American Hospital Association™
Advancing Health in America

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February 4, 2022

The Honorable Patty Murray
Chair
Committee on Health, Education,
Labor and Pensions
United States Senate
Washington, DC 20510

The Honorable Richard Burr
Ranking Member
Committee on Health, Education,
Labor and Pensions
United States Senate
Washington, DC 20510

Dear Chair Murray and Ranking Member Burr:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, our clinical partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) appreciates the opportunity to provide input on the discussion draft legislation Prepare for and Respond to Existing Viruses, Emerging New Threats, and Pandemics Act (PREVENT Pandemics Act). We applaud your efforts to strengthen our nation's ability to respond to future public health emergencies and we strongly support your goal.

America's hospitals and health systems and their heroic teams have been on the frontlines since the beginning of the pandemic and we continue to provide lifesaving care to our communities while facing incredible challenges, including continuing surges of COVID-19 cases while having a shortage of health care providers. While we are deeply committed to improving our nation's ability to respond to a future public health emergency, we ask Congress to address the challenges that our health care system currently faces due to the COVID-19 pandemic. One immediate step is to require the Administration to distribute and account for the remaining funds in the Provider Relief Fund (PRF) established by Congress in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in response to the COVID-19 pandemic. In addition, we ask that Congress provide an additional $25 billion to the PRF for health care providers who continue to lose revenue and have increased expenses due to the tremendous financial strain that the two recent COVID-19 variants are causing.

One policy area that the discussion draft does not address is hospital and health system financing during public health emergencies. In order to respond to public health emergencies, hospitals and health systems often have increased expenses for physical space, the workforce and new and/or different supplies or quantities of supplies. For

example, during COVID-19, hospitals and health systems retrofitted or built new patient care space to isolate infected patients and minimize spread; built new testing capacity in parking lots and in the community; had additional expenses for nurses and other clinical personnel; developed and deployed new facilities management protocols; acquired additional supplies and drugs; and, critically, temporarily reduced clinical volume of much non-COVID-19 care in order to have capacity for COVID-19 patients. Each of these steps requires additional resources or, in the case of cancelled care, reduces hospitals' and health systems' available resources. Increased expenses and revenue losses due to the COVID-19 pandemic continue to this day.

To support the critical role of hospitals and health systems during public health emergencies, the AHA for more than 16 years has advocated for increased funding for the Hospital Preparedness Program (HPP) due to the ever-changing and growing threats that hospitals, health care systems and communities face. When initially implemented, the HPP covered certain preparedness costs incurred by hospitals and health systems. Over time, the HPP changed to cover the costs for regional health care coalitions and it no longer directly covers the costs for hospital and health system preparedness. The lessons of the many recent catastrophic emergencies and natural and man made disasters prior to COVID-19, as well as the threats posed by possible chemical, biological, radiological and nuclear events and emerging infectious diseases support the need for a much more significant and sustained investment in health care system preparedness, including a direct fund for hospitals and health systems. The AHA strongly advocates for a modernized HPP to directly fund hospitals and health systems to ensure they have the necessary resources to be prepared in light of all the threats our nation faces. We urge increased funding of at least $750 million a year for the HPP.

The COVID-19 pandemic has proven that the HPP is wholly insufficient and not designed to assist hospitals and health systems with financial insecurity during an emergency. The financial losses due to the cancellation of health care services during COVID-19 were devastating to hospitals and health systems when COVID-19 emerged and continue to be extremely challenging as new COVID-19 variants overwhelm communities. The PRF established in the CARES Act is an emergency fund to ensure that hospitals and health systems did not collapse when our nation needed them the most. **There needs to be a permanent fund established that would quickly be activated to directly fund hospitals and health systems during emergencies so that health care services will be available regardless of the negative economic impact of any emergency. The lack of such a permanent fund is a major vulnerability in our nation's health care system preparedness.**

In the discussion draft, AHA specifically supports the following recommendations:

Section 101: The establishment of a National Task Force on the Response of the United States to the COVID-19 Pandemic. It is critical that we learn all the strengths and

weaknesses of our nation's response so that we can be more resilient in the future and build on the work already underway led by local, state and federal governments and the private sector.

Sections 201; 202; 222: Supporting efforts, including grants and studies to address the social determinants of health in order to reduce health disparities and improve health outcomes. The pandemic exacerbated health disparities in underserved communities, which lead to higher incidences of morbidity and mortality. Addressing health care disparities is critically important for communities of color and we urge Congress to make this a high priority.

