



**Association of
American Medical Colleges**
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March 19, 2020

The Honorable Michael Pence
Vice President
United States of America
Old Executive Office Building
Washington, DC 20501

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
H-232, United States Capitol
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-226, United States Capitol
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, United States Capitol
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
United States Senate
S-255, United States Capitol
Washington, DC 20510

Dear Vice President Pence, Speaker Pelosi, House Minority Leader McCarthy, Senate Majority Leader McConnell, and Senate Minority Leader Schumer:

On behalf of the Association of American Medical Colleges (AAMC), I write to thank you for your continued efforts to combat the Coronavirus Disease 2019 (COVID-19) outbreak caused by the SARS-CoV-2 virus and to offer additional assistance and recommendations, which are actionable both immediately and in the long-term, as the government and the health care community continue to respond. Our member teaching hospitals and physicians have risen to the call to be on the front lines of this pandemic, and their efforts are a needed cornerstone in mitigating this crisis.

The AAMC is a not-for-profit association dedicated to transforming health care through innovative medical education, cutting-edge patient care, and groundbreaking medical research. Its members are all 155 accredited U.S. medical schools; nearly 400 major teaching hospitals and health systems, including 51 Department of Veterans Affairs medical centers; and more than 80 academic societies. Through these institutions and organizations, the AAMC serves the leaders of America's medical schools and teaching hospitals and their more than 173,000 full-time faculty members, 89,000 medical students, 129,000 resident physicians, and more than 60,000 graduate students and postdoctoral researchers in the biomedical sciences.

Major teaching hospitals and medical schools have mobilized on all fronts to contain and mitigate COVID-19 and, across the country, have been executing their emergency response plans and

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protocols, and working closely with their colleagues at state and local health departments who are stretched especially thin. Because of their expert faculty physicians, health care teams, and cutting-edge medical technology, AAMC-member teaching hospitals and physicians provide care for complex patients and often receive transferred patients for whom other hospitals cannot care. Major teaching hospitals consistently maintain a heightened level of preparedness to mobilize rapidly in response to any event at any time. This unique proficiency helped to lead the nation's response to past public health emergencies and disease outbreaks such as measles, Ebola, and H1N1, and now is a key asset in combatting COVID-19. Simply put – this is what we do.

Our teaching hospitals provide 25% of the nation's medical and surgical intensive care beds, 36% of cardiac intensive care beds, 61% of pediatric intensive care beds, and are home to 69% of all Level 1 trauma centers. As major centers of medical research in addition to patient care, scientists at medical schools and teaching hospitals conduct over 50% of extramural research funded by the National Institutes of Health (NIH). This research commitment has enabled AAMC-member institutions to use their capacity to develop much-needed tests for COVID-19 and continue to provide the world's most advanced and expert patient care informed by the latest innovations in fundamental and clinical research. Our emergency rooms are open to anyone in need, with experts in every medical specialty available 24/7.

The AAMC appreciates the rapid passage and enactment of the Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 (H.R. 6074), which took critical steps necessary to begin to contain the outbreak, including providing resources for vaccine and medical countermeasure research and development, among other important investments. We are also appreciative of the swift development and passage of the Families First Coronavirus Act (H.R. 6201), which will provide much-needed relief to American families and workforce.

The AAMC is also grateful for the president's declaration of a national emergency, which has proven to be a crucial step in this response. This declaration, through critical guidance issued by federal agencies including the Centers for Medicare and Medicaid Services (CMS), has given agencies and stakeholders targeted additional flexibility to address immediate challenges and prevent further issues, as a complement to the recent emergency declaration issued by the Department of Health and Human Services (HHS).

These steps have been critical in responding to COVID-19, and we appreciate that Congress and the Administration are working to advance additional legislative and administrative actions. The AAMC strongly supports these efforts, particularly the opportunities to mitigate the pandemic's impact on vulnerable individuals, populations, and families. Major teaching hospitals disproportionately care for underserved communities and are already on the front lines of the nation's response. As you move forward with both legislation and agency actions, we urge you to equip major teaching hospitals and faculty physicians across the country with the resources and authorities they need to sustain a vigorous response.

