

March 22, 2020

The Honorable Mitch McConnell The Honorable Charles Schumer

Majority Leader Minority Leader

U.S. Senate U.S. Senate

Washington, DC 20510 Washington, DC 20510

The Honorable Nancy Pelosi The Honorable Kevin McCarthy

Speaker Minority Leader

House of Representatives House of Representatives

Washington, DC 20515 Washington, DC 20515

Re: Relief to physician practices on the front lines of the COVID-19 response

Dear Leader McConnell, Speaker Pelosi, Leader Schumer and Leader McCarthy,

On behalf of agilon health and our partner practices, we write to request relief for independent physician practices across the country as they continue to respond to the Coronavirus (COVID-19) pandemic. As you know, this pandemic is unlike anything we have seen for over 100 years. We are concerned about the significant disruption this crisis is having on our partner physician practices and the infrastructure for risk-based coordinated care models that focus on outcomes rather than utilization.

For background, agilon health partners with primary care physicians to define a new standard of quality, efficiency, and patient experience. agilon health is partnering with these practices to support the transition to two-sided risk contracting in traditional Medicare and Medicare Advantage. We bring the people, solutions, and technology necessary to support long-term success in implementing outcomes-based payment models, and in so doing to restore the joy of practicing medicine. We work with physician practices in California, Hawaii, New York, North Carolina, Texas, Ohio and Pennsylvania, serving 1,500 primary care physicians caring for more than 150,000 patients.

COVID-19 has already directly and substantially affected our partner practices in a number of ways. In line with shelter-in-place instructions and guidance from federal and state governments, patients are cancelling routine primary care appointments and elective procedures. **Our partners have experienced reductions in primary care visits and elective procedures ranging from a high of 65% in Pittsburgh and Austin to 50% in Buffalo and 30% in Ohio**. These reductions in patient visits are simply unsustainable and cancellations in excess of 30% put physician practices in the difficult position where they cannot make their rent payments and their staff payroll obligations. Our physician practices are already making the impossible decisions around forgoing physician compensation, to preserve capital, and to minimize a negative impact to patients, staff and their families, as the practices experience a catastrophic decline in revenue.

As mentioned above, agilon health has partnered with these practices to commit to the journey to more efficient, higher quality care through deploying two-sided risk models. We firmly believe that these models are the right direction for the nation and for the future of the American health care system. The COVID-19 pandemic is causing seismic disruption to the infrastructure we have built with our partner practices. We make the below requests in spirit of preserving the independent physician practice backbone of this country’s healthcare system for the long term.

Specific requests:

1. **Provide low or no interest loan relief specifically targeted for independent physician practices.** As physician practices face significant financial challenges, we ask for a loan program that can be specifically accessed by these practices. Existing loan opportunities do not completely meet the needs of physician practices and we know that there will be a high demand for those funds as COVID-19 sweeps businesses across all sectors. We request targeted relief for physician practices to allow them to maintain their independence during and after this crisis. These loans should be sufficient to address compensation for physicians and staff, supply costs, and the technology infrastructure needed to support telehealth visits that will be replacing face to face visits for the foreseeable future.
2. **Provide stop loss protection for physician affiliated risk-bearing entities.** For entities like agilon health that are engaged in two-sided risk contracts, Congress should provide protection against catastrophic or unpredictable financial losses associated with COVID-19. Without knowing what the specific risks of this pandemic will entail, it is difficult to prepare for the type of losses that we might face. With appropriate assurance that looming catastrophic costs will be addressed, we will be able to access capital today to help address the current needs of the system. We ask you to ensure that there are adequate protections for entities like ours that have made the leap to value-based care arrangements, taking on financial risk.
3. **Ensure parity for telehealth visits.** Telehealth technology will, of necessity, be the basis for primary care for seniors for the foreseeable future. The recently released CDC report on the prevalence of significant adverse outcomes by age group in the US Covid-19 positive population, concluded that 43% of seniors who tested positive for Covid-19 required a hospital stay, an ICU stay or died. According to that report, patients over the age of 65, who comprised 31% of Covid-19 positive patients, accounted for 45% of hospitals stays, 53% of ICU stays and 80% of deaths. The critical step for caring for our seniors is to keep them home to minimize their risk of exposure. Consequently, many primary care visits must now move from face-to-face to telehealth. We ask that Congress instruct the Department of Health and Human Services (HHS) and the Centers for Medicare and Medicaid Services (CMS) to ensure that these visits are treated as face-to-face visits for risk adjustment and payment purposes. Because we believe that telehealth will be our only vehicle to see patients and, depending how long the crisis goes on, it may be the only way we make contact with patients for the remainder of 2020, we would like CMS to ensure that these visits are treated as taking the place of face-to-face visits. This will enable us to ensure that we have accurately captured the relative health of our population for the short-term and enable us to better manage our population in the long-term.
4. **Provide appropriate relief and certainty for risk bearing provider organizations.** We anticipate that we will need adjustments to Medicare Advantage, the Medicare Shared Savings Program, and Comprehensive Primary Care Plus financial models to account for any potential negative impact of COVID-19. In addition, we anticipate significant disruptions to the quality programs across Medicare Advantage, traditional Medicare, and Alternative Payment Models (APMs). We ask Congress to encourage HHS to work with stakeholders to develop fair solutions that account for the pandemic.

Again, we feel we have made substantial progress in moving the health care system from one that pays for volume to one that pays for value. We know from experience that maintaining a strong independent physician base that is aligned with that goal is critical to that effort. We are deeply concerned that the foundation we all have built in the last decade and the great progress that is being made today will be derailed by this crisis. We appreciate your consideration of these requests. We would be pleased to provide any additional information to assist you moving forward.

Sincerely,



Ronald J. Kuerbitz

Chief Executive Officer

agilon health, inc.