American Academy of Pediatrics
DEDICATED TO THE HEALTH OF ALL CHILDREN®

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April 16, 2020

The Honorable Alex M Azar II
Secretary
US Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Dear Secretary Azar,

On behalf of the American Academy of Pediatrics, I would like to thank you and the entire Health and Human Services (HHS) staff for your tireless work during the unprecedented COVID-19 pandemic. Ensuring that the health care system can maintain essential services and nimbly adapt to shifting needs will be imperative during and following the public health emergency. This is critical to the health of children today and into the future. General pediatricians, pediatric medical subspecialists and pediatric surgical specialists must be able to continue providing health supervision visits and acute and chronic care visits wherever possible. From vaccinating children to prevent a secondary outbreak of an infectious disease like measles to screening children for child abuse, it is absolutely essential for the future health and safety of the country that pediatricians have the financial support to continue seeing children throughout this pandemic. As such, we urge you to deliver immediate, direct financial relief payments to pediatricians, including pediatric medical subspecialists and pediatric surgical specialists, much like what has been provided for physicians who participate in Medicare.

We appreciate that the Trump Administration has acknowledged the important role of pediatricians in keeping children healthy, and the corresponding need to deliver financial relief to pediatricians in short order.[i] Pediatricians are facing severe financial challenges and confronting drastic choices in light of the COVID-19 pandemic. Practice managers around the country report that their case loads are as low as 20-30 percent of their practices' typical case loads due to social distancing, shelter-in-place, and families delaying or forgoing care. At the same time, pediatricians are facing higher costs including personal protective equipment and workforce training as they transform their practice to meet the needs of their patients and families. Pediatricians are offering telehealth care, organizing office visits into well-care and sick-care blocks, and instituting infection control measures ranging from removing seats and toys in the waiting room to conducting drive-through testing and vaccinations. The dramatic drop in revenue compounded with higher costs is forcing practices to confront furloughs and layoffs, cancel vaccine orders, and in many cases, consider permanent closure.

Delaying or forgoing care can have serious ramifications for children's health. Children who cannot access vaccinations are left vulnerable to infectious diseases like measles and whooping cough and worse, would make their communities more vulnerable to another outbreak at the same time COVID-19 is threatening the lives of families. A child who cannot access well-child care may not have a developmental delay identified in a timely way, missing the opportunity to receive services that positively impact outcomes across developmental domains, including

health, language and communication, cognitive development and social/emotional development.[ii] Children with special health care needs must have continued access to their pediatric medical subspecialists and pediatric surgical specialists or risk medical crises and worse health outcomes. Children and families who cannot access in-person or telehealth care from their pediatrician may miss important screening, referrals, and treatment for mental and behavioral health issues, including anxiety, depression, and suicidal ideation. These services cannot safely wait until the COVID-19 pandemic is over.

If pediatric practices close, children and families will lose access to this critical and time-sensitive care. Communities will be more vulnerable to outbreaks of infectious disease without the critical infrastructure for childhood vaccines that pediatricians provide. HHS must act immediately to deliver financial relief to pediatricians.

We strongly urge you to immediately distribute grants from the Public Health and Social Services Emergency Fund to pediatricians. We recommend that for the sake of simplicity and expediency, HHS immediately disburse two months of average practice expenses to each active pediatrician in the US. Specifically, we recommend that HHS use the average compensation of pediatricians, multiplied by 2.6 to account for practice operating expenses.[iii] HHS should provide two months of average practice expenses to account for the severely reduced case load in March and April 2020. Pediatricians have not been able to access financial relief policies issued by HHS because of the focus on Medicare: they have not been eligible for grants linked to Medicare fee-for-service claims, they have not been eligible for Medicare advanced or accelerated payments, they have not been able to access increased Medicare payments for care related to COVID-19, and they have not had the benefit of rapid, uniform changes to telehealth coverage and payment policies. While immediate grants as we recommend will provide urgently needed security allowing pediatricians to keep practices open, pay staff, and procure needed supplies, additional financial support will be needed as the public health emergency continues. HHS should use the National Provider Identifier (NPI) registry and taxonomy to identify pediatricians eligible for these funds (ie, taxonomy codes 208000000X for general pediatricians and appropriate codes for pediatric medical subspecialists and pediatric surgical specialists, such as 207NP0225X for pediatric dermatologists and 2086S0120X for pediatric surgeons).[iv] If a direct deposit is not available, HHS should mail a check for this amount to the mailing address associated with the NPI. These funds should mirror the funds distributed to Medicare fee-for-service providers and the only requirements should be to attest to receipt of funding, and that the recipient provides or provided patient care after January 31, 2020; is not currently terminated from participation in Medicare; is not currently excluded from participation in Medicare, Medicaid, and other Federal health care programs; and does not currently have Medicare billing privileges revoked.

