

SPARK COMMITTEE – UPDATE ON ADULT CARE HOMES

September 10, 2020



Overview of KDADS' Prior Requests to SPARK and Connection to HB 2016

HB 2016 directing KDADS to “provide the necessary personal protective equipment, sanitizing supplies and testing kits appropriate to the needs of each facility...”

To meet this requirement, KDADS worked with an interagency team with members from KDEM, KDHE, and the Department of Administration to identify resources for supplies, verify how adult care homes are connected to existing supply chains, and identifying available vendors for PPE.

To Meet the Requirements, KDADS:

- **Requested \$38.4 million from CARES funds for Nursing Facilities (NFs).**
 - SPARK approved that amount on July 29. The State Finance Council approved on July 30, and KDADS worked with the Recovery Office for the appropriate accountability mechanisms. To trigger receipt of funding, nursing facilities had to sign an attestation form ensuring appropriate use of the dollars.
 - KDADS received the first attestations from NFs on September 1 and sent the first \$10.4 million to 85 facilities. The first checks totaling \$10.4 million should be sent on September 17 for facilities with attestations received through September 7.

KDADS has received a total of 125 attestations through September 9.

- **Requested \$10 million for state licensed only Adult Care Homes (ACH).**
 - State-licensed-only homes were not eligible to receive any of the \$38.4 million from SPARK and aren't receiving the additional provider relief funds from HHS.
 - This \$10 million (\$8.5 for facilities and \$1.5 million for administration) is specifically for PPE purchases by state-licensed facilities, like assisted living facilities and Home Plus.

- The amount is based on providing \$225 per resident per month for 2.5 months for 15,100 beds.
- The proposal was approved by SPARK on September 9. We anticipate State Finance Council approval in the coming days/weeks.
- **Entering into a contract with a vendor to “provide PPE” directly to state-licensed-only facilities, and to provide a supply line from which nursing facilities receiving a portion of the \$38.4 million could order.**
 - The vendor will fulfill PPE orders from state licensed facilities from a limited set of PPE items.
 - KDADS will assign an allocation to each facility as a budget to guide their purchases.
 - Federally licensed nursing facilities will be able to order directly from this supplier using their CARES funding as payment.
 - The agreement is meant as a stop gap until a master state contract is open to all ACHs for PPE suppliers.

Outstanding SPARK Requests from KDADS – Testing

- Requested \$10 million from SPARK for testing at ACHs.
- Submitted to SPARK through the agency project process on September 4. The amount was designed to supplement money ACHs are receiving directly in provider relief funds for testing and to facilities that aren’t eligible for the federal dollars.
- New federal testing mandates made through a CMS interim final rule issued on August 26 and became effective on September 2. The rule requires skilled nursing facilities to test all staff. Testing frequency is determined by the county testing positivity rate. Testing can range from a requirement of 2x per week (10% county positivity rate) to 1x per week (5% positivity rate) to 1x per month (less than 5% positivity rate). Particularly in counties with high positivity rates, the costs are extensive.
- Before the testing mandate, ACHs followed the KDHE testing strategy including testing symptomatic people or targeted testing of individuals with a close contact. KDHE Epidemiologists work directly with facilities with identified positive or suspected positive case to perform broad based testing. KDHE lab provides all of the test kits and test results for the initial round of testing and two follow-up rounds.
- Facilities received enough test kits from the federal government only to perform an initial round of testing of staff and residents.
- Each facility also received \$10,000 plus \$1.450 per bed. For testing. That totals \$33.4 million for 324 nursing homes to pay for testing or supplying the HHS machines.
- The ACH trade associations have requested \$56 million through SPARK Round 3 funding for testing. This amount does not account for any federal funding skilled nursing facilities have received. In addition, the ACH trade associations have requested \$45.4 million for state-licensed only facilities.

TOTAL – Adult Care Homes in Kansas

Nursing Facilities and Intermediate Care Facilities

\$38.4 million from SPARK and approved by the SFC

\$10 million for testing requested from SPARK and awaiting approval from the SFC

\$102.4 million from HHS Federal Relief and Testing Fund

\$150.8 million to Kansas Adult Care Homes

State-Licensed-Only Facilities (Assisted Living, Residential Health Care, Home Plus)

\$10 million for PPE in response to HB2016, approved by SPARK and awaiting approval from the SFC

\$10 million to state-licensed-only Kansas Adult Care Homes