

Congress of the United States
Washington, DC 20515

April 10, 2020

Honorable Alex Michael Azar II
Secretary of Health and Human Services
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Honorable Seema Verma
Administrator
Centers for Medicare and Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Azar and Administrator Verma:

We write to express our concerns and request immediate consideration to the needs of health care providers who did not receive sufficient support from the initial round of funding through the Public Health and Social Services Emergency Fund.

The Coronavirus Disease 2019 (COVID-19) has placed an enormous strain on the health care system in Colorado and across the country since the first case was confirmed on January 21. In Colorado, there are over 6,200 cases, and tragically 226 people have died. There are 54 outbreaks at residential and non-hospital health care facilities across 56 of our 64 counties since the first case was confirmed on March 5. The Colorado Department of Public Health and Environment now believes that COVID-19 was circulating in January, but this cannot be confirmed because the Centers for Disease Control and Prevention did not provide a functional test to the public health lab until late February.¹

Governor Jared Polis rapidly took action to prepare and respond to the COVID-19 pandemic, implementing social distancing guidelines, a state-wide stay-at-home order, and actions to reduce risk for patients and preserve critical supplies and equipment, including a suspension of elective procedures. Regardless of geography, Colorado's health care system, including hospitals, physicians, community health centers and Rural Health Clinics, nursing homes, and other critical providers have been financially devastated by COVID-19.

In response, Congress passed and the president signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide \$150 billion in a "Marshall Plan" to save our health care system. This plan included \$100 billion in a Public Health and Social Services Emergency Fund for our health care system to prevent, prepare for, and respond to COVID-19. Further, the Department of Health and Human Services, Office of Inspector General report released April 6, "*Hospital Experiences Responding to the COVID-19 Pandemic: Results of a National Pulse Survey March 23-27, 2020*," found that substantial financial assistance is a top priority for all hospitals to maintain services to the communities they serve.² Today, you sent a first tranche of funding equaling \$30 billion and only going to hospitals and providers that have filed Medicare Part A and B claims in 2019. While funding would be far reaching and expedient, it leaves Colorado at a disadvantage due to its population and geographical makeup, resulting in insufficient support for many of those that need it the most.

¹ <https://coloradosun.com/2020/04/09/colorado-first-coronavirus-case-testing-january-2020/>

² <https://oig.hhs.gov/oei/reports/oei-06-20-00300.pdf>

Through this first tranche, many hospitals on the front lines are not going to receive critical support. In fact, a small rural hospital in northwestern Colorado on the verge of layoffs has received only 85 percent of two weeks of payroll. Rural hospitals and Rural Health Clinics will receive very little funding based on this formula. Children's Hospital Colorado, the first hospital in the state to stand up COVID-19 testing, convalescent plasma collection and processing, and drive through testing and mobile tents, providing critical support for the entire mountain west region of the country, will receive almost no funding based on this formula. Hospitals providing care to our most vulnerable COVID-19 patients who are uninsured, undocumented, and on Medicaid will receive very little funding based on this formula.

We urge you to immediately make public the reasoning and shortfalls of this decision and work on a solution to provide critical relief for hospitals and providers that need it the most, taking into account the financial impact of COVID-19. Officials have stated that the remaining \$70 billion will be targeted and be released in 7-10 days. Our providers have indicated that is too late to address their financial needs and we request immediate consideration of a solution.

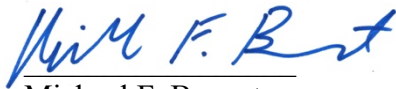
We ask you to provide answers on how you will be providing immediate relief to the following hospitals and providers by April 17.

1. Nursing Homes. Medicare Parts A and B do not cover long-term care. Medicaid pays for a disproportionate share of nursing home care across Colorado, and the first tranche of funding is inadequate to provide relief.
2. Children's Hospitals. Children's health needs are vastly different than those of adults, and so is the health care delivery system for children. Children's Hospital Colorado is experiencing a 35 percent decrease in net patient services revenue, approximately \$35 million per month. Retaining staff and additional COVID-19-related costs will increase their expenses by 10 percent moving forward. They project operating losses to be \$25 million every month of continued elective services suspension.
3. Home & Community Based Services (HCBS) providers. Medicaid funded HCBS providers serve tens of thousands of chronically ill and high-risk Coloradans and are critical to prevent crowding at intensive care units.
4. Rural Hospitals and Rural Health Clinics. The suspension of elective services has exacerbated the financial health of rural hospitals, which are already closing at a higher rate than last year. Rural Health Clinics are often left out of the discussion for any funding. Relief for rural hospitals and providers must be a priority as they are often the bedrock of their communities.
5. Providers Treating Undocumented Patients. Thousands of DACA recipients in Colorado are at the front line of the COVID-19 response in health care and other essential jobs. They must know that they, any undocumented family member with which they live, and any other undocumented individual can have testing and treatment for COVID-19 covered. Providers that serve them should feel confident they will be supported in this care.
6. Providers of Patients who are Uninsured and on Medicaid. Patients of safety net hospitals and clinics are typically disabled, elderly, or low-income individuals with pre-existing illnesses who are highly likely to require intensive care and more extended stays and tend to be uninsured, on Medicaid, or vulnerable.

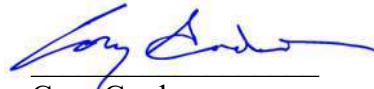
7. Independent Pediatric Primary Care. Children in Colorado receive vital health care from small, private, primary care offices across our state. Some offices have had 60 to 90 percent drops in volume to support social distancing guidelines. Smaller practices face bankruptcy within the month, and reopening or rehiring laid-off staff will be neither easy nor likely. The first tranche of funding leaves immediate relief to these small businesses out.

Thank you for your attention to this matter.

Sincerely,



Michael F. Bennet
United States Senator



Cory Gardner
United States Senator



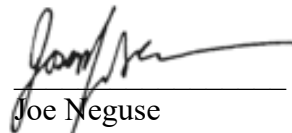
Diana DeGette
Member of Congress



Ed Perlmutter
Member of Congress



Jason Crow
Member of Congress



Joe Neguse
Member of Congress