



May 5, 2020

The Honorable Alex Azar
The U.S. Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

The Honorable Peter T. Gaynor
Federal Emergency Management Agency
500 C Street S.W.
Washington, D.C. 20472

DELIVERED VIA E-MAIL

Re: Request for \$10 Billion in Additional Funding and Support for Long Term Care Facilities, including Nursing Homes and Assisted Living Communities, in Response to COVID-19 Pandemic

Dear Secretary Azar and Administrator Gaynor:

We appreciate the actions taken last week by the Department of Health & Human Services (HHS), Federal Emergency Management Agency (FEMA), the Centers for Medicare & Medicaid Services (CMS) and the Centers for Disease Control and Prevention (CDC) to respond to the deadly outbreak of COVID-19 in long term care facilities, including nursing homes and assisted living communities, across the country.

The decision by the CDC to update its guidelines to ensure symptomatic long term care residents and staff have priority access to testing is an important step towards helping this health care sector address outbreaks at our facilities. The arrival of FEMA's direct shipment of vital PPE supplies to more than 15,000 nursing homes will be a boost for our dedicated and heroic caregivers who are working around the clock to keep our residents safe. CMS' new reporting requirements of COVID-19 cases at nursing homes will help identify those with additional PPE and staffing needs to expediate additional support to impacted long term care facilities. We are also encouraged by the formation of the new Coronavirus Commission for Safety and Quality in Nursing Homes to help ensure nursing homes remain a top priority as our country continues its response to this pandemic.

However, given the gravity of the situation we are facing with this deadly virus and its impact on our vulnerable community, which cannot be overstated, long term care facilities require additional support and funding from state and federal governments to reduce the spread of this deadly virus.

Below outlines three critical areas where long term care facilities, including nursing homes and assisted living communities, need additional and immediate support in order to protect our residents and caregivers:

1. TESTING: Request CDC to Expand Priority Testing to ALL Residents and Caregivers of Nursing Homes and Assisted Living Communities – Regardless of Symptoms

In order for our industry to truly get ahead of the COVID-19 outbreak, expanding the availability of rapid testing remains a top priority. As we all have unfortunately learned, it is possible and common for people affected by COVID-19 to be asymptomatic. Without expanded testing, it is virtually impossible for us to know who in our facilities, whether

they are residents or caregivers, are COVID positive – making it extremely difficult to stop the spread of the virus.

Many residents and caregivers of nursing homes and assisted living communities across the country could be a carrier of the virus without symptoms, but contagious and at risk to spread the virus. The only way for our health care sector to get ahead of the outbreak of this deadly virus is for priority testing and availability of both collection and testing kits to be expanded to ALL our residents and caregivers, as well as assuring expedited test results.

2. PPE EQUIPMENT: Request FEMA to Expedite Shipments of Personal Protective Equipment (PPE) and Work with State Governments to Identify Additional Supplies

The lack of PPE has also put caregivers at a serious disadvantage in protecting themselves as they care for the vulnerable population who reside in our facilities. More than 70 percent of our long term care providers have been unable to find sufficient PPE supplies, like masks, gowns and face shields, and are facing shortages.

We truly appreciate the planned shipments of two seven-day PPE supply kits by FEMA directly to 15,000 nursing homes over the next two months. However, it does not include the much needed N-95 masks to assure the health care workers' safety and the rest will not be enough to ensure our facilities have an adequate amount of these vital protective supplies. Additionally, it does not provide supplies to assisted living communities, which also include vulnerable seniors impacted by COVID-19.

The next two months will be a critical time period in combating this virus in our facilities. Long term care should be made a higher priority and have access to more supplies as we wait for some of the manufacturing and supply chain issues to be resolved. While we don't want to delay the initial shipments, we urgently request the second seven-day shipment of supplies be delivered by the beginning of June and that the nearly 30,000 assisted living communities also receive badly needed PPE equipment, including N-95 masks.

3. FUNDING/STAFFING: Request HHS to Provide \$10 Billion in Emergency Relief Funding to Pay for Staffing, Testing and PPE Equipment

To help fund expanded testing, PPE and additional staffing needed to respond to the COVID-19 virus, we urgently request HHS to provide an emergency response fund of \$10 billion for long term care facilities, similar to the action the agency undertook for hospitals, from the provider relief funding in the CARES ACT.

