



March 16, 2021

Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
2468 Rayburn House Office Building
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

Re: AOA Comments and Recommendations to Address Mandatory Sequestration Cuts

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

On behalf of the more than 151,000 osteopathic physicians (DOs) and osteopathic medical students represented by the American Osteopathic Association (AOA) and undersigned specialty and state osteopathic associations and the patients they serve, we write to express our strong support for the passage of the bipartisan *Medicare Sequester COVID Moratorium Act (H.R. 315)*, to avert the 2% mandatory sequestration cuts to physician payments during the public health emergency. We also ask that Congress act to ensure that any Medicare cuts relating to statutory 'Pay-As-You-Go' (PAYGO) requirements be prevented.

On December 27, 2020, Congress recognized the growing economic toll COVID-19 has had on physician practices and passed a short-term sequester freeze until March 31, 2021. Our organizations appreciate this delay; however, the fight to defeat the pandemic continues and many challenges persist. Our country's healthcare system continues to face a severe financial strain due to the

COVID-19 pandemic. The continued toll that it is taking on small physician practices is a burden that many are struggling to navigate. These practices are foundational to patient access to primary care services and management of chronic conditions. For patients with chronic conditions in particular, access to their physicians is essential to maintaining wellness.

To better understand the effects this is having on our membership, the AOA conducted a nationwide survey of practicing DOs last year to gauge the financial toll COVID-19 is taking on their practices. Of those who participated in the survey, 95% of physicians experienced a decline in practice revenue due to COVID-19, and more than 40% experienced a cut greater than 50%. The essential takeaway is that that physicians across all specialties are struggling to keep their practices open due to increased expenses and reductions in revenue as a direct result of the pandemic. Perhaps the most important takeaway from the survey is that 75% of physicians said that even after receiving either a Department of Health and Human Services (HHS) provider relief payment or Small Business Administration loan, they still need financial support to be able to continue providing quality patient care.

These increased financial challenges are especially difficult for small physician practices in rural and underserved communities across the nation, and further reinforces why a 2% sequester cut would be devastating and dramatically impact our physicians' ability to care for their patients. Medicare sequestration cuts would also disproportionately affect osteopathic physicians and the patients whom they serve given that DOs make up 11% of all physicians in the United States and comprise 40% of the physicians practicing in medically underserved areas.

One of the issues highlighted by the pandemic is the limited access to essential medical services that plagues underserved communities, which is exacerbated by physician workforce shortages. Beyond access to testing, treatment, and vaccination for COVID-19, there is an ongoing need to increase access to physician-led care for primary care, mental health, and substance use disorder treatment services for all populations, and especially in underserved communities.

Even with the encouraging development of an effective vaccine, physician practices will continue to face overwhelming financial challenges and pressures associated with higher overhead costs. This includes, but is not limited to, new investments in infrastructure, increased personal protective equipment (PPE), and other essential medical supplies necessary to safely vaccinate and treat patients.

Physician practices are currently facing significant economic hardships. Allowing sequestration or PAYGO cuts to physician payment to take effect would further strain Medicare beneficiaries access to care in rural and underserved communities.

We greatly appreciate the work that Congress has done to support our nation's recovery from this pandemic and request your assistance in addressing this critical issue to improve access to care for all Americans. If you have any questions or if our organizations can be a resource, please contact AOA Senior Vice President of Public Policy, David Pugach, at DPugach@osteopathic.org or (202) 349-8753.

Sincerely,

American Osteopathic Association

American Academy of Osteopathy

American College of Osteopathic Emergency Physicians

American College of Osteopathic Family Physicians

American College of Osteopathic Internists

American College of Osteopathic Obstetricians and Gynecologists

American Osteopathic Academy of Orthopedics

American Osteopathic Academy of Sports Medicine

American Osteopathic Association of Prolotherapy Regenerative Medicine

American Osteopathic College of Anesthesiologists

American Osteopathic College of Dermatology

American Osteopathic College of Neurology and Psychiatry

American Osteopathic College of Pathologists

American Osteopathic College of Physician Medicine and Rehabilitation

American Osteopathic College of Proctology

American Osteopathic College of Radiology

American Osteopathic Society of Rheumatic Diseases

Arkansas Osteopathic Medical Association

Colorado Society of Osteopathic Medicine

Florida Osteopathic Medical Association

Georgia Osteopathic Medical Association

Illinois Osteopathic Medical Society

Indiana Osteopathic Association

Iowa Osteopathic Medical Association

Kansas Association of Osteopathic Medicine

Louisiana Osteopathic Medical Association

Maine Osteopathic Association

Massachusetts Osteopathic Society

Michigan Osteopathic Association

Minnesota Osteopathic Medical Society

Missouri Association of Osteopathic Physicians and Surgeons

New Jersey Association of Osteopathic Physicians and Surgeons

New York State Osteopathic Medical Society

North Carolina Osteopathic Medical Association

Ohio Osteopathic Association

Osteopathic Physicians and Surgeons of California
Osteopathic Physicians and Surgeons of Oregon
Pennsylvania Osteopathic Medical Association
South Carolina Osteopathic Medical Society
Tennessee Osteopathic Medical Association
Virginia Osteopathic Medical Association
Washington State Osteopathic Medical Association
Wisconsin Association of Osteopathic Physicians & Surgeons