordable health care system. Primary care providers are close to local communities and offer a critical first point of contact with the health

¹ <https://www.statnews.com/2020/04/29/save-primary-care-devastation-covid-19/>

system. Often small businesses themselves, many practices have and will continue to close in response to the current financial hardship. A recent survey² found:

- 19% of respondents have temporarily closed their practice in response to COVID-19 (of particular concern for practices that receive most of their revenue from Medicaid).
- 57% of primary care practice say that payments are less than enough to cover the care delivered to their patients, while 42% have laid off or furloughed clinicians and staff (a striking blow for care coordination).
- Only a fraction of those surveyed have received any federal financial assistance, and those who have received that assistance through Small Business Association loans rather than provider assistance from Department of Health and Human Services.
- New Medicare telehealth reimbursement flexibilities, while important, are not sufficient to maintain necessary revenue.

Ramifications if there is no immediate action:

A robust primary care system is vital to both our recovery from COVID-19 and long-term health care affordability. In the short-term, primary care practices will play a major role in public health efforts to control the spread of COVID-19 and re-open safely – testing capacity, connections with local authorities, and community insight and trust, among others. In addition, the current financial strain on independent practices in a fee-for-service environment may lead to greater consolidation into larger health systems. Consolidation can decrease the affordability of primary care services, exacerbating the ongoing lag in preventive care and chronic illness management.³

Further, the field of primary care has made substantial strides towards providing integrated, value-based care – through prospective payment models or innovative capitated payment arrangements with private plans or Medicare demonstrations– and this progress to improve outcomes and lower spending will be lost if practices are not able to survive the pandemic.

Policy recommendations:

We strongly urge Congress to direct the Secretary of Health and Human services to explicitly allocate funds from Provider Relief Fund (PRF) to independent primary care physicians, similar to recent allocations targeted to Medicaid providers.⁴ Thus far, PRF support, as appropriated in the CARES Act, has largely missed primary care. Simple, direct payments to primary care practices like previous aid to hospitals would ensure the success and sustainability of primary health services across the United States.

In the future, we also urge Congress to consider expanding alternative payment models for primary care for Medicaid and Medicare, to move away from volume-based reimbursement. Practices and providers paid through capitation and prospective payments have weathered the pandemic substantially better than those who are not. *Accelerating the adoption of alternatives to fee-for-service is not only appropriate for the purposes of “paying for value,” but also a matter of emergency preparedness.*

We thank you for your tireless efforts and stand ready to assist.

² Survey results conducted by the Larry A. Green Center during 11 weeks ending May 27, 2020, in collaboration with the Primary Care Collaborative and 3rd Conversation/X4 Health. <https://www.thepec.org/covid>

³ <https://www.cdc.gov/mmwr/volumes/69/wr/mm6919e2.htm>

⁴ <https://www.hhs.gov/about/news/2020/06/09/hhs-announces-enhanced-provider-portal-relief-fund-payments-for-safety-net-hospitals-medicare-chip-providers.html>

Sincerely,

A handwritten signature in black ink that reads "John Rother". The signature is fluid and cursive, with a long horizontal stroke at the end.

John Rother

President, National Coalition on Health Care

CC:

Senate HELP Committee Chairman Lamar Alexander
Senate HELP Committee Ranking Member Patty Murray
Senate Finance Committee Chairman Charles E. Grassley
Senate Finance Committee Ranking Member Ron Wyden
House Majority Leader Steny H. Hoyer
House Energy and Commerce Committee Chairman Frank Pallone, Jr.
House Energy and Commerce Committee Ranking Member Greg Walden
House Ways and Means Committee Chairman Richard E. Neal
House Ways and Means Committee Ranking Member Kevin Brady
House Education and Labor Committee Chairman Robert C. Scott
House Education and Labor Committee Ranking Member Virginia Foxx