

April 5, 2020

The Honorable Andrew M. Cuomo  
Governor of New York State  
New York State Capitol Building  
Albany, NY 12224

Dear Governor Cuomo:

Thank you for your leadership protecting the citizens of New York during the COVID-19 emergency and for your partnership with hospitals and health systems and the entire healthcare community in this battle to save lives.

Together we represent over 200 of New York's not-for-profit hospitals and we are writing to ask you to enlist the one member of the state's healthcare community that has been slow to join us in the COVID fight.

If there is ever going to be a time when we need all healthcare stakeholders to do their part, now is that time. Commercial health insurers across New York state must pitch in to support hospitals to help ensure they are prepared, fiscally stable and able to support their caregivers who are on the front lines of this crisis. However, despite urgent requests from New York state hospital leaders whose facilities face unprecedented financial peril, many health plans are just not answering the call.

As you know, hospitals are currently facing tremendous cash flow difficulties. They have responded to government calls and their communities' needs by canceling all elective surgeries and procedures to preserve personal protective equipment and make room for COVID patients. Doing so has exacerbated the cash flow crisis they face. At the same time, commercial health insurers continue to collect premiums while paying few claims since procedures are canceled.

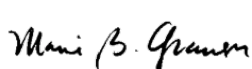
We thank you for your leadership and support for the important managed care reforms included in the recently enacted state budget. However, more help is needed. We ask you to take swift executive action to require health insurance companies doing business in New York state to support hospitals during the COVID emergency.

Hospital pleas to health insurers to provide desperately needed cash flow support have gone unheeded thus far. Health insurers can provide support to hospitals *right now* by: paying a minimum percentage of hospital accounts receivables, advancing payments on future claims and suspending all administrative denials for the duration of the COVID emergency. Additional information about these recommendations is attached.

Many of these proposals have no fiscal impact to the state, and, as we see it, are simply providing the cash flow that providers throughout the state need and justifiably deserve during this unprecedented time.

We ask that you require commercial health insurers to contribute to the state's collective COVID fight to support New York's hospitals and the thousands of doctors, nurses and staff who have never been more essential than they are right now. On behalf of our collective membership, we stand ready to work with you, your leadership team and the health plans and associations that represent them, to find workable and immediate solutions to this growing problem. Thank you for your consideration.

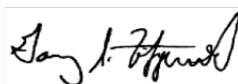
Sincerely,



M. Beatrice Grause  
President and  
Chief Executive Officer  
Healthcare Association  
of New York State



Travis Heider  
President and  
Chief Executive Officer  
Pandion Optimization  
Alliance



Gary Fitzgerald  
President and  
Chief Executive Officer  
Iroquois Healthcare  
Alliance



Kenneth Schoetz  
President and  
Chief Executive Officer  
Western New York  
Healthcare Association



Kevin Dahill  
President and  
Chief Executive Officer  
Suburban Hospital  
Alliance of New York

Attachment

## ATTACHMENT

# Recommendations to Enlist Commercial Payers to Assist Hospitals and Providers in the COVID-19 Battle

### **Health plans should be required to pay a minimum percentage of hospital accounts receivables immediately**

The Department of Financial Services should require health plans operating in New York state to immediately clear a certain percentage of the millions of dollars in existing hospital accounts receivables. This is payment for care already rendered and claims already submitted that insurers hold for specific periods of time or hold while administrative or other reviews are pending. Expedited account receivable payments will be made on good faith with the opportunity to reconcile in the future if necessary, upon conclusion of claim review.

### **Health plans should be required to pay periodic interim payments to hospitals based on historic payment levels**

DFS should require health plans to leverage premium dollars collected but unused because of cancellations in elective surgeries and ambulatory care to provide hospitals with periodic interim payments every month during the COVID-19 emergency until at least 90 days after the emergency declaration has expired. PIP payments would be based on the hospital's average receipts over the prior two years, would be across all insurance product lines and would start immediately.

### **Health plans should be required to suspend administrative denials**

DFS should require health plans to fully suspend all administrative denials for the duration of the COVID-19 emergency.

### **Additional Recommendations: Telehealth**

- DFS should require telehealth/telephonic payment parity by health plans for the duration of the COVID-19 emergency.
- DFS should require any-willing-provider policies for telehealth services for the duration of the COVID-19 emergency.