



March 20, 2023

The Honorable Bernie Sanders
Chairman
Senate Committee on Health, Education,
Labor, and Pensions
428 Senate Dirksen Office Building
Washington, DC 20510

The Honorable Bill Cassidy, MD
Ranking Member
Senate Committee on Health, Education,
Labor, and Pensions
428 Senate Dirksen Office Building
Washington, DC 20510

Re: Request for Information about the Health Care Workforce Shortage

Dear Chairman Sanders and Ranking Member Cassidy:

On behalf of our member medical group practices, the Medical Group Management Association (MGMA) would like to thank you for the opportunity to provide input on the current health care workforce shortage. We appreciate your attention to this pressing issue as medical groups continue to contend with challenges stemming from workforce shortages. Promoting a strong workforce will allow practices to efficiently function and provide high-quality, cost-effective patient care.

With a membership of more than 60,000 medical practice administrators, executives, and leaders, MGMA represents more than 15,000 medical groups in which more than 350,000 physicians practice. These groups range from small private practices in rural areas to large regional and national health systems and cover the full spectrum of physician specialties and organizational forms. MGMA's members have felt the brunt of workforce shortages, with staffing being one of the biggest challenges facing practices. A Sept. 20, 2022, MGMA poll found 58% of members said staffing is their biggest challenge heading into 2023.¹

As Chairman Sanders stated in the full committee hearing on *Examining Health Care Workforce Shortages: Where Do We Go From Here*: "We simply do not have in our nation enough doctors, nurses, nurse practitioners, dentist, dental hygienist, pharmacists, mental health providers, among other medical health professions."² MGMA echoes his concern and thanks the Committee for the opportunity to provide feedback on this critical issue.

Address Physician and Staff Burnout

A significant factor contributing to the health care shortage is the worsening problem of physician and staff burnout. An August 24, 2022, MGMA poll found that 40% of medical practices had physicians retire

¹MGMA Stat, Sept. 21, 2022, <https://www.mgma.com/data/data-stories/healthcare-in-2023-staffing-is-still-the-biggest-c>.

² U.S. Senate Committee on Health, Education, Labor, and Pensions, *Examining Health Care Workforce Shortages: Where Do We Go From Here?*, Feb. 16, 2023, <https://www.help.senate.gov/hearings/examining-health-care-workforce-shortages-where-do-we-go-from-here>.

early or leave due to burnout in 2022.³ The cumulative stresses of the last few years such as COVID-19 and rising inflation have further exacerbated what was already an issue.

To address the multi-faceted causes of physician and staff burnout, MGMA urges the Committee to examine legislative solutions to ease administrative burden and allow providers to focus on patient care. To that end, there are a few areas in which legislation would help stem the tide of burnout:

- **Physician payment reform:** Medicare reimbursement for physicians continues to be a problem as decreases to the Medicare Conversion Factor and other congressionally mandated cuts harm providers' ability to operate. Ninety-two percent of MGMA members reported that Medicare reimbursement did not cover the cost of care in 2022.⁴ One MGMA member illuminated the real-world consequences practices were facing with last year's potential Medicare cuts: "This would most likely force us to eliminate 2-3 staff members. With the increased stresses associated with care our staff is already spread too thin. In rural Iowa this means members will be driving 20 miles to the closest medical facility. With the state of the economy and gas prices, that puts added stress on our patient's ability to obtain quality medical care."⁵ MGMA believes that reforming the current payment system that was established under the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) is necessary as Medicare physician payment has not kept pace with inflation or the cost of running a practice. MGMA believes providing annual inflation-based physician payment updates tied to the Medicare Economic Index (MEI) and opposing efforts to use sequestration and PAYGO rules to offset unrelated congressional spending would help meaningfully alleviate the pressures of the current physician payment environment.
- **Prior authorization reform:** We anticipate the *Improving Seniors' Timely Access to Care Act* will be reintroduced this Congress in substantially the same form as last year. This piece of legislation had widespread bipartisan, bicameral support with over 53 Senators and 327 Representatives cosponsoring the bill. We urge the Committee to support the next version of the bill and work to reduce prior authorization requirements that MGMA members consistently say are the most burdensome they face every year.⁶ Providers frequently experience staffing-related issues specific to the prior authorization process, and physicians are required to devote time and resources that should be spent on patient care. Lowering administrative burdens was found as one of the key areas to reducing burnout according to practice administrators in a 2022 MGMA and Jackson Physician Search survey.⁷
- **Telehealth:** The *Consolidated Appropriations Act of 2023* extended vital telehealth flexibilities until Dec. 31, 2024. MGMA believes that instituting permanent telehealth changes such as removing geographic originating site restrictions, allowing permanent coverage of audio-only services, and reimbursing telehealth visits at an appropriate rate are necessary to ensure access to care. There is currently confusion about differing expiration dates for various telehealth

³MGMA Stat, Aug. 24, 2022, <https://www.mgma.com/data/data-stories/burnout-driven-physician-resignations-and-early-re>.

