

October 19, 2021

[Sent electronically]

Dear Member of the Illinois Congressional Delegation:

On behalf of our more than 200 member hospitals and nearly 40 health systems, the Illinois Health and Hospital Association (IHA) thanks you for your ongoing leadership to assist our state and nation in responding to the COVID-19 pandemic. **As Congress considers legislation this fall, IHA requests your support for federal resources and policies that ensure hospitals and health systems have the tools they need to continue to care for those infected with the virus, meet the non-COVID-19 healthcare needs of their patients and communities, and emerge from the pandemic ready to address tomorrow's challenges.**

Illinois hospitals are grateful for the federal support provided to date, however, the financial toll the pandemic has had on hospitals far outpaces the lifeline of resources provided in previous legislation. According to a recent [report from the American Hospital Association \(AHA\)](#), after accounting for federal relief funding from last year, U.S. hospitals will lose an estimated \$54 billion in net income over the course of 2021, due to a rise in the number of higher acuity inpatient cases (including COVID-19); higher costs for labor, drugs and supplies; and fewer outpatient visits. These losses are especially concerning for Illinois, given that more than 40% of Illinois hospitals operated at negative or very slim margins (2% or less) prior to the pandemic.

IHA thanks the delegation for its leadership in delivering much-needed federal resources to our state during previous phases of the pandemic. As the Delta surge continues and Illinois hospitals do everything within their power to care for their patients and communities, IHA requests your support for the following priorities.

Investing in the Healthcare Workforce

Among the most urgent challenges facing Illinois hospitals and health systems is addressing staffing shortages, including higher costs to recruit and retain healthcare workers and paying the exorbitant rates some staffing agencies are charging. According to the AHA report, labor expenses per adjusted discharge for hospitals have increased 12.5% compared to 2019. Meanwhile, numerous Illinois hospitals and health systems have reported to IHA they have lost nearly 15% of their nursing staff.

The pandemic has taken a heavy toll on our nation's healthcare heroes, making burnout and trauma among the top reasons many are leaving the profession. Yet even before the pandemic, the demand for healthcare services exceeded the supply of

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workers. According to the Association of Academic Medical Centers, by 2034, the U.S. demand for physicians will exceed supply by a range of 37,800 to 124,000.¹

To support the healthcare workforce, IHA urges the following actions:

- **Providing resources to assist hospitals with unprecedented staffing costs.** IHA urges Congress and the Administration to direct additional dollars through the Provider Relief Fund (PRF) to hospitals that specifically account for the fourth COVID-19 surge and asks Congress to extend the deadline for use of PRF funds provided to date by passing the ***Provider Relief Fund Deadline Extension Act (S. 2493/H.R. 4735)***;
- **Increasing federal investment in training the next generation of physicians by passing the *Resident Physician Shortage Reduction Act (S. 834)*** to raise the number of Medicare supported graduate medical education positions by 14,000 over seven years. Additionally, IHA supports the ***Opioid Workforce Act/Substance Use Disorder Workforce Act (S. 1438/H.R. 3441)***, introduced in the House by Rep. Brad Schneider (IL-10), which would add 1,000 Medicare-funded training positions in addiction medicine or pain management;
- **Passing the *Healthcare Workforce Resilience Act (S. 1024/H.R. 2255)***, introduced by Sen. Dick Durbin (D-IL) and Rep. Schneider (IL-10), which would allow entry into the U.S. of nurses with approved immigrant visas and physicians with approved immigrant petitions to adjust their status and help fight the COVID-19 pandemic;
- Passing the ***TRAIN Act (S. 1568/H.R. 4407)***, introduced by Rep. Darin LaHood (IL-18) in the House, which would restore funding to nursing and allied health programs;
- **Advancing the *Dr. Lorna Breen Health Care Provider Protection Act (S. 610/H.R. 1667)***, which would help address suicide, burnout and behavioral health disorders among healthcare professionals;
- **Passing the *Conrad State 30 and Physician Access Act (S. 1810, H.R. 3541)***, introduced in the House by Rep. Schneider, which would allow foreign doctors studying in the US to obtain a visa following medical residency if they practice in a medically underserved area for at least three years;
- **Increasing funding for the National Health Service Corps program and directing higher numbers of participants to serve in hospital settings.** IHA supports the ***Strengthening America's Health Care Readiness Act (S. 54)***, introduced by Sen. Durbin, which includes a particular focus on diversifying the workforce. IHA also supports the ***Rural America Health Corps Act (S. 924/H.R. 2130)***, introduced by Sen. Durbin and Rep. Cheri Bustos (IL-17), which would create a new loan repayment program focusing on rural areas; and
- **Increasing funding for the Children's Hospital Graduate Medical Education program** to support federal investment in physician training for children.

¹ <https://www.aamc.org/media/54686/download?attachment>

Preventing Hospital Cuts

America's hospitals and health systems are providing essential services to their patients and communities during the pandemic, all while facing their greatest financial crisis. To ensure they can continue to provide this essential care and emerge from the pandemic equipped to tackle tomorrow's challenges, IHA requests that you oppose cuts to hospitals by:

- **Extending the moratorium on 2% Medicare sequestration cuts**, which takes effect on January 1, and would result in **\$171 million in cuts to Illinois hospitals in 2022**;
- **Preventing the Statutory *Pay-As-You-Go (PAYGO) Act of 2010* sequester** from taking effect at the end of this session of Congress. The Congressional Budget Office estimates a statutory PAYGO sequester in fiscal year 2022 (resulting from passage of the *American Rescue Plan Act*), would cause a 4% reduction in Medicare spending. **Illinois hospitals face an additional cut of \$434 million in fee-for-service Medicare spending in 2022 if Congress fails to act**;
- **Protecting eligibility for the 340B Drug Pricing Program** by supporting legislation (**S. 773/H.R. 3203**), to allow hospitals that were participating in or applied for the 340B drug discount program before the public health emergency (PHE), but then had to leave the program due to changes in their patient mix, to temporarily maintain eligibility; and
- **Opposing hospital offsets in the reconciliation bill**. IHA supports many of the important healthcare priorities under consideration in a reconciliation bill, however, cuts to providers must not be used as an offset to fund them.

