



July 13, 2020

Gloria and Ed –

Thank you for the hard work by Business Oregon to develop the grant program to assist rural hospitals that are facing financial hardship and continued uncertainty due to the COVID-19 pandemic. Oregon's hospitals and health systems and the communities they serve face an unprecedented and continuing challenge. We appreciated the swiftness by your office to release the application for the Rural Hospital Stabilization Grant and ensure funds could be spent promptly and appropriately as required by the federal government.

We believe the Legislative intent of this program was to provide the broadest opportunity to as many small and rural hospitals who are in need, as possible during this challenging time. As you have seen and what we collectively heard after seeing the application, many small and rural hospital did not meet the initial application criteria for funding. We look forward to working with you on next steps in the process for the grant to meet our shared objectives to distribute the remaining \$50 million that was allocated by the Legislature's Emergency Board to for rural hospital as we believe was the Legislature's intent. We are strongly supportive of collaborative efforts to ensure a fair, equitable, and transparent process that includes input from hospitals. We look forward to working with you to ensure broader eligibility for small and rural hospitals with the goal of being inclusive. Each hospital will make its own decision about whether provisions, or the funds they would be eligible for, are prudent.

As we are experiencing with this pandemic, we cannot predict the future. Through the contracting process, we request Business Oregon consider provisions that acknowledge the ever-changing environment both hospitals and health systems and our communities face in the weeks and months ahead. With the best intentions, agreements under the terms of this grant may need to be reexamined to allow for circumstances no one can anticipate. We ask for this consideration during this process and during final implementation.

Oregon's rural hospitals are anchors of their communities, from both a public health and economic perspective. For most communities, the hospital is the largest employer, offering family-wage jobs and economic stability, while providing essential health services. Meanwhile, hospitals and the health care workers they employ are on the front lines, serving their community's health care needs and responding to the ever-changing demands of the pandemic. This generous commitment for rural communities will help our hospitals stabilize their operations and continue to serve their patients. While each of our rural hospitals are facing challenges unique to them due to the impacts of the COVID-19 response, they are unified in a commitment to meet the health needs in rural Oregon.

Thank you for your assistance during these challenging times and for your support of rural hospitals and the communities they serve.

Sincerely,

A handwritten signature in black ink, appearing to read "Katie M. Harris". The signature is fluid and cursive, with a long horizontal stroke at the end.

Katie Harris
Director of Rural Health & Federal Policy
Oregon Association of Hospitals and Health Systems