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## Not-for-profit hospitals could get millions in congressional earmarks

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Dave Ramsey, president and CEO of Charleston Area Medical Center in West Virginia, was surprised when staff for Sens. Joe Manchin (D) and Shelley Moore Capito (R) called over the summer to ask if the 956-bed hospital had any projects for which it needed funding.

As a not-for-profit teaching hospital and regional referral center in one of the poorest states in the country, the answer naturally was yes.

The senators asked because, after a 10-year hiatus, congressional Democrats are bringing back [earmarks](#), which allow individual lawmakers to

target funding in appropriations bills for specific needs back home.



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Manchin and Capito secured a collective \$15 million in the Senate's Health and Human Services funding bill to finance new clinical imaging equipment, an expanded intensive care unit and a new education and research building aimed at attracting medical students to the Charleston Area Medical Center.

"We have a very poor payer mix. We're not a wealthy hospital. We're not from a wealthy state, and we're challenged every year when it comes to capital," Ramsey said. "To have these three projects be selected is a wonderful thing for us and it takes a little bit of pressure off of our capital needs."

Not-for-profit hospitals and other providers are slated to get millions of dollars in **earmarks** through spending bills that could pass as soon as next month.

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Congress can allocate about \$15 billion in fiscal 2022 for earmarks, which amounts to less than 1% of federal discretionary spending.

Of that, the Senate designated more than \$728 billion for health-related projects that would be distributed by the Health Resources and Services Administration, according to a Modern Healthcare analysis.

The House [version](#) includes \$367 million in earmarks for projects financing the construction and renovation of healthcare facilities, including purchasing new equipment. The House and Senate will have to reconcile the differences between the bills, but the \$15 billion cap allows for all the projects that have already been included in appropriations bills to be funded, said Franz Wuerfmannsdobler, a senior adviser for the Bipartisan Policy Center, which has advocated for the return of earmarks.

Most of the earmarks would go to healthcare providers, including not-for-profit hospitals, academic medical centers, community colleges, nursing homes and assisted living facilities, public health departments and local governments, behavioral healthcare providers, and other not-for-profit organizations.

Most of the money is designated for facilities and equipment, given that access to capital can be hard to come by for cash-strapped providers.

Especially since the COVID-19 pandemic began, some of those projects have been on hold, and getting an earmark funded could give them a needed boost.

The Brooklyn Hospital Center in New York will receive one of the largest earmarks in the Senate bill: \$9.2 million to modernize its emergency department, as requested by the state's Democratic senators, Kirsten Gillibrand and Chuck Schumer, who is the chamber's majority leader.

That funding would help the 464-bed community teaching hospital complete an emergency department modernization, taking into account lessons learned from the pandemic, including the need for more isolation rooms. Improvements had been part of the system's strategic plan for several years, with no clear way to fully fund it. Then earmarks came back.

"It was a little bit of wish list as we tried to figure out how to make this happen," said Lenny Singletary, the hospital's senior vice president of external affairs.

The dollars would also pay for new examination and treatment rooms, a rapid assessment treatment area, psychiatric observation, cardiac treatment and bereavement rooms, new waiting areas, and new equipment for specialty services.

"We had no idea we were going to get the money to make the project complete in addition to getting equipment sorely needed for an institution of our age," Singletary said.

Republican banned earmarks after they won congressional majorities in the 2010 elections, citing corruption, waste and rising federal spending.

Supporters of reviving earmarks argue the money would have been spent anyway and that allowing lawmakers to control where it goes is preferable to

letting federal agencies makes those decisions.

The new earmarks process is also more transparent and requires members' requests and approved projects to be posted online. Earmarks are limited to not-for-profit entities and government agencies. House members are limited to 10 requests a year.

"In the past, the concern had been that big powerful old-timers in the House and Senate got most of the earmark money and other members might be excluded because they lack power," said Kevin Kosar, a senior fellow at the American Enterprise Institute. "This democratizes it," he said.

It's still true that powerful legislators—especially those on the Senate Appropriations Committee—did get some of the largest health earmarks.

The Senate bill sets aside \$30 million for Missouri State University to build a new health and life science center, which is a priority for home state Sen. Roy Blunt, the top Republican on the spending panel.

Blunt won several other earmarks, including \$12 million for the Missouri Coalition for Primary Health Care in Jefferson City and \$10 million for the Jordan Valley Community Health Center in Springfield, both for facilities and equipment.

Meanwhile, Sen. Lindsey Graham (R-S.C.), another appropriator, scored \$17 million for an operating room renovation at Beaufort Memorial Hospital.

Despite those large numbers, the average earmark in the Senate bill is worth about \$1.3 million.

While requests for fiscal 2022 earmarks are no longer being accepted, requests for the next fiscal year will likely begin within the next few months and close by the spring.

Not-for-profit organizations interested in earmarks should check their members websites to see what types of projects won approval this year and reach out to trade associations and community groups that have good contacts on Capitol Hill, said Michele Gilbert, a senior policy analyst at the Bipartisan Policy Center.

Requests go through members' offices, and projects that are picked by lawmakers' staff must also be approved by committee personnel.

Requesting entities should also demonstrate there is community support for a project, she said.

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