

Co-Sign Bipartisan Letter Urging HHS to Take Quick Action With Remaining Provider Relief Fund Dollars

Sending Office: Honorable Abigail Davis Spanberger
Sent By: Nicholas.Widmyer@mail.house.gov

Request for Signature(s)

Supported by: American Hospital Association, Children’s Hospital Association, Argentum

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Dear friends,

Reps. Spanberger and Gonzalez invite your bosses to join the below letter urging HHS to quickly announce its plan to distribute the remaining funds in the CARES Act Provider Relief Fund (PRF).

Since last spring, Congress has allocated \$186.5 billion for the PRF to compensate eligible health care providers for “health care expenses or lost revenue attributable to coronavirus.” While Congress granted HHS flexibility to manage the PRF, billions of dollars remain unused as providers across the country withstand a surge of cases and hospitalizations incurred by the delta variant.

Additionally, many providers remain confused over how much funding remains in the PRF. Officials at HRSA, for instance, have reported that nearly \$24 billion remains in unallocated provider relief funding. By contrast, the [GAO](#) has stated that HRSA has only obligated \$134.3 billion provider relief funds, leaving at least \$43.7 billion in eligible funding for providers operating on razor thin margins. To date, HHS has blamed the disparity on different definitions of “unallocated” and “unobligated” funding.

The bipartisan letter below calls on HHS to provide an immediate update on its plans to distribute the unobligated funds in the PRF and urges the agency to release remaining dollars without additional delay. Please contact Nicholas.Widmyer@mail.house.gov in Rep. Spanberger’s office or Max.Siwik@mail.house.gov in Rep. Gonzalez’s office if you have any questions.

Sincerely,

Abigail Spanberger

Anthony Gonzalez

Dear Secretary Becerra:

We write today to ask that the Department of Health and Human Services (HHS) provide an immediate update on its plans to distribute the unobligated funds remaining in the Provider Relief Fund (PRF) and other health care relief programs. Over the course of the pandemic, Congress has appropriated \$178 billion for the Provider Relief Fund as well as an additional \$8.5 billion for rural providers. Hospitals, nursing homes, assisted living providers, health clinics, and other health care providers need these funds to help weather the financial difficulties created by the pandemic. In rural areas in particular, the PRF has prevented facilities that struggled before and during the pandemic from falling into bankruptcy or closing entirely.

Regrettably, the PRF funding distribution process has been uneven. Shifting guidance, difficulties in reconciling tax information, the absence of a formal appeals process, and other technical problems have plagued the program. Some providers are still waiting for funding from PRF distributions that were announced last year. Furthermore, plans for additional PRF distributions have been opaque. Financial losses occurring between the end of 2020 and the beginning of 2021 have not been adequately considered. In addition, some provider types, such as senior care facilities, have been underrepresented in previous rounds of funding.

On July 19, the Government Accountability Office reported that about 25 percent of Provider Relief Fund appropriations and all of the rural provider funding remained unobligated as of May 31, 2021. GAO found that “the most current spend plans generally do not include time frames for obligating the remaining funds, which is useful information for oversight and informing future funding decisions by Congress.” GAO recommended that HHS communicate information about, and facilitate oversight of, the department’s use of COVID-19 relief funds by providing projected time frames for its planned distributions in the spend plans it submits to Congress.

We fully agree with GAO’s assessment and ask that HHS announce and implement its plans for additional disbursement of provider relief funds. As the health care provider community continues to respond to the challenges posed by the pandemic, this funding should be released without any further delay. Thank you for your attention to this matter. We look forward to your response.