



June 26, 2020

Submitted to PandemicPreparedness@help.senate.gov

The Honorable Lamar Alexander
Chairman
U.S. Senate HELP Committee
428 Senate Dirksen Office Building
Washington, D.C. 20510

Dear Chairman Alexander:

Thank you for the opportunity to provide feedback on the recommendations and questions posed in the white paper on “Preparing for the Next Pandemic.” We appreciate that you are considering steps Congress can take to plan for the future while the experience of the COVID-19 pandemic remains top of mind.

The Partnership to Empower Physician-Led Care (PEPC) is a membership organization dedicated to supporting value-based care to reduce costs, improve quality, empower patients and physicians, and increase access to care for millions of Americans through a competitive health care provider market. We believe that it is impossible to achieve truly value-based care without a robust independent practice community. Our members include Aledade, American Academy of Family Physicians (AAFP), California Medical Association, Florida Medical Association, Medical Group Management Association (MGMA), and Texas Medical Association’s Practice Edge. We also have individual and small medical group supporters across the country, many of whom are independent physicians or practices and wish to remain so.

As a coalition of stakeholders focused on sustaining independent medical practice through value-based care, we are particularly attuned to the challenges faced by independent physicians and practices during the pandemic. As you undoubtedly know, medical practices faced – and continue to face – significant financial challenges as patients stayed home and/or shifted their care to virtual modalities. [Data](#) shows that patient visit volumes dropped by 60% or more for medical practices during the period in which most states were under shelter in place or stay at home orders.

While many states have eased restrictions and patients are beginning to seek in-person care again, patient volumes still remain lower than pre-pandemic levels in most places. [Recent data](#) from the Commonwealth Fund shows a sustained reduction of 5% for primary care, 33% for pediatrics, and 17% for behavioral health. While financial burdens have eased, they are not totally gone and practices are bracing for more dramatic dips as cases continue to rise in certain areas, and if there is a second wave in the future.

Many of the financial challenges experienced by independent medical practices during the pandemic are the direct result of the fact that fee-for-service (FFS) is the predominant payment model for health care in this country. Six former administrators of the Center for Medicare and Medicaid Services (CMS) [recently acknowledged](#) the flaws inherent in the FFS payment model in a letter to congressional leaders, saying that “... just when they are most needed, physician practices, hospitals, and other health care organizations that depend on FFS payment are facing huge financial losses, layoffs and closures.”

One key way that we can prepare for the next pandemic is to continue – and double-down – on the movement to value-based care in this country. This includes ensuring that requirements for existing

payment models are clinically and financially appropriate for a range of providers, including independent practices and physicians, and that there are enough models for physicians and practices to choose from.

In addition to adopting policies that support value-based care, Congress should protect medical practices from the next pandemic by making appropriate investments in the independent medical workforce now. This will ensure that medical practices survive and will lay the groundwork for large-scale transformation in the future.

Finally, we are concerned that larger, more financially secure providers and stakeholders may take advantage of the challenges faced by independent practices by using funds intended for COVID relief to acquire medical practices in an effort to gain market share and/or competitive advantage. [A June 2 FAQ](#) published by the Department of Health and Human Services (HHS) clarifies that costs associated with acquiring a medical practice are an “eligible expense” for which Provider Relief Fund dollars may be used. **To protect against further provider consolidation, we recommend that Congress take immediate action to clarify that the Provider Relief Fund cannot be used for such purposes.**

In addition to the recommendations above, below is additional feedback on the specific recommendations and questions posed in the white paper. We have focused our comments on those areas where there is a unique role and/or need for independent medical practices in helping prepare our health care system for the next pandemic.

1. Disease Surveillance & Public Health Capabilities

Recommendation 2.2 calls on the Centers for Disease Control and Prevention (CDC), states, and health professionals to work together to identify barriers to earlier identification of cases. Additionally, the white paper asks what other barriers, in addition to limited testing capacity and insufficient and outdated technology, make it difficult to detect and conduct public health surveillance of emerging infectious diseases.

When the COVID pandemic hit the U.S. in force, one of the first recommendations from the CDC was that patients with COVID-like symptoms should call their doctor. Physicians and practices thus became the first line of defense against the pandemic. They remained a key part of the response as the pandemic progressed and hospitals increasingly needed to focus their attention on acutely ill patients. Independent physicians and medical practices continued to work to treat less severe cases of COVID while continuing to meet the ongoing non-COVID medical needs of their communities, such as chronic disease management and treatment of other non-acute illness.

To ensure our health care system is able to identify cases of infectious illness earlier, it is critical that we have a strong system of community practices and physicians. These practices and physicians are most likely to come into initial contact with individuals who have been exposed or infected with new strains of disease and/or illness. **To create a system capable of early detection and response, as stated above, we recommend investing in independent medical practices and physicians and continuing to expand and right-size opportunities for these practices and physicians to participate in value-based care models.**

2. Stockpiles, Distribution and Surges – Rebuild and Maintain State and Federal Stockpiles and Improve Medical Supply Surge Capacity and Distribution

The white paper asks what steps should be taken to ensure that health care providers and first responders have the supplies they need, such as personal protective equipment (PPE). As has been well-documented, procuring PPE has been a significant challenge for all providers, but especially independent medical practices and physicians. Unlike larger providers with dedicated teams focused on procurement of PPE and other supplies, physician practice owners often take on this task for their practices. During the COVID pandemic, they worked tirelessly to procure PPE at night and on the weekend. In some cases, they also diverted office or clinical staff from patient care to procure PPE, which meant that there were fewer clinicians available to treat patient needs in some instances.

Central to our response to the next pandemic should be a mechanism for equitable distribution of PPE. Larger, well-resourced providers should not have a monopoly on keeping themselves and their clinicians safe, while smaller providers are left to struggle to procure the supplies needed for the response.

3. Public Health Capabilities – Improve State and Local Capacity to Respond.

There are a series of recommendations in the white paper focused on ensuring we are able to return to normal life after a pandemic. Recommendation 4.1 is to get Americans back to their routine health care safely, and develop better plans for the future so that doctors and hospitals can continue to provide health care services and outpatient treatment during a pandemic. Recommendation 4.3 is that states need to maintain the capacity to trace contacts for emerging infectious diseases, and have programs in place to surge that capacity if necessary.

Independent medical practices play a key role in the success of each of these recommendations. They are the front line of care for millions of Americans, and indeed many of them are the only source of care, especially in rural communities where the local hospital has closed. They play a key role in treating patients with chronic disease who weren't able to get care during an outbreak or pandemic. They are the front-line tests and treaters of mild cases of infectious diseases like COVID and are central to preventing future outbreaks and relieving strain on hospitals. We must invest in and strengthen this network of critical independent physicians and practices.

Thank you for the opportunity to provide this feedback. We stand ready to be a resource as you consider the appropriate role of payment and delivery system reform and independent medical practices in supporting pandemic preparedness.

Sincerely,

Kristen McGovern
Executive Director