

March 19, 2020

The Honorable Donald J. Trump
President of the United States
1600 Pennsylvania Avenue
Washington, DC 20500

The Honorable Mitch McConnell
Senate Majority Leader
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Alex M. Azar II
Secretary of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

The Honorable Kevin McCarthy
House Minority Leader
2468 Rayburn House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Speaker of the House
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Charles Schumer
Senate Minority Leader
322 Hart Senate Office Building
Washington, DC 20510

RE: COVID-19 Financial Assistance to Health Care Industry

Dear President Trump, Secretary Azar, Speaker Pelosi, Leader McConnell, and Minority Leaders McCarthy and Schumer:

On behalf of the American Society of Plastic Surgeons (ASPS), we are requesting federal intervention to support the medical practices, medical institutions, and non-profit medical associations that have been impacted by the COVID-19 (coronavirus) national emergency. As the largest association of plastic surgeons in the world, representing more than 7,000 members and 93 percent of all board-certified plastic surgeons in the United States, it is our responsibility to advance quality care for patients and promote public policy that protects patients. Our top priority is to ensure that patients receive necessary services wherever and whenever they need our care.

Plastic surgery has a long-standing tradition of heeding the call when the nation faces a national health crisis, whether that includes providing life-saving trauma care in times of war or responding to widespread pandemics such as the Coronavirus. Currently, the looming threat of limited medical resources and business losses threaten our readiness and responsiveness to assist the nation's collective fight against this illness. For these reasons, we strongly encourage you to prioritize financial assistance to the health care industry when offsetting the negative economic effects of the COVID-19 on the nation's economy.

Plastic surgeons also serve in the community hospitals and university medical centers that are at the front-line of the nation's response to this virus. We support Congress and the Administration's funding efforts to ensure that our nation's hospitals and out-patient facilities continue to have the medical

supplies and personnel needed to adequately respond to this crisis. We encourage you to continue these funding efforts to help our nation's first responders treat and care for this growing patient population.

Beyond being physicians, plastic surgeons are also small business owners responsible for the employment of thousands of Americans. Approximately, 62 percent of board-certified plastic surgeons are in solo practice and 16 percent are in small plastic surgery group practices with 2-5 plastic surgeons. These are small offices that also employ nurses, practice managers, and office personnel. With the COVID-19 crisis and the cancellation of all elective surgeries, plastic surgery practices, many of whom rely primarily on surgical procedures for revenue have already begun to lay off staff and some are having issues meeting overhead and payroll. While we applaud the Centers for Medicare & Medicaid Services (CMS) actions to expand telehealth services to combat COVID-19, this will have a limited impact on our surgeons who cannot perform their trade virtually.

We fear that the closure of plastic surgery practices and other surgical specialties will not only have a ripple effect on the nation's economy, but also further exacerbate the issue of limited patient access to specialty care after the crisis. Our nation already faces a severe physician shortage and we cannot afford to lose additional physicians and their practices.¹

Thus, we respectfully request that Congress and the Administration take steps to help the small businesses of America, including physician practices, threatened by the current crisis with short term financial relief measures such as:

- **Cancelling the payment of all payroll taxes by employers for the next six months.** As you know, payroll taxes add approximately 15% to the total cost of employing the average employee. Relieving small businesses of this tax obligation would be an immediate offset that could help maintain staffing levels and specifically help medical practices that are at the brink of insolvency. This tax policy would provide the U.S. economy with an immediate and much-needed economic boost that will also help improve the financial markets and overall consumer confidence over the next few months.
- **Ensure that the Small Business Administration (SBA) has the full authority and funding it needs to carry out disaster assistance loan programs.** We implore Congress to develop new loan assistance programs and provide additional funding mechanisms for existing loan programs so the SBA can provide immediate capital and resources to struggling small businesses. The federal agency has been underfunded in recent years and it will not be able to adequately respond to the incoming flood of applicants related to the COVID-19 pandemic without an increase in congressional funding. Additionally, the Administration needs to ensure that it is using its full authority with existing SBA loan programs to ensure that it is addressing the financial needs of as many small businesses as possible. We believe that this also involves reducing the administrative burden of loan applications so small businesses on the verge of financial ruin can realistically participate.

¹ <https://www.aamc.org/news-insights/press-releases/new-findings-confirm-predictions-physician-shortage>

Finally, we implore you to take into consideration the impact that the pandemic has had on non-profit medical associations like the American Society of Plastic Surgeons. Many national medical associations have abided by the Centers for Disease Control and Prevention's (CDC) guidance on containing the spread of COVID-19 to protect their staff, physician members, and the patient populations that they serve.² As a result, many organizations had to cancel or postpone in-person meetings, a major revenue driver.

In fact, ASPS was already forced to cancel its annual in-person Spring Meeting scheduled to take place March 12-14, 2020 in New Orleans, Louisiana. As a result of this cancellation, the Society has already suffered a large net operating loss. For many medical society organizations, our annual meetings are our main source of revenue, and cancellation of the main meeting can be a devastating blow that may have long term consequences. For example, the revenue from these meetings provide critical funding that our organizations and foundations use to fund scientific research and support clinical education and innovation. These are key components to solving emergent health care needs.

We applaud Congress' and the Administration's initial financial response to this growing pandemic. For the aforementioned reasons, we implore you to continue to work together to explore targeted financial assistance to the medical industry – our nation's first line of defense against serious contagious diseases. Please know that our specialty stands ready to answer the nation's call for help during this pandemic. Please contact us if we can be a resource in any way during this national emergency.

If you need additional information or have any questions, please don't hesitate to contact Patrick Hermes, Director of Advocacy and Government Relations, at pghermes@plasticsurgery.org or (847) 228-3331 to request any additional information or with any questions. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Lynn Jeffers". The signature is written in a cursive, flowing style.

Lynn Jeffers, MD, MBA, FACS
President, American Society of Plastic Surgeons

Cc: Members of Congress

² <https://www.cdc.gov/coronavirus/2019-ncov/prepare/prevention.html>