

December 1, 2020

Honorable Mitch McConnell  
Majority Leader  
U.S. Senate

Honorable Chuck Schumer  
Minority Leader  
U.S. Senate

Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives

Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives

Dear Congressional Leaders:

We appreciate your leadership in this time of unprecedented national crisis and thank you for your actions to strengthen America's health care infrastructure with desperately needed financial support. As you know, our hospitals canceled hundreds-of-thousands of elective surgeries and non-emergent patient tests last spring at the government's request to help assure adequate hospital capacity. As the coronavirus rages anew across the country with record case counts being eclipsed nearly every day, our hospitals face new and increased challenges that put significant stress on resources. In many parts of the country there is a severe and growing shortage of nurses and other caregivers requiring additional funding to address. Some of our hospitals have already scaling back elective surgeries again as we see dramatic increases in COVID-19 cases.

The expanded accelerated and advanced payment policy for Medicare providers, as authorized in Section 3719 of the CARES Act, has been a helpful financial tool allowing us to maintain essential medical services for all patients. However, because of mounting expenses caused by the dramatic and growing spread of the coronavirus, **we write to you today to respectfully request that Congress convert to federal grants all the accelerated and advanced Medicare loans made to hospitals and other providers.** We ask you to make this policy change as soon as possible. Unless these loans are converted to grants, hospitals will likely face an insurmountable financial crisis as COVID-19 ravages the nation. It is not an overstatement to say that some will be forced to close (some already have), thus pushing the capacity of those that remain to even greater strains. In rural communities the threat of closure is real and the downstream effect to communities would be catastrophic -- well beyond the scope of the pandemic. Those that do not close may have to significantly reduce health care services over the next several months.

While the \$175 billion provider relief fund has been helpful, it is inadequate to compensate for our mounting losses. Several analyses show expected hospital losses to be more than \$300 billion by the end of this year and losses will continue well into 2021.

As you know, these Medicare loans have stringent accountability requirements and assure that funds are used only for COVID-19 losses and expenses. These accelerated and advanced loan programs also provide Congress and the public with complete transparency. Funds not used for COVID-19 losses and expenses would be returned to the federal treasury.

Thank you for consideration of this request. We stand ready to work with you in every way to support our men and women on the frontline caring for those with the coronavirus. These heroes need to know that the nation will provide whatever it takes to assure they will have the resources to continue the battle.

Sincerely,