October 9, 2020

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

Dear Secretary Azar:

We write to express our concerns regarding the recent change in reporting requirements for health care providers that have received emergency relief through the Provider Relief Fund (PRF) and to respectfully request that you reinstate the original reporting requirements for determining lost revenue that the Department of Health and Human Services (HHS) first released in June of this year.

As you know, the CARES Act established the PRF to reimburse health care providers for health care-related expenses or lost revenue due to the coronavirus pandemic. The PRF has been critical in helping hospitals and health care systems across the country navigate the serious financial challenges posed by this pandemic, preventing many providers from being forced to permanently close their doors.

As a condition for receiving PRF funds, the CARES Act required these recipients to submit reports and maintain documentation to certify their compliance with program requirements. In June, HHS released initial guidance outlining some of these reporting requirements and directed providers to calculate lost revenue by comparing actual 2020 revenue with budgeted 2020 revenue or with 2019 revenue.¹ On September 19, HHS released updated reporting requirements that directed providers to use net operating income to calculate lost revenue—a substantial change from the directions issued in June.²

We have heard from hospitals and health systems in our states who are concerned that this change in the definition of lost revenue will force them to return funds to HHS that they have received from the PRF. In particular, rural hospitals and those that serve high numbers of low-income, elderly, and severely ill patients—which already operate on thin financial margins—may be especially impacted by this change.

We are concerned that this change in reporting requirements changes the terms of the relief as providers initially understood them based on the initial June guidelines—further exacerbating the financial challenges and uncertainty that these systems continue to grapple with as a result of the pandemic. Therefore, we respectfully request that you reinstate the original June requirements for determining lost revenue in order to prevent unnecessary financial uncertainty for hospitals.

and health care providers and to prevent them from being forced to return PRF funds that they have already received.

Thank you for your time and attention to this important measure. We look forward to working with you to continue supporting our hospitals and ensuring that this pandemic does not cause further, long-term disruptions to Americans’ access to care.

Sincerely,

/S/ Amy Klobuchar
Amy Klobuchar
United States Senator

/S/ Tina Smith
Tina Smith
United States Senator

/S/ Michael F. Bennet
Michael F. Bennet
United States Senator

/S/ Tammy Duckworth
Tammy Duckworth
United States Senator

/S/ Jeffrey A. Merkley
Jeffrey A. Merkley
United States Senator

/S/ Doug Jones
Doug Jones
United States Senator

/S/ Christopher A. Coons
Christopher A. Coons
United States Senator

/S/ Bernard Sanders
Bernard Sanders
United States Senator

/S/ Jack Reed
Jack Reed
United States Senator

/S/ Mazie K. Hirono
Mazie K. Hirono
United States Senator

/S/ Tammy Baldwin
Tammy Baldwin
United States Senator

/S/ Joe Manchin III
Joe Manchin III
United States Senator
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