



May 1, 2020

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

Sent Electronically

Dear Secretary Azar:

LeadingAge and our partners, the Visiting Nurse Associations of America and ElevatingHOME, on behalf of our 6,000 non-profit members who provide housing, health care and personal assistance to older persons and persons with disabilities, appreciate your words on April 30 about the Administration's efforts to protect seniors. Today, we are writing to implore you to prioritize aging services providers for \$53.4 billion in payments from the \$175 billion that remain in the Provider Relief Fund.

As I've noted in prior communications, nursing homes, assisted living, home health and hospice agencies, PACE, adult day health, other home and community-based services providers, and affordable housing providers represent the entire continuum of the nation's aging services outside of the hospital setting. It is these providers who are the first line of defense to fighting the virus in the various places our elders call home. These care providers put themselves at risk of contracting the virus everyday as they provide personal care and services to the elders in our communities wherever they call home. Our aging services providers do this because of their compassion and commitment to caring for elders and they know how critical these services are to them.

Our providers' ability to combat this virus and keep the elders they care for out of the hospital is severely hindered without adequate funding to cover the unanticipated expenses for personal protection equipment, testing, additional staffing costs to adapt to the increased resource needs as a result of new COVID-19 policies, staff incentives to retain and encourage employees to take on dangerous assignments, costs for additional cleaning supplies and services, and offset lost revenues resulting from the crisis.

While we are grateful that aging services providers who deliver Medicare services have received payments from the first two tranches of the Provider Relief Fund, their needs remain high as they continue to incur expenses to protect our most vulnerable citizens and minimize the impact of this insidious virus.

Most importantly, many of the aging service providers who serve Medicaid beneficiaries such as adult day service providers, long-stay nursing homes, assisted living, home care, personal care, and other home and community-based providers have yet to receive the targeted funds for Medicaid only providers. These providers already endure significantly low operating margins and are bearing extreme hardship while awaiting these relief payments. We ask you expediate payments to these providers.

As HHS considers distributing the remaining \$29.6 billion from the first \$100 billion CARES Act appropriation and the full \$75 billion appropriation from the Paycheck Protection Program and Health Care Enhancement Act to Medicaid providers, we ask you to consider distributing payments in the following amounts:

- **\$7.44 billion for long-stay nursing homes** who provide ongoing custodial care to nearly 1 million of our most frail older adults
- **\$10.5 billion for the home and community-based service providers** who assist elders with their activities of daily living.
- **\$8 billion to assisted living providers** serving 1 million older adults of whom 16.5% rely on support through Medicaid.
- **\$1.275 billion to adult day service providers** who serve more than 260,000 older Americans and Americans with disabilities and due to social distancing requirements had to cease providing services in their centers. Some of these providers have continued to offer online social programs, meal distributions, and other services. These funds will help sustain these organizations until they can safely re-open.

These providers need these payments as quickly as possible to be able to continue to operate.

For those providers who have already received at least one payment, we ask for additional distributions to be made from the \$75 billion appropriated to the Provider Relief Program from the Paycheck Protection Program and Health Care Enhancement Act, PL 116-139 with an emphasis on the following aging services providers:

- **Nursing Homes:** The nation's roughly 15,000 nursing homes serve 1.6 million people daily of which nearly 1 million of them are long-stay residents. According to AARP, nearly 65% of long-stay residents are supported by Medicaid. We appreciate the funds distributed to nursing homes so far through the Provider Relief Fund but ask for an additional \$11.25 billion, which is proportional to our first ask.
- **Home health:** We asked for \$5 billion from the first \$100 billion for home health agencies who are providing critical care to individuals in their homes and request an additional \$3.75 billion be distributed from the \$75 billion appropriation.
- **Hospice:** \$1 billion more is needed for hospice to offset increased costs and revenue losses that they are experiencing.

We also are requesting targeted distributions for:

- **Programs of All-inclusive Care for the Elderly (PACE):** We are still asking that PACE programs receive a portion of the Provider Relief Funds as they serve more than 50,000 nursing-home eligible seniors, who are mostly dually eligible for Medicare and Medicaid. Many of their PACE centers have closed during the pandemic but PACE providers are finding creative ways to serve these individuals in their homes during the crisis. They still need at least \$180 million to support these efforts.

- **\$10 billion for aging services providers in COVID-19 hot spots.** Similar to hospitals particularly impacted by COVID-19, aging service providers are caring for suspected and confirmed cases of COVID-19, while simultaneously trying to protect our elders by preventing the spread of this virus in their communities. This is particularly challenging in congregate care settings.

On a related note, we recognize that affordable senior housing providers who serve more than 1.1 million older individuals with low incomes may not be eligible for the Provider Relief Funds, but we respectfully ask you to consider setting aside some available funds to support them. They, too, need as much as \$1 billion in relief to be able to cover costs for already incurred Personal Protection Equipment, sanitation supplies, visitor screenings, and additional staff to manage residents who are ill.

We understand that your team is working around the clock to respond to the many needs of providers and consumers during the COVID-19 national emergency. We are grateful for their responsiveness and dedication. Let me express my appreciation for your prompt attention to these issues and your continued leadership in addressing the challenges aging services providers are facing as we care for some of the country's most vulnerable – our elders -- during this pandemic. Please contact Ruth Katz at rkatz@leadingage.org or 202 -508-9470 with any follow up or questions.

Sincerely,

A handwritten signature in black ink that reads "Katie Smith Sloan".

Katie Smith Sloan
President and CEO