



March 10, 2024

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

Dear Secretary Becerra:

On behalf of the 1,487 Community Health Centers serving over 31.5 million patients, or 1 in 11 Americans nationwide, I write to update you on the significant negative impact on health centers from the Change Healthcare security breach. This cyberattack has had widespread implications on our healthcare system, and health center staff are straining to adjust to workarounds to maintain patient care. I appreciate your leadership in pushing UnitedHealth Group and other insurers to do all they can to mitigate the harm to healthcare providers by urging them to make interim payments and ease administrative burden. Ensuring that health centers have the resources they need to care for patients is paramount.

Health centers' operations, cash flow, and patients have been impacted since the cyberattack against Change Healthcare on February 21. As the largest network of primary care providers, with 90 percent of our patients at or below 200 percent of the Federal Poverty Level, health centers rely on timely reimbursement to maintain day-to-day operations. The consequences of the breach have created significant funding challenges for health centers simultaneously while they adapt to substantial changes in Medicaid enrollment and federal funding uncertainty.

Health centers are experiencing cash flow challenges due to unpaid or unprocessed claims, especially for Medicaid and Medicare Part B. As Change has reported that several systems are back online, health centers must pay additional fees to have the necessary functionality on new platforms. Health centers are also spending countless hours allocating extra staff time to implement workarounds in their workflows to receive the same reimbursement for services provided and submit paper prior authorization requests to ensure that patients get access to necessary healthcare services and procedures. Spending significant time on these workarounds can directly impact patient care delivery, given the current workforce challenges facing many health centers. Unfortunately, there has been no additional compensation or relief to account for the time staff are spending navigating these various challenges because of the breach. Furthermore, some Electronic Health Record limitations make it difficult for health centers to switch to another system, further burdening health centers and their providers.

Patients are being impacted in a multitude of ways. Many of our health centers' pharmacies have reported the inability to process prescription assistance programs (PAPs) and discount cards or complete insurance eligibility checks. As you know, health centers serve patients that are more likely to have chronic conditions and experience adverse social drivers of health. Any disruption to care or patient affordability concerns have negative impacts that can deter patients from getting care in the future. Health centers are doing everything they can to adapt and mitigate the effects on patients, but they need strong additional support from the Administration.

Additionally, 50 percent of health center patients are Medicaid beneficiaries, and the delay in processing claims has created financial hardships for health centers. Many health centers have sought relief from UnitedHealth Group but have cited difficulties in meeting the narrow and strict loan program criteria, which makes it difficult for health centers to satisfy. First, funding is available to a small number of healthcare organizations impacted by this breach, meaning if a health center applies, there is no guarantee they will receive adequate payments or even any payment at all. Second, the strict terms and conditions put extreme pressure on those who take these loans. By signing the agreement, it requires repayment of loans within five days of receiving notice; authorizes Optum Financial Services to recoup funds “immediately and without prior notification”; permits Optum to alter the agreement simply by providing notice; requires providers to grant UnitedHealth Group and its subsidiaries access to past, current, and future claims payment data; and includes broad waivers of liability and strict limitations on damages.

While we have heard that some members are working with their state to get advance payments from their managed care organizations (MCOs), we encourage the Administration to exercise more authority to ensure MCOs create equitable solutions for all provider types. Current HHS recommendations must address the countless hours of staff time health centers have dedicated to workarounds and manual claim submissions.

In summary, NACHC appreciates the recommendations announced today by the Administration and would encourage you to go beyond by doing the following:

- Ensure health centers are eligible to request and receive timely and equitable Medicare advanced and accelerated payments from their Medicare Administrative Contractors (MACs)
- Issue guidance strongly encouraging other payers, including state Medicaid and Children’s Health Insurance Program (CHIP) agencies and Medicaid and CHIP managed care plans to work with health centers to get advanced payments to health centers.
- Create a temporary dedicated office for impacted providers to report challenges with payors, Medicaid agencies, or companies involved with the cyberattack.

We greatly appreciate the Administration’s support during this time. NACHC requests a meeting with HHS staff at their earliest convenience to ensure that health centers, a crucial part of our nation’s healthcare safety net, remain afloat while navigating the aftermath of the Change Healthcare cyberattack. We look forward to continuing to partner with you, Change Healthcare and other key stakeholders to mitigate the residual impacts on health centers and their patients. If you have any questions, please contact Vacheria Keys, Associate Vice President of Policy and Regulatory Affairs, at vkeys@nachc.org.

Sincerely,



Kyu Rhee, MD, MPP
President and Chief Executive Officer

CC: The Honorable Chiquita Brooks-LaSure
Administrator, Centers for Medicare & Medicaid Services