Dear Secretary Azar and Administrator Verma:

On behalf of the 5,800 ambulatory surgery centers (ASCs) represented by the Ambulatory Surgery Center Association (ASCA), I first wish to thank you for your tireless work during the pandemic to use your authority to seek solutions to the innumerable problems of providing health care for both those suffering from COVID-19 and other Americans in need. In particular, the ASC community applauds the work by the Centers for Medicare & Medicaid Services (CMS) to create the Hospitals Without Walls regulatory framework that will permit surgery centers to serve their communities in new ways and provide desperately needed capacity for patient care during this crisis. Many of our centers were the first to donate critical personal protective equipment and ventilators to aid our local hospitals in this fight and we are working with hospitals in our communities to assist with overflow and other COVID-related surge activities.

However, most ASCs are facing extreme financial duress or collapse because of the dramatically reduced volume. ASCs were quick to follow guidance from CMS, Governors and local government officials to postpone most elective surgeries to increase social distancing and preserve medical supplies. These postponements have resulted in serious economic losses, with many facilities suspending operations and others having to reduce the days they are open and furlough staff. As postponements continue, we expect these losses to grow over the span of the pandemic.

To that end, I seek your assistance in ensuring that funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) be made available immediately to ASCs that are in severe economic distress due to the pandemic. Specifically, we request that some of the $100 billion in funding for the Public Health and Social Services Emergency Fund in the CARES Act must be directed to health care providers, such as ASCs, for loss of revenue attributable to the COVID-19 crisis. As you know, the legislative language explicitly specifies that grants can be provided to “eligible health care providers” for “health care related expenses or lost revenues attributable to coronavirus.” Further, the legislative history of this provision makes clear that grants should be provided to providers for loss revenue, as explained in the Senate Democratic FAQ that accompanied the legislation: “Forgone revenue from cancelled procedures, which has put significant strain on the health care system, is also a qualified expense.” A rough projection of lost revenues within the ASC community for the months of March and April is approximately $3 billion.
Relief through the Public Health and Social Services Emergency Fund will ensure that ASCs, particularly those not eligible for the Paycheck Protection Program due to affiliation rules, are properly staffed and equipped not only for all the work ahead in supporting hospitals during the pandemic but also the enormous amounts of delayed care to follow once the public health emergency declaration has been lifted.

Immediate use of this avenue for financial relief will achieve the critical goals of providing needed liquidity to facilities that have lost revenue by following elective surgery guidance, ensuring that nurses and other clinical staff remain employed and maintaining our nation’s health care delivery infrastructure so that we can respond to the pandemic and provide cost-effective care after the crisis subsides.

Communities across the country rely on ASCs for safe surgical and preventative care and will be needed more than ever as we assist hospitals in managing the coming surge of patients as a result of the pandemic.

Thank you for your consideration and I look forward to our continued collaboration to ensure that ASCs can continue to serve patients and their families.

Sincerely,

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