



RAUL RUIZ, M.D.
Member of Congress
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February 16, 2022

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

Dear Secretary Becerra:

I am writing to urge you to distribute the remainder of the Provider Relief Funds that Congress has allocated for providers and hospitals to help cover the enormous losses that they have incurred throughout the COVID-19 pandemic. In doing so, I encourage you to prioritize providers and hospitals experiencing high COVID patient rates; serving a high percentage of Medicaid beneficiaries or people that are uninsured/underinsured; experiencing severe workforce shortages (compared to other providers); or are located in rural areas.

While the funds that the Department of Health and Human Services has released thus far have been critical to helping many doctors' offices and hospitals keep their doors open, it has not been enough. Of course, these funds were appropriated by Congress prior to the Delta and Omicron variant surges that had hospitalizations at some of the highest rates of the entire pandemic.

In addition, hospitals and physicians have been faced with huge workforce shortages and have struggled to retain employees, who have been on the frontlines of this crisis for two years now. In fact, from the end of 2019, just before the pandemic, to the second quarter of 2021, the staff vacancy rate at California hospitals jumped 98%, with 78% of hospitals reporting an increase in staff turnover. Furthermore, a recent survey shows that 54% of California physician offices have not been able to hire staff back to pre-pandemic levels, which means they are not able to reopen full-time. These shortages have been exacerbated during the Omicron surge while many health care workers were forced to stay home because they had contracted COVID. In an effort to address workforce shortages, many hospitals have attempted to retain workers through bonuses, housing and childcare support, wellness and mental health programs, and extended leave. These programs have added to the financial strain that hospitals are facing. It is estimated that California hospitals alone have lost \$16.3 billion in 2020 and 2021. Because federal relief has not adequately covered these losses and hospitals have been further strained during the recent Omicron surge, hospitals have had to borrow billions of dollars in emergency loans. A California physician survey shows practices still experiencing a net 50% revenue loss.

Many hospitals and doctors' offices were already running on razor-thin margins and struggling to keep their doors open. Additionally, several communities in the 36th district of California, which I represent, already had low hospital and physician access. We cannot afford for them to close their doors; it would be catastrophic to many of my constituents.

For these reasons, I ask that you not only release the rest of the money remaining in the Provider Relief Fund, but also that you direct those funds towards hospitals and providers that have high COVID numbers; treat high percentages of Medicaid or uninsured/underinsured patients; are experiencing dire staffing shortages; or are located in rural areas. I appreciate that you have focused on these metrics in previous tranches of funding, and I urge you to continue prioritizing vulnerable hospitals and providers. Because they serve communities with low access to health care, it is critical that we help them keep their doors open to prevent an increase in the health disparities already plaguing our country.

Thank you for your consideration and for your work to help protect our hospitals and providers, who have been tirelessly caring for our communities throughout the COVID-19 pandemic.

Sincerely,

A handwritten signature in blue ink that reads "Raul Ruiz". The signature is fluid and cursive, with the first name "Raul" and last name "Ruiz" clearly distinguishable.

Raul Ruiz, M.D.