

April 7, 2020

To the Honorable Members of the Texas Congressional Delegation:

On behalf of our more than 475 Texas hospitals and health systems, the Texas Hospital Association appreciates your work to provide critical financial relief for our facilities as they concentrate on fighting COVID-19. Texas hospitals are suffering from substantial revenue losses and unplanned costs as a result of COVID-19, and the CARES Act emergency funding will help ensure their viability through this crisis. Still, additional assistance is needed to support both hospitals and patients.

Caring for the uninsured is a constant financial challenge for hospitals, especially in a state that leads the nation in the number and percentage of uninsured residents. Providing unreimbursed care is untenable and exacerbates existing financial constraints during a public health emergency like the unprecedented COVID-19 pandemic. The loss of revenue caused by COVID-19 threatens to devastate the hospital system in Texas but providing funding for the uninsured will help mitigate this immediate financial crisis. To that end, we urge Congress and the Administration to consider various options to cover COVID-19 treatment for the uninsured. This is a key priority given the widespread negative economic impacts of the pandemic. These options could include opening a special enrollment period for the Affordable Care Act's marketplaces, creating incentives to broaden Medicaid coverage and using the National Disaster Medical System or other federal emergency programs, among other ideas. We also support the proposals from members of Congress for a new, separate fund to specifically address the costs associated with treatment of the uninsured.

This is an important and timely policy discussion since the Administration recently indicated that these needs could be addressed with the emergency fund from the CARES Act. We understood that the CARES Act emergency relief fund would help offset the some of the substantial costs hospitals are incurring as a result of COVID-19. While postponing non-urgent surgeries and procedures has the benefit of preserving limited supplies of personal protective equipment, it also causes major cash flow issues that threaten the viability of hospitals. Some hospitals already are in the unfortunate financial situation of furloughing nurses and other staff at a time when they should be increasing or, at a minimum, maintaining their workforce to prepare for a surge of patients. This historic financial crisis threatens hospitals' ability to keep their doors open for both the insured and uninsured alike. Our rural hospitals are especially at risk, as Texas leads the nation in number of recent closures.



1108 Lavaca Street, Suite 700, Austin, Texas 78701
512/465-1000
www.tha.org

We hear daily about the cash flow challenges from our hospitals and physicians who are on the front lines of this pandemic. As such, we continue to urge the release of the CARES Act emergency relief funds as soon as possible without dilution from other policy priorities. This essential funding will help ensure that our health care providers have the necessary resources to keep their doors open to protect and heal our communities during this crisis.

Thank you for your leadership to provide financial relief for Texas hospitals. We very much appreciate your attention to this issue during this unprecedented public health emergency. Please contact Cameron Krier Massey, THA's federal affairs representative, at cameron@scoutGR.com or 512/656-1716 with any questions or for additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Ted Shaw".

Ted Shaw
President/CEO
Texas Hospital Association