

GNYHA COVID-19 FEDERAL LEGISLATIVE PRIORITIES

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Hospitals and health systems across the tristate region and the rest of the nation are taking historic steps to cope with the stress being placed on them by the COVID-19 outbreak. The costs to the health care system precipitated by this evolving public health crisis are astronomical, and will only increase, but providers are prepared to do whatever is necessary to deal with this unprecedented emergency.

The hospitals and health systems on the frontlines of this crisis must receive immediate funding and flexibility to increase their surge capacity to endure the ongoing strain on the health care system. We respectfully request that Congress consider how the increase in patient traffic—especially in intensive care units—and the necessary actions of providers are impacting our health care system's ability to respond to this crisis. Congress must consider these developments in future legislative proposals and act expeditiously.

SUSPEND MEDICARE SEQUESTER CUTS

Hospitals and health care systems need quick economic assistance to prepare to provide services to COVID-19 patients. As documented by the Medicare Payment Advisory Commission (MedPAC), most recently in its March Report to Congress, Medicare payments to hospitals fall far below the cost of care and have been deeply negative for well over a decade. The Medicare sequester, which reduces payments for most benefits by 2%, is a major contributor to these underpayments.

Congress should:

- Suspend the Medicare sequester cut for at least the duration of the pandemic

HOSPITAL FUNDING FOR EMERGENCY EXPENSES RELATED TO COVID-19

The cancellations of elective surgeries and procedures and the need to keep beds available for COVID-19 patients will cause hospitals and health systems significant financial impacts. Such cancellations could have devastating financial implications for hospitals, physicians, and nurses.

Congress should:

- Authorize specific funding for hospitals and health systems under a grant program similar to the one created after the 9-11 terrorist attacks
- Provide funding for lost revenues that are directly attributable to the public health emergency resulting from COVID-19
- Direct funding to those hospitals that are treating or preparing to treat COVID-19 patients

LOAN ASSISTANCE FOR HOSPITALS

The Small Business Administration (SBA) offers loans of up to \$2 million for businesses impacted by disasters. This program could be enhanced to provide cash-flow assistance for hospitals at a time when their costs are increasing and revenues will decrease. In addition, hospitals are also very concerned about their ability to maintain regular business operations such as



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billing (which is required to collect revenues) as the emergency response escalates. Providing access to low-cost loans could have a meaningful impact on hospitals' ability to sustain services during this emergency period.

Congress should:

- Permit hospitals in areas with significant COVID-19 cases to apply for low-cost SBA loans and raise the loan cap

CHILDCARE BENEFITS FOR HEALTH CARE WORKERS

Schools nationwide are beginning to close as the COVID-19 outbreak worsens. Many health care workers will need to remain at work while their children are home.

Congress should:

- Authorize funding that would be targeted to health care workers for childcare services

DELAY UPCOMING REIMBURSEMENT CUTS

Now is not the time to cut reimbursement rates to states or hospitals—and cuts to safety net hospitals and programs for low-income individuals are particularly harmful.

Congress should:

- Eliminate the upcoming Medicaid disproportionate share hospital (DSH) cuts for two and a half years
- Pass legislation that would stop implementation of the pending Medicaid Fiscal Accountability Rule
- Create a trigger to continue the enhanced Federal Medical Assistance Percentages (FMAP) funding for COVID-19 hot spots