



OFFICE OF THE EXECUTIVE VICE PRESIDENT
UC HEALTH

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CALIFORNIA CONGRESSIONAL DELEGATION

Dear Members of Congress:

On behalf of the University of California's academic health centers located at Davis, Irvine, Los Angeles, Riverside, San Diego, and San Francisco, collectively known as UC Health, we want to thank you for your efforts to ensure that health care providers responding to the COVID-19 outbreak have the cash and resources available and regulatory flexibility to respond effectively to the public health crisis.

UC Health is particularly grateful for the \$175 billion for the Public Health and Social Services Emergency Fund. Our academic health centers depended upon this initial outlay of cash as we prepared for a surge, developed new diagnostic tests for COVID-19 in our CLIA-certified labs, rapidly scaled up testing capacity, and procured needed medical supplies, and personal protective equipment. We also appreciated the enhancement of the Medicaid Federal Medical Assistance Percentage (FMAP), and investments in diagnostic testing, personal protective equipment and vaccine development, among other critical investments. Congress's granting the HHS Secretary more flexibility to expand access to telehealth services for Medicare patients has been incredibly important as our healthcare providers have sought to maintain connections to our patients for critical care while minimizing risk of exposure.

UC Health is also grateful for the continued support proposed in H.R. 6800, the Health and Economic Recovery Omnibus Emergency Solutions ("HEROES") Act. Taken together, many of these measures would help UC to continue our tripartite mission of patient care, teaching, and research.

As public academic health centers that collectively constitute one of California's largest safety net healthcare delivery systems, our medical facilities are destinations for some of the most critically ill patients in the state. With many clinical laboratories, some of the most prominent infectious disease clinicians in the world, highly qualified healthcare personnel at each of our hospitals, and numerous ICU beds, each UC health center has actively prepared for and treated COVID-19 patients.

The people of UC Health are on the front lines of treating and managing the evolving COVID public health emergency. We are steadfast in our commitment to

our patients, our health professions students and trainees, our health care workers, and the communities we serve. At the same time, we are continuing to experience unprecedented financial losses because of this pandemic, including significant loss of revenue associated with the cancelation or postponement of non-essential surgeries and medical procedures – both to minimize risk of exposure of the virus and to prepare for an expected surge of COVID-19 patients. As a result, the direct and indirect costs of the COVID-19 pandemic for UC Health are estimated to exceed \$1.4 billion by the end of our fiscal year in June, and could grow much higher in the coming months. We are your partners in fighting this pandemic, and we need your continued support to ensure that our medical professionals and hospitals have every tool at their disposal to serve patients and public health.

To that end, UC Health appreciates the inclusion in the HEROES Act of an additional \$100 billion in provider relief funding for the Public Health and Social Services Emergency Fund. We also appreciate the effort to ensure allocations of appropriated provider relief funding are more equitable, accounting for providers' lost revenue along with the costs they have incurred preventing the spread of COVID-19 in their facilities and preparing for and treating COVID-19 patients. We look forward to continuing to work with you on a formula that addresses the unique role and of public academic health centers.

As the House of Representatives considers the HEROES Act, we would like to highlight several healthcare financing, workforce, and research provisions in the bill that, if enacted into law, would be of great benefit to UC Health.

- Increasing the Medicaid Program's FMAP by an additional 14 percentage points and the Medicaid Disproportionate Share Hospital (DSH) allotment by 2.5 percent during the emergency period.
- Blocking implementation of the Medicaid Fiscal Accountability rule throughout the emergency period.
- Altering the terms of the Medicare Accelerated Payments and Advanced Payments Program, so that healthcare providers, like UC Health, that have been kept afloat by these loans have a longer payment period, a significantly reduced interest rate, and a lower amount of per claim recoupment.
- Requiring the Secretary, 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.
- Helping working Americans preserve their employer-sponsored insurance coverage by providing federal subsidies to pay COBRA premiums and creating special enrollment periods for state health exchanges and Medicare.

- Authorizing \$1 billion under Title VII Health Workforce funding in grants to schools of medicine in rural, underserved or minority-serving institutions.
- Providing \$4.5 billion in additional National Institutes of Health (NIH) funding, including \$3 billion to help offset the costs related to reduction in universities' lab productivity arising from the COVID-19 outbreak.
- Providing grants to states to support the improvement, renovation, or modernization of infrastructure at clinical laboratories to help improve COVID-19 testing and response activities.

As the legislative process continues to evolve, we ask that you keep in mind the following additional changes that would support UC Health's ongoing efforts to combat COVID-19:

- 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.
- Pre-empt or suspend state licensure laws during this public health emergency to allow physicians and other clinicians licensed in one state to practice in another (both via telehealth and face-to-face).

Throughout this COVID-19 emergency period, we have appreciated the opportunity to speak directly with many of you. Again, we are grateful for your leadership and for your ongoing work to provide assistance to providers in responding to the COVID-19 pandemic. We look forward to continuing to work with you during this critical time to protect the health of our nation, and strengthen the health system. Please let us know how we may be of assistance to you going forward.

Sincerely,



Carrie L. Byington, MD
Executive Vice President
UC Health