

United States Senate

WASHINGTON, DC 20510

May 27, 2020

Senator Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

Senator Chuck Schumer
Democratic Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Leader McConnell and Leader Schumer:

I write to bring your attention to critical health care priorities for Granite Staters and Americans across the country for the next round of response legislation to confront the novel coronavirus or “COVID-19” pandemic. The Coronavirus Aid, Relief and Economic Security (CARES) Act provided important resources to help hospitals, health care providers, small businesses and non-profit organizations deal with the public health and economic impacts of COVID-19 in the near term. The Paycheck Protection Program (PPP) and Health Care Enhancement Act provided more resources to help bridge the small business and health care provider support programs through additional weeks of need, while also bolstering federal support to ramp up COVID-19 testing in our communities. However, in the countless conversations that I have had in recent weeks with Granite Staters, it has become increasingly clear that additional support from Congress will be necessary as New Hampshire and our nation navigate this unprecedented crisis.

The Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act that recently passed the House included policies designed to address many of the issues discussed in this letter. As the Senate works with the House on legislation aimed at coronavirus response and economic relief, I strongly urge you to include the following priorities outlined below.

1. Relief in the Medicare Accelerated and Advance Payments Program—In the CARES Act, Congress took an important step to expand Medicare’s Accelerated and Advance Payments program to provide upfront payments to hospitals and other health care providers to offset steep declines in Medicare revenue due to suspension of elective procedures. Unlike grants, these upfront loans have to be repaid over time to Medicare through recoupment of future Medicare payments that would otherwise be owed to the health care providers for services rendered. In implementing this program, the Centers for Medicare and Medicaid Services (CMS) is providing hospitals, physicians and other health care providers with upfront payments equivalent to as much as six months-worth of Medicare revenue from 2019. As of May 2nd, New Hampshire health care providers have received a total of \$689.3 million in upfront payments through this program. This support has been vital for near term attempts to stabilize health care providers’ finances so that they can continue their critical work on the frontlines of this pandemic.

However, the terms for repayment of these upfront amounts are troubling. Starting 120 days after the upfront payment, CMS will start withholding 100 percent of Medicare Fee-for-Service

payments that would otherwise be owed to the provider until the upfront payment is repaid. This rapid recoupment schedule could result in liquidity issues for many providers if service volume does not return to pre-COVID-19 levels by the time the recoupment period starts. Equally concerning, CMS will charge an interest rate as high as 10.25 percent on any balances that remain after a certain pay-back period. For hospitals, this pay-back period is one year after the upfront payment is made. For physicians, health centers and other Medicare Part B providers, the interest rate starts applying just 210 days after the upfront payment. There is bipartisan support for addressing the high interest rates and short repayment timeframes for this program, including from the eleven Republicans and 21 Democrats that joined me and Senator Cassidy in sending a letter to CMS calling for relief for participating providers.

To address these liquidity issues that will likely result from the current repayment terms, I strongly urge you to include provisions in the next COVID-19 response package to delay the start of the recoupment period to no less than twelve months after the upfront payment and limit the withholding of Medicare payments during recoupment to no more than 25 percent of the claim. I also urge you to push back the final due dates for repayment to no earlier than two years after the upfront payment and reduce the interest rate on remaining balances to 1 percent. Congress should also authorize CMS to forgive a portion of the repayment obligations for providers that would face significant financial hardship during repayment.

2. *Health Care Provider Grants*—Together the CARES Act and the PPP and Health Care Enhancement Act provided \$175 billion in grant funding for health care providers. These grants have been an important source of financial support for New Hampshire hospitals, physicians, nursing facilities and other health care providers as they continue to confront the pandemic. So far, New Hampshire health care providers have received more than \$295 million in these health care provider grants. With New Hampshire hospitals reporting revenue losses in excess of \$200 million per month statewide, and additional losses from other non-hospital providers, more grant dollars will be needed. I urge you to include additional health care provider grants in the next COVID-19 response bill. The availability of relief funds for state governments can also help provide additional resources for our health care system. Therefore, I urge you to also include state and local government relief funds in the next COVID-19 response package to ensure our health care providers receive the resources they desperately need.

3. *Resources and Support for Long-Term Care Facilities*—In New Hampshire, more than 70 percent of those who have died from COVID-19 have been nursing home residents. To help provide the support that nursing homes and long-term care facilities need, I urge you to include in the next COVID-19 response bill additional dedicated funding to help these facilities acquire more testing supplies and personal protective equipment, while maintaining sufficient staffing levels. This dedicated funding should come in addition to, not in lieu of, the health care provider grants noted above. I also request that you include key reforms from the Nursing Home COVID-19 Protection and Prevention Act that would help states implement strategies to reduce the spread of COVID-19 in congregate settings.

