

H.R. 3589, Better Way for Providers to Repay Act Original Cosponsors: Reps. Levin, Calvert, Correa

Give flexibility to providers and suppliers and delay the CMS Advanced and Accelerated Payment (AAP) program repayment start date by 12 months.

Dear Colleague:

Over the last year, providers and hospitals have shown flexibility in facing the COVID-19 pandemic, and Congress should show flexibility in helping them during the remainder of the Public Health Emergency, and as they begin to recover in the months ahead.

I am writing to ask you to cosponsor HR 3589, the Better Way for Providers to Repay Act sponsored by Reps. Levin, Calvert, Correa and me.

As the COVID-19 crisis raged in communities across the country, many Medicare providers, suppliers and hospitals faced enormous financial challenges. Many addressed their cash flow issues by using the Accelerated and Advance Payment (AAP) program made available by the Centers for Medicare and Medicaid Services (CMS). This program allowed care providers to borrow against future/anticipated receipts from CMS, and so far has issued \$106 billion in payments under the Accelerated and Advance Payment (AAP) program in early 2020.¹

The repayment terms for these loans began one year from the date of issuance, as enacted under the Continuing Appropriations Act, 2021 and Other Extensions Act. CMS began to recoup payments in April of this year.

Unfortunately, the Public Health Emergency (PHE) continues, and providers and communities are still not yet back to normal. This means providers are still not able to resume full pre-pandemic service and operation levels. As a result, providers of every size and type, and in communities across the country continue to face revenue losses related to the pandemic.

Providers need a Better Way to Repay, recognizing the importance of honoring their loan commitments, but with flexibility that reflects the ongoing public health crisis.

The *Better Way for Providers to Repay Act* will extend the current repayment date by 12 months, to give providers (which used the program) flexibility to assess their current cash flow and operational health and plan their CMS repayment obligations accordingly.

Providers showed flexibility in facing the pandemic—so too should Congress by delaying the recoupment date by 12 months. To cosponsor, or with any questions, please contact Jeff Solsby at jeff.solsby@mail.house.gov.

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¹ CMS Announces New Repayment Terms for Medicare Loans made to Providers during COVID-19 | CMS