The outbreak of a novel coronavirus, or COVID-19, is an evolving global crisis that is having a devastating impact on individuals, families, communities, states, countries and the world in unprecedented ways.

The people of the University of California and the University of California Health System are on the front lines of treating and managing this evolving public health emergency.

Our top priorities are our patients, UC health professions students and trainees, healthcare workers, and the communities we serve.

Even as we are treating patients already in our hospitals, those who are being treated for COVID-19 and those who have other illnesses, we are working hard to expand the capacity of our inpatient hospital beds for those who will need hospitalization as the pandemic continues to spread.

All of this work has come at a significant cost – **UC Health lost $977.8 million through June 30, 2020.**

We will need sustained support from our federal and state partners to ensure that our medical professionals and hospitals have every tool at their disposal to combat this pandemic.

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**Message for when speaking to a Member of Congress**

We are very grateful for the emergency bills Congress enacted to help us fight this pandemic. Together they will help us begin to meet the tremendous challenges we face, but we will need your sustained support.

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**OVERARCHING ISSUES OF CONCERN**

**Protecting Healthcare Workers/Supply Shortages**

We need to be able to access a steady supply of Personal Protective Equipment including masks, face shields, gowns and gloves, as well as test kits, swabs, reagents, high throughput testing equipment, take-out food containers, and transport media.

**Covering Exponential Increases in Health Care Costs**

The *direct cost of treating a COVID-19 inpatient can range from $1 million-$10 million*, depending on the severity of the virus. But there are also significant indirect costs associated with treating COVID-19 patients, including:

- Maintaining an incident command center 24/7 to address the issues related to COVID-19 while maintaining hospital operations
- Continued training and preparation of staff (e.g. for pandemic preparedness, telehealth)
• Hiring of replacement medical staff for personnel who are ill, caring for someone who is ill or who cannot go to work due to school closings or lack of childcare
• Maintaining an incident command center 24/7 to address the issues related to COVID-19 while maintaining hospital operations
• Continued training and preparation of staff (e.g. for pandemic preparedness, telehealth)
• Loss of revenue to hospitals and our faculty physicians associated with the cancelation or postponement of non-essential surgeries and medical procedures – both to minimize risk of exposure of the virus and in anticipation of an expected surge of COVID-19 patients. We rely on these revenues to help us sustain the financial losses incurred providing care to the uninsured and those covered by public programs.

FEDERAL ISSUES
The first two supplemental spending bills Congress passed to combat COVID-19 made federal investments in research, prevention and testing efforts, for which we are grateful. We also appreciate the $175 billion Public Health and Social Services Emergency Fund, which is helping hospitals begin to cover the costs associated with responding to the COVID-19 pandemic.

We respectfully seek additional support for hospitals in the provider relief fund created in the CARES Act:

• UC Health requests that significant tranches of appropriated relief funds be directed as grants to Medicaid DSH hospitals that serve a large proportion of Medicaid and uninsured patients and to hospitals with a high number of ICU beds and that have expended significant resources preparing for and/or treating COVID-19 patients
• UC Health requests that a tranche of provider relief funding be directed to academic health centers’ faculty practice plans, recognizing the unique contributions of, and costs incurred by, academic health center faculty physicians practicing on the front lines who are also training medical residents and other health professions students, performing critical clinical and public health research, and treating some of the most medically complex and vulnerable patients.

Prevent the Centers for Medicare & Medicaid Services (CMS) from moving forward on the Medicaid Fiscal Accountability proposed rule, which, if finalized, would severely restrict the financing mechanisms upon which State Medicaid programs like Medi-Cal rely, costing California public hospital and health systems an estimated $22 billion.

Increase the Federal Medical Assistance Percentage (FMAP) for the Medicaid program beyond the initial 6.2 percent agreed to in earlier COVID-19 legislation and up to an additional 10 percent, and extend the duration of that increase for at least one year after the public health emergency expires.

Increase the Medicaid Disproportionate Share Hospital (DSH) allotment by at least 2.5 percent for at least one year after the public health emergency expires.
**Delay any statutorily planned cuts to the Medicaid DSH** program by at least one year after the public health emergency expires.

**Require the U.S. Secretary of Health and Human Services, upon request by a state, to extend the waiver and expenditure authorities for a Medicaid demonstration project described under Section 1115(a) of the Social Security Act up to and including December 31, 2021 to ensure continuity of programs and funding during the emergency period.**

**Pre-empt state licensure laws**

- The Administration announced the significant expansion of Medicare telehealth coverage during this public health emergency. However, state licensure laws remain an obstacle to expanding the reach and capacity of telehealth services nationwide. California, among other states, has waived certain state licensure and certification laws to allow medical personnel to assist in preparing for, responding to, and mitigating the effects of COVID-19 in California. Congress should pass federal legislation to pre-empt state licensure laws during this public health emergency to allow physicians and other clinicians licensed in one state to practice in another health (both via telehealth and face-to-face).

- Additional flexibility is needed for California-licensed practitioners who serve numerous students currently enrolled in institutions of higher education now relocated across the country to continue their coursework, as too many other states have yet to take similar reciprocal actions, and among those who have, the state licensure reciprocity agreements are not all aligned. Pre-empt state clinician licensure laws for the emergency period to help ensure students in higher education can continue receiving medical services via telemedicine while continuing their pursuit of their coursework at home.

**Provide Access to Low-Cost Capital**

Due to the financial strain on academic medical centers as a result of COVID-19, access to affordable capital is a necessary lifeline for institutions, as they return to normal operations, and the communities they serve. Providing access to zero-interest loans and/or grants during the pandemic would allow institutions to free up resources for future outbreak responses.

**Award Medical Education Grants in Underserved Areas**

The COVID-19 pandemic has accentuated the important need to address physician workforce shortages across the nation, including in California. UC Health urges you to help us promote addressing physician workforce shortages in underserved areas of California by authorizing up to $1 billion in medical education grants under Health Resources and Services Administration (HRSA) Title VII funding that can be used by schools of medicine or branch campuses of schools of medicine, with priority given to institutions in areas with fewer active physicians per 100,000 persons in the population, have a curriculum that emphasizes care for diverse and underserved populations, or are minority-serving institutions. These grants would benefit medical education programs within the UC Health system, like the UC Riverside School of Medicine and UCSF School of Medicine Fresno branch campus, which were founded with the objective of bringing medical education to healthcare shortage areas, and training future physicians for underserved populations.
Provide flexibility under the Clinical Laboratory Improvement Amendments of 1988, to advance public health research related to COVID-19 and to expand capacity to perform diagnostic testing for COVID-19.