

FEDERAL COVID-19 LEGISLATIVE PRIORITIES

JULY 2020

Support Additional Resources for Hospitals

IHA estimates that COVID-19-related cancellations and delays have caused Illinois hospitals to lose \$1.4 billion a month. Additionally, hospitals continue to incur higher costs to acquire needed supplies and equipment, protect and maintain an adequate healthcare workforce, and prepare for future surge capacity. The resources provided to date through the CARES Act and supplemented by the Paycheck Protection Flexibility Act are an important first step. However, it is now increasingly clear that much more will be needed. Congress should provide additional relief funds to hospitals, which are not only coping with a public health crisis, but also a financial crisis.

Safeguard Frontline Providers from Legal Action

During this unprecedented emergency, hospitals and healthcare professionals continue to provide care in extraordinary circumstances. Congress should implement a limited waiver of liability for hospitals and healthcare professionals during the nationally designated COVID-19 emergency that will allow providers to continue delivering the best possible care under less-than-ideal conditions.

Improve the Medicare Accelerated/Advance Payment Program

Hospitals are grateful for Congress' authorization and the Centers for Medicare & Medicaid Services' swift action to implement the Medicare Accelerated/Advance Payment Program. Given the substantial financial disruptions that have occurred as well as the ongoing need to prepare for future surges of COVID-19 patients, many hospitals will simply not be able to pay these funding advances back under the current program rules and timelines. Congress should consider loan forgiveness, and at a minimum, significantly reduce the interest rate, which is currently around 10%, and extend the repayment schedule by an additional 12 months.

Protect and Increase Health Insurance Coverage

Access to healthcare coverage is essential to ensuring patients receive the care they need to support their own individual health, as well as prevent further spread of COVID-19. As the economic stress of the pandemic persists, we expect thousands more Illinoisans to lose employer-sponsored coverage. The Medicaid program will continue to be a critical safety-net, however, the surge in demand is expected as the state faces dramatic declines in revenue. Congress should take action to maintain health benefits for individuals and families and increase coverage options for those who are already uninsured by: providing employer subsidies for preserving enrollment; covering COBRA costs; opening a Special Enrollment Period for Health Insurance Marketplaces; increasing eligibility for federal marketplace subsidies; expanding the period during which insurers cannot cancel coverage for non-payment of premiums; and providing tax credits to offset COVID-19-related charity care furnished in a hospital.

Provide Additional FMAP Increase

The Families First Coronavirus Response Act included a much-appreciated 6.2% temporary boost in the Federal Medical Assistance Percentage (FMAP) in order to support states and the healthcare delivery system. Congress should provide an additional increase of 5.8% for a total of 12%,

retroactive to January 1, 2020 and extending until September 30, 2021. (IHA's letter to Congressional leaders, spearheaded by the National Governor's Association, is available here.)

Federal Support for Health Care Heroes

Healthcare workers across the state have responded to the call of duty in unprecedented ways. Hospital employees, including nurses, physicians, facilities management personnel, and technicians are rising to the challenge to provide care to patients and communities. These frontline and essential employees put themselves at risk of exposure to COVID-19 every day. Using the tax code, Congress should provide additional resources to front-line caregivers, such as support for child care, housing, transportation and bonus pay.

Permanently Expand Access to Telehealth

Statutory and regulatory barriers to expanding telehealth have been temporarily lifted during the COVID-19 pandemic, allowing patients to receive the care they need without risking virus exposure to themselves or healthcare professionals. Expanding access to telehealth beyond the public health emergency will enable more patient-centered and convenient care, increase workforce capacity, and help remove barriers to accessing services. Congress should permanently lift geographic and site restrictions on where patients may receive care; expand the types practitioners that may bill for telehealth; and the increase the list of covered services. IHA urges lawmakers to ensure care provided through telehealth is reimbursed at the same amount as in-person care. In mid-April, more than 1 million Medicare beneficiaries in traditional Medicare accessed care through telehealth, compared to just 11,000 during the week ending March 7, an increase of more than 11,718 percent. Medicare Advantage plans also expanded access to telehealth services during the pandemic and found that 91 percent of seniors reported a favorable experience. In addition to updating coverage and payment policies to expand use of telehealth, Congress should increase investment in Broadband through the FCC's Rural Health Care Program.