Given that we are on the front lines, we are seeing first-hand the needs and the impact of this pandemic on the ability to both address this crisis and simultaneously maintain other critical

services and activities. Our top concerns include shortages of personal protective equipment (PPE), limited testing resources, capacity of the health care workforce, strained financial resources to address developing needs for preparedness and response, research coming to a halt as we divert resources to the COVID-19 response, the impact on vulnerable populations, visa and immigration complications, and patient coverage for testing and treatment. We are also highlighting key regulatory issues here, though we will address them in further detail in a forthcoming letter to HHS.

It will be absolutely essential to ensure that the next package includes relief to support the urgent needs of the health care community without delay. Our recommendations are as follows:

Provide resources to support hospital preparedness and response

Teaching hospitals are devoting all the resources and care they can to address this crisis, at great expense. Key challenges, however, remain – particularly access to PPE and other critical hospital and testing supplies including pipette tips, hand sanitizer, sanitizing wipes, extracorporeal membrane oxygenation (ECMO) devices, ventilators, and swabs – and our members continue to report that mitigating these shortages of PPE and other critical supplies is among their most urgent priorities. Though they are working with their states to access the Strategic National Stockpile, numerous and diverse entities are seeking what appears to be a limited supply, leaving hospitals struggling to keep up with demand at their facilities. Our frontline health care workers simply should not be sent to battle the pandemic without the PPE and other equipment that they require.

Our physicians and nurses are among the nation’s most critical asset in combatting this pandemic. As the response progresses, hospitals will need to expand staffing as patients increase and as existing staff face potential quarantines or experience illness. Hospitals are exploring opportunities to provide childcare services for their health care workforce as schools across the country close as well as providing overtime for staff required to work longer hours to compensate for colleagues who are unable to work.

Teaching hospitals also will need additional, dedicated, capital to ensure that their facilities are able to adequately respond and surge to meet patient need. Facilities will need to undertake rapid construction projects, retrofit existing facilities, purchase new equipment such as ventilators, beds, etc., and replenish items they are using rapidly like PPE, swabs, hand sanitizer, and other critical supplies. They are also working to secure accommodations for vulnerable subpopulations who do not require hospitalization but are unable to find other housing. For example, hospitals are actively seeking shelter for homeless individuals who are awaiting test results or have tested positive but do not require hospitalization, as well as patients who should be in nursing homes or long-term care facilities but are not able to enter such settings due to their COVID-19 status.

The effect of these and other challenges will strain teaching hospitals’ financial resources, and they need direct funding infusions to support expenses they have already incurred and to meet future needs.

Therefore, the AAMC recommends that Congress:

- Provide explicit funding to support preparedness & response activities of hospitals and health systems, such as:
 - Hospital purchases of PPE and other supplies.
 - Purchases or leasing of equipment, such as machines to expand diagnostic testing capacity and ventilators.
 - Emergency staffing and overtime to ensure facilities are staffed at capacity to address the surge of patients and/or to mitigate staffing reductions while key personnel are in quarantine.
 - Childcare services for the health care workforce.
 - Accommodations for vulnerable populations who cannot secure other shelter.
 - Capital funding for construction, such as renovations to retrofit existing spaces or construction of temporary spaces to accommodate new needs related to the emergency.
- Ensure targeted funding for hospitals supplements new, general investments in the Hospital Preparedness Program (HPP) that support the broader health care community, as well as needed funding for state and local health departments.
- Allow funding to be used to address both retrospective and prospective expenses.
- Provide enhanced and explicit support for the National Ebola Training and Education Center (NETEC), to facilitate ongoing training, as well as the broader network of regional, treatment, assessment, and frontline hospitals specially prepared to respond to special pathogens.
- Continue to invest in the National Disaster Medical System (NDMS).

