

May 26, 2020

The Honorable Chip Roy
1319 Longworth House Office Building
Washington, D.C. 20515

The Honorable Dean Phillips
1305 Longworth House Office Building
Washington, D.C. 20515

RE: ASPS's Support for the *Paycheck Protection Program Flexibility Act*

Dear Representatives Roy and Phillips:

I am writing on behalf of the American Society of Plastic Surgeons (ASPS) in strong support of your legislation, the *Paycheck Protection Program Flexibility Act*. ASPS is 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. Approximately, 62 percent of our members are in solo practices as small business owners employing countless members of their local communities. Your legislation will make necessary refinements to the Paycheck Protection Program (PPP) so our medical practices can remain viable and millions of Americans can remain on payrolls.

Please find enclosed a letter of support to congressional leadership requesting immediate passage of your legislation. A copy of this letter was also sent to all congressional offices in the House of Representatives and Senate. Thank you again for your leadership on this important issue. Please do not hesitate to contact Patrick Hermes, Director of Advocacy and Government Relations, at phermes@plasticsurgery.org or (847) 228-3331 if there is anything we can do to help advance this legislation.

Sincerely,



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

May 26, 2020

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

The Honorable Kevin McCarthy
House Minority Leader
2468 Rayburn House Office Building
Washington, DC 20515

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

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

RE: ***The Paycheck Protection Program Flexibility Act***

Dear Speaker Pelosi, Leader McCarthy, Leader McConnell, and Leader Schumer:

On behalf of the American Society of Plastic Surgeons (ASPS), we are writing you in strong support of the *Paycheck Protection Program Flexibility Act* (H.R.6886), championed by Representatives Chip Roy and Dean Phillips and Senators King and Daines. This bipartisan legislation will help the millions of small businesses that have accessed the Paycheck Protection Program (PPP), which is why we respectfully request its immediate passage. 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 and promote public policy that protects patients. Approximately, 62 percent of board-certified plastic surgeons are in solo and small practices, where they serve as small business owners employing hundreds of thousands of people in their local communities. Our top priority is to ensure that our patients have continued access to specialty care, which is why we appreciate any financial relief efforts to ensure that our medical practices can stay in business.

We appreciate Congress' continued support of small businesses and especially the physician community during this public health emergency. While the PPP has helped many of plastic surgery practices weather current financial challenges, we believe the program could be further strengthened. For most medical practices, operating costs have been the biggest struggle of keeping their offices open for patients – not payroll. That's why we were discouraged to see Treasury's adoption of the 75/25 loan rule, which capped non-payroll allowed uses at 25% of the loan. Physician practices, like many other industries, have a typical operating cost percentage that is far higher than 25%.

For these reasons, we strongly support the bicameral, bipartisan *Paycheck Protection Program Flexibility Act* because it will provide immediate and comprehensive relief for our medical practices with policy provisions that would:

- Repeal the 75/25 rule, which will provide employers with the flexibility they need to spend their loan proceeds on the limited allowed uses in the way that most helps their business;
- Extend the covered period to 24 weeks rather than 8, which provides small businesses with a smoother on-ramp as they work towards the goal of operating at full capacity;
- Extend the rehire covered period to December 31, 2020 to give physicians enough time to return to their pre-COVID staffing levels in a manner that is safe for their patients;
- Create a minimum maturity on outstanding balances of five years.

These improvements alone are enough to justify passage of H.R.6886. However, the proposal could be made even stronger by expanding the definition of operating costs for industries that have high-contact with between individuals. Physicians have had to incur additional operating expenses to safely reopen their practices, such as the installation of new air purifying systems, touch-less thermometers, COVID-19 test kits, and other prevention expenses. In a good faith effort for their patients and staff, plastic surgeons have adhered to strict social distancing guidelines when making the decision to reopen their practices per guidance from the CDC and state medical societies. However, this has made it difficult for loan borrowers to balance patient safety precautions and the tight rehiring deadlines of the PPP, and the expenses associated with these safety measures is not allowable in the operating cost calculation for PPP loans. This is presenting a challenge to restarting the economy.

ASPS firmly believes that the *Paycheck Protection Program Flexibility Act* will help support the thousands of medical practices across the country so they can continue to support our nation's patient population during this pandemic and in the future. We look forward to working with you to advance this legislation and please let us know if we can be a resource to you as you during these challenging times. Should you need to request any additional information or have any questions, please don't hesitate to contact Patrick Hermes, Director of Advocacy and Government Relations, at phermes@plasticsurgery.org or (847) 228-3331. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, reading "Lynn Jeffers". The signature is fluid and cursive, with the first name "Lynn" and last name "Jeffers" clearly distinguishable.

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

Cc: Members of Congress