

June 19, 2020

The Honorable Ted Cruz
U.S. Senate
404 Russell
Washington, DC 20510

Dear Senator Cruz,

On behalf of the American Association of Orthopaedic Surgeons (AAOS), we would like to express our appreciation for your introduction of S. 3547, *The Creating Capacity for Communities in Need Act*, which would allow physician owned hospitals (POH) to expand capacity and access to address the COVID-19 emergency. AAOS represents over 34,000 orthopaedic surgeons and residents, as well as musculoskeletal patients nationwide.

POH's provide some of the highest quality patient care while enhancing choice, access, competition, transparency and driving greater savings to the Medicare program. But expansion of POH facilities is prohibited in Section 6001 of the Affordable Care Act. Fear of infection is leading many patients to delay needed care, even when emergency treatment is critical. Providing an alternate setting where patients can feel safe receiving needed care is critical, and POHs are proven to be high quality, smaller facilities with low infection rates.

The need for POH's to expand their facilities, during the COVID-19 emergency has been recognized by the Department of Health and Human Services providing 1135 waivers for POHs during the emergency. The *Creating Capacity for Communities in Need Act* improves upon the waivers by removing disincentives for POHs to increase capacity during the pandemic by adding any expansions to the POH's baseline, which would automatically be modified to reflect such an increase on a permanent basis.

We thank you for your work on this important issue that would help incentivize POH expansion and provide needed patient access to care. Please contact Catherine Hayes with the AAOS Office of Government Relations (Hayes@aaos.org), if you have any questions or if the AAOS can serve as a resource to you.

Sincerely,



Joseph A. Bosco, III, MD, FAAOS
President, American Association of Orthopaedic Surgeons

cc: Senator John Cornyn
Senator James Lankford
Senator Mike Braun

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