



May 4, 2020

VIA EMAIL

The Honorable Kyrsten Sinema
The Honorable Martha McSally
The Honorable Tom O'Halleran
The Honorable Ann Kirkpatrick
The Honorable Raúl Grijalva
The Honorable Paul A. Gosar, D.D.S.
The Honorable Andy Biggs
The Honorable David Schweikert
The Honorable Ruben Gallego
The Honorable Debbie Lesko
The Honorable Greg Stanton

Dear Senators and Representatives:

On behalf of over 80 hospitals and healthcare facilities in the State of Arizona, I am writing to request your support of an initiative to forgive the Medicare accelerated payments debt that many Arizona hospitals recently incurred in order to remain operational during this pandemic.

As you know, the CARES Act included an opportunity for hospitals participating in Medicare to request accelerated payments in an amount equal to three or six months' worth of Medicare reimbursements (depending on the provider type). Under the accelerated payments program, the Centers for Medicare and Medicaid Services (CMS) will recoup 100% of these payments. Acute inpatient care hospitals, children's hospitals, and Critical Access Hospitals have a total of one year to complete repayment from the date payments begin, and all other providers have 210 days to repay the loan. If there is a balance remaining after that time, an interest rate of 10.25% will apply.

The fact that CMS has disbursed approximately \$100 billion so far in accelerated payments to hospitals around the country evidences hospitals' dire need for cash flow during this public health emergency. In Arizona, hospitals are losing \$500 million per month, which is due not only to banned elective procedures until today, but also to a highly significant reduction in emergency department visits. While lifting the ban on elective surgeries should help to somewhat reduce elective procedure revenue losses, it will not impact emergency department revenue losses. Moreover, hospitals losses will spike when a COVID surge hits or any other challenging circumstance is tossed into the equation.

As we all know, the COVID emergency is not likely to be resolved anytime soon. Hospitals will not be in a position to repay the Medicare loans within 210 days or even 1 year and stay operational, and the debt will snowball with the 10.25% interest rate. In acknowledgment of the impossibility of repaying these loans while maintain operations and fighting a pandemic, over 1,000 hospitals and health systems, including several in the state of Arizona, signed [this April 30th letter to Congressional leadership](#) requesting legislation to forgive the Medicare loans.

In speaking for Arizona's hospitals, I am exceedingly grateful for a Congressional delegation that is engaged and supportive of hospitals as we fight to stay afloat amidst the wide-ranging impacts of this pandemic. Representatives Kirkpatrick and Grijalva along with approximately 80 other Members of Congress have already signed [this bipartisan letter to Congressional leadership](#) in support of debt-relief legislation for hospitals. We are grateful for this leadership, and Arizona's hospitals would like to request that Arizona's entire delegation consider supporting this debt forgiveness, which would greatly assist hospitals in every district across the state.

To sign the letter, please contact Margaret McInnis with Rep. Kaptur at Margaret.McInnis@mail.house.gov or Alex Briggs with Rep. Gibbs at Alex.Briggs@mail.house.gov. Please do not hesitate to contact me directly with any questions or to request additional information. The deadline for signing the letter is today, May 4th at 6:00 p.m. EST.

Thank you for your dedication to serving the country and the great State of Arizona during this emergency.

Sincerely,



Ann-Marie Alameddin
President and Chief Executive Officer