

3708 W. Brooks Place • Sioux Falls, SD 57106 • (605) 361-2281

March 26, 2021

The Honorable John Thune  
United States Senate  
511 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Mike Rounds  
United States Senate  
502 Hart Senate Office Building  
Washington, DC 20510

The Honorable Dusty Johnson  
United States House of Representatives  
1508 Longworth House Office Building  
Washington, DC 20515

RE: Medicare Sequester Relief

Dear South Dakota Congressional Delegation,

Thank you for your continued support of South Dakota hospitals, healthcare systems, nursing facilities, home health agencies, assisted living centers, and hospice organizations. Your support is essential for our healthcare providers to contain the spread of COVID-19, get shots in arms, and ensure positive outcomes for patients and communities in South Dakota.

As you know, the Medicare sequester relief is scheduled to end March 31, and extending the relief will provide crucial support to health care providers. A cut to providers at this time would be devastating as we continue to battle COVID-19. The Medicare sequester stands to reduce payments to hospitals in South Dakota by approximately \$11.5 million in 2021 if relief is not extended.

South Dakota's healthcare providers continue to face overwhelming financial challenges and pressure associated with higher overhead costs due to personal protective equipment and other safeguards, lost revenue due to delayed non-emergent procedures, bonus pay to staff, among other challenges. Now is not the time to cut payments to providers.

We are grateful that Congress has provided much-needed assistance to health care providers. Thank you for your leadership and continued partnership during this pandemic. We respectfully ask you to support legislation to extend the moratorium on the Medicare sequester cuts so that we can continue to put patients, families, and communities first in South Dakota.

Please feel free to contact me with questions regarding this letter.

Sincerely,



Tim Rave  
President and Chief Executive Officer  
South Dakota Association of Healthcare Organizations