In the initial round of provider relief funding, HHS provided an allocation to every single Medicare provider in the country, regardless of whether they were combatting COVID-19 or not, and we understand that decision to get funding out of the door quickly.

But now, future rounds of funding need to be focused where COVID-19 is being fought. Right now, the epicenter for COVID-19 is in our nursing homes and assisted living communities. Our ask to HHS is to create a specific fund for long term care, just as the agency has done for hospitals. We're asking for an immediate \$10 billion fund for skilled nursing facilities (SNFs). Once that is completed, we ask for consideration of an additional fund for assisted living communities.

In addition, we understand that there is a distribution from the fund currently under consideration to go out to Medicaid-only providers, including home and community-based services. These providers have also been on the front lines working hard to prevent and contain this deadly virus, especially in a number of the hot zone areas. An expedited release of such funds to these Medicaid providers is much needed during this difficult time.

Every nursing home, whether it has cases of COVID-19 or not, is fighting to protect residents or keep the virus out the building. This has required substantial outlays for PPE, testing, agency staff and regular staff as we isolate and cohort residents, prevent staff from working across units, and increase cleaning and infection control procedures. If a nursing home has COVID-19 positive patients, those costs double and triple.

In addition to dealing with an unprecedented health crisis, the long term care profession is facing a significant economic crisis as COVID-19 has led to a significant decrease in new residents at nursing homes and assisted living communities, at the same time, it shoulders the burden of significant financial resources on testing, PPE and staffing in response to the virus. Like many other industries facing significant economic hardship, the long term care profession will need an influx of cash to keep their doors open for their residents and vital staff on payroll.

The need is immediate. We are suggesting an extremely simple formula for the requested \$10 billion fund for SNFs that could be easily refined as time goes on. Over the next four months, we suggest a payment based on size of the facility and whether it has COVID-19 positive residents.

As quickly as possible, an initial payment should be made to every facility based on its size in the following amount:

| | |
|---------------------------------|-----------|
| 50 and under licensed beds----- | \$50,000 |
| Between 51 and 100 beds----- | \$100,000 |
| Between 101 and 200 beds----- | \$150,000 |
| Over 200 beds----- | \$200,000 |

A facility with COVID-19 positive residents would also receive an additional payment in the same amount as reflected above, to target buildings with an outbreak of any size. With all nursing homes now required to submit this data to CDC on a weekly basis, it allows for identification of these facilities more readily.

Of the 15,000 SNFs in the U.S., the average initial payment would be around \$120,000 for a total of \$1.8 billion. Of those, roughly 5,000 have COVID-19 positive residents today, so the cost of the additional payment would be \$600 million.

A \$10 billion fund would allow these payments to continue for three to four months. While there is likely a more targeted way to distribute funds, we need help immediately. We encourage HHS to use this formula, or another simple one, and then perhaps, consider a more targeted approach after the first month.

Of course, the payments should be subject to restrictions. We would encourage that the funds could only be used for:

- PPE and testing;
- Additional staff;
- Incentives pay for existing staff;
- Lost revenue, as the statute provides, but capped at 25 percent of the facility's grant.

We respectfully request that HHS and FEMA provide this urgent request for funding and additional supplies to help the long term care profession during this unprecedented public health crisis to protect our beloved residents and heroic caregivers.

What we need now is to rally around nursing homes and assisted living communities the same way the public health sector has around hospitals.

It is not too late to make an enormous difference in the outcome of the COVID-19 battle in America's long term care facilities. The best public health policy is to focus where the battle is taking place, which is now most prevalent in nursing homes and assisted living communities across the country.

Without adequate funding, testing and supplies, long term care facilities will not be able to overcome this unprecedented health crisis and protect our residents and caregivers.

We sincerely appreciate the recent steps taken by your agencies and the White House to make long term care facilities a top priority. These providers will continue to work with local, state and federal health officials to ensure all possible actions are taken to keep residents and caregivers safe.

We look forward to working with HHS, FEMA, CMS, and this new Commission to identify ways that the public and private sectors can work together to support the needs of our health care heroes and ensure they have the additional resources needed to stem the tide of this pandemic among our residents.

Sincerely,



Mark Parkinson
President and CEO
American Health Care Association and National Center for Assisted Living (AHCA/NCAL)

Cc:

Robert R. Redfield, MD, Director, Centers for Disease Control and Prevention
Seema Verma, Administrator, Centers for Medicare & Medicaid Services