

United States Senate

WASHINGTON, DC 20510-3205

April 14, 2021

The Honorable Liz Richter
Acting Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Administrator Richter,

As our nation begins to turn a corner in our pandemic response, I urge you to explore all options for alleviating financial burdens on hospitals related to the Medicare Advanced and Accelerated Payments Program. The Centers for Medicare & Medicaid Services must pursue all avenues to continue to promote the financial health of our nation's hospitals, up to and including total debt forgiveness and interest payment relief.

Medicare accelerated/advanced payments, authorized under the CARES Act (P.L. 116-136), have been a lifeline for New York's hospitals during some of the most difficult days of the ongoing pandemic. Every New York hospital has made significant financial investments to prepare for and respond to the surges of coronavirus patients. Since the start of the pandemic, our hospitals have rapidly added beds in intensive care units, built new isolation units to treat COVID-19 patients, and bought personal protective equipment at record prices. In addition, many New York hospitals are providing other services such as housing and childcare to support the brave physicians, nurses, frontline health care workers, and the many support and custodial staff who are making tremendous sacrifices every day to care for their fellow New Yorkers.

Through these difficult times, the Medicare Advanced and Accelerated Payments Program has been an important source of funding for hospitals, which have been the front line of the pandemic response. The need for these funds intensified throughout 2020, as our hospitals grappled with surge after surge of COVID cases. The financial stress of this response has forced many of our hospitals to take funding advances and loans, delay accounts payables, furlough thousands of staff, and postpone much-needed capital projects. These hospitals did not take these fiscal measures lightly. Rather, their unique position in the COVID response pushed them into this position.

Though it appears we may be turning a corner nationally in our pandemic response, the financial burdens on New York's hospitals have not ceased, nor will they in the near future. Barring future surges in COVID cases, it will still be years until many of my state's hospitals and hospitals throughout the United States have recovered financially from the pandemic's effects. As such, the federal government bears an important responsibility to alleviate burdens on our nation's hospitals.

Accordingly, I ask that you explore all possible options for alleviating the financial burdens incurred through the emergency measures of the Medicare Accelerated/Advanced Payments Program. In particular, I urge you to evaluate options for (1) total loan forgiveness, (2) adjustments to repayment interest rates to reduce interest burdens, and (3) extensions to repayment schedules to afford our hospitals more time as they continue to grapple with the COVID-19 pandemic.

Sincerely,

A handwritten signature in blue ink that reads "Kirsten Gillibrand". The signature is written in a cursive, flowing style.

Kirsten Gillibrand
United States Senator