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March 7, 2024

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EX-OFFICIO Chair, Ethics Committee Andrew G. Shuman, MD, HEC-C The Honorable Xavier Becerra Secretary U.S. Department of Health and Human Services 200 Independence Avenue, SW Washington, D.C. 20201

Re: Change Healthcare Outage

Dear Secretary Becerra,

On behalf of the American Academy of Otolaryngology-Head and Neck Surgery (AAO-HNS)¹, I am contacting you regarding the recent Change Healthcare outage and the impact it is having on patients' access to care and physicians – especially those in an independent practice setting.

We know that HHS is acutely aware of the negative impact that the recent cyber attack on Change Healthcare has had multiple facets of the U.S healthcare system. The repercussions of this breach on the medical community are vast, given the scope of Change Healthcare's offerings and the number of providers who rely on their services. Unfortunately, based on information currently available, it appears that this outage will extend for several weeks. As such, we strongly urge HHS to use its full authority and all tools at its disposal to mitigate these impacts, so physician practices do not have to take drastic actions to remain in operation. Financial resources, additional guidance, enforcement discretion, and more are needed to avoid escalating an already serious situation.

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¹ The AAO-HNS is the world's largest organization representing specialists who treat the ear, nose, throat, and related structures of the head and neck. The Academy represents approximately 12,000 otolaryngologist-head and neck surgeons who diagnose and treat disorders of those areas.

A: 1650 Diagonal Road, Alexandria, VA 22314



Physicians use Change Healthcare for a variety of processes on a daily basis. This outage is heavily burdening physicians, particulalrly small and independent practices, by causing them to seek labor intensive workarounds in order to expend already limited resources to acquire new systems and maintain their practice viability. For example, certain practices rely on Change's billing systems to submit claims and receive reimbursements for services rendered. Without these systems in place, physician practices, particulary those outside of a health system, are experiencing debilitating cash flow interruptions.

Additionally, some Academy members rely on Change systems to validate patient coverage and the submission of necessary documentation for procedures requiring prior authorizations. Lack of access to this information will cause a significant increase in denials, and a concerning level of confusion for both patients and physicians.

We recognize that the situation is evolving, we continue to learn about the range of impact on our members as each day passes. Until the breach is resolved and systems again become fully functional, we encourage HHS to support the physician community with resources and guidance. Adequate agency support will help physician practices maintain financial viability, limit billing errors and most importantly, continue to provide timely care to their patients.

As always, we appreciate the opportunity to work with HHS to ensure providers and practices can operate effectively. Should you have any questions, please contact <u>healthpolicy@entnet.org</u>

Sincerely,

James C Denneny III

James C. Denneny III, MD Executive Vice President and CEO