

May 7, 2020

Wayne A. Smith President & CEO The Honorable Thomas R. Carper U.S. Senate 513 Hart Senate Office Building Washington, DC 20510

Dear Senator Carper:

Alfred I. duPont Hospital for Children Jay Greenspan, MD, Interim Chief Executive of Nemours Delaware Valley Operations

Bayhealth
Terry Murphy,
President & CEO

Beebe Healthcare
David A. Tam, MD, MBA,
FACHE
President & CEO

ChristianaCare
Janice E. Nevin,
M.D. MPH
President & CEO

Nanticoke Health Services
Penny Short, RN, BSN
President & CEO

Saint Francis Healthcare
Daniel Sinnott
President & CEO

Wilmington VA Medical Center Vincent Kane Director

Delaware Healthcare Association Wayne A. Smith President & CEO On behalf of the Delaware Healthcare Association, I am writing to ask for your support for hospitals and health systems in the next COVID-19 relief package.

We thank you for the relief funds that you and your colleagues were able to secure in previous relief packages, including the CARES Act. These funds have been a helpful bridge to ensure cash flow at a time when Delaware hospitals are facing significant financial loss. Unfortunately, it has not been enough.

A recent poll of our hospital members found that Delaware hospitals have lost and continue to lose \$5.66 million per day – nearly \$170 million per month. The relief provided by the CARES Act covers approximately two weeks of losses, while our hospitals have been facing these losses since preparations for COVID-19 began months ago. Additional support is critical to ensure our general and pediatric acute care hospitals can continue to provide care.

In addition to relief for Delaware's nonprofit acute care hospitals, funding is also needed for Delaware's behavioral health and rehabilitation hospitals. These healthcare providers are also on the front lines of the pandemic but are experiencing a tremendous decline in patients during the COVID-19 pandemic. These hospitals have lost and continue to lose more than \$100,000 per day.

We also echo the American Hospital Association's request for specific provisions to be included in the next relief package, including:

- <u>Federal Support for Health Care Heroes</u> Provide support for child care, housing, transportation and education benefits for hospital workers; provide bonus pay for hospital workers; and establish a compensation fund for COVID-19 health care workers and their families.
- Accelerated Payment Forgiveness for Hospitals Provide for full forgiveness of Medicare accelerated payments for hospitals. Forgiving hospitals' accelerated payments will provide a necessary solution to recover and rebuild while delivering the care that patients on which communities depend.

- <u>Settlement of Accounts Receivable</u> Require private health plans to settle all
 outstanding claims. Billions of dollars in claims are held up each year in appeals and
 other administrative processes despite ultimately being paid out nearly in full.
 Insurers should be required to expedite processing of claims for services already
 rendered.
- <u>Increase Health Insurance Coverage</u> Help maintain health benefits for individuals and families and increase coverage options for those who are already uninsured by: providing employer subsidies for preserving enrollment; covering COBRA costs; opening a Special Enrollment Period for Health Insurance Marketplaces; increasing eligibility for federal marketplace subsidies; and expanding the period during which insurers cannot cancel coverage for non-payment of premiums.
- <u>Federal Liability Protections</u> Congress should provide appropriate liability protections for facilities and front-line medical providers treating patients amid the COVID-19 crisis, for arranging and providing health care services, including where treatment is provided, and how best to deploy personnel, equipment and facilities.

We appreciate your continued support for Delaware's hospitals and health care systems. Please feel free to reach out to me if you would like to discuss these requests further.

Sincerely,

Wayne Smith President & CEO