



**American Hospital
Association®**

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March 3, 2015

Nicole Lurie, M.D.
Assistant Secretary for Preparedness and Response
Department of Health and Human Services
200 C Street, SW
Washington, DC 20201

Dear Dr. Lurie:

On behalf of the American Hospital Association's (AHA) nearly 5,000 member hospitals, health systems and other health care organizations, I am writing to express our disappointment with the level of funding made available to hospitals in the Assistant Secretary for Preparedness and Response's (ASPR) Feb. 20 Funding Opportunity Announcement (FOA) for the Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities. We have heard from numerous concerned hospitals whose reaction to the FOA has caused us to again express our serious concerns that hospitals that incurred extraordinary costs to prepare to care for Ebola patients may only receive funding to cover a portion of those costs, while some hospitals may not receive any funding for their Ebola preparedness efforts.

While working with Members of Congress during the appropriations process that led to the emergency supplemental funding for Ebola, it was made clear that Congress intended to adequately reimburse hospitals for the costs they incurred in preparing for patients with confirmed or suspected Ebola. However, in the FOA, ASPR releases only \$194.5 million of the \$576 million that Congress provided to the agency for Ebola preparedness, leaving \$381.5 million in unallocated funds – meaning a total of 66 percent of funds are being withheld. Even taking into consideration the other initiatives that ASPR has identified for the use of the remaining \$381.5 million, such as a national training and education center, domestic transportation and an injury compensation fund, ASPR could easily increase its allocations and adequately reimburse hospitals for their significant Ebola preparedness expenses. The AHA strongly urges ASPR to develop a plan to release a portion of the remaining \$381.5 million in order to ensure that Ebola Treatment Centers and state-designated Ebola hospitals are reimbursed for their related expenses on a cost basis.

ASPR's FOA sets a maximum amount of \$1 million for any Ebola Treatment Center. However, some Ebola Treatment Centers have spent well above \$1 million on their preparedness activities and it is disappointing that ASPR will not recognize their extraordinary efforts and the associated costs of their preparations. The AHA urges ASPR to remove this cap and allow awardees to reimburse hospitals for their total costs related to Ebola readiness.



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While the AHA supports the goal of system-wide readiness, in the instance of Ebola, readiness is centered on hospitals. It is primarily the hospital members of the health care coalitions (HCCs) that will be involved in caring for an Ebola patient. This is not reflected in ASPR's FOA. An inappropriately large proportion of the funds, at least 30 percent, is allocated to the HCCs. After taking state direct and indirect costs and the minimum amount allocated to HCCs, hospitals will only receive 17 to 33 percent of the funds intended to reimburse them for their incurred costs associated with Ebola readiness under Part A of the FOA, depending on state or city discretion. The AHA urges ASPR to increase the amount available to the very institutions that are willing and able to provide care to Ebola patients and keep our communities safe.

In addition, numerous state-designated hospitals were not included on the Centers for Disease Control and Prevention's (CDC) official list of Ebola Treatment Centers, even though they stepped up to prepare to care for Ebola patients, including undertaking all the same steps and activities as Ebola Treatment Centers and incurred significant associated costs. These hospitals were designated or otherwise recognized by their states as hospitals that were prepared to treat Ebola patients. Some of these hospitals were assessed by the CDC's Rapid Ebola Preparedness teams, and some were not. Unfortunately, because these state-designated hospitals were not included on the CDC's official list, their incurred expenses are not recognized in ASPR's FOA in the same manner as hospitals that are on CDC's list. Also, Ebola assessment hospitals are not protected in ASPR's FOA, leaving any incurred costs associated with Ebola preparedness to be reimbursed at the complete discretion of the state or city. It is categorically unfair to disregard the costs incurred by these facilities when ASPR has \$381.5 million available for just this purpose, and these hospitals were designated or recognized by their state.

When the Ebola crisis struck, America's hospitals responded. Hospitals worked to ensure that their facilities were prepared to safely care for suspected and confirmed Ebola patients. We are proud of the extraordinary efforts hospitals throughout the country took to become prepared. Hospitals were the bedrock of safety and security as our country faced the Ebola health care crisis. If hospitals are to continue to ensure the safety of patients and caregivers and maintain the level of preparedness their communities expect, they must have the necessary resources to do so. We urge ASPR to recognize all the costs that hospitals incurred for Ebola preparedness and adequately reimburse hospitals for their expenses.

Thank you for your consideration.

Sincerely,

/s/

Rick Pollack

Executive Vice President