



Joint Special Committee On Coronavirus Response  
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*(sent electronically)*

March 23, 2020

Co-Chairs Sen. Roblan and Rep. Holvey,

We applaud Legislative Leadership, in all four caucuses, for coming together and convening the Joint Committee on Coronavirus Response. Members of this committee are meeting regularly to address and protect Oregonians and our state's economy from the devastating impacts of COVID-19.

Collectively, the measures taken now will assist us all through this period of great uncertainty.

OAHHS and its members urge the legislature to convene a special session to create a Hospital COVID-19 Emergency Fund and appropriate funds upfront to ensure the continuum of care is available for our communities. Access to upfront resources to alleviate the immediate impacts of COVID-19 will support healthcare facilities and staff on the frontlines. Financial help is needed to ensure that they can maintain an adequate workforce, buy critical supplies, create additional infrastructure, and keep their doors open to care for patients and their community during this emergency.

Business is not as usual.

Hospitals and others are absorbing increased costs and preparing to quickly scale up Oregon's healthcare system to meet a surge in need. At the same time, hospitals are reducing services like elective procedures that help keep doors open and staff paid.

Among other actions to help hospitals care for our patients and community, we are recommending that the legislature take swift action in establishing a Hospital Stabilization Emergency Funding Program with a focus for immediate assistance to rural hospitals. We also urge agencies to deploy emergency rules to protect patients from surprise billing practices; ensure hospitals have sufficient access to necessary resource; incentives any facilities to take non-acute care patients creating more capacity for hospitalized patients; and increase Medicaid payments for COVID-19 patients who require more attention.

We are also asking that personal protection equipment (PPE), medical supplies and equipment such as extra beds, be distributed through a central warehouse operated by the Oregon Emergency Management and not be charged to hospitals and health care facilities in order to receive them. Specifically, we are asking for:

**1. Hospital COVID-19 Emergency Fund \$250 Million**

- PPE, other supplies and equipment \$50M – Provides allowances for the state to purchase necessary PPE, supplies and equipment. Utilize Oregon Emergency

Management procurement and distribution mechanisms to distribute directly to hospitals. Create an allocation model and criteria to distribute that addresses the most need to effectively treat patients and curb the growth rate. The recommendation is these supply resources be provided free of charge since they are addressing a public health crisis.

- \$200M Hospital Stabilization Fund – Immediately allocate funding directly to hospitals to address initial urgent needs of hospitals so they can continue providing services. A portion of these funds should be specifically dedicated to Oregon’s small and rural hospitals to stave off any health care workforce reduction in rural communities during this time as services either decline voluntary or as a matter of national or statewide policy to address the needs of the overall health of Oregonians. It is vital that these rural communities maintain the workforce but also local, community hospitals remain viable during this time.

For all hospitals, these funds can be used for cross-training to redeploy health care workers to immediate needed areas, hiring to meet required staffing levels, expanding services such as call centers and hotlines, standing up emergency operation centers, addressing cash flow challenges as a result of suspension of services, etc. These funds would be for non-reimbursable items and costs not covered by any other state or federal funds that may be available but not yet allocated including those covered by commercial health insurance, Medicare, Medicaid or other health care coverage under current benefits structures.

## **2. Invest the Federal Increase on FMAP Rates for Health Care.**

- The federal government increased Medicaid FMAP rates by 6.2%, these dollars should go to Medicaid and hospitals first and then funding additional health care needs including some of those ideas outlined above.

## **3. Suspending Rulemaking or Creation of Temporary Emergency Rules.**

- In addition to immediate financial assistance, we are also recommending the legislature to provide clear direction to give agencies the ability to implement temporary rules that will free up additional and immediate funding for hospitals. This includes waiving the payroll taxes; require health plans to pay promptly which includes no claim denials or no denials above historic norms; require health plans to pay providers in-network rates for medically necessary services during the declared emergency; and suspend payroll taxes so that hospitals have sufficient resources readily available to responds to COVID-19.
- Exercising an agencies’ authority to make these quick and swift changes in rules will allow for flexibility and nimbleness required in this time. It also will be easier to unwrap after the declared emergency is suspended.

## **4. Enhanced Reimbursements for Facilities**

- Finally, we urge the legislature to consider enhanced reimbursements for: increase payment rates for nursing facilities to ensure hospital access and capacity; reimbursement for treatment of patients affected with COVID-19; and payment for hospital and providers services for uninsured, underinsured and unhoused as we develop and deploy capacity across the entire healthcare system.

While we do not know the full extent of the impact COVID-19 will have on our healthcare system or state's economy, we appreciate the challenging position you are in of balancing the many asks to limit the devastating impacts COVID-19 will have on our state's economy and access to healthcare. COVID-19 is in our communities and the state's health care community is on the frontline. We are in this together.

Respectfully,

A handwritten signature in black ink, appearing to read "Andi Easton". The signature is fluid and cursive, with a large initial "A" and "E".

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