

United States Senate

WASHINGTON, DC 20510

September 2, 2021

VIA ELECTRONIC TRANSMISSION

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Becerra,

We write to express our concern about this Administration's lack of strategy to disseminate the remaining funds in the Provider Relief Fund (PRF). The nation is currently experiencing the "fourth wave" of COVID-19 infections, with hospitals and health care providers around the country stretched to breaking points not seen since the earliest days of the pandemic. Some states have asked hospitals to stop elective procedures, others lack health care staffing resources. As many hospitals run out of bed space and staffing resources wear thin, facilities located in COVID-19 hotspots are diverting acute care patients requiring non-COVID related procedures out of state. Additionally, intensive care unit beds are at capacity in many regions, and nursing home infections have increased once again after a June low. Increasing vaccination take-up rates is essential to reducing COVID-19 infections. At the same time, the PRF has served as a targeted lifeline to the hospitals and providers on the frontlines who are providing care to patients during the pandemic. Yet, during the first seven months of this Administration, the Department has refused to issue any PRF distributions. Our question to you is simple: Why?

Last year, Congress provided \$178 billion for the PRF in bipartisan emergency COVID-19 supplemental bills. Since the new Administration took office on January 20th, there have been no new PRF distributions despite declarations by the Administration that it was imperative to pass additional COVID-19 funding to push through the American Rescue Plan on a partisan vote in March. In fact, the American Rescue Plan included an additional \$8.5 billion for the PRF to help hard hit rural providers, which sits untouched in the Treasury. As of today, there is \$51.1 billion remaining in the PRF, nearly 30 percent of the funds appropriated. It is baffling to us that the Department has failed to even promulgate a plan to distribute those funds to hospitals and providers disproportionately impacted by the current wave of COVID-19 cases.

In June, you testified before the House Ways and Means Committee that the Department planned to change how the remaining PRF funds would be spent, saying: "We're trying to make sure we don't make the mistakes of the past." You made a similar statement before the Senate Appropriations Committee. Yet nearly three months later, no substantive changes have been made and no PRF funding has been distributed.

It has been eleven months since the last PRF distribution was announced. We believe it is imperative for the Administration to continue to fight the pandemic with all available means, including by swiftly disbursing PRF funds to providers buckling under the weight of surging COVID-19 cases. To that end, please respond to the following questions by September 23, 2021:

- What steps has the Administration taken to identify how to spend PRF funds?
 - What criteria will the Administration use to identify providers in need of additional PRF funds?
 - How will the Administration determine amounts providers are to receive under additional rounds of PRF disbursements?
 - When does the Administration expect PRF funds to be disbursed? Please provide specific dates and timelines for spending the Congressionally-appropriated funds.
- What correspondence with stakeholders has occurred to identify on-the-ground needs amongst all providers?
 - When did these interactions occur?
 - What steps have been taken as a result of this feedback, if any?
- Will the Administration adjust the June 30th deadline for providers receiving funding to spend money or return it to HHS given the current surge?

Some hospitals and health care providers continue to experience increased expenses, delayed elective procedures, and lost revenues. In addition, they are incurring the costs associated with vaccinating Americans, particularly partnering with the Department to focus on those in vulnerable communities. Our message is simple: The Department must distribute needed PRF funds without further delay. In addition, we expect to see a detailed and specific plan provided to distribute the remaining funds by September 23, 2021.

Sincerely,



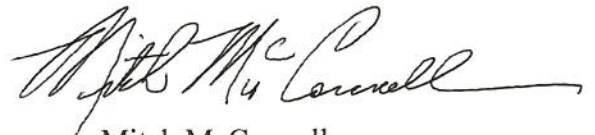
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Richard Burr
United States Senator



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Richard Shelby
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