

May 26, 2020

The Honorable Alex Azar Secretary U.S. Department of Health and Human Services 200 Independent Avenue S.W. Washington, DC 20201

Seema Verma Administrator Centers for Medicare and Medicaid Services 200 Independent Avenue S.W. Washington, DC 20201

Dear Secretary Azar and Administrator Verma

On behalf of our members, I urge the Department of Health and Human Services (HHS) and the Centers for Medicare and Medicaid Services (CMS) to utilize their existing statutory and regulatory authorities to make further improvements to the Medicare Accelerated and Advance Payment (MAAP) Programs. Under that program, ambulance service providers and suppliers and other health care providers were able to receive an advance of up to three months of Medicare payments. These funds represented a critical financial lifeline to ground ambulance service providers and suppliers that are experiencing significant funding shortfalls as a result of the COVID-19 pandemic. Absent further action by HHS and CMS, these providers and suppliers will face another financial crisis in a few months, as CMS will start to withhold Medicare payments to offset the advanced funds.

For that reason, we strongly support the growing consensus that improvements to the MAAP are necessary to ensure the continued vitality of the nation's healthcare system as follows:

- Extending the interim period prior to the date repayment begins from four months to at least 12 months;
- Reducing the amount that is withheld during the repayment period from one hundred percent (100%) of the Medicare payment to not more than twenty-five percent (25%);
- Extending the date on which interest first begins to accrue from 210 days to at least 2 years (preferably 3 years);
- Reduce the interest rate that would be applicable after that date from the current 9.625 percent to a rate of no more than 2% (although we believe a complete waiver of interest would be more appropriate); and
- Reopen the MAAP to allow EMS agencies that did not request a Medicare advance prior to April 26, 2020 to request an advance.

We are aware that the American Hospital Association, the Association of American Medical Colleges, and numerous other healthcare associations have made suggestions along similar lines. HHS and CMS should recognize that hospitals and health care systems are not the only front-line health care providers that are struggling financially under the weight of the COVID-19 pandemic. Ground ambulance service providers and suppliers prior to COVID-19 already faced significant funding challenges. The nation's response to the COVID-19 pandemic is putting further strain on our resources, as ambulance service providers and suppliers are forced to purchase additional equipment and supplies to meet the medical needs of our communities, including the purchase of personal protective equipment to keep our employees as safe as reasonably possible. At the same time, we are seeing a dramatic reduction in our revenues, as hospitals and other healthcare providers delay routine medical procedures and related interfacility ambulance transports to cope with the current crisis.

The improvements to the MAAP discussed above would provide short-term financial relief to ambulance service providers and suppliers nationwide and allow us to continue our critical work during this difficult time for our country.

Sincerely,

Aarron Reinert President

About the American Ambulance Association

The AAA is the primary association for ground ambulance service suppliers/providers, including governmental entities, volunteer services, private for-profit, private not-for-profit, and hospital-based ambulance services. Our members provide emergency and non-emergency medical transportation services to more than 75 percent of the U.S. population. AAA members serve patients in all 50 states and provide services in urban, rural, and super-rural areas. As the National Highway Transportation Safety Administration identified in its 2013 report on emergency services, EMS-only systems – such as our members – provide the vast majority of emergency ambulance services throughout America.