United States Senate

WASHINGTON, DC 20510-3203

June 21, 2020

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

Dear Secretary Azar,

We write to express concern regarding the distribution of funds Congress allocated for COVID-19 testing and contact tracing, including for providing testing to the uninsured. Congress provided more than $25 billion to increase testing and contact tracing capacity[1] and $2 billion to provide free COVID-19 testing for the uninsured by paying providers' claims for tests and associated items and services (such as, office or emergency room visits needed to get an order for or to administer a test).[2] [3] While it has been months since these funds were first appropriated, the Administration has failed to disburse significant amounts of this funding, leaving communities without the resources they need to address the significant challenges presented by the virus. The United States is at a critical juncture in its fight against COVID-19, and now is the time for an aggressive and fast response. This Administration will put our country at grave risk if it tries to declare an early victory, leave lifesaving work undone, and leave resources our communities desperately need sitting untouched.

Regarding funding for ramping up testing and contact tracing capacity, the Administration has full discretion to spend, as it sees fit, more than $8 billion of the $25 billion provided by Congress. With COVID-19 cases spiking in numerous states, the Administration has not released a plan to distribute this funding. It is critical that the Administration disburse the $8 billion immediately with an emphasis on addressing two major unmet needs: contact tracing and collecting data on COVID-19 racial and ethnic disparities.

The country's current contact tracing workforce is inadequate to deal with the new spike in COVID-19 cases. Leading public health groups say state and local governments need $7.6 billion to quickly scale up contact tracing, including $4.8 billion to hire at least 100,000 contact tracers.[4] Meanwhile, other experts believe the country needs closer to 300,000 contact tracers. A bipartisan group of experts proposed last month that $46.6 billion is needed to contain the spread of COVID-19 – including $12 billion for expansion of the contact tracing workforce.[5]

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[1] https://www.congress.gov/bill/116th-congress/house-bill/266/text
[2] https://www.congress.gov/bill/116th-congress/house-bill/6201/text
[3] https://www.congress.gov/bill/116th-congress/house-bill/266/text
[4] https://www.naccho.org/uploads/full-width-images/Joint-Public-Health-Contact-Tracing-Workforce-Request-4.30.20-FINAL.pdf
[5] https://apps.npr.org/documents/document.html?id=6877567-Bipartisan-Public-Health-Leaders-Letter-on

Dr. Scott Gottlieb, who served as Commissioner of the Food and Drug Administration under President Trump, said recently that, "Right now, we haven't been able to trace [spread of the virus] back to the source because we don't have all that track and trace work in place. And so that's a challenge for public health officials."[6] Yet despite this urgent need, the Centers for Disease Control and Prevention (CDC) has not even awarded nearly $4 billion in funding at its disposal that could be used for public health surveillance, and state, local, tribal and territorial surveillance and contact tracing efforts.

Additionally, the effort to gather COVID-19 data on race and ethnicity is woefully inadequate. Recent reports found that 52 percent of reported cases are missing information on race or ethnicity, preventing public health officials from knowing where to target interventions in communities of color.[7] Even with these low reporting frequencies, the data we do have indicates that the disparities are vast. By its own admission, the Trump Administration must change its approach to this issue. CDC Director Robert Redfield acknowledged that the Administration's paltry initial report to Congress on demographic data fell short, saying that "I want to apologize for the inadequacy of our response."[8] Brett Giroir, HHS Assistant Secretary for Health and former coronavirus testing czar, said "We're flying blind until this comes in. We can't develop a national strategy to reach the underserved, or know how well we're doing, until we have the data that shows us if we're reaching them or not."[9] Communities of color ravaged by COVID-19 cannot afford to wait any longer for a better approach.

Regarding funding to provide free testing for the uninsured, to date, media reports note that "only $10.8 million, or 0.5% of the $2 billion Congress set aside to help providers pay for COVID-19 testing for uninsured patients, has been approved to be paid during the first two weeks of the program's operation."[10] Recent news reports note that slow distribution of these funds may be caused by technical flaws with the portal for submitting claims, a lack of awareness about the availability of the funds, and coding issues.
No patient should avoid seeking medical care because they are worried they cannot afford it—especially in the midst of a pandemic, in which reluctance to seek care because of cost endangers the health of others. Congress appropriated these funds in large part because we know that patients often forego recommended tests and treatments because of cost.[11] The need for these funds is made even more acute by the Trump administration's sabotage of our health care system, leaving increasing numbers of Americans uninsured. Even before the pandemic began, the U.S. Census Bureau reported that the number of Americans without health insurance rose by about 2 million in 2018. Even the number of uninsured children increased.[12]

The pandemic has exacerbated this trend. After the start of the pandemic, the Kaiser Family Foundation estimates that as many as 27 million people may have lost employer-sponsored insurance between March 1 and May 2, many of whom may be eligible for an automatic special

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[6] https://www.washingtonpost.com/news/powerpost/paloma/the-health-202/2020/06/15/the-health-202-u-s-isn-t-ready-for-the-contact-tracing-it-needs-to-stem-the-coronavirus/5ee6528b602ff12947e8c0d7/

[7] https://www.politico.com/news/2020/06/14/missing-data-veils-coronavirus-damage-to-minority-communities-316198

[8] https://www.politico.com/news/2020/06/04/coronavirus-robert-redfield-racial-disparity-cdc-301223

[9] https://www.politico.com/news/2020/06/14/missing-data-veils-coronavirus-damage-to-minority-communities-316198

[11] https://www.norc.org/PDFs/WHI%20Healthcare%20Costs%20Coverage%20and%20Policy/WHI%20Healthcare%20Costs%20Coverage%20and%20Policy%20Issue%20Brief.pdf

[12] https://khn.org/news/number-of-americans-without-insurance-rises-in-2018/

enrollment period.[13] Further, the Trump administration has refused to open a national special enrollment period to make it easier for patients and families to sign up for comprehensive coverage, while continuing to promote "junk" short-term plans that are allowed to discriminate against people with pre-existing conditions and are not required to cover the essential health benefits, like prescription drugs.

This funding is also important to addressing health disparities. As of 2018, nonelderly Black, Hispanic, American Indian and Alaska Native, and Native Hawaiian people and Pacific Islanders are more likely to be uninsured than white people.[14] This lack of access to care is one factor that contributes to the worse health outcomes experienced by communities of color with respect to COVID-19.[15]

Funding to cover the cost of testing for the uninsured is also critical to support health care providers. The American Hospital Association estimates that, over a four-month period from March 1 to June 30, hospitals will experience $202.6 billion in losses. The rise in the uninsured population contributed to a 13 percent increase in bad debt and charity care in March of this year compared to the prior year.[16]
We call on you to immediately disburse the remainder of the $25 billion in funds to ramp up testing and contact tracing capacity, as well as to make sure providers are aware of and able to easily access the $2 billion that Congress appropriated to provide testing for the uninsured. Thank you for your urgent attention to this matter.

Sincerely,

Charles E. Schumer
United States Senator

Patty Murray
United States Senator

[13] https://www.kff.org/coronavirus-covid-19/issue-brief/eligibility-for-aca-health-coverage-following-job-loss/
[14] https://www.kff.org/disparities-policy/issue-brief/changes-in-health-coverage-by-race-and-ethnicity-since-the-aca-2010-2018/
[15] https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/racial-ethnic-minorities.html
[16] https://www.aha.org/guidesreports/2020-05-05-hospitals-and-health-systems-face-unprecedented-financial-pressures-due#:~:text=Discussion,of%20%2450.7%20billion%20per%20month.