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June 1, 2020

The Honorable Alex M. Azar II Secretary U.S. Health and Human Services 200 Independence Ave SW Washington, DC 20201

## Dear Secretary Azar:

On behalf of the Primary Care Collaborative, I am writing to urge you and the Department of Health and Human Services (HHS) to make an immediate, targeted allocation from the Provider Relief Fund (PRF) to primary care clinicians and/or practices in order to offset reduced revenue and increased costs associated with COVID-19. The targeted allocation that HHS has already made to rural hospitals from the PRF should serve as a model for primary care. A targeted allocation for primary care must be:

- disbursed immediately to primary care clinicians and practices to prevent them from closing in a matter of weeks;
- sufficient to offset lost revenue and increased expenses related to COVID-19, after accounting for any disbursements such clinicians or practices may have already received from the PRF general allocations;
- continued through the end of CY 2020.

The Primary Care Collaborative (PCC) represents over 60 diverse organizations dedicated to advancing an effective and efficient health system built on a strong foundation of primary care. Established in 2006, the PCC brings together patients, purchasers, payers, clinicians, and researchers to expand our nation's investment in primary care. Our goals include reducing inequities in access and disparities in outcomes, improving value and patient experience, and building a more integrated, sustainable health care system. To achieve these goals, we advocate for moving from a volume-based payment system to one based on value and better outcomes.

We believe that without immediate action to support primary care with targeted funding from the PRF, many practices will soon be forced to close their doors or sell their practices to investors, hospital systems, or others, which evidence compiled by HHS suggests is likely to increase costs.<sup>1</sup> A recent survey found that nearly half of primary care clinicians reported that they have laid off or furloughed staff, two-thirds report that less than half of the care they are providing is reimbursable, and 45% are unsure if they have the funds to stay open for the next four weeks.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> https://www.hhs.gov/sites/default/files/Reforming-Americas-Healthcare-System-Through-Choice-and-Competition.pdf

<sup>&</sup>lt;sup>2</sup> Survey results conducted by the Larry A. Green <u>Center</u> during 11 weeks ending May 27, 2020, in collaboration with the Primary Care Collaborative and 3rd Conversation/X4 Health. <a href="https://www.thepcc.org/covid">https://www.thepcc.org/covid</a>

Congress and the Administration have taken important steps to shore up the health care system, but federal support has not been sufficient, and it has not reached everyone: most relief has gone to institutions and those who participate in Medicare, leaving behind primary care clinicians that primarily serve Medicaid, privately insured, and uninsured patients. More support is needed to help all primary care practices stay open through the pandemic and its aftermath.

Practice closures, actual and threatened, across primary care are concerning, with serious repercussions for patients. In a recent survey, 38% of primary care clinicians believe that there will be non-COVID-19 related deaths among their patients due to diverted or avoided care.<sup>2</sup> More specifically:

- Primary care visits have dropped by nearly 50% during the public health emergency.<sup>3</sup> Telehealth visits have increased but not enough to offset the loss in patient visits,<sup>3</sup> and virtual care lacks full payment parity across all payers.
- Only half of surveyed clinicians say they are likely to have enough cash to stay open for the next four weeks.
- Delayed or avoided care pose serious long-term threats for patients: 20% of patients report they are overdue for chronic care visits; a third are overdue for preventive care; and roughly half are struggling with isolation and anxiety/depression.<sup>4</sup>
- No federal support to-date has expressly prioritized primary care, and the funding that practices have received has not been uniform or, in many cases, sufficient.

As states begin to re-open, we do anticipate that more practices will offer in-person visits. However, we do not think that, for the balance of the year, these visits will offset: financial losses already incurred; reduced appointment schedules needed to mitigate COVID-19 spread; and some patient reluctance to avail themselves of care as the pandemic moves to the next phase.

Secretary Azar, you shared your vision of a more effective health care system with the Primary Care Collaborative in a stirring speech in 2018.<sup>5</sup> We share your vision to transition to payment based on value, with less red tape and more informed and empowered patients. That transition is endangered by the deep financial stress caused by the COVID-19 pandemic on our already inadequate primary care infrastructure. We urge you to commit significant, immediate resources from the Provider Relief Fund to rescue primary care clinicians before the COVID-19 pandemic inflicts more collateral damage on them and the millions of Americans who rely on them.

Sincerely,

Ann Greiner

PCC President and CEO

<sup>&</sup>lt;sup>5</sup> https://www.hhs.gov/about/leadership/secretary/speeches/2018-speeches/remarks-on-primary-care-and-value-based-transformation.html



<sup>&</sup>lt;sup>3</sup> Ateev Mehrotra et al., "What Impact Has COVID-19 Had on Outpatient Visits?," To the Point, Commonwealth Fund, Apr 23, 2020.

<sup>&</sup>lt;sup>4</sup> https://www.pcpcc.org/2020/05/26/primary-care-covid-19-week-11-surveys