Section 401: Supporting the establishment, maintenance and improvement of domestic manufacturing surge capacity and capabilities. This is vital in our nation's ability to have a reliable supply chain during a public health emergency moving forward.

Sections 403; 405: Ensuring that the Strategic National Stockpile (SNS) has the items necessary to respond to an emergency and that the items are in working order is absolutely essential.

Section 404: Improving the ability of state and local public health authorities as well as hospitals and other private sector entities to understand and provide input into the way in which the SNS operates, how its contents are determined, and how its contents may be accessed in a public health emergency is an important lesson learned from the COVID-19 pandemic and previous emergencies.

Section 408: Supporting increased oversight and accountability on the SNS content sufficiency and deployment is critical to ensuring an adequate response during an emergency.

Section 410: The need to diversify, expand and adequately maintain state stockpiles of medical supplies in order to support the ability of hospitals to care for a sudden or ongoing surge of patients in the aftermath of a public health emergency or other disaster is a key lesson learned from the COVID-19 pandemic and previous emergencies.

Sections 503 – 508: Supporting the nation's ability to expedite the development and variety of countermeasures and facilitating their rapid review and approval/authorization is essential to responding to future public health emergencies. Further, improving the transparency of the Food and Drug Administration's decision-making regarding emergency use authorizations and guidance, and incorporating improved communications with stakeholders and the public regarding these processes will improve these processes and support increased public trust.

Sections 511 – 515: Increased efforts to ensure that foreign drug and device manufacturers are operating with transparency and complying with quality standards is critical to a safe and secure supply chain. Further, by promoting extended expiration dates for certain drugs, increased penalties for counterfeit devices and requiring that manufacturers of critical medical devices have redundancy risk management plans (which are currently required by drug manufacturers) the nation's supply chain is better protected and the ability of health care providers to care for a surge of critically ill patients is enhanced.

AHA makes the following recommendations to the discussion draft:

Section 104: Adding a provision to the establishment of a Health and Human Services Public Health Information and Communication Advisory Committee that would require this advisory committee to address how to improve coordination with key partners, including state and local public health officials and key organizations representing health care providers.

Section 112: Ensuring that access to mental health and substance use disorder services during a public health emergency is essential and we support its inclusion in this legislation. However, we urge that as we look to future responses, there should be a coordinated and comprehensive approach to ensuring the nation’s health needs are being met. Clearly, the expertise and authorities for supporting mental health and substance disorder at the Substance Abuse and Mental Health Services Administration (SAMHSA) need to be a vital part of this work, but it should not be siloed at SAMHSA. Rather this work needs to be integrated with the work of the Centers for Disease Control and Prevention, National Institutes of Health, Health and Human Services Office of the Assistant Secretary for Preparedness and Response, Centers for Medicare & Medicaid Services and other agencies to address the physical and mental health threat caused by the public health emergency, as well as the more routine health needs of the population. As we have seen during the COVID-19 pandemic, focusing only on the cause of the public health emergency can result in delayed or foregone care for other conditions, exacerbating many diseases and/or disorders and risking lives. We need a whole of nation approach to emergency planning that includes consideration for using scarce health resources to effectively meet all health care needs.

Section 516: Supply disruptions and shortages of critical medical devices that impact the ability of hospitals and health systems to provide timely and high quality care doesn’t just happen in public health emergencies. Instead, these can occur unpredictably outside of a public health emergency with serious implications for public health and patient and health care personnel safety. Therefore, the AHA supports the expansion of the device notification requirements to apply more generally and not just in a public health emergency. To accomplish this, we recommend that discussion draft be amended at:

- 21 USC 356j(a)(1), to strike “during a public health emergency” and
- 21 USC 356j (a)(2), to strike “, during, or in advance of, a public health emergency declared by the Secretary under section 247d of title 42,”.

These changes would ensure that the Food and Drug Administration has timely and accurate information about likely or confirmed national shortages of essential devices to enable the agency to take steps to promote the continued availability of devices of public health importance. These changes also would be much more meaningful for public health than the proposed new section (i) Additional Notifications, which would not require such notifications, but merely permits them to occur.

The AHA applauds your leadership and focus to improve our nation’s ability to respond to a future public health emergency. We believe it is vitally important for our entire health care system to be supported in any future emergency, and we stand ready to work with you.

Sincerely,

/s/

Stacey Hughes
Executive Vice President