Supporting Capital Investments

Persistent financial challenges and shortfalls in reimbursement from the Medicare and Medicaid programs make it extremely difficult for some hospitals to make investments in their physical plants, invest in technology such as updated electronic health record systems, and pursue new care delivery models that improve quality and reduce long-term costs. IHA urges Congress to provide funding to assist hospitals in maintaining, updating and "right sizing" facilities and investing in complex mechanical systems and other equipment necessary to ensure access to safe, high-quality care for all. Specifically, IHA requests your support by:

- **Updating the Hill-Burton Act** to provide direct capital investment through grants to hospitals;
- **Restoring advance refunding for tax-exempt bonds and expanding the use of bank-qualified debt**; and
- **Providing funding for hospitals to implement structural improvements to support emergency preparedness and response activities**.

Ensuring Access, Addressing Health Equity

Illinois hospitals and health systems support comprehensive healthcare coverage and are committed to ensuring patients receive the right care at the right time and in the right place. To help achieve this, IHA supports the following actions:

- **Extending provisions to reduce the cost of Marketplace coverage** and expand eligibility for subsidies;
- **Passing *The Resetting the IMPACT Act (TRIA) (H.R. 2455)*** to require certain data collection and recommendations specific to a Medicare post-acute care prospective payment system to incorporate the effects of COVID-19 on providers and patients; and
- **Advancing health equity** by, among other actions, addressing factors contributing to disparities in maternal mortality and morbidity, such as the lack of standardized outcome measurement and collection of complete, actionable data. Among others, IHA supports the following legislation:
 - ***Black Maternal Health Momnibus Act of 2021 (S. 346/H.R. 959)***, introduced in the House by Rep. Lauren Underwood (IL-14), which includes numerous provisions to improve maternal health;
 - ***Maternal Health Quality Improvement Act (S. 1675/H.R. 4387)***, introduced in the House by Rep. Robin Kelly (IL-2), to provide grants to support best practices and improve rural maternal and obstetric care data collection;
 - ***Maternal Health Quality Improvement Act (H.R. 4387 / S. 1675)***, which among other actions would improve obstetric care in rural areas;
 - ***Data to Save Moms Act (S. 347/H.R. 925)***, introduced in the House by Rep. Underwood, which would promote greater levels of community engagement and improvements in data collection and quality measures; and
 - ***IMPACT to Save Moms Act (S. 334/H.R. 950)***, introduced in the House by Rep. Jan Schakowsky (IL-9), which would establish a maternal health demonstration project in Medicaid.

Permanently Expanding Connected Care Flexibilities

IHA urges Congress to make permanent certain connected care flexibilities and policies permitted during the PHE, including lifting restrictions on the location of the patient, permitting use of audio-only technology for certain services, and ensuring care provided through telehealth is reimbursed at the same amount as in-person care. Among IHA supported actions are:

- **Passing the *CONNECT for Health Act (S. 684/H.R. 2903)***, which would remove geographic restrictions on the location of the patient and provide other flexibilities;
- **Passing the *Telehealth Modernization Act (S. 368/H.R. 1332)***, which would allow rural health clinics and federally qualified health centers to permanently serve as the distant site, a patient's home to serve as the originating site, and expand the types of practitioners eligible to furnish telehealth services;
- **Advancing the *Temporary Reciprocity to Ensure Access to Treatment (TREAT) Act (S. 168/H.R. 708)***, which would provide temporary state licensing reciprocity for telehealth during the pandemic;
- **Permanently extending hospital-at-home flexibilities** to allow approved providers to offer safe hospital care to eligible patients in their homes; and

- **Providing substantial investment in broadband**, including new funding for the Federal Communications Commission's Rural Health Care program.

Supporting behavioral health

Many emergency departments across Illinois are overcrowded, in part because of longstanding difficulties in placing behavioral health patients. In some cases, placement can take days or weeks, thereby delaying appropriate behavioral health services for patients, while unduly utilizing staff and other resources.

Among other actions, IHA supports the following:

- **Providing federal funding for physical and technological needs of providers serving patients experiencing mental illness and/or substance use disorders;**
- **Repealing the Institutions for Mental Diseases (IMD) exclusion** that prohibits federal payments to states for services for Medicaid beneficiaries between the ages of 21 and 64 who are treated in facilities with more than 16 beds;
- **Passing the *Child Suicide Prevention and Lethal Means Safety Act (H.R. 5035)***, introduced by Rep. Underwood, which supports evidence-based training and creates a centralized database of best practices in suicide prevention;
- **Advancing the *Children's Mental Health Infrastructure Act (H.R. 4945)***, to authorize funding for grants to children's hospitals and other providers to increase capacity to provide pediatric mental health services; and
- **Passing the *Helping Kids Cope Act (H.R. 4944)***, which would authorize grants for communities to support pediatric-centered services and workforce training.

Again, IHA thanks you for your ongoing work on behalf of our state, and we look forward to working with you to ensure the healthcare system is prepared to meet present and future challenges and opportunities. Please contact Sarah Macchiarola, Vice President of Federal Relations at smacchiarola@team-ih.org or (630) 276-5645 with any questions or for additional information.

Sincerely,

A.J. Wilhelmi
President & CEO