March 24, 2020

RE: Relief for Independent Physicians’ Offices

Leader McConnell, Leader Schumer, Speaker Pelosi, Leader Hoyer, and Leader McCarthy:

Thank you for your leadership and your tireless, around-the-clock efforts during this unprecedented crisis. The Alliance of Specialty Medicine (the “Alliance”) represents more than 100,000 specialty physicians, and is dedicated to the development of sound federal health care policy that fosters patient access to the highest quality specialty care.

Just like other small businesses all over the country, independent physician practices are grappling with the crisis of plummeting revenues. In part, this is due to physicians doing their part for containment by following the guidance by the Centers for Medicare and Medicaid Services to limit all non-essential planned surgeries and procedures. Additionally, millions of people, including our patients, are wisely remaining at home as much as they can.

Hopefully, all of these efforts will help flatten the curve of COVID-19 in our country – but it also means independent physician practices have experienced a sharp and sudden drop in revenue. Trauma care and telemedicine may create some revenue, but not enough to meet the obligations of the practice, such as lease payments, payroll, insurance, taxes, and other costs. Our physicians and their hardworking nurses, assistants, and other staff members want to ensure that their offices remain open for patients who need care.

The Coronavirus Preparedness and Response Supplemental Appropriations Act provided $1 billion in loan subsidies to be made available to the Small Business Administration to help small businesses impacted by financial losses as a result of the coronavirus outbreak. The Families First Coronavirus Response Act included a refundable payroll tax credit to reimburse businesses for sick leave and family and medical leave wages paid to employees affected by COVID-19. We thank you for these initial critical steps, but the service industry – including those of us who provide medical services – is in a dire situation and desperately needs more help, fast.
Congress is working on a third relief package. We understand that the bill may include key relief for service industry businesses, including physicians’ offices. As outlined below, several of these provisions will provide critical help to independent physician practices and we urge you to act quickly to enact them:

- **7(a) loan program.** Key changes to the existing 7(a) loan program include clarification that employers with up to 500 employees qualify. This will cover physicians’ offices, most of which are far smaller. Additionally, changes include increasing the maximum available loan amount, expanding allowable uses (to include payroll, for example), and creating a forgiveness process for certain expenses.

- **Delay payment of employer payroll taxes,** for employers and self-employed individuals.

- **Loans for severely affected sectors.** Perhaps most critically for independent practices, the most recent Senate proposal provides guaranteed loans to companies with losses tied to the coronavirus pandemic that threaten their continued operation.

We know that negotiations continue toward a final product and text is changing by the moment. The above outlines key provisions of the most recent public proposal. We urge you to act fast to reconcile proposals and arrive at a final product that includes, at a minimum, these provisions. With every passing hour, more businesses, including doctors’ offices, are shutting their doors.

Please do not hesitate to contact any of the undersigned organizations, should you have questions or require additional information.

Sincerely,

American Association of Neurological Surgeons  
American College of Mohs Surgery  
American College of Osteopathic Surgeons  
American Gastroenterological Association  
American Society for Dermatologic Surgery Association  
American Society of Cataract and Refractive Surgery  
American Society of Plastic Surgeons  
American Society of Retina Specialists  
American Urological Association  
Congress of Neurological Surgeons  
National Association of Spine Specialists