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February 1, 2021

The Honorable Charles Schumer Senate Majority Leader The U.S. Capitol Washington, DC 20510

The Honorable Nancy Pelosi Speaker of the House of Representatives The U.S. Capitol Washington, DC 20515 The Honorable Mitch McConnell Senate Republican Leader The U.S. Capitol Washington, DC 20510

The Honorable Kevin McCarthy House Republican Leader The U.S. Capitol Washington, DC 20515

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

The American Academy of Dermatology Association (Academy), which represents more than 13,800 dermatologists nationwide, would like to express its appreciation for the bipartisan action taken by Congress via the December 2020 COVID-19 relief legislative package, H.R. 133, *The Consolidated Appropriations Act, 2021*. This relief package helped physicians on the frontlines of care, who continue to meet public health demands as the COVID-19 Public Health Emergency (PHE) extends into the new year. As you consider additional measures in the days ahead, the Academy supports efforts to provide sustained support for healthcare providers and small business operators. Specifically, we ask that you continue assisting small healthcare practices by providing direct financial support via Medicare and federal tax relief, expand liability protections for health care providers during the pandemic, and take action to ease the burdens on patients seeking care.

For the foreseeable future, dermatologists and their employees will be struggling to do more with less, while they continue to implement new telehealth protocols, purchase personal protective equipment (PPE) and provide for social distancing. Practices are limited in the cost-cutting measures they can utilize as they are bound to their contracts with vendors and employees and limited in their ability to pass along expenses to patients. Unfortunately, the continued uncertainty surrounding the PHE and the added financial burdens on practices still have the potential to lead to further layoffs, reductions in revenue for dermatology practices and their employees, and burnout for healthcare providers. To not only address these challenges but also to further the ability of our members and their practices to serve their patients in this unprecedented time, the Academy requests that you include the following measures in any future COVID-19 relief package.

## Stabilize Medicare Reimbursement and Relief

The Academy appreciates your leadership and support in H.R. 133 to provide relief from pending Medicare payment reductions by delaying the implementation of the provisions in the Medicare Physician Fee Schedule (MPFS) rule for Calendar Year (CY) 2020 that included broad changes to reimbursement for evaluation and management (E/M) services. In addition, the Academy greatly appreciates your support for providing continued relief from sequestration for Medicare payments through the end of March 2021. The Academy supports a purposeful approach to revaluing the office-based E/M codes but adhering to existing budget neutrality requirements for implementing the new policy would have immediately triggered a cut of more than 10% in the conversion factor on which Medicare physician reimbursement is based. In this unprecedented time, such a significant reduction in Medicare payments would have only exacerbated the ongoing financial challenges for dermatology practices. With sequester scheduled to be reinstated in April, the potential of Medicare payment cuts still looms for dermatology practices. To address this uncertainty, the Academy asks for continued relief from financial hardships for our members and their practices by:

- Continuing the sequester relief provided under the *CARES Act*, and further delay sequester cuts to the Medicare program though the end of 2021.
- Consistent with this effort, the Academy also supports H.R. 315, which was recently introduced by Rep. Brad Schneider and Rep. David McKinley and would extend this relief from the Medicare sequester through the end of the PHE.

## **Continue Relief to Maintain Practices Through the PHE**

The Academy greatly appreciates the measures included in H.R. 133 to not only reopen and provide additional funding for the PPP but to also provide additional flexibility and relief for those already receiving assistance under the program. To build on and ensure the ultimate success of these relief efforts, the Academy requests that federal relief programs, including the PPP and the Provider Relief Fund, be maintained through the end of the PHE so that healthcare providers can fully return to practice and continue to provide care with ample PPE and social distancing standards as long as needed. As previously noted, dermatology practices were adversely affected by stay-at-home orders and prohibitions on what have been determined to be non-essential procedures. Because of the ongoing PHE, dermatology practices have experienced substantial losses compared to 2019 (resulting, for example, from decreased patient traffic and shutdowns caused by COVID exposure) that have been significantly greater than funds received from the PPP and grants from the Public Health and Social Services Emergency Fund. In addition to continued support for the PPP, the Provider Relief Fund and other small business support programs, the Academy requests that the next COVID package also include:

Consistent with the Academy's support of the *Eliminating the Provider Relief Fund Tax Penalties Act of 2019* (H.R. 7819, S. 4525, 116th Congress), provisions to ensure that the Public Health and Social Services Emergency Fund and similar funding provided in response to COVID-19 is not taxable and that entities receiving these funds maintain tax deductions attributable to these funds.

## **Extend Liability Coverage through the Pandemic**

Given the sweeping impact of the COVID-19 crisis, the Academy continues to strongly urge Congress to provide broader liability protections for physicians and other clinicians and the facilities in which they practice as they continue their non-stop efforts to see patients under extremely challenging and unprecedented conditions. The shifting of patient care to telehealth to maintain patient access limits the ability to make certain diagnoses. Limitations on elective care, necessary social distancing practices, and challenges with staff needing to work from home have led to delays in treatment. As dermatology practices have re-opened, dermatologists, their employees and their patients continue to face the potential of COVID-19 exposure. These concerns create a unique situation that raises serious potential for liability claims against physicians and other health care providers and facilities—both as health care providers and as employers as well. Therefore, the Academy asks that any future COVID relief package include the following measures:

Include provisions contained in the bipartisan Coronavirus Provider Protection Act (H.R. 7059, 116<sup>th</sup> Congress) and additional liability workplace safeguards to protect physicians, other health care providers, facilities, and their employees.

## Ease the Burden on Patients, Reform Utilization Management Systems

Providing patients with necessary treatment and care has always been a top priority for dermatologists, but the COVID-19 crisis has also emphasized the need for legislation to help reduce barriers to care and treatment created by arbitrary utilization management systems. To alleviate these burdens on our patients, the Academy asks Congress to pass the policy provisions in the following legislation, each of which has broad bipartisan support:

- The Safe Step Act (H.R. 2279/S. 2546, 116<sup>th</sup> Congress), which would ensure that physicians remain the clinical authority over a patient's care and lessen the burden on patients required to go through step therapy protocols instituted by insurance companies.
- Improving Seniors' Timely Access to Care Act (H.R. 3107, 116<sup>th</sup> Congress), which would reduce the burden of prior authorization and allow physicians to spend more time treating patients.

The Academy's goal is to ensure that all dermatologists can continue to provide high-quality dermatologic care during and after the COVID-19 PHE. Your support for the measures outlined in this letter would take another step forward in the effort to address these concerns and would bring much needed stability for many practices. We thank you for your work for the American people during this unprecedented time and urge your consideration of these requests as you consider further relief measures in early 2021. If you have any questions or comments, please contact Shawn Friesen, Director, Legislative, Political & Grassroots Advocacy, at sfriesen@aad.org or 202-712-2601.

Sincerely,

Bruce H. Thiers. MD. FAAD

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President, American Academy of Dermatology Association