

## Headquarters

7015 College Blvd.; Suite 150  
Overland Park, KS 66211  
Telephone: [816] 756.3140  
FAX: [816] 756.3144



## Government Affairs Office

50 F St., N.W. Suite 520  
Washington, DC 20001  
Telephone: [202] 639.0550  
FAX: [816] 756.3144

# NATIONAL RURAL HEALTH ASSOCIATION

May 24, 2021

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

Dear Secretary Becerra,

On behalf of the National Rural Health Association (NRHA), I want to reach out regarding the Department of Health and Human Services' (HHS) guidance for health care providers utilization of Provider Relief Fund (PRF) allocations. NRHA is a non-profit membership organization with more than 21,000 members that provides national leadership on rural health issues. Our membership includes nearly every component of rural America's health care, including rural community hospitals, critical access hospitals, doctors, nurses, and patients. We work to improve rural America's health needs through advocacy, communications, education, and research. **NRHA urges you to address reporting concerns to ensure Provider Relief Fund and Health Care Heroes Sustainability Fund dollars fully aid rural providers combatting the COVID-19 pandemic.**

As you know, in March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which appropriated funding to reimburse eligible health care providers for "health care related expenses or lost revenues that are attributable to coronavirus" through the PRF. All told, through the CARES Act and subsequent pieces of legislation, Congress appropriated a total of \$178 billion towards this effort. Further, the newly created Health Care Heroes Sustainability Fund (HCHSF) was created in the recently passed American Rescue Plan (ARP) Act of 2021 to provide an additional \$8.5 billion for health care providers, specifically those serving rural America.

While the funding for health care providers has been of great assistance in the fight against COVID-19, our members continue to have significant concerns with PRF guidance requirements limiting the ability of program recipients to fully utilize the funding. Further, our members are concerned with how the newly created HCHSF will be delivered and if similar challenges will occur with the program guidance. NRHA believes Congressional intent for both the PRF and HCHSF was for these funds to be fully utilized by health care providers to fight COVID-19, not sit in bank accounts to only be later repaid to the Treasury Department due to implementation challenges.

We acknowledge and appreciate the important role of program integrity in implementation of the PRF and HCHSF, but many of the policies and reporting guidelines issued thus far have substantial

implications for rural safety-net providers. In February 2021, NRHA shared with the Department requested in how the PRF dollars need to be reported. Our three major revisions for consideration are highlighted below. A full list of our concerns are included in the attachment, and can also be found on our website [here](#).

- 1) **HHS should allow flexibility in the reporting of lost revenues.** As you are aware, providers across the country lost revenues at various time periods based on state and local COVID-19 conditions. NRHA believes that calendar year 2020 is an arbitrary period to use as a measurement period for lost revenues. We request that providers be able to report lost revenues based on their unique circumstances, including varying time periods, and document the methodology, rationale, calculations, etc. Allowing providers flexibility in using their selection of time periods would permit providers to more accurately account for their revenue fluctuations that resulted from COVID-19.
- 2) **HHS should allow for the use of PRF dollars past June 30, 2021.** Many rural hospitals have embarked on capital projects, including construction or remodeling facilities, to meet the needs of COVID-19. In many instances these projects require planning, bidding, and lengthy construction or implementation phases. Put simply, some of the projects will not be completed by the end of the final reporting period of June 30, 2021. NRHA requests that all project costs be included in reporting when the project is put under contract in order to accommodate those essential activities that may not be complete by the current deadline. It is critical that HHS allow providers to utilize this funding beyond June 30, 2021, as the pandemic is still ongoing throughout much of the country.
- 3) **Reporting of lost revenue should be reflective of each providers situation.** Reimbursement for services of COVID-19 patients logically would reduce the related COVID-19 expenses. However, such reimbursement should not also be included in overall patient revenues for 2020 or 2021 when compared to 2019 or budget revenues. Including COVID-19 revenues (i.e. reimbursement) in the lost revenue calculation inappropriately doubles the impact on providers if that reimbursement has already been included in the COVID-19 expense calculation, especially for cost-based providers like Critical Access Hospitals (CAHs) and Rural Health Clinics.

NRHA asks that the Department consider our requests as HHS finalizes guidance for how the remaining PRF dollars and newly created HCHSF dollars should be reported and used. Ensuring that both the PRF and HCHSF dollars are implemented consistent with Congressional intent and reflective of the situation providers have encountered throughout the pandemic is critical to ensuring that the funds are properly and effectively used.

Again, thank you for your work in working with the PRF and HCHSF reporting requirements. The funds are critical to rural providers at this vulnerable time in our nation's rural health care system. If you would like additional information, please contact Carrie Cochran-McClain at [ccochran@nrharural.org](mailto:ccochran@nrharural.org) or 202-639-0550.

Sincerely,



Alan Morgan

Chief Executive Officer  
National Rural Health Association

Attachments:  
HHS Provider Review Fund Questions 3.16.21