May 13, 2020

Alex M. Azar II
Secretary
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Re: Relief Funds for Obstetrician-Gynecologists

Dear Secretary Azar:

On behalf of the American College of Obstetricians and Gynecologists (ACOG), the Nation’s leading women’s health organization, representing over 60,000 physicians and partners dedicated to advancing women’s health, thank you for your work to date in response to COVID-19, a global pandemic and serious public health threat. As you know, while the United States is facing a pandemic it is also in the midst of a maternal mortality crisis, with at least two thirds of maternal deaths being deemed preventable. It is critical that physicians who care for women, including pregnant women, be supported so that they can continue to provide essential health care to women. Despite this urgent need, obstetrician-gynecologists have yet to receive adequate financial relief funds. The Department of Health and Human Services (HHS) must immediately direct relief funds to obstetrician-gynecologists to ensure ongoing access to women’s health care services.

We recognize and appreciate the measures HHS has taken to support physician practices during this public health emergency, including the disbursement of funds provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. To date, eligibility for relief funds has relied solely on Medicare fee-for-service claims, and therefore obstetrician-gynecologists have been either excluded from the distribution or received very few funds compared to other specialties. An internal analysis of the public dataset for the HHS Provider Relief Fund revealed that about 1,023 women’s health practices received relief funds. The median payment for those practices was $2,250, meaning that half of the women’s health practices that were eligible for funds received less than this amount. Based on reports from other specialties which indicated that many practices received funds equal to a week of typical revenue, we can conclude that obstetric and gynecologic practices have received far fewer funds. Further, many practices do not see patients that are covered by Medicare fee-for-service and therefore were not eligible to receive any relief funds. Our members report that they have been forced to lay off staff, forgo their own salary, and even temporarily close their practices due to significant financial strain. Without adequate financial relief, more practices will be forced to close, and women will be unable to access the care they need.
Women’s health practices have been disproportionately impacted by this crisis due to the high cost of malpractice insurance, and because HHS has not distributed relief funds to practitioners that care for patients enrolled in Medicaid. Obstetrician-gynecologists have the highest malpractice insurance premium rates among all physician specialties. According to the public file published with the 2020 Medicare Physician Fee Schedule Final Rule, obstetrician-gynecologists providing obstetric services have a malpractice risk factor of 7.2 and an average normalized premium rate of $69,387.² The average risk factor and normalized premiums across all other specialties and risk groups are 2.72 and $24,145 respectively.³ ACOG members report that these high premium costs are a significant source of financial strain amid the COVID-19 pandemic. Women’s health care practitioners also see a high proportion of patients covered by Medicaid. In 2018, 42 percent of births and 16.5 million adult women under the age of 65 were covered by Medicaid.⁴,⁵ Despite the fact that Medicaid is a major source of health care coverage for women across the lifespan, HHS has not provided relief to obstetrician-gynecologists and other health care practitioners that provide much needed safety-net care for Medicaid enrollees.

This inequitable method of distributing funds is not reflective of congressional intent. Congress appropriated the HHS Provider Relief Fund to provide financial support for all practitioners that are facing financial strain due to COVID-19, including women’s health physicians, who are a crucial part of our Nation’s health care system. Beyond the work that obstetrician-gynecologists do to support pregnant women and deliver their infants, they also care for patients with cancer, chronic health conditions, and provide well-woman preventive services. Access to these essential health services must be maintained. ACOG therefore urges HHS to swiftly distribute funds to obstetrician-gynecologists using a methodology that is equitable to the process used for Medicare providers:

1. **Immediately deposit relief funds to each Tax Identification Number (TIN) that billed Medicaid in 2019.** To determine the amount of funds for each TIN, HHS should use a formula based on total claims billed in 2019. This formula must include an adjustment to account for the disparity between Medicare and Medicaid rates.

2. **Open the General Distribution Portal to all TINs that billed Medicaid in 2019 (and have not yet submitted an application to receive supplemental funding) so that they can receive additional funds based on their total 2018 revenue.** This process mirrors the method that HHS used for practitioners that bill Medicare fee-for-service, ensuring that practices who care for Medicaid-enrolled patients have the same opportunity to obtain supplemental funds.

3. **Open the General Distribution Portal to all TINs that are ineligible for relief funds distributed based on Medicare or Medicaid claims.** The HHS Provider Relief Fund was created to provide relief for all health care practitioners, regardless of their patient mix. Physician practices that did not care for patients covered by either Medicare fee-for-service or Medicaid in 2019 must also be included in the distribution of relief funds.

ACOG believes this methodology will ensure that all physician practices have the opportunity to receive financial relief, and relies on processes that HHS has already put in place and can therefore be executed expeditiously.

While the United States faces an unprecedented public health crisis with the COVID-19 pandemic, it also faces a persistent and unacceptable maternal mortality crisis. It is critical that HHS take immediate
action to preserve access to essential obstetric and gynecologic care. The Centers for Disease Control and Prevention report that the national rates of maternal mortality and severe morbidity have been steadily increasing for several years. Our collective efforts to improve maternal health outcomes and eliminate preventable maternal mortality should not be lost amid the COVID-19 emergency; rather, more attention to women’s unique needs is imperative at this time. To this end, ACOG urges HHS to immediately provide direct financial support to women’s health practitioners.

We stand ready to work with you to ensure both the equitable distribution of relief funds and continued access to women’s health care during the COVID-19 pandemic and beyond. Should you have any questions, please contact Meredith Yinger, Health Policy Analyst, at myinger@acog.org.

Sincerely,

Maureen G. Phipps, MD, MPH, FACOG
Chief Executive Officer

Cc: Seema Verma, Administrator, Centers for Medicare and Medicaid Services

1 Centers for Disease Control and Prevention. HHS Provider Relief Fund Data. 2020. Available at: https://data.cdc.gov/Administrative/HHS-Provider-Relief-Fund/kh8y-3es6
2 Centers for Medicare and Medicaid Services. CY 2020 PFS Final Rule Malpractice Risk Factors and Premium Amounts by Specialty. Available at: https://www.cms.gov/Medicare/Medicare-Fee-for-ServicePayment/PhysicianFeeSched/PFS-Federal-Regulation-Notices-Items/CMS-1715-F
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