## Congress of the United States Washington, DC 20515

April 24, 2020

The Honorable Alex Azar II Secretary U.S. Department of Health & Human Services 200 Independence Ave SW Washington, DC 20201

The Honorable Seema Verma Administrator Centers for Medicare and Medicaid Services U.S. Department of Health & Human Services 200 Independence Ave SW Washington, DC 20201

## Dear Secretary Azar and Administrator Verma:

We would like to thank you and your agencies for your steadfast commitment to helping Americans throughout the Coronavirus pandemic. We write to commend the Centers for Medicare & Medicaid Services (CMS) for its swift implementation of the Accelerated and Advanced Payment Program expansion and to urge you to provide increased flexibility on interest rates and repayment periods for program participants.

As you know, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) included a provision to expand the current Medicare Accelerated and Advanced Payment Program to a broader group of Medicare Part A and Part B providers and suppliers for the duration of the public health emergency. On March 28, 2020, CMS announced the expansion of the program and implemented repayment timelines for the loans, which vary by provider type. Under the expansion, inpatient acute care hospitals, children's hospitals, Critical Access Hospitals (CAH), and certain cancer hospitals will each have up to a year from the date of issuance to repay their loans, whereas all other Medicare Part A providers and Part B suppliers will have 210 days to repay. If a hospital or provider is unable to pay back the balance of the loan within the time period mentioned above, an interest rate will be applied to the remaining balance as determined by the regulations of the Secretary of the Treasury. Following current Treasury rates and regulations, the interest rate for Medicare's Accelerated and Advanced Payment Program is set at 10.25 percent.

As Members of the Florida Delegation, we find the interest rate and repayment periods of this program to be especially concerning. The state of Florida is one of ten states with the greatest number of confirmed COVID-19 cases. Our hospitals, long-term care facilities, nursing homes, and other healthcare facilities have been hit especially hard by this outbreak. The main priority of providers in our communities, and across the entire nation, has been caring for the sick. The expansion of the Medicare Accelerated and Advanced Payment Program will provide critical financial relief to hospitals and providers on the frontlines of this pandemic, however, we must ensure this short-term assistance does not lead to long-term hardships when it comes time to pay back these loans.

Given the unprecedented circumstances of the current health crisis and the essential role of healthcare facilities and providers, we believe that accelerated and advanced payments should be

interest-free loans with considerable repayment periods conducive to maintaining operations. Therefore, we respectfully urge you to consider any option available to provide increased flexibility for interest rates and repayment periods of expanded Medicare Accelerated and Advanced Payments, including those made possible under the CARES Act, so our communities have every opportunity to succeed once our country overcomes this hardship.

Sincerely,

Michael Waltz
Member of Congress

Ted S. Yoho, D.V.M. Member of Congress

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Val B. Demings Member of Congress

Val B. Demin

Stephanie Murphy Member of Congress

Gus M. Bilirakis Member of Congress Donna E. Shalala Member of Congress

Neal P. Dunn, M.D. Member of Congress Mario Diaz-Balart Member of Congress



Bill Posey Member of Congress

Francis Romey

Francis Rooney
Member of Congress

Debbie Wasserman Schultz

Member of Congress

John H. Rutherford Member of Congress

Alcee L. Hastings Member of Congress Darren Soto Member of Congress

Brian Mast Member of Congress Frederica S. Wilson Member of Congress

Ted Deutch Member of Congress