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Health Care Providers in Georgia’s Low-Income Communities Need Financial Relief

The pandemic has strained small, independent providers in areas already suffering from care shortages.

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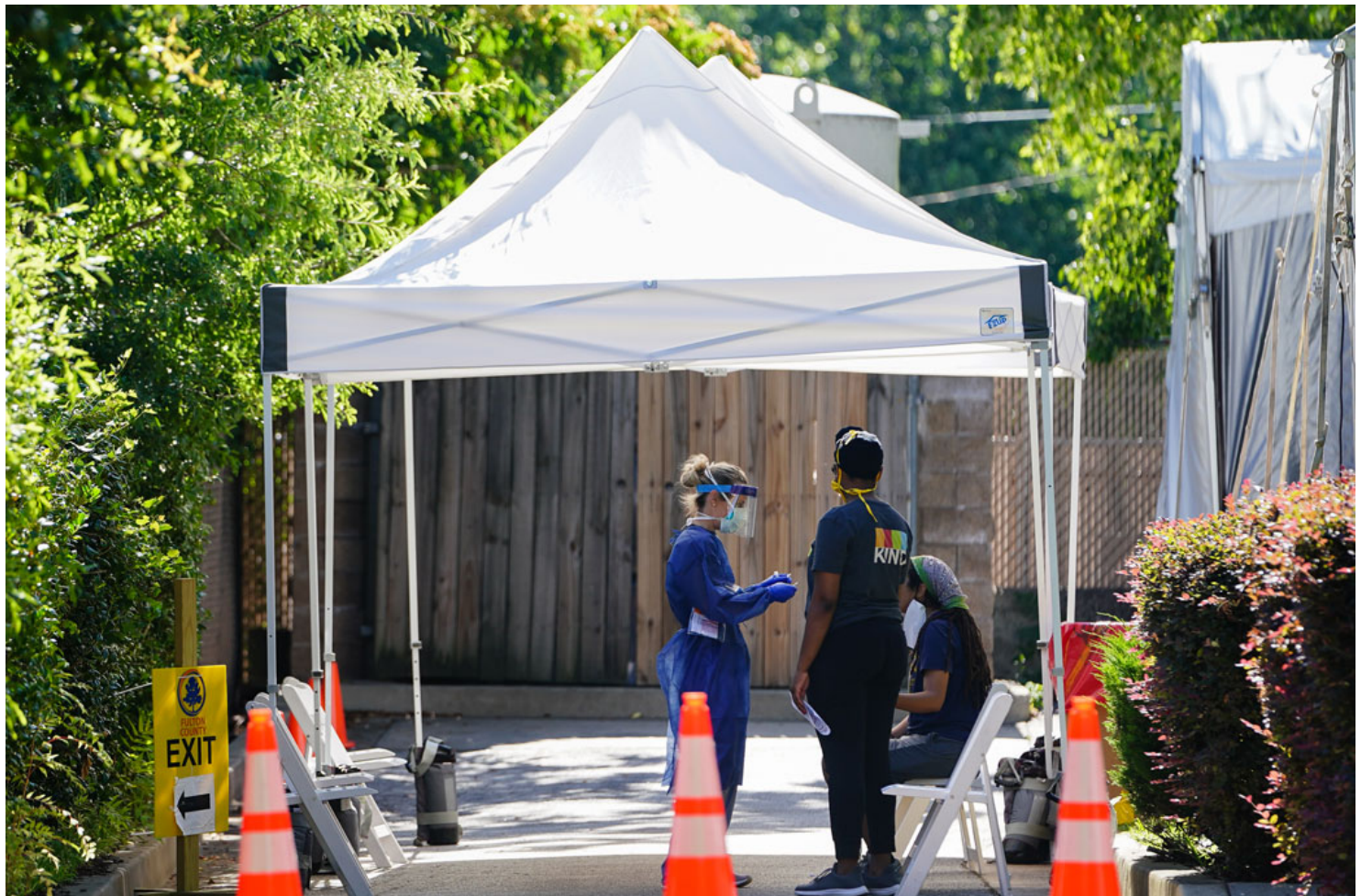


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People get tested for COVID-19 at a free walk-up testing site on July 11, 2020, in Atlanta. (Getty/Elijah Nouvelage)

Low-income communities across Georgia and the United States have long faced problems with access to health care, and the coronavirus pandemic threatens to make a broken system worse. Health care providers that serve low-income areas

often receive lower reimbursement, and small, independent providers are less likely to have a financial cushion to sustain them.

