



MHA ADVOCACY AND POLICY DEVELOPMENT TO PROVIDE FINANCIAL ASSISTANCE TO HOSPITALS

In addition to its other activities to help hospitals manage the COVID-19 public health emergency, the Missouri Hospital Association is focusing hard on advocacy and policy development to provide financial assistance to hospitals in this challenging time.

The following summarizes key issues that have been addressed or are in play:

Congress has enacted a third legislative package related to COVID-19. Its components relating directly to financial assistance for hospitals include:

- > \$100 billion in direct grants to health care providers to fund COVID-19-related expenses and lost revenue.
- > Increasing Medicare payments for treating COVID-19 payments by 20%.
- > Suspension of the 2% Medicare sequestration from May through the end of December.
- > Delaying the pending reductions in states' allocations of federal funding to support Medicaid Disproportionate Share Hospital payments.
- > Clarifying telemedicine requirements and payments for rural health clinics as a site of service.
- > Changes initiated by Missouri's U.S. Senators to expedite the flow of funds to hospitals and to expand and accelerate the use of advance payments to hospitals based on their prior period payments.

For short-term relief, MHA is pressing the MO HealthNet Division to pay Missouri hospitals the \$42 million associated with the correction of a previous state error in the calculation of patient days used to determine payment amounts. To the extent regulatory standards are an impediment, they should be waived.

MHA is urging MO HealthNet to pay hospitals what it owes them in cost settlements for rural health clinic services in accordance with the state's distribution policy.

CMS should promote and expedite its existing authorities to implement Medicare periodic interim payments to hospitals, including critical access hospitals. This provides estimated payment amounts during the reporting period, with potential adjustments and a reconciliation and settlement of payments and expenses.

The state's Medicaid program should consider MHA's proposal to implement a periodic interim payment methodology based on the Medicare system.

MHA is working the State Treasurer and the Missouri Bankers Association to assess and promote the use of the Treasurer's "Linked Deposit" program, which provides low-interest loans through the banking system for hospitals needing a cash infusion.

Some MHA-member hospitals have suggested the benefit of having USDA suspend collection of its loan repayment obligations. MHA is investigating and promoting the idea.

MO HealthNet is moving forward with policy changes to expand Medicaid coverage for uninsured patients needing treatment for COVID-19 infection.

MHA is compiling and distributing resources and convening member conference calls on documentation needed to support potential recovery of COVID-19 expenses incurred in the course of the national emergency. The payment process would be managed by the Federal Emergency Management Agency.

Congress authorized an increase of 6.2% in the federal share of Medicaid payments. This is a way to provide a quick infusion of federal funds into states' coffers. The additional funds are not earmarked to be spent on Medicaid but MHA will work to use them to hospitals' benefit.