



healthcare financial management association

April 6, 2020

The Honorable Mitch McConnell
Senate Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Charles Schumer
Senate Democratic Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
House Republican Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Measures to Maintain Insurance Coverage During the COVID-19 Pandemic

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

On behalf of the Healthcare Financial Management Association's (HFMA's) 53,000 members, I would like to thank you and your colleagues for the bold action you've taken to-date to help businesses, health care providers, and average Americans. However, we believe there are additional steps that Congress should take to protect Americans' health and financial security during this crisis which has triggered unprecedented job losses (and with-it loss of health insurance coverage).

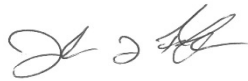
We understand that the Administration has proposed to issue direct payments to hospitals from the funding earmarked for health providers in the coronavirus relief package which Congress passed at the end of March. More details of Administration's proposal are still forthcoming. We believe additional steps of the following actions will deliver additional certainty and security for all Americans –now and long term. We also believe they will provide greater flexibility to respond to evolving economic and health care circumstances:

- Support businesses in their goal to continue providing health coverage to their employees. There are many options for how this support could be provided. It could take the form of payroll tax relief, or a refundable credit against employment tax withholdings, for firms providing coverage. It could include direct subsidies of the employer's premium obligation for each person covered under the employer's plan beginning on the day the crisis was declared.

- Establish robust new funding to support Americans who lose their jobs to allow them to maintain coverage. Congress should create new funding to support coverage for those who lose their jobs due to the crisis, by providing a 90% subsidy for COBRA or other insurance coverage.
- Establish a temporary, emergency risk mitigation program to ensure that health care premiums do not spike, and that benefits are stable in the future. Health insurance providers are covering COVID-19 tests and needed treatments. As more people seek coverage and care due to this pandemic, this temporary, emergency program would protect Americans from the consequences of potential catastrophic costs. This should be structured as a backstop contingency program that is triggered only if real-world health insurer costs are significantly higher than expected. Given the enormous uncertainty regarding the costs of the epidemic, we recommend that the program cover a portion of related costs for 2020 and 2021 and apply to the individual, employer, Medicare and Medicaid markets.
- Allow a one-time special enrollment period (SEP) for the individual market – regardless of an individual’s current health status or whether they have coverage today. Given the risk posed by COVID-19, it is more important than ever for people to have health coverage. This will give people the opportunity to get the security and peace of mind that health care coverage provides.
- Enhance current financial assistance to lower the cost of premiums for those who rely on the individual market. Tax credits for those with incomes over 400% of the federal poverty level should be made available, and adjustments to the tax credit formula by age would encourage more younger people to get covered.

HFMA looks forward to any opportunity to provide additional assistance or comments to support Congress’s response to the COVID-19 pandemic. As an organization, we take pride in our long history of providing balanced, objective financial technical expertise to Congress, federal agencies and advisory groups. If you have additional questions, you may reach me or Richard Gundling, Senior Vice President of HFMA’s Washington, DC, office, at (202) 296-2920. The Association and I look forward to working with you.

Sincerely,



Joseph J. Fifer, FHFMA, CPA
President and Chief Executive Officer
Healthcare Financial Management Association

cc:

Alexander Azar, Secretary of Health and Human Services
Seema Verma, Administrator, Centers for Medicare & Medicaid Services

About HFMA

HFMA is the nation's leading membership organization for more than 53,000 healthcare financial management professionals. Our members are widely diverse, employed by hospitals, integrated delivery systems, managed care organizations, ambulatory and long-term care facilities, physician practices,

accounting and consulting firms and insurance companies. Members' positions include chief executive officer, chief financial officer, controller, patient accounts manager, accountant and consultant.

HFMA is a nonpartisan professional practice organization. As part of its education, information and professional development services, HFMA develops and promotes ethical, high-quality healthcare finance practices. HFMA works with a broad cross-section of stakeholders to improve the healthcare industry by identifying and bridging gaps in knowledge, best practices and standards.