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May 29, 2020

The Honorable Alexander 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 deep concern with implementation of the Provider Relief Fund that misdirected tax dollars meant for health care providers serving on the pandemic's frontlines into the hands of private companies, hospitals no longer in business, and providers under investigation for fraud. Congress appropriated \$175 billion authorized in the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Paycheck Protection Program and Health Care Enhancement Act for the Provider Relief Fund for hospitals and other health care providers to cover COVID-19 related expenses and lost revenue from procedures postponed by the pandemic.

Though the urgency of the pandemic required prompt support, it neither required nor justified the Department of Health and Human Services' (HHS) lack of transparency and mismanagement of taxpayer funds. HHS has evaded questions regarding its methodology, timeline for distribution, and identification of recipients and amounts allocated from the Provider Relief Fund. After weeks of delay, HHS automatically sent some grants based on 2019 Medicare fee-for-service reimbursement, resulting in numerous improper payments. Fortunately, hundreds of millions of these monies were returned to HHS, including, for example \$2.3 million paid to Nix Health, a San Antonio hospital system, that had closed permanently months before the pandemic.¹

Because some of those who received improper payments may not have neither reported nor returned the misdirected funding, we seek to determine the magnitude of the HHS failure and what steps have been undertaken to assure complete restitution. Additionally, we are concerned that providers under investigation for civil or criminal fraud have also received federal funding.²

¹ Laura Garcia, "San Antonio hospitals, practices land \$154 million in bailout funds," *San Antonio Express News*, May 22, 2022, <https://www.expressnews.com/business/health-care/article/San-Antonio-hospitals-practices-land-154-15287645.php>.

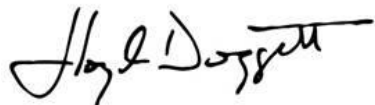
² Sarah N. Lynch and Marisa Taylor, "Exclusive: U.S. coronavirus stimulus went to some healthcare providers facing criminal inquiries" *Reuters*, May 1, 2020, <https://www.reuters.com/article/us-health-coronavirus-usa-medicare-exclu/exclusive-u-s-coronavirus-stimulus-went-to-some-healthcare-providers-facing-criminal-inquiries-idUSKBN22E00Z>.

Accordingly, we seek your prompt response to the following questions:

1. Please provide a list of Provider Relief Fund recipients from the following categories and specify which recipients have returned the funds to HHS:
 - a) Hospitals, clinics, and other facilities no longer in operation,
 - b) Private corporations, and
 - c) Entities and individuals under investigation in civil and criminal actions with Medicare or Medicaid.
2. What actions has HHS taken to identify erroneous Provider Relief Fund recipients and what guidance has HHS provided to these entities to return the money to HHS? Please include a timeline of actions.
3. What action has HHS taken against Provider Relief Fund recipients who were erroneously paid but who have not reported or returned federal funding to HHS?
4. What actions has HHS taken or planned to take against any entity which fails to promptly agree to the self-attestation policy within the required 30 days?
5. What action will HHS take to ensure errors in funding distribution will not be repeated when distributing the remainder of the Provider Relief Fund?
6. How does HHS plan to conduct oversight to identify fraudulent use of Provider Relief Fund dollars that violate the agreed upon terms and condition?

In this time of great need, we must ensure federal funding intended to support health care providers reaches those who need it most. It is critical that HHS not only account for and recover funds allocated erroneously through careless implementation, but also take steps to ensure future allocations are not plagued by the same mistakes. We look forward to your prompt response.

Sincerely,



Lloyd Doggett



Katie Porter