



December 17, 2020

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

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

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

The Honorable Chuck Schumer
Democratic Leader
U.S. Senate
Washington, DC 20510

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

We are writing you once again as America's front line health providers continue to battle the COVID-19 pandemic with the virus surging in many communities across the country. We are concerned that high COVID-19 rates will continue to stress the entire health care system. Our members provide health care to the more than 62 million Medicare beneficiaries. We urge you to include in year-end legislation an extension of the congressionally-enacted moratorium on the application of the Medicare sequester cuts into 2021 and through the duration of the public health emergency (PHE).

Physicians, nurses, hospitals, health systems, long-term care hospitals, inpatient rehabilitation facilities, skilled nursing facilities, home health agencies, and hospices have been hit hard by the pandemic, incurring significant expenses to treat the sick, but experiencing historic financial losses due to the decrease in inpatient and outpatient services.

Relief from the 2% sequester cut by way of the Coronavirus Aid, Relief, and Economic Security (CARES) Act afforded critical relief during the PHE to all providers who participate in the Medicare program through the end of 2020. Clearly Congress recognized the importance of this relief for the duration of the PHE. Given that the PHE is certain to continue into 2021, it is a safe assumption that America's health care providers will continue to face the overwhelming financial challenges and pressures associated with higher overhead costs due to personal protective equipment and other

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safeguards, lost revenue due to delayed elective procedures and/or forgone routine visits, and hazard pay to staff.

We are grateful that Congress since May has provided much-needed reprieve from the Medicare sequestration. This relief helped to improve what was, and continues to be, the relatively dire financial outlook for many of our members. In some cases, this 2% cut will effectively negate the Medicare inflation adjustment health care providers depend on and would otherwise receive in 2021. Clearly the cost of providing care to patients continues to increase. Without future sequestration relief, America's health care safety net could be at further risk of collapse. As such, we respectfully ask that Congress pass legislation this year that further postpones the application of this harmful 2% cut for the duration of the PHE in 2021.

We thank you for your ongoing leadership as we battle COVID-19 together.

Sincerely,

American Hospital Association
American Medical Association
American Health Care Association
National Association for Home Care & Hospice