Why Medicare loan forgiveness is needed now.

1. An American Hospital Association report estimates a total four-month financial impact of $202.6 billion in losses for America's hospitals and health systems, or an average of $50.7 billion per month.
    - Between 40% and 50% of hospitals could have negative margins by 2025. The AHA report argues that the combination of the net financial impact of COVID-19 hospitalizations, total revenue losses from cancelled surgeries and other services, additional costs associated with purchasing needed PPE, and costs of additional support some hospitals are providing to their front-line workers will lead to even further deficits.

2. Analysis of 2 million patient encounters reveals U.S. hospitals are losing $60 billion per month; uninsured patients up 114% during the pandemic. The analysis by Strata Decision Technology showed there was an average 54.5% decrease in the number of unique patients who sought care in a hospital setting.

3. All hospitals with over 100 beds are losing a combined $1.44 billion every day.
    - Crowe public accounting firm analysis shows that health systems across the United States experienced an average decline in patient volume of 56% between March 1, 2020, and April 15, 2020 with inpatient admissions more than 30% below norms, emergency room visits down 40%, observation services down 47%, outpatient ancillary services down 62%, and outpatient surgery volume down 71%.

4. Up to 100 hospitals could close before the end of the year due to financial impacts of COVID-19.
    - An investigation by USA Today cites the main source of falling financials for hospitals is due to the restrictions on procedures and testing which is millions of dollars' worth of revenue taken off the books from the schedules of already financially strapped facilities.

5. Hospitals are facing their most severe economic crisis in more than 50 years.
    - The Wall Street Journal reports that the health care sector shed 1.4 million jobs in April, including nearly 135,000 positions at hospitals, as facilities lost business due to postponements in elective procedures amid the pandemic. The Labor Department said about 500,000 jobs were cut from dentists' offices and nearly 250,000 positions in physicians' offices.
    - According to a KaufmanHall report released April 22, hospitals' median operating margins fell more than 100% in March - dropping a full 13% relative to last year, bringing the median margin into negative territory.
    - The CDC expects the coronavirus to return in the fall of 2020 – without additional funds, hospitals will be significantly under-resourced to manage another pandemic this soon. (See CDC statements.)

6. Forgiving the loan payments will reduce the Medicare Trust Fund; however, Congress can approve legislation that would keep the Trust Fund whole and use General Funds to cover the cost of the loans so there would be no impact on the Trust Fund.
    - The pandemic has created a once-in-a-lifetime national crisis that calls for extraordinary measures.
    - All funds will be used exclusively to pay for Covid-19 and pandemic related expenses.
    - Any excess funds would be required to be returned to the Treasury.