⁴ MGMA Physician Payment Issue Brief, 2023, <https://www.mgma.com/getmedia/7b100efc-4606-42d4-8069-f6b3c5c0e640/MGMA-2023-Medicare-Physician-Payment-Issue-Brief.pdf.aspx?ext=.pdf>.

⁵ Quote from a three-physician family practice in rural Iowa, MGMA Impact of Payment Reduction to Medicare Rates in 2023 Issue Brief, 2022, <https://mgma.com/getmedia/b0716bbf-d21f-4ead-b1cb-9371485e62ff/09-21-2022-Impact-of-Payment-Reductions-to-Medicare-Rates-in-2023-Full-Report.pdf.aspx>.

⁶MGMA Annual Regulatory Burden Report, 2022, <https://www.mgma.com/practice-resources/government-programs/mgma-annual-regulatory-burden-report-2022>.

⁷MGMA and Jackson Physician Search, *Back from Burnout: Confronting the Post-Pandemic Physician Turnover Crisis*, Oct. 2022, <https://www.mgma.com/getmedia/1408e120-6b54-432a-8e4e-8945c9eee2c1/2022-JPS-MGMA-Physician-Burnout-Engagement-Retention-Report-FINAL.pdf.aspx?ext=.pdf>.

flexibilities that were not extended until the end of 2024, and additional uncertainty about what the regulatory landscape will look like in 2025. Clarity on long-term telehealth policies would help bolster medical groups' ability to properly oversee their staffing practices and reduce administrative burden. The *CONNECT for Health Act of 2021* will likely be reintroduced this year and previous iterations of the bill made commonsense permanent changes to telehealth.

- **Value-based care:** MACRA was enacted to stabilize physician payments rates and move Medicare from fee-for-service to value-based care models. CMS established a goal of having all Medicare beneficiaries in value-based care arrangements by 2030, yet many Medicare beneficiaries do not receive care from accountable care organizations (ACOs). There is instability in the transition to alternative payment models (APMs) that can cause staffing concerns. Congress had to step in at the end of 2022 to avert the elimination of the APM incentive bonus and to stop the thresholds for qualified participants from increasing. It is crucial to properly incentivize clinicians to join APMs — Congress should work with stakeholders to advance value-based care by improving APMs through offering appropriate support and flexibility. Voluntary physician led APMs should be launched to allow for all specialty types to participate in value-based care arrangements. The *Value in Health Care Act of 2021* was introduced last Congress and is an example of potential legislation to address many of these concerns.

Strengthen Graduate Medical Education Programs

MGMA has long advocated for increased funding and sensible improvements to the Graduate Medical Education Program (GME) as there will be an estimated shortage of between 37,800 and 124,000 doctors by 2034.⁸ While we understand that the Senate Finance Committee has jurisdiction over the Medicare funding aspect of the GME program, we still believe it is worthwhile to highlight the need for congressional collaboration to advance important changes.

There has been some progress over the last few years in adding Medicare-funded GME slots through the *Consolidated Appropriations Acts of 2021* and *2023*, yet more needs to be done to ensure this nation has the appropriate number of doctors available for our rapidly aging population. MGMA urges the Committee to work with stakeholders to address the need for more physicians and support legislation to add GME slots and make changes to the operation of the program. The *Resident Physician Shortage Reduction Act of 2021* would have added 14,000 new Medicare GME slots over seven years and updated the distribution of those slots. We anticipate this legislation will be reintroduced this Congress.

Under the Health Resources and Services Administration (HRSA), the Teaching Health Center Graduate Medical Education Program (THCGME) provides essential training for doctors in outpatient settings. Since most of the teaching health centers are in rural and high-need areas — with over 60% of the training sites being in medically underserved communities according to HRSA — the THCGME program represents a great opportunity to address health care disparities and reinforce the physician workforce. The Children's Hospital Graduate Medical Education (CHGME) Payment Program also works to train residents and dentists at children's hospitals. MGMA recommends the Committee work to support all GME programs to ensure they can train a robust physician workforce.

⁸ Association of American Medical Colleges, *The Complexities of Physician Supply and Demand: Projections from 2019-2034*, June 2021, <https://www.aamc.org/news-insights/press-releases/aamc-report-reinforces-mounting-physician-shortage>.

Conclusion

MGMA is grateful for your leadership in addressing the health care workforce shortage. Reinforcing the medical training programs in this letter would help to alleviate the physician shortage, while passing the legislation discussed above would help prevent burnout and improve medical groups' ability to offer high-quality care. Should you have any questions, please contact James Haynes at jhaynes@mgma.org or 202-293-3450.

Sincerely,

/s/

Anders Gilberg

Senior Vice President, Government Affairs