As the pandemic took hold, health spending in the United States plummeted, with annual health care expenditures projected to fall for the first time since the 1960s. At the recommendation of public health officials, hospitals have cleared beds to make room for COVID-19 admissions, medical offices have reduced services, and patients have deferred care. Health care providers have been forced to furlough employees, and practice owners worry they may be forced to close for good.

Primary care, in particular, plays an important role in health care; primary care access improves health outcomes and utilization of preventive services. Low-income areas—whether urban or rural—have long faced physician shortages, and Georgia ranks in the bottom quarter of U.S. states when measuring physicians per capita. These shortages make low-income populations, who are also at a higher risk of serious illness due to COVID-19, particularly reliant on community health centers and outpatient clinics.

Amid the pandemic's economic downturn, millions of people across the county have turned to Medicaid. The program is crucial to access to care for low-income populations—who have been disproportionately sickened by COVID-19—and can improve beneficiaries' financial security. Unfortunately, Georgia has refused to join dozens of other states in fully expanding Medicaid eligibility under the Affordable Care Act, a move that would cover about 400,000 low-income uninsured Georgians and reduce the burden of uncompensated care for providers.

Small providers haven't received their fair share of relief

Providers for underserved communities struggled to receive a fair share of COVID-19 relief funding. The Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law in March 2020, provided a pool of funding for providers. While large for-profit hospital chains received billions of dollars, smaller hospitals faced delays, and hospitals with higher numbers of privately insured patients were set to receive twice as much per bed. The U.S. Department of Health and Human Services (HHS) later directed \$13 billion in coronavirus relief funding to safety net hospitals, but this is hardly an equitable share of the total \$175 billion available through CARES Act and the Paycheck Protection Program and Health Care Enhancement Act. In fact, some hospitals accepted far more money than they needed: HCA, for example, the for-profit chain of more than 180 hospitals, including in Georgia, ended up returning \$6 billion.

Moreover, the original distribution of CARES Act money left out providers that primarily serve Medicaid patients and children, including community health centers and some physician offices. While the federal government eventually addressed that oversight, the aid amounted to only 10 percent of community health centers' normal revenues. Of the total \$3.2 billion in relief allocated to Georgia as of early December, about 40 percent went to just 20 providers, leaving more than 10,000 providers splitting the remainder, according to the authors' analysis of federal data. Without more aid to keep them afloat, providers may have no choice but to lay off more employees or close their doors, leaving patients with fewer options for care and communities with fewer jobs.

As the United States battles a third peak of COVID-19 cases, Congress and HHS must do more to support providers and ensure that adequate aid reaches low-income areas. In the immediate term, the government should disburse the

remaining CARES Act funding to those who need it. In the longer term, federal policymakers should consider reforms to help cover the millions of uninsured people who fall into the [Medicaid coverage gap](#) in states such as Georgia and to boost America's health care workforce to improve access to care for low-income populations.

Conclusion

The health care workers who stand on the front lines of the pandemic deserve better support and need help now. Congress needs to pass another relief package and charge HHS with distributing provider relief more equitably this time. The Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act—which [passed](#) the U.S. House of Representatives in May but has not received a vote in the U.S. Senate—would offer another [\\$100 billion](#) in provider relief, and the [bipartisan package](#) currently under negotiation in Congress would add [\\$35 billion](#). Communities' health depends upon the survival of health care providers, both during the pandemic and beyond.

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