

Congress of the United States

Washington, DC 20510

April 2, 2020

Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd St, SW
Washington, DC 20416

Dear Administrator Carranza,

We are writing to request the Small Business Administration (SBA) ensure that Critical Access Hospitals (CAHs) and Rural Health Clinics (RHCs) who have facilities owned or operated by counties or districts are eligible for the SBA loan assistance programs provided by H.R. 748, the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The CARES Act, which was signed into law with our support on March 27, 2020, included essential lifelines for struggling businesses, and it is critical SBA ensure that those programs can be used to support our rural hospitals and clinics. We have heard concerns that SBA is interpreting the CARES Act language in such a way that would preclude CAHs and RHCs whose facilities are owned or operated in some way by the district or county that they serve as being ineligible for certain assistance, particularly the Paycheck Protection Program.

Should the SBA interpret the language this way, it would negatively impact 23 of Colorado's 32 CAHs and numerous RHCs throughout the state. Prior to the novel coronavirus (COVID-19) pandemic, 18 rural hospitals in Colorado operated in the red and their cash flow problems have become increasingly dire as CAHs and RHCs have been forced to cancel elective procedures, their main source of revenue.

During any time period, these hospitals and clinics are essential to support rural communities, but they are especially vital during this time of public health emergency. In addition to their irreplaceable role in serving the everyday health needs of our rural communities, some of these health care providers are actively responding to COVID-19 as we speak and others may be activated soon. Moreover, for many communities these hospitals are the largest active remaining employer in the economy.

We urge SBA to take immediate steps to ensure that CAHs and RHCs are eligible for the relevant CARES Act loan programs and continue their work on the frontlines of fighting the COVID-19 pandemic, and look forward to serving as collaborative partners in both SBA and other agencies' work to support rural health care providers.

Sincerely,



Cory Gardner
United States Senator



Michael F. Bennet
United States Senator



Joe Neguse
Member of Congress



Scott R. Tipton
Member of Congress



Ken Buck
Member of Congress



Doug Lamborn
Member of Congress

Cc: U.S. Department of Health and Human Services
U.S. Department of Treasury