We urge the federal government to:

- Immediately leverage the Defense Production Act to expand and expedite supplies needed at hospitals and state and local health departments.
- Accelerate with urgency efforts to work with manufacturing companies to increase domestic production of these critical products.
- Ensure efficient and appropriate distribution of PPE and other supplies, particularly to hospitals and health systems experiencing shortages, to direct critical resources where they are needed most.
- Communicate to the public that they should not be utilizing the emergency department for non-emergency situations, and that they should instead contact their primary care provider for non-emergency situations.

Continue to increase the availability and capacity of testing

The AAMC applauds the Administration and Congress for its efforts to make testing more available. We are encouraged by efforts to expand the availability and capacity of testing across the country and urge you to continue these efforts.

However, we continue to hear from hospitals that they lack the appropriate reagents and other materials to complete tests because they are in short supply. Even institutions who can test do not have sufficient supplies such as pipette tips, swabs, and adequate PPE to protect those performing

the tests. Even more troubling is that the equipment needed to test for COVID-19 is the same that is used to test for Influenza A – meaning that labs across the country are short of the supplies they need to test for both viruses. Additionally, academic medical centers are concerned that the announced shifts to commercial laboratory testing will ultimately leave academic laboratories short on the supplies they need to continue testing. Therefore, we urge HHS to:

- Increase the availability of testing and test kits through all channels possible, but also ensure that academic laboratories are a key component of that strategy, and that they are still receiving the testing supplies that they require.
- Prioritize academic medical centers for testing supplies and leverage them for their expertise as you open new diagnostic testing centers.
- Ensure equal prioritization across all areas of the country – not just to previous hot spots of COVID-19 activity.
- Ensure the manufacturing and coordination of distribution of testing supplies such as swabs, pipette tips, and PPE.

We urge the Food and Drug Administration (FDA) to:

- Expedite review of testing applications and petitions from academic labs and smaller diagnostic companies. Hospitals use a number of testing platforms, and this would maximize the number of testing platforms able to be used to run tests.

Ensure hospitals can continue to provide quality care to COVID-19 and all patients

AAMC member teaching hospitals' top priority is always patient care, especially in difficult situations like COVID-19. However, the unique circumstances associated with the pandemic pose significant and unprecedented challenges that will strain institutions under the best circumstances and could adversely affect their ability to serve their communities. Targeted relief to blunt the impact of the current emergency will greatly facilitate their work to prevent further spread of the virus and to deploy personnel and resources most optimally for an efficient and effective response.

Major teaching hospitals are the point of care for the most complex and challenging patients with the greatest care needs, and that is particularly true at a time like this when communities and the nation are relying on teaching hospitals for widespread diagnosis and treatment. Medicare indirect medical education (IME) payments were created in large part to address the additional costs teaching hospitals incur for being these front-line providers for specialized care in normal times and unique care in times of national emergency. As facilities that are experienced in administering research protocols, major teaching hospitals are adept at deploying care innovations and managing cases that are not well understood. The novel nature of COVID-19 suggests that communities will rely on major teaching hospitals to be on the front lines of the pandemic, above and beyond what current payments support, and even if teaching hospitals are able to transfer less acute cases, they will still be tasked with caring for the most complex cases. IME payments need to be increased to provide steady support for these services.

Hospitals across the country are proactively postponing or cancelling non-essential “elective” surgeries, both to accommodate the expected surge of COVID-19 patients and to minimize risk of

infection. At many institutions, these scheduled, non-urgent services – including cancer treatment and cardiac procedures– make up a substantial proportion of daily operations. As a result, their costs are mounting as they prepare for the pandemic, but reimbursement is lagging markedly. Hospitals that are already operating at or near negative margins will struggle to fill that gap and continue normal or heightened operations.

Hospitals are facing substantial cuts through scheduled reductions to Medicaid Disproportionate Share Hospital (DSH) payments. Additionally, the proposed Medicaid Fiscal Accountability Regulation (MFAR) would cause uncertainty in the Medicaid program and potentially reduce the number of Medicaid enrollees, resulting in more uninsured patients and more uncompensated care costs. At this time, we should be focused on strengthening the health care safety-net, not dismantling it.

