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## MEMO

March 15, 2021

TO: Members of the Missouri Congressional Delegation

FROM: Daniel Landon  
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SUBJECT: Medicare Sequestration Waiver Extension/Rural Health Clinics

In March 2020, Congress waived the 2% Medicare sequestration to help providers respond to the financial challenges brought on by the COVID-19 pandemic. The waiver expires at the end of this month. The Missouri Hospital Association and its members urge Congress to extend the Medicare sequestration waiver before it lapses.

Also, new Medicare payment standards take effect April 1, 2021, for some rural health clinics, including those sponsored by hospitals. However, the Consolidated Appropriations Act of 2020 — enacted in late December — appears to have inadvertently applied those standards to small hospitals' rural health clinics that were enrolled in Medicare as of December 31, 2019.

A legislative correction has been developed to apply the payment standards to such rural health clinics that were enrolled or had applied for enrollment by December 31, 2020.

The sequestration waiver extension and the provider-based rural health clinic change have been incorporated into H.R. 1868, which is expected to be debated soon by the House of Representatives. Missouri hospitals ask for your support of this legislation, or others, to resolve these two imminent Medicare payment issues by April 1.

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