May 19, 2020

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

The Honorable Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health and Human Services  
200 Independence Avenue SW  
Washington, DC 20201

Dear Secretary Azar and Administrator Verma:

On behalf of the nation’s governors, we are writing to request that the unobligated Provider Relief Funds in the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the additional $75 billion included in the Paycheck Protection Program and Health Care Enhancement Act be dedicated to assist health care providers that are predominantly serving Medicaid beneficiaries.

We are very concerned that providers who care for a large number of Medicaid patients in communities where COVID-19 has exposed huge disparities in health and health care are being left out. We need to ensure that our many health providers relying more heavily on Medicaid —such as safety net and children’s hospitals, critical access hospitals, rural health care providers, behavioral health providers (mental health and substance use disorder providers), long-term care providers and others—are provided relief.

We are hearing from many critical Medicaid providers in our states, who serve the 72 million Medicaid recipients, that they are at risk of closing their doors due to extraordinary costs (e.g. staffing, personal protective equipment) and loss of typical visit volume.

Additionally, about 60 million people—nearly one in five Americans—live in rural areas and depend on their local hospitals for care. Prior to the COVID-19 pandemic, rural hospitals were already operating on shoestring budgets, and with the cancellation of elective procedures, have a desperate and immediate need for more funding.

We request that these payments be made in an equitable and timely fashion. In addition, we request that you make available a list of providers, including the specific funding amount that has been allocated to each provider through the Provider Relief Fund. This will ensure transparency and provide states with plummeting tax revenues and mounting demands related to COVID-19 with the necessary information to allocate funding accordingly.

Sincerely,

Governor Kate Brown  
Health and Human Services Committee  
National Governors Association

Governor Charlie Baker  
Health and Human Services Committee  
National Governors Association