

March 19, 2020

Contact Your Senators, Representative and Urge Them to Provide \$100 Billion in Funding to Hospitals and Health Systems as Part of Coronavirus Spending Package

Please reach out to your lawmakers today as discussions are moving quickly

Leaders from the Senate, House and Administration are working on proposals for a third spending package related to the novel coronavirus (COVID-19). While legislative language has not been formally unveiled yet, a package is expected to come together very quickly.

Please contact your senators and representative today and ask them to allocate \$100 billion to front line health care personnel and providers – including hospitals, health systems, physicians and nurses – and direct the federal agencies to begin to infuse funds immediately so that providers can afford to take the necessary steps to combat COVID-19. [See the letter](#) sent today to congressional leaders by the AHA, American Medical Association and American Nurses Association.

More details on specific areas you should highlight for your senators and representative are below.

PAYMENTS TO HOSPITALS TO CARE FOR PATIENTS AND COMBAT COVID-19

Congress should provide funding to make sure hospitals and health system have reliable financial resources to ensure that they can maintain an adequate workforce, buy critical supplies, create additional infrastructure, and keep their doors open to care for patients and their community during this emergency. This is especially urgent in light of the many hospitals that are canceling elective surgeries in order to prepare for a surge of COVID-19 patients.

Among other actions to help hospitals with critical payment needs so they can continue to care for their patients and community, Congress should:

- establish bi-weekly supplemental periodic interim payments to acute care and critical access hospitals;
- provide maximum flexibility for post-acute care providers so they are able to maintain their usual payment rate while increasing the capacity of the health care system;

- establish a Medicare add-on payment equal to 25% of the diagnosis-related group for those with COVID-19;
- eliminate Medicaid disproportionate share hospital cuts for 2020 and 2021;
- establish a payment pool to treat the uninsured with COVID-19;
- [suspend the Medicare sequester](#) for at least the duration of the pandemic; and
- delay or repeal burdensome Medicare or Medicaid regulations that result in payment reductions to providers.

HOSPITAL STABILIZATION EMERGENCY FUND

Congress should establish a stabilization emergency federal fund to provide direct funding to hospitals during COVID-19 and times of emergencies. This would advance funding to hospitals and health systems for qualified expenses so that they can quickly respond to emergencies to achieve the best possible outcome.

Among other areas, this critical funding would cover:

- the loss of revenues due to suspension of elective services not related to COVID-19, testing costs, additional training for front line health care providers on pandemic preparedness plans, training on telemedicine and telehealth capacities, and increased costs associated with higher staffing levels and backfilling when necessary;
- sourcing and purchasing additional and potentially more expensive supplies and equipment, when available;
- standing up emergency operations centers;
- providing housing and care for patients who do not require hospitalization but do not have housing in order to prevent spread of COVID-19;
- construction or retrofitting facilities to provide separate areas to screen for COVID-19; and
- additional security.

INFRASTRUCTURE AND SURGE CAPACITY

Congress should provide funding for the capacity to care for mildly or moderately sick COVID-19 patients in an alternative care site, such as outpatient facilities or large structures in the community that are in close proximity to a hospital, when patients cannot appropriately care for themselves at home. This will provide additional capacity for sicker COVID-19 patients who need more intensive care.

Among other actions, Congress should provide assistance for hospitals investing in infrastructure, equipment and supplies, and a full payroll tax credit or other mechanism to offset uncompensated care, bad debt and charity care costs for treating COVID-19 patients. For more details and specific proposals, see our [March 17 letter](#).