

March 18, 2022



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

The Honorable Charles Schumer
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC 20510

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

As you consider future coronavirus relief packages to address the economic impacts of the coronavirus, I ask that you remember the needs of aging service providers such as nursing homes, assisted living, home and community-based services providers like adult day programs and in-home care providers – such as Home Health and Hospice providers - who serve our older citizens in every congressional district in the country. They need additional relief to get through the public health emergency and its lasting aftereffects in the form of additional Provider Relief Funds and a continuation of the Medicare sequestration holiday.

LeadingAge represents more than 5,000 nonprofit aging services providers and other mission-minded organizations that touch millions of lives every day. Alongside our members and 38 state partners, we use applied research, advocacy, education, and community-building to make America a better place to grow old. Our membership encompasses the entire continuum of aging and disability services. We bring together the most inventive minds to lead and innovate solutions that support older adults wherever they call home.

Many aging service providers were hit hard by skyrocketing fees for staff, testing and personal protective equipment. The need continues unabated. At a minimum, we ask that Congress restore the \$23B that according to the Congressional Research Service was taken from the PRF for other coronavirus expenses not for provider relief, as intended. Further, we request that these funds be targeted to aging services/long-term care providers. If Congress is interested in sizing the remaining need for PRF, it could ask HRSA to share providers' net unreimbursed coronavirus expenses after considering all sources of funding received to date. This information was required to be reported as part of the PRF reporting process.

While Congress provided \$178B for Provider Relief Funds (PRF), the last of these dollars is being paid out in the coming weeks for expenses incurred through the first quarter of 2021. Even these final payments only cover a fraction of providers' documented expenses and losses

through March 31, 2021. There is no plan for how providers get relief for coronavirus expenses and lost revenues incurred since April 1 of *last year* while they were combatting the Delta and Omicron variants. Please consider replenishing the Provider Relief Fund.

LeadingAge members, nonprofit aging services providers and other mission-minded organizations, have heroically persevered throughout the coronavirus pandemic. Many of these organizations are now in a position where they must decide whether they can continue to serve older adults. Sadly, many of those that close are smaller organizations in rural areas or low-income neighborhoods, making it impossible for residents in those areas to find care close to home and family.

The Provider Relief Funds distributed to date have been vital to aging services organizations' ability to continue to serve their residents and clients and keep their doors open. For example, the March 2022 MedPAC report points to the critical role COVID funds played in preventing Skilled Nursing Facilities (SNFs) from experiencing negative operating margins as they battled the virus in 2020. But recent studies of SNFs' financial health by CliftonLarsonAllen show that 2021 was even more financially devastating and anticipate cost reports will show negative operating margins of 4.8% or more. This number assumes that additional COVID relief will be forthcoming and that the Medicare sequestration holiday continues.

What we know now is the pandemic has lasted considerably longer than originally expected when Congress passed PRF dollars. Our members are as ready as the public to get past the pandemic and move to endemicity, but they must continue to test staff and residents for COVID, acquire PPE and ensure adequate staffing to keep the virus at bay for the vulnerable populations they serve. The Medicare Sequestration and the end of Provider Relief funds are, in effect, a cut when the nation can least afford it.

We ask that you help these aging service providers continue their important caregiving mission for the older adults and families they serve by adding \$23B to the Provider Relief Fund and continuing the Medicare sequestration holiday.

Sincerely,

A handwritten signature in black ink that reads "Katie Smith Sloan". The signature is written in a cursive, flowing style.

Katie Smith Sloan
President & CEO
LeadingAge