



December 6, 2022

Dear Senator Casey:

As the 117th Congress draws to a close and you and your colleagues tackle the rest of this year's legislative agenda, I am writing on behalf of the Safety-Net Association of Pennsylvania (SNAP), a coalition of private safety-net hospitals that provide 40 percent of Medicaid-covered hospital inpatient care in our state, to bring to your attention three issues of great importance to us that we hope you will address before this session officially ends.

First, without Congress's action, a new four percent Medicare sequestration cut will take effect on January 1: a cut of four percent on every payment hospitals receive from Medicare. Such a reduction, mandated under PAYGO requirements, would be devastating to Pennsylvania's safety-net hospitals and all of the physicians and specialists who practice in the generally low-income, medically vulnerable communities these hospitals serve. These hospitals and clinicians are struggling to regain their equilibrium from an unprecedented combination of challenging economic circumstances and an additional four percent reduction – over and above the two percent sequestration cut to which they already are subject – would be devastating and unsustainable. We appreciate all the ways you have supported and continue to support the mission of these hospitals and ask you to work to prevent implementation of the additional four percent sequestration cut in 2023.

Second, we hope you will protect physicians from the 4.5 percent reduction of Medicare payments to physicians that is scheduled to take effect on January 1. This reduction would be in addition to the four percent sequestration cut scheduled to take effect at the same time. We appreciate that Congress provided similar relief when physicians faced the same challenge last year and hope you will do so again this year as well.

Third, we hope Congress will finish work on legislation to streamline the process Medicare Advantage insurers employ when issuing prior authorization for medical services. We are grateful that you have co-sponsored S. 3018, the *Improving Seniors' Timely Access to Care Act*. The House has already passed a version of this bill, so now, we ask you to work with Senate leadership to ensure that prior authorization legislation passes before Congress adjourns for the year.

We appreciate your consideration of these requests and your continued support of SNAP and Pennsylvania's safety-net hospitals and the communities these hospitals serve and welcome any questions you may have about these three issues.

Sincerely,

Kate Finkelstein
Legislative Liaison, Federal Affairs

