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INSIGHTS

House Appropriations Subcommittee Examines the Provider Relief Fund and Health Care Workforce Shortage

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On April 26, 2023, the House Appropriations Subcommittee on Labor, Health and Human Services, and Education held an oversight hearing on the Provider Relief Fund (PRF) and health care workforce shortage. Members of the subcommittee had the opportunity to question Administrator Carol Johnson of the Health Resources and Services Administration (HRSA) around the PRF and how the President's FY 2024 Budget would impact the health care workforce shortage.

WITNESSES

- Carol Johnson, Administrator, Health Resources and Services Administration

MEMBER OPENING STATEMENTS

Chair Robert Aderholt (R-AL) mentioned that the original intent of the Provider Relief Fund was commendable as it maintained health care systems and allowed providers to continue to provide care despite the challenges and unknowns of COVID-19. However, he lamented about reports of use of improper payments through the PRF and that these funds are not being used as Congress's intended purposes. He also mentioned there are outstanding claims that are unpaid through the uninsured program. Chair Aderholt concluded his statement by opining on the workforce shortage impacting rural areas and the challenges to maintain quality health care for the patients in these communities as there is a lack of access to specialty care, high rates of opioid addiction, and lack of facilities.

Ranking Member Rosa DeLauro (D-CT) opened with discussing the major concerns around the workforce and the nursing shortage that communities are facing. She highlighted the significant investments made in the HRSA workforce programs over the past two years, commenting on the increase in funding for the behavioral health workforce, and Children's Hospital Graduate Medical Education. But Ranking Member DeLauro stressed that more investment is needed and that House

Republican budget which caps funding for 10 years will harm children and families in rural communities. Regarding the PRF, she mentioned that as it started under the Trump administration and that the subcommittee should discuss with the HHS officials who ran the program then. She commented that the Trump administration did not allocate the program according to congressional intent and sent money to

hospitals who did not need it, leaving out safety net hospitals who support Medicaid enrollees.

WITNESS OPENING STATEMENT

Administrator Johnson in her opening statement discussed investments in training and retaining the health care workforce, and the agency's efforts to sustain the nation's critical health care infrastructure through pandemic relief investments. She discussed that the budget prioritizes training more medical residents, alleviating bottlenecks in the nurse training pipeline, investing in growing the behavioral health workforce, prioritizing the health and well-being of the current workforce, and spurring innovation in health workforce training. By continuing to build on these investments that Congress has funded in the past, HRSA can continue to support communities in need and provide resources to the rural and underserved communities.

Additionally, she highlighted that the PRF provided a lifeline to healthcare providers that needed financial support. Since HRSA established the program, HRSA has made over 800,000 payments to more than 440,000 providers across the country. This was done in a timely way but she understands the importance of ensuring these funds were and still are being used properly. To ensure payments were made fairly, HRSA implemented a variety of program integrity and risk mitigation measures both before and after making payments.

MEMBER DISCUSSION

Provider Relief Fund & COVID-19 Uninsured Program

Chair Aderholt asked Administrator Johnson how HRSA is tracking the improper payments made through the PRF and the COVID-19 uninsured program. In accordance with the Program Integrity Information Act, Administrator Johnson commented that the total amount of improper payments through the COVID-19 uninsured fund was 0.32 percent for FY22. The figure for FY23 is still being investigated. Regarding improper PRF funds, she mentioned that HRSA is working closely with the Department of Justice to purse investigations for waste, fraud and abuse of the program and through HRSA's analytics are able to validate providers and flag bad actors.

Rep. Mark Pocan (D-WI) highlighted that under the Trump Administration that PRF was being used to subsidize mergers and acquisitions, which was not the intent of the program.

Administrator Johnson highlighted that HRSA added additional reporting requirements in phase 4 that identified the usage of these funds for mergers. Rep. Pocan pressed on her whether HRSA will claw back these funds and the Administrator did not give a straight answer. She insisted that HRSA implemented

robust program integrity measures and that HRSA is staying consistent with the statute requirements that the funds are going towards losses and expenses associated to the virus.

Rep. John Moolenaar (R-MI) wanted to talk about the most recent phase 4 funds and the average amount that each applicant receives. Administrator Johnson mentioned that each application is very specific and does not have those numbers with her. He also questioned that with

the Public Health Emergency ending if PRF money should be allocated still as it is not going towards addressing emergency response and services. The Administrator disagreed with this line of thinking and mentioned that HRSA is making a thoughtful transition with the emergency ending and the goal is to have a smooth transition.

Health Care Workforce Shortage

Rep. Pocan commented that temp-like agencies are impacting not only the costs for health care workers but having an impact on hospital retention of these workers. Administrator Johnson commented that she is aware of the impact this is having on the workforce but does not have a way to regulate this issue. She instead pointed out there is a need to build on clinical facilities to train nurses and retain them in the communities they serve.

Rep. Julia Letlow (R-LA) similarly commented on adequate staffing and if academia needs to be more involved. Administrator Johnson mentioned that there is not only a need for faculty, but a need for delivery sites. She mentioned there is need to recruit and retain clinical

faculty so that universities can take in nurses and that HRSA's loan repayment program can assist in recruiting these individuals.

Rep. Josh Harder (D-CA) mentioned that to improve the health care workforce, other agencies such as Centers for Medicare and Medicaid Services and the National Institute of Health use similar criteria that HRSA uses when it comes to determining medically underserved populations as this will help divvy out the resources to truly fix the workforce shortage issue.

Ranking Member DeLauro, and Reps. Steny Hoyer (D-MD) and Lois Frankel (D- FL) all commented on the House Republican Budget and how a drastic cut to discretionary programs would impact HRSA's work and harm the communities the agency serves. Administrator Johnson commented that the reduction in funding to these programs would impact the number of grants, scholarships, or training programs that HRSA could provide, which would in turn impact communities and patients.

HRSA Outreach

Rep. Juan Ciscomani (R-AZ) was curious about how the Administrator is conducting outreach to other entities that are qualified for grant funding. Administrator Johnson commented that to ensure more competitive grants from all eligible entities, HRSA has started reaching out to communities, simplifying the application process, and being clear on HRSA's objectives.

We trust you found this summary useful. Please reach out to us with any questions.

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