

Private safety-net hospitals need your help at this perilous moment to prevent any Medicare payment reductions and to provide more direct support through Provider Relief Funds.

March 4, 2021

Dear Senator Schumer:

The National Alliance of Safety-Net Hospitals appreciates everything you and your colleagues are doing to help private safety-net hospitals serve their diverse, predominantly low-income communities during the COVID-19 emergency. The COVID-19 relief bill currently before Congress does not address three matters of urgent importance to private safety-net hospitals and we urge you to address those matters quickly.

First, we ask you to extend the moratorium on the two percent Medicare sequester. As things stand today the current Medicare sequester delay would end on March 31, at which time Medicare will resume deducting two percent from hospitals' Medicare payments. HR 315, the bipartisan Medicare Sequester COVID Moratorium Act, would extend the current moratorium on implementation of the Medicare sequester for the duration of the current public health emergency. We hope you will co-sponsor this legislation and seek its timely passage.

Second, we urge you to provide additional resources for private safety-net hospitals through the Provider Relief Fund. There are still many private safety-net hospitals that deserve – and need – special assistance from the Provider Relief Fund. These hospitals and others like them serve especially large numbers of Medicaid and low-income patients yet they have not received the level of financial assistance they need from the Provider Relief Fund.

Third, beginning in April, hospitals that participated in the Medicare Accelerated and Advance Payments Program will begin seeing their Medicare payments reduced because they must start repaying the aid they received to help with COVID-19 expenses and losses – even though the COVID-19 crisis continues. This is a precarious time for many hospitals, and safety-net hospitals, which treat larger numbers of Medicare patients than many others, can ill-afford to see their Medicare payments decline at this critical time.

COVID-19 has placed unprecedented financial pressure on safety-net hospitals: a combination of major investment needed to enable us to respond to the unusual challenges posed by the virus, patients who are especially complicated and expensive to treat, and empty beds as people defer needed care out of fear of contagion. Medicare and Medicaid are among the biggest insurers of safety-net hospitals' patients, and the ability of these providers to continue meeting their communities' needs would be jeopardized by any cuts in their Medicare reimbursement.





We appreciate your consideration of our requests and welcome any questions you may have about why extending the Medicare sequestration is so important to private safety-net hospitals.

Sincerely,

Ellen Kugler, Esq.
Executive Director

