



Congress of the United States
House of Representatives
Washington, DC 20515

April 29, 2020

The Honorable Alex M. Azar, II Secretary
U.S. Department of Health & Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Azar:

Thank you for your continued leadership during the current COVID-19 pandemic. In these unprecedented times, the entire healthcare system is strained to the breaking point. This is especially true for rural providers who were already facing substantial financial challenges prior to this crisis.

Rural America is under enormous pressure. Our constituents need help to ensure continued access to timely, quality medical care. At this critical time, we ask that the Department of Health and Human Services (HHS) utilize the Provider Relief Fund, established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, to provide appropriate support to rural healthcare providers.

Initially, \$30 billion was expeditiously disbursed from the fund based upon traditional fee-for-service Medicare payments; however, this formula fails to accurately reflect the funding streams for many rural providers. By excluding Medicare Advantage and Medicaid payments, many rural providers did not receive adequate funding to help cover losses. With this in mind, we appreciate the work you and your team are performing to address these issues for future distributions, and we urge you to establish an updated guidance as quickly as possible.

The administration's recent announcement that \$10 billion of the Provider Relief Fund has been earmarked for rural providers is helpful. Our understanding is that upcoming rural healthcare payments will be based upon operating expenses. If so, please specifically address how you intend to allocate these resources. Further, the Paycheck Protection and Health Care Expansion Act includes an additional \$75 billion for Provider Relief Fund. Will HHS utilize these funds to provide targeted relief to rural health care providers, and at what level or percentage?

America's medical care providers have made substantial sacrifices, financial and otherwise, to prepare for and respond to the surge of COVID-19 hospitalizations. This includes rural providers

in our districts who made significant capital investments, such as building new treatment areas, adding negative pressure wings, and bringing respiratory centers online.

Health systems are also losing millions more in revenue because of diverted resources, suspended elective procedures, or closed facilities. While the first payments from the Provider Relief Fund were beneficial, the disbursements equate to less than 25 percent of lost revenues, to date. Compared with larger, and more urban hospitals, rural healthcare providers operate on very narrow margins and are less able to absorb such incredible losses and sustain operations.

Thank you again for your leadership on the current COVID-19 pandemic and your effort to provide the necessary funds to help Americans residing in rural areas of America to maintain access to timely and high-quality medical care.

Sincerely,



Jim Hagedorn (MN-01)
Member of Congress

Rick Crawford (AR-01)
Member of Congress

Joe Wilson (SC-02)
Member of Congress

Austin Scott (GA-08)
Member of Congress

Jeff Fortenberry (NE-01)
Member of Congress

Alex Mooney (WV-02)
Member of Congress

Vicky Hartzler (MO-04)
Member of Congress

Ralph Abraham, M.D. (LA-05)
Member of Congress

Robert Aderholt (AL-04)
Member of Congress



Betty McCollum (MN-04)
Member of Congress

Bennie Thompson (MS-02)
Member of Congress

Tom Emmer (MN-06)
Member of Congress

Pete Stauber (MN-08)
Member of Congress

Troy Balderson (OH-12)
Member of Congress

Bob Gibbs (OH-07)
Member of Congress

Cindy Axne (IA-03)
Member of Congress

French Hill (AR-02)
Member of Congress

Angie Craig (MN-02)
Member of Congress

Andy Harris, M.D. (MD-01)
Member of Congress

Steven Palazzo (MS-04)
Member of Congress

David B. McKinley P.E. (WV-01)
Member of Congress

Steve Stivers (OH-15)
Member of Congress

Xochitl Torres Small (NM-02)
Member of Congress

Glenn Grothman (WI-06)
Member of Congress

Steve King (IA-04)
Member of Congress

Michael Cloud (TX-27)
Member of Congress

Andre Carson (IN-07)
Member of Congress

Dan Bishop (NC-09)
Member of Congress

Russ Fulcher (ID-01)
Member of Congress

Roger Williams (TX-25)
Member of Congress

W. Gregory Steube (FL-17)
Member of Congress

Jody Hice (GA-10)
Member of Congress

Dan Newhouse (WA-04)
Member of Congress

Michael Guest (MS-03)
Member of Congress