

August 7, 2020

Mark Meadows
Chief of Staff
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Chief of Staff Meadows:

On behalf of the physicians and student members of the American Medical Association (AMA), I am writing to urge the Administration to immediately address issues surrounding the Medicare Accelerated and Advance Payment Program in an Executive Order. We greatly appreciated that the Centers for Medicare & Medicaid Services (CMS) worked quickly in the spring to provide financial assistance to physicians in need. It was a lifeline that many physician practices needed. We also appreciated that the CARES Act postponed the start of recoupment for the Accelerated and Advance Payment Program until 120 days after initial payment and allows up to 210 days for repayment for physicians.

However, we have heard significant concerns from physicians about their ability to repay this amount of money. In the spring, surveys showed that from March to May revenues in physician offices were down at least 50 percent. As practices began reopening, they were able to recoup some of the loss but not all. The volume of visits and procedures is lower than before the pandemic. There are a series of reasons, including: spacing of patients to comply with social distancing, additional costs due to personal protective equipment (PPE) and an inability or unwillingness of many patients to engage in activities outside their home, including visiting their physicians. In addition, physicians will not be able to see nearly as many patients as they did before COVID-19 due to new safety precautions and PPE supply shortages.

The repayment terms of the Accelerated and Advance Payment program are harsh. Physicians are about to start having 100 percent of their Medicare claims withheld to repay the loans on a quick timeline, and after a few months any outstanding balances will be subject to a 10.25 percent interest rate.

With discussions over the COVID package breaking down, physicians need the Administration's urgent assistance.

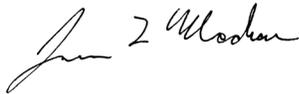
The AMA urges the Administration to issue an Executive Order to:

- Postpone the recoupment of disbursed funds until 365 days after the advance payment has been issued to a physician practice;
- Reduce the per claim recoupment amount from 100 percent to 25 percent; and
- Extend the repayment period for physicians to two years.

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If the Administration does not act many physician practices will fail. The policy changes outlined above will support the efforts of practices to stay open throughout the duration of the COVID-19 public health emergency and strengthen their ability to deliver services under a significantly impacted and altered environment. As the public gradually returns to physician offices to seek care, it is hoped that practices will reach their previous levels of service. The additional time before recoupment begins and the reduction in the amount recouped per claim will allow for a smoother transition for many practices.

Sincerely,

A handwritten signature in cursive script, appearing to read "James L. Madara".

James L. Madara, MD

cc: Seema Verma
Administrator
Centers for Medicaid & Medicare Services