Preserve Current Hospital Eligibility and Designation Statuses

As a result of fluctuations in patient volumes during the pandemic, hospitals' eligibility for several designations and programs, including the 340B Drug Pricing Program, Medicare-Dependent Hospital program, and Low-Volume Adjustment may be at-risk. At the same time, changes in payer mix and bed allotment will impact each hospital's Medicare cost report, including but not limited to worksheet S-10. Altogether, the financial and volume changes that hospitals are experiencing will impact program eligibility, hospital status, and payment rates in future years unless hospitals are held harmless for all cost report results until the end of the pandemic. Congress should hold hospitals harmless due to altered patient volumes and bed changes in their cost reports until the COVID-19 pandemic subsides.

Oppose Unworkable OSHA Standards

As the current supply chain for personal protective equipment (PPE) remains spotty at best, it is simply not feasible at this time to adhere to an even higher standard for N95 respirator use, as proposed in previous legislation. The provision would require the Occupational Safety and Health

² https://www.bettermedicarealliance.org/news/poll-seniors-give-telehealth-high-marks-medicare-advantage-satisfaction-smashes-new-record-2/



¹ https://www.healthcaredive.com/news/medicare-seniors-telehealth-covid-coronavirus-cms-trump/578685/

Administration (OSHA) to implement new temporary and permanent standards relying on airborne-focused precautions set forth by the Centers for Disease Control and Prevention during the 2007 SARS epidemic, even though COVID-19 is contact and droplet spread, not airborne spread. Such a provision would be impossible to implement in hospitals due to the severe lack of availability of N-95 respirators, and would reduce hospital inpatient capacity. Congress should avoid adding to hospitals' burden as they work to procure supplies and protect all who work in hospitals.

Address Healthcare Workforce Shortages

Illinois faces a critical shortage of nurses and physicians. As we look ahead to recovery, Congress should increase the federal investment in training the next generation of doctors by passing the Resident Physician Shortage Reduction Act (S. 348/H.R. 1763) to lift outdated caps on the number of Medicare reimbursable residency slots. Additionally, Congress should pass the Healthcare Workforce Resilience Act (S. 3599/H.R. 6788) to allow entry into the U.S. of nurses with approved immigrant visas and physicians with approved immigrant petitions to adjust their status so that they may help fight the COVID-10 pandemic. Thousands of nurses are stuck overseas due to the green card backlogs and bureaucratic delays—even though they have already been approved to come to the United States and could greatly assist in our response to the COVID-19 pandemic. And thousands of physicians are currently working in the U.S. on temporary visas with approved immigrations petitions, however, are stuck in the green card backlog.

Support Access to Long-Term Care Services

Congress should extend eligibility of the Medicare 20% add-on payment to include COVID-19 patients treated in long-term care hospitals (LTCHs) and inpatient rehabilitation facilities.

Additionally, for patients with COVID-19 treated in all hospitals who also require on-site dialysis, Medicare should pay a separate add-on for such dialysis, as this particular comorbidity significantly adds to the complexity and cost of threating these patients. The outlier payment to LTCHs and PPS hospitals treating COVID-19 patients should be increased.

Address Regulatory Concerns

CMS and HHS have supported hospitals during this pandemic with tremendous regulatory flexibility, and hospitals are grateful. These important efforts will continue to be needed as the pandemic persists, even after the expiration of the national emergency declaration and public health emergency declaration. IHA urges the Administration to make permanent many of the flexibilities provided during the pandemic. (For a complete list, please see the American Hospital Association's letter here.) At the same time, given the unprecedented circumstances of responding to a pandemic, HHS should delay the effective date of the price transparency rule to allow hospitals and health systems additional time to comply with the burdensome and costly reporting requirements. Additionally, the Medicaid Fiscal Accountability Rule, should be rescinded.