Pediatricians urgently need financial relief to continue to meet the time-sensitive needs of children and their families. If you choose to establish a different approach or methodology to allocate funds from the Public Health and Social Services Emergency Fund such as funds based on historical Medicaid claims, we ask that your approach follow these guiding principles:

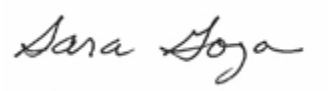
- Funds should be allocated and delivered immediately with as few barriers as possible, such as through direct deposit and as a grant, not a loan. Implementing an application process or relying on states to further allocate and distribute relief risks the funds not getting to pediatricians in a timely way and fails to meet pediatricians' immediate needs. Giving states flexibility to decide how to distribute these additional funds among non-Medicare providers is not an acceptable replacement for direct funding to pediatricians.

- Similarly, requiring cumbersome accounting or reporting by pediatricians beyond what was required of physicians who bill Medicare unfairly discriminates against non-Medicare providers and would set a dangerous precedent.
- Funds should be allocated as needed to provide adequate support, not capped in advance. Establishing a grant block that providers can access until it runs short will leave many in dire situations. It also risks creating a scenario where providers must compete with one another for a capped amount of funding. Pitting pediatricians against nursing homes, for example, disadvantages both.
- All pediatricians regardless of Medicaid participation or payer mix should be included in the funding allocation. If HHS uses a methodology based on Medicaid claims, establish a minimum payment not less than an appropriate floor, such as the 25th percentile of the amount to be distributed to physicians.
- If NPIs are not used to identify eligible pediatricians, we recommend that HHS partner with other national payers as needed to ensure pediatricians who do not participate in Medicare or Medicaid are identified and included.
- The funding requirements should mirror the criteria set for the $30b issued to Medicare fee-for-service providers and should not be limited to certain allowable expenses.

More than 35 million children rely on Medicaid and CHIP for access to affordable, comprehensive health care. These are critically important programs supporting children's health and wellbeing, and most pediatricians participate in the programs. However, at this time of crisis, we urge you to take swift action to protect pediatric practices from closing regardless of Medicaid and CHIP participation. We look forward to future opportunities to collaborate with you to support and enhance Medicaid and CHIP in response to the COVID-19 pandemic and the economic downturn, such as advanced payments or retainer payments to Medicaid providers. We will share additional information with you soon about recommendations for how HHS can facilitate and allow state innovation that will support Medicaid programs retaining providers so that during and after the public health emergency, patients will have sufficient access to care. In addition, we will ask Congress to provide additional funding and opportunities to strengthen the Medicaid and CHIP programs such as increased FMAP and Medicaid payment parity with Medicare in upcoming relief packages.

We appreciate your attention and immediate action to shore up the crucial pediatric infrastructure supporting the health and wellbeing of children and families across the country. Pediatricians are ready and willing to meet the needs of the nation, and the American Academy of Pediatrics stands ready to work with you to move this forward quickly. Please do not hesitate to contact Stephanie Glier, Director, Federal Advocacy, at sglier@aap.org.

Sincerely,



Sara H. Goza, MD, FAAP
President
American Academy of Pediatrics

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[i] Comments by Ambassador Deborah Birx, White House COVID-19 Task Force Coordinator, White House press briefing, April 8. Comments by Administrator Seema Verma, White House press briefing, April 7.
[ii] The Importance of Early Intervention for Infants and Toddlers with Disabilities and their Families, Early Childhood Technical Assistance Center, July 2011. https://ectacenter.org/~pdfs/pubs/importanceofearlyintervention.pdf
[iii] In 2018, average annual compensation for pediatrics was estimated to be $222,942. 2019 Physician Compensation Report, Doximity, March 2019. https://blog.doximity.com/articles/doximity-2019-physician-compensation-report-d0ca91d1-3cf1-4cbb-b403-a49b9ffa849f. The most recent data examining pediatric practice expenses and pediatricians' compensation found that annual practice expenses were slightly more than 2.6 times annual compensation per FTE physician. Socioeconomic Survey of Pediatric Practices, American Academy of Pediatrics, 2009.
[iv] This should include pediatric specialties listed under taxonomy codes 2080xxxxxx, such as adolescent medicine, obesity medicine, child abuse pediatrics, hospice and palliative medicine, clinical & laboratory immunology, neonatal-perinatal medicine, developmental - behavioral pediatrics, neurodevelopmental disabilities, pediatric allergy/immunology, pediatric cardiology, pediatric critical care medicine, pediatric emergency medicine, pediatric endocrinology, pediatric gastroenterology, pediatric hematology-oncology, pediatric infectious diseases, pediatric nephrology, pediatric pulmonology, pediatric rheumatology, sports medicine, sleep medicine, medical toxicology, pediatric transplant hepatology.

Other pediatric specialties should also be included, including but not limited to anesthesiology and pain medicine, child and adolescent psychiatry, dermatology, neurology, neurological surgery, ophthalmology, orthopedics, otolaryngology, plastic surgery, radiology, surgery, and urology.