



Charles N. Kahn III
President and CEO

March 4, 2024

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

The Honorable Mike Johnson
Speaker of the House
United States House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Democratic Leader
United States House of Representatives
Washington, DC 20515

Dear Leader Schumer, Leader McConnell, Speaker Johnson, and Leader Jeffries:

On behalf of the Federation of American Hospitals (FAH), I urge you to take action to mitigate the impact of the recent cyberattack on UnitedHealth Group's Change Healthcare on hospitals and the patients we serve. The FAH is the national representative of more than 1,000 leading tax-paying hospitals and health systems throughout the United States. These tax-paying hospitals account for nearly 20 percent of U.S. hospitals and serve their communities proudly while providing high-quality health care to their patients. The cyberattack on Change Healthcare has severely disrupted patient care and operations at health care facilities throughout the United States and action is urgently needed to enable federal agencies to deploy a comprehensive, coordinated response.

While our members have been working with UnitedHealth Group's Change Healthcare as it seeks to recover from this attack, this event has already gone on for almost 2 weeks and it is not clear how long the recovery process will take. This unprecedented cyberattack impacts all aspects of patient care and the health care ecosystem. Change Healthcare is a widely used network that links and provides services to the vast majority of hospitals, physicians, and pharmacies, and touches virtually all aspects of care. As a result, disruptions to Change Healthcare's systems are impacting patients directly through lack of access to membership and coverage verifications, prior authorizations, and clinical decision support. It also disrupts providers' ability to submit claims (including Medicare claims), receive remittances and payment and operate internet-based price estimator tools, among other functions.

It is critical to ensure that patient access to care is maintained throughout the recovery process. In addition, the loss of revenue for hospitals and health systems threatens the viability of our health care delivery. Although UnitedHealth Group is working to mitigate the impact of this event, meaningful “workarounds” to permit hospitals and health systems to execute basic functions, such as bill and receive payment for care provided, are not yet available. And, limited “workarounds,” such as manually typing claims into payer portals, are so resource intensive as to not being feasible alternatives, while migrating from Change Healthcare to an alternative, non-impacted vendor, could well take months to complete.

Last week, UnitedHealth Group announced a “Temporary Funding Assistance Program” to help mitigate the impact on hospitals and other providers. However, this is a very limited program and does not address the fact that hospitals are not able to bill and receive payment for care provided to patients.

In a recent letter to the Centers for Medicare and Medicaid Services (CMS), the FAH urged the Agency to exercise the full extent of its legal authorities to minimize the impact of this cyberattack and system outage on patients and the health care delivery system, particularly with respect to Medicare and Medicaid beneficiaries, including those enrolled in private plans for coverage. We now urge Congress to temporarily waive any statutory limitations on the Administration’s ability to facilitate advance payments to hospitals and waive certain administrative requirements that providers may be unable to meet at this time due to the outage of Change Healthcare systems. This flexibility and subsequent action by the Administration will be crucial to helping our health care system navigate the serious impact of this cyberattack.

We urge you to act swiftly to support patients, hospitals, and other providers as we all work through this unprecedented event. If you have any questions, please contact me or any member of my staff at (202) 624-1500.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew M. Reinhart". The signature is fluid and cursive, with a large, stylized initial "A" and "M".