

United States Senate
WASHINGTON, DC 20510

June 7, 2021

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health & Human Services
200 Independence Avenue S.W.
Washington, D.C. 20201

Dear Administrator Brooks-LaSure,

Access to emergency and primary health care services is a basic quality of life issue for a resident of any sized community. Section 125 of Public Law (P.L.) 116-260 established the Rural Emergency Hospital (REH) voluntary Medicare payment designation.¹ This bipartisan solution will support struggling rural hospitals by allowing them to voluntarily right-size their health care infrastructure while maintaining essential medical services for their rural communities. We request you prioritize the implementation of this law by establishing a project lead at the Centers for Medicare & Medicaid Services (CMS) to ensure a timely and stakeholder-driven implementation.

A recent Government Accountability Office (GAO) report found more than 100 rural hospitals have closed in 28 different states since 2013.² The COVID-19 pandemic has only further strained rural hospital finances.³ If nothing is done, more hospitals and rural Americans will continue losing access to essential medical services resulting in poorer outcomes and higher costs for patients and taxpayers.⁴ The REH designation offers the flexibility to support rural hospitals that can no longer support inpatient services while maintaining services that better align with the specific needs of their patient population including 24/7 emergency care, outpatient care, ambulance services, and more. It is important that federal regulations and guidance adequately consider the needs of rural providers. This will ensure REH is a viable solution for rural hospitals giving rural communities the quality of life they deserve.

We stand ready to support your efforts to implement REH in a timely and stakeholder-driven manner.

Sincerely,



Chuck Grassley
United States Senator



Amy Klobuchar
United States Senator

CC: The Honorable Andrea Palm, HHS Deputy Secretary
The Honorable Susan Rice, Director, Domestic Policy Council
The Honorable Shalanda Young, Acting Director, Office of Management & Budget

¹ Section 125 of Public Law (P.L.) 116-260, “Medicare Payment for Rural Emergency Hospital Services.” REH creates a new, voluntary Medicare payment designation that allows a Critical Access Hospital (CAHs) or a small, rural hospital with less than 50 beds to convert to an REH. The goal is to preserve access to emergency medical care in rural areas that can no longer support a fully operational inpatient hospital.

² GAO Publication No. 21-93. <https://www.gao.gov/products/gao-21-93>

³ Adrian, D., Chhabra, K. R., & Scott, J. W. (2020, May 3). The COVID-19 Pandemic and Rural Hospitals—Adding Insult to Injury. *Health Affairs*.

<https://www.healthaffairs.org/doi/10.1377/hblog20200429.583513/full/>

⁴ *Ibid.*