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April 30, 2020

The Honorable Mitch McConnell 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 Charles Schumer Senate Democratic Leader The U.S. Capitol Washington, DC 20510

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

Dear Leader McConnell, Leader Schumer, 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 recent actions taken by Congress and the Administration to help physicians on the frontlines of care meeting public health demands during the current COVID-19 pandemic. In particular, the programs created by the "Coronavirus Aid, Relief, and Economic Security Act" (H.R. 748, the CARES Act) and strengthened by the Paycheck Protection Program and Health Care Enhancement Act (H.R. 266) have allowed dermatologists, their practices and staff to seek and receive economic relief in these unprecedented times. Furthermore, the additional flexibility and coverage for the provision of telehealth services has allowed dermatologists to continue to deliver care and consult with their patients in certain circumstances. As you work to provide further relief in future COVID-related legislation, the Academy would urge you to continue providing relief and practice flexibility for our dermatologist-members.

In accordance with state directives, as well as recommendations from the Centers for Disease Control and Prevention (CDC) and the Centers for Medicare and Medicaid Services (CMS) to halt non-emergent procedures and treatments, many dermatology practices have been forced to shift to telehealth, drastically cut their patient appointments or shut down altogether. Waivers provided via CMS for telehealth, and the actions of private insurers to follow suit, have provided an emerging modality for patient care. However, dermatology practices have still reduced their patient volume by as much as 90%, and this is even when accounting for telehealth consultations. Over the past two months, dermatologists who own their practices have gone without pay or deferred their salaries in order to maintain their practices and compensate their employees. In addition, we have also received word of employed dermatologists being furloughed, being laid off, having their salary cut or deferred up to 100% or being re-deployed as large group practices and academic practices have been rendered inactive due to restrictions and caution around spread of the virus and to preserve personal

protective equipment (PPE). While temporary economic relief provided through the CARES Act has helped and given some hope to dermatology practices, their employees, and the patients they serve, the Academy would request your support of the following measures in order to preserve the viability of dermatology practices and to help sustain access to high quality dermatologic care both during and after the pandemic has ended.

Sustain Financial Relief until Practices Can Fully Re-Open

The Academy requests that the Payroll Protection Program (PPP) and the Provider Relief Fund be maintained with proper oversight until every state has completed its process to allow for physicians to fully return to practice, including providing care to patients in cases previously determined to be non-essential or elective. As previously noted, dermatology practices have been adversely affected by stay-at-home orders and prohibitions on non-essential procedures. The PPP is and will continue to be essential for dermatologists to adequately operate small group and solo dermatology practices until they can reestablish their pre-COVID patient levels. For those practices that do not qualify for the PPP, and to provide relief from losses already incurred by all dermatologists as a result of the COVID emergency, the continued direct grants from the HHS are integral in ensuring dermatology practices remain financially viable and are able to once again provide health care services in their communities once their state has lifted prohibitions on non-essential procedures.

Medicare Reimbursement and Relief

The Academy also requests further action to provide relief through the Medicare program by including an extension of the Medicare sequester relief previously provided in the CARES Act through 2021, a positive payment update for the Medicare Physician Fee Schedule to match updates for other healthcare providers, and a waiver of the budget neutrality requirement for the Medicare payment changes for evaluation and management (E/M) services that are scheduled for implementation in 2021.

Furthermore, the Academy requests your support in urging CMS to act quickly to reinstate the Medicare Accelerated and Advanced Payment (AAP) program so that this assistance can again be available to help support practices that treat Medicare patients. We also urge increased flexibility available to physicians who already received payments under the now suspended AAP program. Specifically, we ask that the program be amended to postpone recoupment until 365 days after the advance payment is issued; reduce the per-claim recoupment amount from 100% to 25%; extend the repayment period for physicians to at least two years; and waive the interest that accrues during the extended payment period.

Similarly, dermatologists are working to track and provide quality care through the Merit-based Incentive Payment System (MIPS) program. To encourage continued participation in MIPS and quality reporting, we urge you to postpone payment penalties through 2021 that would otherwise be mandated by the program.

Liability Coverage

Given the sweeping impact of the COVID-19 crisis, the Academy also strongly urges 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 and limitations on elective care has led to delays in treatment, which raise serious concerns about the potential for liability claims against physicians and other health care providers and facilities, who are continuing to work to provide high-quality patient care while also adhering to guidance and recommendations.

Assistance to Associations

As the Academy seeks to serve dermatologists, their practices and their patients, the COVID-19 pandemic has also severely impacted professional societies and associations. While the Academy staff have been able to work remotely, we were forced to cancel our Annual Meeting, which would have taken place in Denver this past March. Meetings such as these provide an important and often main source of revenue for nonprofit organizations. Many nonprofits organizations and professional societies, including state and local dermatological societies, as 501(c)(6) organizations have not been eligible for much of the relief that was part of the CARES Act. To that end, we urge you to include emergency financial relief and stability for 501(c)(6) professional societies and trade associations that have been adversely impacted by this pandemic. Furthermore, we ask that you include insurance protection for businesses who demonstrate significant business interruption and sharp decline in present and future revenue in case of a possible pandemic or epidemic, similar to what has been provided under the Terrorism Risk Insurance Act (TRIA).

The Academy's goal is to ensure that all dermatologists can return to seeing patients on a full-time basis once the COVID-19 crisis has abated. The Academy thanks you for your leadership and actions to protect access to care by providing needed resources and making policy changes to help maintain dermatology practices and enable our members to continue caring for patients. With the magnitude of the pandemic's impact on the provision of dermatologic care, the Academy appreciates your consideration of the needs of dermatologists, dermatology practices and their employees, and the patients we are called to serve, and we look forward to your continued support. 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