RON WYDEN OREGON

RANKING MEMBER OF COMMITTEE ON FINANCE

United States Senate

WASHINGTON, DC 20510-3703

April 15, 2020

COMMITTEES: COMMITTEE ON FINANCE COMMITTEE ON BUDGET COMMITTEE ON ENERGY & NATURAL RESOURCES SELECT COMMITTEE ON INTELLIGENCE JOINT COMMITTEE ON TAXATION

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> The Honorable Alex M. Azar II Secretary U.S. Department of Health and Human Services 200 Independence Avenue S.W. Washington D.C. 20201

Dear Secretary Azar:

As the Department of Health and Human Services (HHS) prepares to distribute the \$70 billion in remaining funds allocated for health care providers to prevent, prepare for, and respond to the COVID-19 crisis, we urge you to prioritize transparency, equity, and urgency in issuing additional rounds of funding.

As part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), Congress provided \$100 billion in funding for the Public Health and Social Services Emergency Fund (PHSSEF) to help support hospitals and other health care providers across the country during this time of need. While we appreciate your efforts to distribute the first \$30 billion of these funds based on fiscal year (FY) 2019 Medicare fee-for-service claims data, the Administration failed to deliver much needed relief to many essential providers across the country due to this approach. We continue to hear from providers in each of our states, including children's hospitals, hospice organizations, hospitals in rural and underserved urban areas, physicians, nursing homes, residential care and senior living communities, behavioral health care providers, community health centers, home health agencies and direct service providers, and other front line providers that need additional financial support immediately to ensure they make it through this crisis.

Congress intended the PHSSEF to provide necessary financial support to providers for health care expenses related to COVID-19 that would be otherwise ineligible for reimbursement. On behalf of our constituents – from those in the intensive care unit managing acutely sick patients to those who have done their part to stop the spread by closing their doors to elective and routine procedures – we urge you to act swiftly and distribute the remaining funds in a manner consistent with Congressional intent. In particular, we urge HHS to:

Provide Complete, Appropriate, and Immediate Transparency

1. HHS should provide a detailed and publicly available account of all distributed funds, including the \$30 billion that has already been released. For this initial tranche, HHS should release this information broken out by state, congressional district, and provider. The methodology used to determine the distribution of these funds should also be described. This information and all information on future allocations should be easily accessible such that providers and the taxpayer can locate this critical information in a timely fashion.

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2. HHS should be transparent about what criteria is used to determine the providers receiving funds, including how it defines "hot spot" areas or other characteristics used to identify providers with the greatest needs, as well as the level of funding those providers receive as a result of that criteria.

Ensure Equitable Distribution of Funds

- 1. Any methodology used for future distribution should, at a minimum, take the following factors into account: 1) providers left out by the methodology applied in the first distribution of funds, such as Medicaid-dependent safety net providers, and those with variable payer mix, including Medicare Advantage; 2) the impact of lost revenue as a result of a moratorium on elective care; 3) the burden on community-based organizations providing routine care essential to keeping patients at home; and 4) the severity of the outbreak in a geographic area.
- 2. HHS should refrain from using funds from the PHSSEF to make up for gaps in coverage as a result of a state's decision not to expand Medicaid, or the Administration's decision to reject opening a nationwide Special Enrollment Period. HHS should ensure that all states, and therefore all providers, receive the resources they need and are not penalized for their efforts to expand qualified, comprehensive health coverage.

We are committed to supporting our nation's health care providers with the resources they need to manage this crisis and continue providing care to their communities after the COVID-19 emergency. We stand ready to work with you at this critical juncture, and will support any additional funding necessary to protect and support our health care providers and the individuals and families they care for.

Thank you in advance for your efforts to distribute the remaining \$70 billion in PHSSEF resources rapidly to provide equitable, transparent support to the health care providers caring for our communities during this crisis.

Sincerely,

Ron Wyden

Senator Ron Wyden

Senator Sherrod Brown

Senator Debbie Stabenow

Senator Thomas R. Carper

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Senator Michael F. Bennet

/s/

Senator Robert P. Casey, Jr.

Senator Sheldon Whitehouse

Senator Robert Menendez

Benjamin L. Cardin

Senator Benjamin L. Cardin

/s/

Senator Mark Warner

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