

April 24, 2020

Secretary Alex Azar Secretary of Health and Human Services U.S. Department of Health & Human Services 200 Independence Avenue, S.W. Washington, D.C. 20201

### Dear Secretary Azar:

On behalf of our <u>16 member organizations</u>, which serve 858,757 patients for <u>3.6 million visits each year</u>, <u>in 140 practice locations</u>, in the three southernmost California counties of San Diego, Imperial, and Riverside, and the <u>29 million patients</u> America's Community Health Centers serve, thank you for recognizing how desperately the health care delivery system is in need of additional resources.

However, I must convey my great disappointment that there was no specific reference to Community Health Center (CHC) funding in the recently announced CARES Act Provider Relief Fund. While I had been told that CHCs would be included in the \$50 billion general fund allocation, the HHS allocation formula will not provide enough financial support.

## **Request**

I urgently request that with the next apportionment there be a specific fund for CHCs including Federally Qualified Health Centers (FQHCs), FQHC look-alikes, and community clinics. As you formulate guidance for allocation of the \$75 billion added to the Public Health and Social Services Emergency Fund (PHSSEF) by the Paycheck Protection Program and Health Care Enhancement Act, I urgently request <u>\$8 billion of the new \$75 billion funding be awarded to this CHC fund.</u>

## **Extreme Financial Hardship**

California's Community Health Centers are anticipated to lose \$1 billion in the next three months. My member health centers alone anticipate losing \$241 million over the next six months. These losses will deplete their reserves and require layoffs of more than 3,300 staff, including front-line medical providers.

Closures and job losses will ripple through local economies, resulting in an additional \$291 million in lost revenue and more than 3,200 additional lost jobs. Unless this situation changes immediately, more than 25% of CHCs will exhaust operating funds in the next three months, and another 25% will have less than one months' worth of cash on hand. With the COVID-19 response expected to last at least three months, one analysis suggests that without immediate financial assistance 51% of Community Health Centers will be forced to close before this pandemic is under control.



# Value of CHCs during Public Health Emergency

Across the nation, nearly 30 million people rely on CHCs for their dental, behavioral health and medical care. That's 1 in 12. In California, CHCs serve 7.2 million patients annually, or 17% of all Californians. That's 1 in 6. In San Diego County, its 1 in 5 – or 20% of the entire local population – that relies on CHCs for culturally and linguistically competent, accessible, affordable medical care in the communities where they live.

During a public health emergency, CHCs provide triage, treatment, and referrals and work in partnership with local health departments, hospitals, medical groups, and the state of California. This crisis is no different. CHCs are uniquely positioned to assist in the fight against the spread of COVID-19. They are rooted in the communities they serve and are trusted places of medical care for anyone who walks through their doors. CHCs, especially when better resourced and supported by their state and federal partners, have the potential to unburden their hospital partners which need to be ready and available to receive the sickest Californians.

I implore you to grant CHCs \$8 billion in sorely-needed emergency funds, restrict them for their use alone, and recognize the critical role CHCs play in the COVID-19 response in our country's collective fight against the virus.

## My patients, your constituents, our country deserve nothing less.

Sincerely,

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Henry Houghteling Tuttle President and Chief Executive Officer <u>htuttle@hcpsocal.org</u>

CC: Speaker Nancy Pelosi U.S. Representatives: Raul Ruiz, Scott Peters, Susan Davis, Juan Vargas, Ken Calvert, Mike Levin, Mark Takano

<u>Health Center Partners of Southern California</u>, a family of companies, includes a 16-membership organization of federally qualified health centers, Indian Health Services Organizations, both urban and sovereign, and Planned Parenthood of the Pacific Southwest, collectively serving 850,000+ patients each year, for 3.6 million patient visits each year, at 140 practice sites across San Diego, Riverside, Imperial counties, with the seventh largest provider group in the region. <u>2018/2019 Impact Report</u>.