4. *Community Health Center Funding*—Emergency funding for community health centers has also been critical to our efforts to support New Hampshire's response to the pandemic. In the CARES Act, Congress provided \$1.32 billion in dedicated emergency funds to support health centers, but those funds will not keep health centers afloat financially for more than a few

months. I strongly encourage you to include \$7.6 billion in additional emergency health center funding in the next package. According to the National Association of Community Health Centers (NACHC), this level of support is projected to help health centers survive revenue shortfalls from the pandemic for the remainder of 2020. As a part of the next response package, I also urge you to replicate the support for capital infrastructure funding for health centers that was provided in 2009 in the American Recovery and Reinvestment Act (ARRA). It will also be critical to provide a multi-year extension of mandatory funding for community health centers and the National Health Services Corps (NHSC). Mandatory funding for these programs is currently set to expire on November 30th. Finally, emergency funding for community health centers should provide flexibility so that Federally-Qualified Health Center (FQHC) Look-a-Like facilities can also qualify for financial support during this public health crisis.

5. Medicare Telehealth Reimbursement Rates—Telehealth services have played an essential role in helping Granite Staters and Americans across the country access the checkups and medical consultations that cannot be performed in-person due to the cancellation of non-emergency visits. Congress has provided important flexibilities in recent coronavirus response legislation that have expanded the ability of health care providers to deliver telehealth to Medicare patients. Medicare has also made recent progress in ensuring that reimbursement for audio-only telehealth services is comparable to reimbursement for audio-visual telehealth. This is very important for Americans living in communities without sufficient broadband access. However, we must do more to ensure the most effective use of telehealth services. To help achieve this goal, I urge you to include provisions in the next COVID-19 response package that bring Medicare reimbursement for telehealth services from physicians and FQHCs in line with what Medicare pays for services performed in-person.

6. Health Care Coverage and Affordability—Affordable health care coverage is especially essential during this public health crisis, but the job losses and furloughs resulting from the pandemic is making health insurance even less affordable for many families. To help ensure that more Americans can afford health insurance coverage, Congress should provide financial support for the cost of premiums for workers who lose their jobs and purchase coverage under a Consolidated Omnibus Budget Reconciliation Act (COBRA) plan. I also urge you to lift the current income cap on the Affordable Care Act's (ACA's) premium tax credits, so that families with income above 400 percent of the Federal Poverty Level (FPL) can receive financial assistance with the cost of monthly premiums. For those who are already eligible for the ACA's premium tax credits, Congress should enhance the value of those tax credits. For those who are currently uninsured, I urge you to provide a special enrollment period under the ACA and establish an option for states to provide Medicaid coverage for COVID-19 treatment and testing costs for the uninsured—with a 100 percent federal matching payment. In addition to providing the special enrollment period, Congress should also restore dedicated funding for marketing, outreach and education of consumers about both the special enrollment period and the traditional Open Enrollment Period for Health Insurance Marketplace coverage in the fall.

7. Testing, Contact Tracing and Public Health Infrastructure—A successful recovery from this pandemic will require significant investments in our public health system and testing capabilities. I urge you to provide substantial additional dedicated funds for COVID-19 testing and contact tracing to supplement the \$25 billion in initial funding that Congress provided in the PPP and Health Care Enhancement Act. Congress should also provide specific funding for state

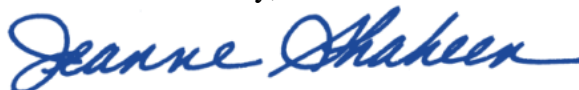
and local health departments to hire additional staff that will be necessary to keep up with the demand for surveillance and mitigation activities that are needed to combat this pandemic.

8. Premium Pay for Essential Workers—In New Hampshire and across the country, our nation's essential workers have put their own health and safety at risk to serve on the frontlines of the COVID-19 pandemic. These frontline workers – our health care professionals, first responders, grocery store workers, delivery workers and many more – are vital to combatting this public health crisis and deserve to be recognized and rewarded for the tremendous sacrifice they are making each and every day. Congress must provide these essential workers with premium pay for the critical contributions they make to keep our communities running and safe.

9. Support for Essential Workers to Afford Elder Care Costs—Health care workers, first responders and other essential workers need to continue their vital roles for our communities throughout this pandemic. However, with senior centers closed and facilities that provide attendant and personal care services limited, essential workers who live with frail senior citizens or individuals with physical and mental impairments are confronted with additional costs of securing care for these loved ones during the essential workers' shifts on the frontlines. The CARES Act provided important increases in child care grant funding and flexibility for grant dollars to be used to provide financial assistance to essential workers for the cost of child care. Congress needs to provide similar financial support for essential workers who need assistance in caring for a senior citizen or other impaired individual who lives with them.

A number of these priorities have bipartisan support or have been included in coronavirus response legislation that recently passed the House. Collaborative efforts to address these issues in the next round of COVID-19 response legislation in the Senate will be critical. In the days and weeks ahead, I look forward to working with you on these pressing health care issues that are impacting New Hampshire and all of our communities.

Sincerely,



Jeanne Shaheen
United States Senator