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## **Gov. Wolf Announces \$450 Million Loan Program for Financially Strained Hospitals**

**Harrisburg, PA** – There are more than 19,000 COVID-19 cases in the state as of midnight today with numbers expected to continue increasing, highlighting an even greater need to ensure that Pennsylvania's hospitals are equipped to care for patients and workers. To assist, Governor Tom Wolf today announced a new loan program – the Hospital Emergency Loan Program, or HELP – that will provide short-term financial relief to Pennsylvania's hospitals as they prepare for the growing surge of individuals infected with COVID-19 and the economic fallout of the nationwide pandemic.

“The combination of increased costs and reduced revenue has hurt many hospitals financially,” Gov. Wolf said. “We must support our hospitals through this unprecedented time. When this pandemic finally ends, we’re going to need hospitals to care for our regular medical needs, like heart attacks and broken bones. This new loan program will provide immediate relief to our hospitals, which are on the frontlines of this pandemic.”

The \$450 million loan package will be available to the commonwealth's hospitals to provide immediate financial support for working capital to ensure that these facilities have sufficient personnel, equipment, and personal protective equipment.

The funding was dispersed by the Pennsylvania Infrastructure Investment Authority (PENNVEST) and will be administered by the Pennsylvania Department of Community and Economic Development through the Pennsylvania First Program (PA First). It was approved by Treasurer Joe Torsella, who played a crucial role in the expedited release of this emergency funding.

“Hospitals across Pennsylvania should be focused on saving lives, not worrying about how to make ends meet until federal relief funds arrive months from now,” said Pennsylvania State Treasurer Joe Torsella, whose office must approve any investments made by the PENNVEST board. “I am proud to approve this prudent investment that will provide immediate, low-cost, and direct financing to enable hospitals to sufficiently staff their floors, purchase treatment supplies and protective equipment, and successfully

prepare for the surge of COVID-19 patients in the coming weeks. I commend the PENNVEST board for taking this step, and Governor Wolf for his leadership and continued commitment to protecting Pennsylvanians throughout this crisis.”

Pennsylvania health care facilities licensed as hospitals by the Pennsylvania Department of Health under the Health Care Facilities Act of 1979 that are eligible to receive federal grant funding through the CARES Act are eligible for HELP. The maximum loan size is \$10 million per hospital at an interest rate of 0.5 percent.

Applications will be available on [DCED's website](#) starting at 10:00 AM April 13 through April 20. The costs must be incurred between March 1 and Sept. 1.

HELP will allow hospitals to take responsive action now until funding through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was signed into law on March 27, 2020, is dispersed completely, with the goal of easing the financial strain of the pandemic and smoothing the transition back into regular health care operation.

Permitted expenses under HELP will mirror those under the CARES Act, allowing hospitals to close out their loan with CARES funding once it is received.