

July 21, 2020

The Honorable Mitch McConnell
Senate Majority Leader
317 Russell Senate Office Building
Washington, D.C., 20510

The Honorable Nancy Pelosi
Speaker of the House
1236 Longworth House Office Building
Washington, D.C., 20515

The Honorable Charles Schumer
Senate Minority Leader
322 Hart Senate Office Building
Washington, D.C., 20510

The Honorable Kevin McCarthy
House Minority Leader
2468 Rayburn House Office Building
Washington, D.C., 20515

Dear Senate Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi and Minority Leader McCarthy:

Hospitals across the country continue to face unprecedented challenges as they prepare for surges in COVID-19 cases, treat patients in hotspots, and face significantly lower patient volumes for routine and elective procedures. Vizient and our member hospitals appreciate the support that Congress has provided thus far, but as you consider another legislative package in response to the ongoing COVID-19 pandemic, we urge you to sustain those investments in hospitals to help mitigate the financial toll of the ongoing crisis and help ensure continued access to health care services.

Vizient is the nation's largest health care performance improvement company. Vizient provides solutions and services that improve the delivery of high-value care by aligning cost, quality and market performance for more than 50% of the nation's acute care providers, which includes 95% of the nation's academic medical centers, and more than 20% of ambulatory providers. Vizient provides expertise, analytics, and advisory services, as well as a contract portfolio that represents more than \$100 billion in annual purchasing volume, to improve patient outcomes and lower costs. Headquartered in Irving, Texas, Vizient has offices throughout the United States.

To support our nation's hospitals, Vizient urges Congress to include the following provisions in the upcoming legislative package:

- **Vizient asks Congress to provide additional funding for the Provider Relief Fund.** The Provider Relief Fund has been vitally important for hospitals across the country. While Congress was appropriately aggressive in quickly providing funding for the Provider Relief Fund, the distribution of those funds has not been quite as expeditious. The delays, along with the variable payment methodologies utilized by the Department of Health and Human Services (HHS), have caused confusion and uncertainty among providers. Additionally, the funding is quickly running out, while hospitals throughout the country continue to suffer significant financial hardship. Given the lack of clarity about how remaining funds will be used, unprecedented financial challenges faced by hospitals, and the continued uncertainty surrounding the duration of the crisis, Vizient urges Congress to provide additional funding for the Provider Relief Fund and to direct

HHS to distribute funds within a clear timeline and structure to ensure hospitals can quickly access needed support.

- Another tool that has provided financial support to hospitals and other health care providers was the expansion of Medicare's Accelerated and Advanced Payment (AAP) Programs. Under the Accelerated Payment Program, hospitals were able to access much-needed advanced Medicare payments that can be repaid without interest for a limited period of time. While that support was essential, hospitals that were able to access those funds will be asked in the coming weeks to repay those payments with 100% of their Medicare reimbursements once their recoupment period begins. Hospitals unable to fully repay within their recoupment period will be subject to an extremely high interest rate. This represents a monumental challenge as hospitals are again seeing a significant increase in costs related to COVID-19 and a continued downturn in elective care. Given the financial threats faced by hospitals across the country, Congress should consider a more flexible arrangement between hospitals and the Centers for Medicare and Medicaid Services (CMS). **For example, Congress could extend the interest-free loan repayment period, offer flexibility to reduce recoupment amounts during that time, significantly reduce the interest rates after the recoupment period ends or, ideally, offer full loan forgiveness for hospitals that are facing significant financial hardship.**
- State Medicaid programs have played vitally important roles in supporting the ongoing public health and medical response to the coronavirus pandemic. Vizient applauds Congress for its earlier action in the Families First Coronavirus Response Act of bolstering the Federal Medical Assistance Percentage (FMAP) matching rate by 6.2 percent through the Public Health Emergency (PHE). While this increase is beneficial, it is clear that state Medicaid programs will need additional financial support to successfully respond to the pandemic and residual public health impacts of the crisis. Therefore, **Vizient urges Congress to increase the FMAP by an additional 5.8 percentage points to at least a 12 percent enhancement. Additionally, because the long-term health and economic consequences of the crisis are unknown, we urge Congress to extend the enhanced FMAP through September, 2021 at minimum – and, to consider maintaining the enhanced matching rate until unemployment rates have returned to pre-COVID-19 rates. Further, Vizient strongly urges Congress to act now to rescind or prevent the finalization of CMS's proposed Medicaid Fiscal Accountability Regulation.** This proposed rule would significantly limit states' flexibility in administering their Medicaid programs, impose unnecessary regulatory complexity and limit their ability to respond to not only this crisis, but future public health needs.
- Hospitals and front line health care workers are rapidly responding to the explosive spread of COVID-19, prioritizing patient care often times more than their own. This crisis has been continually evolving with protocols for exposure, treatments and safe discharge from the hospital being developed and modified rapidly. Hospitals and health care practitioners have responded and continue to provide essential care for patients throughout this crisis. Given the evolving nature of the crisis and health care practices associated with COVID-19, **Vizient believes that it is vital for Congress to act to shield hospitals and health care workers from unwarranted legal liability in the aftermath of the pandemic.** Practitioners have been responding in good faith throughout this pandemic and should not be subject to legal exposure that results from

their actions during this unprecedented PHE. This protection, of course, would not apply to situations where there is gross negligence or misconduct.

- America's physicians, advanced practice clinicians, nurses and other essential health care workers have been on the front lines of this crisis for more than six months at this point. Their dedicated work has come with significant risk, personal hardships and unimaginable clinical challenges. Their bravery and the sacrifices they continue to make should be acknowledged and rewarded. **Vizient calls on Congress to support these essential front-line health care workers with dedicated hazard pay and additional needed support that they may need due to the vital services they have been providing during the PHE.**
- Earlier this month, Vizient shared [our recommendations](#) to build on to the rapid deployment of telehealth services. As Congress considers its next legislative response to the crisis, we recognize that some specific, technical proposals may be more appropriate for regulatory action. At the same time, there is significant bipartisan support for adopting several changes – including relaxing pre-PHE distant site and geographic requirements, and expanding the types of services and the variety of practitioners that may provide telehealth. **Vizient supports the inclusion of vital telehealth flexibilities in this upcoming legislative package to provide long-term certainty for hospitals and patients that have come to appreciate and rely upon the benefits and services from telehealth.** If this legislative vehicle is not the proper venue for certain technical changes related to telehealth, Vizient encourages Congress to, at the very least, provide CMS with clear authority to make such changes permanent through rulemaking.
- Vizient members include nearly 95 percent of the nation's academic medical centers. Those organizations are not only on the front lines of providing cutting edge care and responding to the COVID-19 pandemic, but they are also conducting vital research and training the next generation of physicians. It is vitally important that our nation makes meaningful investments now to build a robust and highly skilled physician workforce. **Vizient urges Congress to include the Resident Physician Workforce Shortage Reduction Act of 2019 in the upcoming legislative relief package to support the essential development of tomorrow's clinical leaders.**

The unprecedented impact of the crisis will resonate for years. Congress and the administration have taken bold steps to help support hospitals across the country during this crisis. We thank you for your leadership and now urge you to continue to support America's health care systems during and after this crisis.

Please do not hesitate to contact me at shoshana.krilow@vizientinc.com or 202-354-2607 if you have any questions about Vizient or if there is any way we can be of assistance as you develop additional legislative solutions to address this crisis.

Sincerely,



Shoshana Krilow
Vice President, Public Policy & Government Relations