Congress of the United States
Washington, DC 20515

April 17, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

We would like to commend House and Senate leadership, as well as the Administration, for your work on the CARES Act. While this legislation was not perfect, it has provided a much-needed lifeline to hospitals across the country who are struggling to respond to the current public health crisis. However, as the Administration and Congress begin negotiating the next COVID-19 relief package, we write to convey our strong desire that any future package give the Center for Medicare and Medicaid Services (CMS) flexibility to forgive Medicare accelerated payments for hospitals who can demonstrate that repayment will cause the facility significant financial hardship.

As you know, rural hospitals have been facing financial difficulties for years, resulting in limited access and poor health care outcomes for constituents in our districts. In fact, 2019 was the worst year for rural hospital closures since 2010. Now, as the country confronts a global pandemic, the challenges these providers face have been magnified and 2020 is poised to be an even worse year for these essential facilities.

While the Medicare Accelerated payment program and the twenty percent COVID-19 add-on payment are useful tools to help rural facilities weather the current storm, many hospitals, especially critical access hospitals (CAHs) and sole community hospitals, fear the inability to repay the accelerated payments once this crisis is over. Rural hospitals in particular have seen their normal sources of revenue dry up during this crisis. This, combined with the reality that many of these facilities will not see the same benefits of the twenty percent add-on payment as urban systems, has led many providers to wonder if they will have to close their doors as a result of this crisis.

Congress must ensure the American economy, and its health care system does not come out of this crisis weaker than it was before. Congress must do all in its power to ensure providers across the country can remain open and emerge on solid footing post-COVID-19. As such, we strongly encourage Congress to consider establishing a mechanism for Medicare accelerated payments to be forgiven if they can demonstrate repayment will cause significant financial hardship.
Thank you for your attention to this important matter. We look forward to working with you to ensure that our health care system, our economy, and our nation come out of this crisis stronger than ever before.

Sincerely,

Jason Smith
Member of Congress

David B. McKinley P.E.
Member of Congress

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