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September 13, 2022

The Honorable Chuck Schumer Majority Leader United States Senate Washington, DC 20510

The Honorable Mitch McConnell Republican Leader United States Senate Washington, DC 20510 The Honorable Nancy Pelosi Speaker United States House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy Republican Leader United States House of Representatives Washington, DC 20515

Dear Leader Schumer, Speaker Pelosi, Leader McConnell, and Leader McCarthy:

As Congress considers a continuing resolution (CR) to enable continued operations of the federal government past Sept. 30, I write on behalf of the Association of American Medical Colleges (AAMC) to encourage you to ensure that it also includes key investments to support the nation's ongoing response to the COVID-19 and monkeypox outbreaks and to highlight other important, pending priorities.

The AAMC is a nonprofit association dedicated to improving the health of people everywhere through medical education, health care, medical research, and community collaborations. Its members comprise all 156 accredited U.S. medical schools; 14 accredited Canadian medical schools; approximately 400 teaching hospitals and health systems, including Department of Veterans Affairs medical centers; and nearly 80 academic societies. Through these institutions and organizations, the AAMC leads and serves America's medical schools and teaching hospitals and the millions of individuals across academic medicine, including more than 191,000 full-time faculty members, 95,000 medical students, 149,000 resident physicians, and 60,000 graduate students and postdoctoral researchers in the biomedical sciences. Following a 2022 merger, the Alliance of Academic Health Centers and the Alliance of Academic Health Centers International broadened the AAMC's U.S. membership and expanded its reach to international academic health centers.

The AAMC supports emergency supplemental funding for the nation's COVID-19 and monkeypox responses to ensure adequate supplies of vaccines, treatments, and tests; the continuation of ongoing clinical trials for new countermeasures; and bolstering preparedness against future global infectious diseases. Throughout the COVID-19 public health emergency, our member medical schools, teaching hospitals and health systems, and faculty physicians and scientists have been active in efforts to contain and mitigate the impact of the pandemic by developing and deploying diagnostics, driving the development and administration of countermeasures, and continuing to provide quality care to their communities. The progress we have seen since the initial waves of the pandemic has been a direct result of these efforts and the tireless work of public health professionals nationwide.

However, while we undoubtedly have made inroads in our efforts to contain the pandemic, the virus continues to evolve, and ongoing vigilance will be essential to ensure that we do not lose ground while the public health emergency persists. Additionally, the emergence of monkeypox has added another threat to an already taxed public health and health care system. Among the lessons of the last three years is that without an aggressive response, we risk allowing these threats to endure. We cannot risk undermining our

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ongoing efforts to contain COVID-19 and monkeypox by failing to fund the tools that we know will be effective in keeping our population healthy. We encourage inclusion of the requested \$22.4 billion for COVID-19 and \$4.5 billion for monkeypox in supplemental funds to address these public health threats as part of the upcoming CR.

We also urge lawmakers to work towards the completion of fiscal year (FY) 2023 spending bills as quickly as possible after passage of the upcoming CR. The AAMC appreciates the proposed investments in health and research programs and agencies in the draft House and Senate FY 2023 spending bills, which fund programs vital to patients, communities, and the health and research workforce. The proposed FY 2023 investments, particularly for the National Institutes of Health and Centers for Disease Control and Prevention, play a critical role in reinforcing the nation's research and health infrastructure, preparing the nation for future public health threats, and enabling scientists at academic medical centers to advance innovative interventions, diagnostics, treatments, and cures that directly benefit patients and communities.

We are also grateful for House and Senate committees' proposed funding increases for the Health Resources and Services Administration Title VII health professions and Title VIII nursing workforce development programs, National Health Service Corps, Children's Hospitals Graduate Medical Education, and the Rural Residency Planning and Development grants. These programs successfully develop and retain a diverse and culturally competent health workforce, which helps to address health inequities and increase access to care in rural and under-resourced communities. But delays in annual spending decisions promote budget uncertainty that disrupts medical research progress, public health efforts, workforce training, and other impactful work supported by the Department of Health and Human Services. We urge lawmakers to work as quickly as possible to finalize the FY 2023 spending bills.

