

June 2, 2020

The Honorable Mitch McConnell  
Leader  
United States Senate  
Washington DC 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
Washington DC 20510

Dear Leader McConnell and Minority Leader Schumer:

The National Alliance of Safety-Net Hospitals appreciates the leadership you have shown in helping to guide our country through the greatest public health challenge we have faced in more than 100 years. The nation's private safety-net hospitals, and others like us, find ourselves again in need of your help, and we need it as soon as possible. Many of the forms of assistance we seek were addressed by the House last month in the HEROES Act, but whether by taking up that legislation or through other means, we ask the Senate to include five specific policies in its next COVID-19 aid/financial stimulus legislation.

First, please allocate an additional \$100 billion for hospitals. The combination of the major investments needed to prepare for and care for COVID-19 patients and the revenue lost from suspending non-urgent procedures has been especially challenging for private safety-net hospitals. We support using this \$100 billion to reimburse hospitals for our COVID-19-related expenses and our revenue losses, with the amount of assistance weighted based on the relative proportions of Medicaid, Medicare, and commercially insured patients hospitals serve to ensure that those caring for the highest proportions of government-insured patients receive the additional resources they need and deserve.

Second, we believe the next COVID-19/economic stimulus bill should increase the federal medical assistance percentage (FMAP) by 14 percentage points through June of 2021. Doing so would help ensure that states have the resources they need to maintain their Medicaid programs.

Third, we support increasing states' Medicaid disproportionate share (Medicaid DSH) allotments 2.5 percent and also delaying again the implementation of Affordable Care Act-mandated cuts in Medicaid DSH allotments to the states, as Congress has already done several times.

Fourth, NASH urges you to reduce interest rates and lengthen the payback period for money provided to hospitals through the CARES Act's Accelerated and Advance Payment Program because it is now clear that for hospitals, this recovery will take much longer than most of us expected.

Finally, we urge you to prevent implementation of the Medicaid fiscal accountability regulation (MFAR), which would deprive states of important, established state policy-making prerogatives, create major new administrative burdens, and inappropriately regulate financing of states' share of their Medicaid spending.

The challenges these proposals seek to address are not future challenges; they are today's challenges. You and your colleagues have responded to this crisis with speed and with skill, and now, we urge you to do so again, and to do so as quickly as possible.

Sincerely,

Ellen J. Kugler  
Executive Director





cc: Leaders of the Senate Finance Committee  
Leaders of the Senate HELP Committee  
Leaders of the House Ways and Means Committee  
Leaders of the House Energy and Commerce Committee

