



Association of
American Medical Colleges
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aamc.org

April 9, 2020

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

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

The Honorable Charles Schumer
Minority Leader
United States Senate
S-255, 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

Dear Speaker Pelosi, Senate Majority Leader McConnell, House Minority Leader McCarthy 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. The three supplemental spending packages to date have provided much needed relief to major teaching hospitals, medical schools, and faculty physicians as they mobilize on all fronts to contain and mitigate COVID-19. However, we continue to hear that our member teaching hospitals and practice plans continue to struggle financially. As you negotiate an interim relief package, we strongly support the inclusion of **at least an additional \$100 billion to the Provider Relief Fund authorized in the “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act, P.L. 116-136), and urge you to also provide \$26 billion in emergency appropriations to support the research workforce during this national emergency.**

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.

The AAMC appreciates the rapid passage of the CARES Act, which included \$100 billion in a Provider Relief Fund to begin assisting providers in recovering revenue losses and other expenses attributable to their COVID-19 efforts – but based on our ongoing conversations with our members we are concerned that the original allocation will be insufficient to meet the

immense needs of teaching hospitals and their physician faculty, not to mention other providers. Given the overwhelming demand for support from the Fund – both within and beyond academic medicine alone – we believe that the immense scope and magnitude of this emergency warrants an immediate additional investment in the Fund to adequately support the current needs of all health care providers, including teaching hospitals and faculty physicians. **As you consider an interim emergency package, we urge you to provide at least an additional \$100 billion in the Provider Relief Fund to ensure appropriate support for the academic medical centers that are fundamental to the nation’s response, in addition to other providers in need.**

As we have heard from our members and seen on national news reports, COVID-19 patients tend to be sicker and require prolonged hospitalizations, including being placed on ventilators in intensive care units. Teaching hospitals will treat most of these complex patients and, for many, the cost of care will greatly exceed the reimbursement hospitals receive. Academic medical centers and physician faculty practices are strained for supplies as they continue to deploy personnel and resources in the face of this crisis – all while cancelling non-essential “elective” surgeries, procedures, and routine appointments, and redeploying staff to perform other duties as needed. At many institutions, these scheduled, non-urgent services make up a substantial proportion of daily operations. Our members report that occupancy rates have dropped by as much as 30%, and in some cases even more, as they prepare for surges in COVID-19 cases. As a result, their costs are mounting as they respond to the pandemic, but reimbursement is lagging markedly, with some teaching hospitals and health systems losing between \$2 million and \$8 million per day and faculty physician practices reporting losses of between 25% and 50%. It will be impossible for them to recover this lost revenue once the crisis has subsided.

We also ask that Congress provide emergency supplemental funding for the National Institutes of Health and other research agencies, not only to advance COVID-19 related research, but also to support the broader research workforce during this national emergency. As you know, the U.S. medical research enterprise is crucial to developing treatments, cures, diagnostics, and preventions for all existing and emerging diseases, and a robust research enterprise contributes to the nation’s economic vitality. In response to the COVID-19 emergency, many institutions have suspended research activities beyond critical and/or pandemic-related research, leading the vast majority of labs nationwide to shut down and core facilities to go unused and unfunded. Research programs cannot start or stop with the flip of a switch. Emergency support to mitigate the disruptions resulting from COVID-19 would help the nation recover as quickly as possible the research momentum lost during the pandemic, provide relief to all researchers who rely on grant funding for income are unable to work, and support career transitions for graduate students and postdoctoral fellows. The AAMC, in partnership with the other higher education associations, recommends \$26 billion to provide an estimated 3 to 4 months of support to preserve our nation’s federal research enterprise.

Again, the AAMC appreciates your efforts to combat COVID-19, and we will continue partnering with you in this response. We recognize that the package currently under consideration is intended as interim emergency legislation, and we look forward to sharing

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shortly a more extensive set of recommendations for that effort. 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,

A handwritten signature in black ink that reads "David J. Skorton". The signature is written in a cursive, flowing style.

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