American College of Emergency Physicians®
ADVANCING EMERGENCY CARE

April 3, 2020

Alex Azar
Secretary
Department of Health and Human Services
200 Independence Avenue SW
Washington DC 20201

Dear Secretary Azar:

On behalf of our 38,000 members, the American College of Emergency Physicians (ACEP) thanks you for your continued efforts to respond to the novel coronavirus (COVID-19). We would like to follow-up on a letter we sent to you on March 27 regarding the allocation of the $100 billion Public Health and Social Services Emergency Fund appropriation that was included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. In that letter, we requested that you prioritize funding from this appropriation for frontline health care workers, especially emergency physicians, who are risking their lives combatting the virus and are at the highest risk of being exposed and missing work.

Despite the current national emergency, emergency physicians and their colleagues are not immune from the economic consequences of reduced volume and income that hospitals and physicians of all types are currently facing. Most emergency physician groups are not employed by their hospital; rather they contract with the hospital to provide emergency department (ED) coverage 24 hours a day, 7 days a week, 365 days a year. As well, while it may seem counterintuitive, EDs across the country have actually experienced a reduction in volume of approximately **30 percent** since the COVID-19 pandemic began. Thus, without immediate federal financial resources and support separate from what is provided to hospitals, fewer emergency physicians will be left to care for patients, a shortfall which will only be further exacerbated as they try to make preparations for the COVID-19 surge. **Therefore, as described below, we are requesting that the Department of Health and Human Services (HHS) immediately distribute $3.6 billion to emergency physician practices.**

This $3.6 billion funding request can be broken down into two major buckets:

- $2.5 billion: Reduction in emergency department (ED) volume; and
- $1.1 billion: Increased expenses to treat current sicker patients, including COVID-19 cases, and to be staffed and prepared for coming surges.

A description and breakout of these requests are found below:

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Reduction in ED Volume

As noted, while it may seem counterintuitive EDs across the country have experienced a reduction in volume of approximately 30 percent since the COVID-19 pandemic began, the message to maintain emergency department resources for the sickest patients has been effective. We appreciate the Administration's call for all Americans to shelter in place, stay home and check-in with their primary care physicians if they have minor flu-like symptoms, and only go the ED if they are experiencing a life-threatening emergency or other respiratory symptoms. This guidance has been critical in ensuring that EDs across the country have the capacity and resources to treat COVID-19 patients during a current or future surge of cases. However, it has also caused EDs, except those in a few hot spots, to see a significant drop in volume; this drop resulting from a reduction in most accidents and other traumatic injuries, as well as delays in seeking care for other conditions by some due to a fear of being exposed to COVID-19 while in the ED.

The financial impact of this reduction in ED volume is based on the following assumptions:

- 150 million annual national ED visits (most recent Centers for Disease Control and Prevention estimate)
- Average cost per ED visit of $165 (based on 2018 Medicare claims data)
- 4 months of 30 percent reduced ED volume

Calculation: 3.75 million decrease in monthly volume x $165 cost per visit x 4 months= **$2.5 billion**

Increased Expenses

While overall ED volumes are down, for the patients that do come into the ED it has been more expensive than usual to provide appropriate care. As noted, people are avoiding the ED unless absolutely necessary, so the patients that do come in are sicker and more costly and intensive to treat. As well, specific to COVID-19, additional expenses include developing and implementing protocols for alternative sites of care, telehealth capabilities, purchase of personal protective equipment (PPE), and other new administrative costs (such as triaging and treating patients with potential COVID symptoms in ways that limit possible exposure to the disease). Further, staying fully staffed at EDs 24 hours a day, seven days a week has also become significantly more costly, since physicians who are exposed to COVID-19 without appropriate PPE may be restricted from work according to CDC guidelines, and their vacancies filled in with more expensive locum tenens physicians and temporary staff. All these additional costs are weighing down on emergency physician practices as they try to maintain the minimum staffing levels necessary to serve patients night and day in the ED and prepare for surge staffing when COVID-19 cases actually do increase in their area.

With respect to estimating the financial impact of these increased expenses, we assume:

- 8.75 million average monthly ED visits (reflecting 30 percent volume reduction)
- 20 percent increase in the cost per visit during the pandemic, due to factors described above

Calculation: 8.75 million monthly volume x $33 additional cost per visit (20 percent of $165) x 4 months= **$1.1 billion**

Now is not the time to for emergency physicians to be worried about keeping their practices open or having enough protection and supplies to effectively and safely do their jobs. **EVERY emergency physician practice needs to be supported during this difficult time.** Although there are only a few hotspots in the country *currently*, we cannot leave emergency physician groups in other areas of the country that could be the next hotspots vulnerable to financial trouble. If we do not plan ahead and support these groups now, there will be disastrous consequences once new hotspots break out.

For the safety and wellbeing of the American public, emergency physicians must be supported and protected. We believe that the $3.6 billion requested here will ensure that emergency physicians on the front lines have the resources they need to stay operational and manage future surges of COVID-19 cases.

We appreciate the opportunity to share our comments. If you have any questions, please contact Laura Wooster, ACEP's Associate Executive Director of Public Affairs at lwooster@acep.org.

Sincerely,

William P. Jaquis, MD, MSHQS, FACEP
ACEP President

CC: The Honorable Mitch McConnell, Majority Leader, United States Senate
The Honorable Chuck Schumer, Minority Leader, United States Senate
The Honorable Nancy Pelosi, Speaker, United States House of Representatives
The Honorable Kevin McCarthy, Minority Leader, United States House of Representatives
The Honorable Richard Shelby, Chair, Senate Appropriations Committee
The Honorable Patrick Leahy, Ranking Member, Senate Appropriations Committee
The Honorable Nita Lowey, Chair, House Appropriations Committee
The Honorable Kay Granger, Ranking Member, House Appropriations Committee
The Honorable Chuck Grassley, Chair, Senate Finance Committee
The Honorable Ron Wyden, Ranking Member, Senate Finance Committee
The Honorable Richard Neal, Chair, House Ways & Means Committee
The Honorable Kevin Brady, Ranking Member, House Ways & Means Committee
The Honorable Lamar Alexander, Chair, Senate HELP Committee
The Honorable Patty Murray, Ranking Member, Senate HELP Committee
The Honorable Frank Pallone, Chair, House Energy & Commerce Committee
The Honorable Greg Walden, Ranking Member, House Energy & Commerce Committee