Now is also the time to eliminate the freeze on Medicare support for physician training. In 1997, Congress intended to temporarily freeze Medicare graduate medical education (GME) funding until physician needs in the U.S. could be re-evaluated. We believe that the increasing physician shortage over the last two decades has demonstrated that we need to increase the number of physicians to ensure we can care for people both during this current situation and the future. The Resident Physician Shortage Reduction Act (H.R. 1763/S. 348) would take a step toward addressing the physician shortage by gradually increasing Medicare’s cap on GME by 15,000 slots over five years. We estimate that this will produce an estimated 3,750 new physicians annually when fully implemented.

The AAMC urges Congress to:

- Temporarily end Medicare sequester payment reductions.
- Temporarily increase Medicare IME payment add-on adjustment which would provide targeted and immediate funding for teaching hospitals to address increased patient care demands and complexity.
- Temporarily increase Medicare DSH payment add-on payment which would provide targeted and immediate funding to hospitals serving uninsured and underinsured patients.
- Delay or eliminate scheduled DSH cuts, set to go into effect on May 22.
- Prevent the finalization of MFAR.
- Pass the Resident Physician Shortage Reduction Act (H.R. 1763 /S. 348).

We urge CMS to:

- Refrain from finalizing MFAR.
- Consider, for both government and commercial insurers, periodic interim payments (PIPs), which could be used to stabilize hospitals and allow them to remain open and serve their communities should claims processing slow down or halt due to COVID-19-related interruptions.
- Consider the accelerated payments in Medicare Part A, and Advance Payments in Medicare Part B, or use periodic interim payments (PIPs) to assist with cash flow at hospitals.

Ensure an adequate supply of pharmaceuticals and suspend burdensome reporting

It is crucial that we maintain an adequate supply of pharmaceuticals and therapeutics throughout the COVID-19 emergency. Additionally, teaching hospitals, by nature of the underserved patients they care for, often qualify for the 340B prescription drug program. The AAMC urges Congress to:

- Pass the Mitigating Emergency Drug Shortages Act (S. 2723), which is aimed at preventing drug shortages.
- Refrain from including any provision that would require Medicaid agencies to pay 340B hospitals for 340B drugs billed to Medicaid managed care organizations at actual acquisition cost. For many safety net hospitals, this would substantially reduce the savings on 340B drugs that these hospitals use to expand services for vulnerable populations.
- Waive DSH requirements for 340B eligibility for the duration of the pandemic and ensure that access to the 340B program is not limited.

The AAMC urges CMS to:

- Suspend its scheduled survey of all hospitals participating in the 340B program, which would collect actual acquisition costs for specified covered outpatient drugs (SCODs). This survey will exacerbate already taxed resources by requiring additional reporting during the COVID-19 pandemic.
- Provide a limited waiver of 340B hospital Medicare DSH eligibility threshold for current 340B hospitals to prevent them from losing 340B eligibility due to changes in their patient mix as a result of the COVID-19 emergency.

Provide funding to assist research labs at academic medical centers address expected costs associated with the pandemic

The AAMC applauds Congress's longstanding commitment to medical research supported by the NIH, including essential recent emergency supplemental investments in COVID-19-related work. In response to the emergency, many institutions are suspending research activities beyond critical and/or pandemic-related research. The PPE typically used for research activities is, in many cases, being shared with clinical personnel to address existing or ongoing shortages. Research trainees, post-doctoral candidates, and faculty who are not able to telework and rely on their grant funding for income could face financial stress.

Research programs cannot start or stop with the flip of a switch. NIH is actively providing guidance and administrative flexibilities, which are being well-received by the community. However, institutions and the research community will incur substantial expenses to support the research workforce as operations wind down temporarily, and again when ramping projects and labs back up once the crisis subsides. Many resources, such as animal research facilities, need to be tended even when research programs are suspended.

In addition to funding for COVID-19-related research, the AAMC recommends that Congress:

- Provide financial support through NIH, and other research agencies, to support the research workforce and help institutions suspend and/or resume research projects.