In addition to appropriations, the following important pending policies require attention before the end of the year:

The AAMC encourages enactment of the bipartisan, bicameral Mainstreaming Addiction Treatment Act (S. 445, H.R. 1384), which would suspend the outdated "X-waiver" requirement under the Drug Addiction Treatment Act of 2000, thereby expanding access to evidence-based medication assisted treatment. In addition, we encourage you to consider measures before the end of 2022 that would address the upstream determinants of overdose deaths by investing in the behavioral health workforce, extending tele-behavioral health regulatory flexibilities, and incentivizing the provision of integrated behavioral health care.

Prior to leaving for the August recess, the House passed the AAMC-supported Advancing Telehealth Beyond COVID-19 Act of 2021 (H.R. 4040), which extends through December 2024 key telehealth waivers implemented by Congress and the administration during the COVID-19 pandemic. In addition, the bill would delay the requirement that a Medicare beneficiary attend an in-person visit with their provider prior to receiving behavioral health services via telehealth. The AAMC urges you to extend, and eventually make permanent, these telehealth flexibilities that help ensure that patients maintain access to critical telehealth services beyond the expiration of the PHE.

In addition to the myriad difficulties presented by the ongoing public health emergencies, our member institutions face additional challenges related to prevailing economic conditions, including staffing shortages and financial strain. Last year, Congress voted to postpone statutory Pay-As-You-Go (PAYGO) cuts triggered by an increase in the federal deficit in 2021. Unless Congress acts before the end of this year, the Medicare program will be subject to a 4% PAYGO reduction in January 2023. In addition, the Centers for Medicare and Medicaid Services recently proposed calendar year 2023 Medicare Physician

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Fee Schedule Rule included a reduction to the Medicare conversion factor (CF) that would result in a cut of approximately 4.42% to Medicare physician payment. Given the ongoing challenges facing the nation's health care providers and physicians, the impact of these proposed cuts, and the critical importance of maintaining patient access to health care services, we strongly encourage Congress to waive the 4% statutory PAYGO cut and include a 4.42% CF adjustment for 2023 before the end of 2022.

These challenges are acutely felt among safety-net hospitals, which care for a disproportionate number of low-income patients, and as a result, operate on thin financial margins. Section 203 of Title II of the Consolidated Appropriations Act, 2020, changed the way that these institutions calculate their Medicaid Disproportionate Share Hospital (DSH) cap, prohibiting them from accounting for losses associated with patients who are dually eligible for both Medicaid and a third-party coverage source. Section 203 has resulted in unintended, acute financial losses for many of our safety-net members, and we encourage you to address this issue in a year-end package. The AAMC also remains concerned about the projected physician shortage of between 37,800 and 124,000 physicians by 2034, including shortfalls in both primary and specialty care. To help address this challenge, the AAMC supports the Resident Physician Shortage Reduction Act (S. 834/H.R. 2256), bipartisan legislation that would add 14,000 new Medicare-supported graduate medical education slots. This bill, coupled with the 1,000-slot increase from 2020, would produce approximately 3,750 new physician sanually once fully implemented. The AAMC urges you to provide additional Medicare support for physician training before the end of the calendar year.

We welcome the opportunity to provide any additional feedback or information on these requests. If you have any further questions, feel free to contact me at trasouli@aamc.org, or my colleague Leonard Marquez, Senior Director of Government Relations & Legislative Advocacy, Imarquez@aamc.org.

Sincerely,

Tannaz Rasouli, MPH Acting Chief Public Policy Officer Association of American Medical Colleges

## CC:

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

The Hon. Patrick Leahy Chairman U.S. Senate Committee on Appropriations

The Hon. Richard Shelby Vice Chairman U.S. Senate Committee on Appropriations The Hon. Rosa DeLauro Chair U.S. House Committee on Appropriations

The Hon. Kay Granger Ranking Member U.S. House Committee on Appropriations