

September 23, 2021

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

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

The Honorable Mitch McConnell Minority Leader U.S. Senate Washington, DC 20515

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

On behalf of the membership of the National Partnership for Healthcare and Hospice Innovation (NPHI), we thank you for your efforts to preserve Americans' access to high-quality health care services by providing relief to hospice providers amid the unprecedented pressures brought on by the ongoing COVID-19 Public Health Emergency (PHE). As the pandemic rages on, we request that Congress extend the suspension of the 2% Medicare sequestration payment reductions through the end of 2022, while providers continue caring for patients and their families.

Serving over 120,000 patients daily and employing thousands of medical professionals, NPHI is driven by passion and integrity to help people live fully through the end-of-life. Our commitment is to ensure patients and their families experience advanced illness and end-of-life care consistent with their goals, values, and preferences. Our not-for-profit member programs across 32 states and the District of Columbia seek to accomplish this by facilitating innovative design of more effective and comprehensive models of care, advocating for comprehensive community-integrated care that is customized to meet each patient's needs, and enabling collaboration between national thought leaders, decision-makers, and health care stakeholders to strengthen hospice care.

As you are aware, the 2013 *Budget Control Act* imposed a 2% reduction of payments to Medicare providers across the board, a cost-saving measure originally scheduled to take place over a nine-year period. This sequestration was rightly suspended via the 2020 *CARES Act* in recognition of the extraordinary burdens placed on providers by COVID-19, and subsequently extended through March 2021 by the *Consolidated Appropriations Act of 2021 (CAA 2021)*. With the passage of H.R. 1868 — which extended the moratorium on Medicare sequestration through December 31, 2021 — earlier this year, we are now in the third extension period before payment reductions are scheduled to resume in January 2022.

The moratorium has allowed for our members to continue providing uninterrupted care to hundreds of thousands of Americans' by ensuring that not-for-profit hospice providers across the nation are appropriately compensated for lost revenues and extraordinary expenses related to COVID-19. As you

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know, the duration of this crisis has been exacerbated by the emergence of new variants of the virus which has now left many providers fiscally unsound. This is especially true for our not-for-profit members who routinely operate on 1-3 percent profit margins and serve all patients regardless of diagnosis or clinical complexity.

Absent additional relief, some providers may be unable to remain financially viable which would have an especially negative impact on individuals residing in rural and underserved communities. Therefore, given the continuing crisis, it is critical that forthcoming legislative vehicles include measures, such as the sequestration moratorium, to mitigate further provider losses during the pandemic.

We thank you for your consideration of extending the moratorium and for recognizing the potentially devastating impacts that Medicare payment reductions could have on not-for-profit hospice providers and the patients we care for. NPHI greatly appreciates your leadership and support throughout this time of immense difficulty and grief for so many.

If you have any questions, please contact Carole Fisher, NPHI President, at carole@hospiceinnovations.org. We look forward to continuing to engage with you on these critically important issues in the days, weeks, and months ahead.

Sincerely,

Tom Koutsoumpas

Founder & CEO

National Partnership for Healthcare and Hospice Innovation