Waive telemedicine licensure requirements

Telemedicine use is a critical opportunity to relieve overwhelmed hospitals and medical facilities by allowing physicians to communicate with their patients without having an in-person interaction. While we appreciate that CMS has removed Medicare provider enrollment barriers related to state licensure, the issue remains that each state must affirmatively waive its licensure requirements to fully remove barriers to practice across state lines. Therefore, we urge CMS to:

- Immediately request that all states waive their licensure requirements.
- Promote the use of a uniform waiver, as it is essential that all state waivers be consistent to ensure that providers can practice where they are needed most.

Temporarily expedite extensions and changes of status for foreign national doctors currently in the U.S

The health care workforce includes a significant number of health professionals, including physicians and medical residents, who are practicing or otherwise lawfully present in the U.S. on a visa or other protected status. These providers, who are often at academic medical centers and safety-net facilities on the front line of the COVID-19 pandemic, are crucial components of our health care workforce. Therefore, we urge U.S. Citizenship and Immigration Services (USCIS) to:

- Temporarily extend visas and expedite approvals of extensions and changes of status for physicians and medical residents practicing or otherwise lawfully present in the U.S.
- Expand the premium processing option to such applications to facilitate an expedited process.

Waive certain lab restrictions in order to enable remote pathology services

Pathologists are equipped and able to read the results of tests for COVID-19 remotely. However, because of current Clinical Laboratory Improvement Amendments (CLIA) requirements, only 10% or less of these tests are being read outside of the lab setting. This is resulting in a slower reading of tests and is impractical considering social distancing and quarantine measures. The AAMC urges CMS to:

- Waive restrictions that limit pathologists from reading tests from their homes.

Ease reporting requirements for duration of the emergency

Hospitals are required to file a number of reports to CMS on a regular basis. One such report is on infection control. The same physicians who gather the data to complete this report are currently in the midst of responding to COVID-19, which will be a difficult deadline to meet given the current circumstances. Another example is the completion of the Community Health Needs Assessment. As hospitals continue to respond to the COVID-19 pandemic, we urge CMS to:

- Provide flexibility in reporting deadlines to allow those responsible for gathering the data adequate time to both respond to COVID-19 and file the necessary reports.
- Delay hospitals' completion of the Community Health Needs Assessment.

Hold patients harmless for the cost of testing and treatment

To deliver timely and equitable care to all patients who contract COVID-19 and to reduce the public's exposure, it will be essential to ensure that the costs associated with coronavirus testing and related diagnosis and treatment do not deter any patients from seeking care in a timely

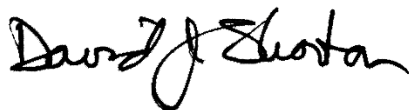
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manner, particularly given the disproportionate toll on vulnerable populations. We appreciate that H.R. 6201 took steps to increase the availability of testing, and to prevent patients from being responsible for cost-sharing. There is, however, more that can be done, and therefore we recommend that the federal government:

- Ensure coverage for uninsured and underinsured patients for both coronavirus testing and all other necessary evaluation and treatment costs.
- Enhance efforts to ensure there are no barriers for beneficiaries of Medicare, Medicaid, and other federal programs to access care.
- Suspend or withdraw any pending or existing policies that could prevent patients, including undocumented and recent immigrants and their families, from accessing care, as well as policies that will reduce coverage for existing beneficiaries. For example, the final rule on Inadmissibility on Public Charge Grounds could undermine efforts to identify every affected individual and limit further spread.
- Provide the appropriate support for affected patients who may need to self-quarantine but do not require hospitalization. For example, individuals who have symptoms may not seek testing or follow guidance to self-quarantine because they cannot afford to miss work, they fear exposing others in their households, and/or they do not have shelter. Pay particular attention to populations in crowded conditions, including the homeless and incarcerated.

The AAMC appreciates your efforts to combat COVID-19, and we will continue partnering with you in this response. Should you have any additional questions, please do not hesitate to contact me directly or AAMC Chief Public Policy Officer Karen Fisher, JD (kfisher@aamc.org).

Sincerely,



David J. Skorton, MD
President and CEO
Association of American Medical Colleges