



March 12, 2024

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Becerra:

On behalf of the American College of Physicians (ACP), I am writing to express our concerns regarding the recent cybersecurity incident involving Change Healthcare and its significant impact on physicians over the past two weeks and into the near future. The College is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 161,000 internal medicine physicians, related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

Last month, Change Healthcare, a subsidiary of UnitedHealth Group, had many of its critical functions halted after a cyberattack. Change Healthcare is the largest clearinghouse for insurance billing and reporting and is therefore essential to processing millions of claims. As a result of the outage, many physicians across the country have not received payment for services and are without the revenue they are accustomed to, rely on, and which is necessary to continue providing care.

While ACP appreciates the preliminary efforts taken by UnitedHealth Group, Change Healthcare, and Optum Financial Services after this cybersecurity incident, the College is very concerned that the current steps taken with the electronic data interchange (EDI) workaround and the newly established Temporary Funding Assistance Program are inadequate to process claims and fully restore the flow of payments for physicians. We ask the Department to take additional action to guarantee that physicians can receive payment promptly and that patients can continue to receive comprehensive and necessary care. We are grateful that the Department has facilitated communication between the physician and health care community, but it is troubling that UnitedHealth Group and Change Healthcare have been unable to provide a firm timeline for when the electronic systems will be fully functional. Inadequate and deficient workarounds with no set timeline for resolution will impact access to care since physicians are without the revenue to sustain a practice.

One of the major concerns that ACP has is how this cybersecurity incident impacts smaller, independent physicians, who are more likely to provide care to rural and underserved patients. We are extremely worried about the stipulations with the temporary funding for practices and the requirement that once standard payment operations resume, "the funds will simply need to be repaid" in 30 days. This presents a significant challenge for smaller practices that are currently relying on these temporary funding arrangements to stay afloat and may not have the cash flow to return the loan with minimal notice. Optum Financial Services also recommends that physicians request funding assistance every week, which makes it challenging for practices to



plan and think long-term about their financial position. Even though Optum Financial Services is assisting with the flow of payments, other aspects of revenue and costs have been disrupted by this cyberattack, including practices struggling to cover costs such as rent payments and wages for clinical staff. ACP strongly urges HHS to take additional action to assist physicians who may be suffering from significant financial hardship because of this incident and continue to work with UnitedHealth Group, Change Healthcare, and Optum Financial Services to make certain that the sustainability of physician practice and patient care are prioritized.

Since the initial cybersecurity incident, the guidance directed for physicians has been to shift the way claims are submitted, including direct data entry and new portals. This has resulted in a significant administrative burden and additional costs to physician practices who must learn these new systems with no lead time. For those physicians who cannot access the EDI workaround, UnitedHealth Group and Change Healthcare have recommended filing paper claims, when possible. Filing paper claims is archaic, labor-intensive, and presents separate data and privacy concerns. Furthermore, with the current state of physician practice, including historically high shortages in primary care, it is not feasible to switch clearinghouses and train staff on new systems or file paper claims. ACP is deeply concerned that these suggested workarounds fail to consider the magnitude of the task given the other myriad of factors impacting physicians, particularly those in primary care.

ACP also urges the Department to work with the Centers for Medicaid and Medicare Services (CMS) and the Department of Labor (DOL) to provide support for physicians who receive payment through the Medicare Part B system, ERISA plans, and other non-Medicare Part A arrangements. HHS and CMS must continue to convene physicians and the health care community to better understand the scope of the impact now and into the future, and these efforts must extend beyond Medicare Part A.

ACP strongly recommends HHS, CMS, and DOL begin considering the fallout of this incident, including the processing and resolve of claim denials, repayment strategies for the funding program, and the necessary action to ensure that a cybersecurity incident of this scale does not take place again. Incidents like this can no longer be viewed as unprecedented. We urge you to take steps to plan for future incidents like this one to ensure that patient care is not disrupted and maintain stability for physician practices.

ACP appreciates the work of the Department to support physicians and patients. The College will continue to give feedback and inform the perspective of our members during this incredibly challenging time. We look forward to partnering with HHS now and in the coming months in the aftermath of this incident.

Sincerely,

A handwritten signature in black ink that reads "Jason M. Goldman MD".

Jason M. Goldman, MD, FACP
Chair, Medical Practice and Quality Committee
American College of Physicians