

May 13, 2021

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

Re: Modifications to the Provider Relief Fund

Dear Secretary Becerra,

The Medical Group Management Association (MGMA) appreciates the actions taken by the Department of Health and Human Services (HHS) to distribute Provider Relief Fund (PRF) payments to providers during the COVID-19 pandemic. These funds have allowed medical groups to keep their practices open and continue to treat vulnerable patients. However, MGMA has identified several outstanding issues related to the PRF that we respectfully request HHS to address.

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. When polled in July 2020, 70% of MGMA members reported that they received financial assistance from the PRF. MGMA is uniquely situated to offer the following recommendations regarding the program:

- Extend the deadline by which providers must use the COVID-19 PRF payments until the end of the COVID-19 Public Health Emergency (PHE). Currently, providers must use these funds by June 30, 2021. We believe group practices should have the ability to continue applying these funds towards expenses that help them meet the demands of the COVID-19 pandemic, while the PHE is still in effect.
- Expeditiously distribute the remaining funds to medical group practices and other providers. Of the \$178 billion allocated to the PRF by Congress, approximately \$30 billion is still available for distribution.¹ Physician practices have not all resumed elective surgeries and still must procure and supply personal protective equipment, resulting in ongoing financial uncertainty. We ask that HHS quickly distribute the rest of the available funds to better support our nation's medical groups and the patients they treat.
- **Expedite the release of formal reporting guidance.** The most recently updated version of the <u>Post-Payment Notice of Reporting Requirements</u> outlines, at a high level, the data elements that will need to be submitted in the reporting process. However, without clear and formal reporting guidance, like a physical reporting form, there is ambiguity around which specific metrics and

¹ Kaiser Family Foundation, "Funding for Health Care Providers During the Pandemic: An Update," April 20, 2021

pieces of information will need to be reported, creating uncertainty for providers on permissible uses of the funds.

- Simplify the PRF's complex reporting requirements. Current guidance requires providers to submit all healthcare expense information, even if they are justifying the retention of funds based on a calculation of lost revenue rather than healthcare related expenses. Additionally, the methodology <u>recommended</u> by HHS in calculating what proportion of expenses are "attributable to coronavirus [and] not reimbursed by other sources" is unnecessarily complex and administratively burdensome for providers to calculate.
- Ensure medical groups have sufficient time to report their use of funds. Previous departmental guidance had only allotted a 30-day window for providers to report their 2020 expenditures. While reporting deadlines have not been reinstated at this time, we believe that the reporting timeline for this program must be substantially longer than a 30-day period considering the complexity of items currently outlined in the Notice of Reporting Requirements and the ongoing challenges medical groups are facing in responding to the COVID-19 pandemic.

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 Claire Ernst at cernst@mgma.org or 202-293-3450.

Sincerely,

/s/

Anders Gilberg, MGA Senior Vice President, Government Affairs