



April 8, 2020

SENT VIA EMAIL

The Honorable Lawrence J. Hogan, Jr.
Governor
State of Maryland
100 State Circle
Annapolis, MD 21401

Fran Phillips
Deputy Secretary
Maryland Department of Health
201 West Preston Street
Baltimore, MD 21201

Dear Governor Hogan and Deputy Secretary Phillips:

Thank you for all you and your teams are doing in the fight against COVID-19, on both the public health and economic fronts. We genuinely appreciate the consideration directed towards Maryland skilled nursing and rehabilitation centers and their teams yesterday during your press conference.

As you know, we are now in the early days of the COVID-19 care surge. Skilled nursing and rehabilitation centers and assisted living communities are a valuable asset to the healthcare network in our most urgent fight ahead. Together, we have known this time was coming and have done much to plan, adapt, and build in preparation.

During this critical time, skilled nursing and rehabilitation centers will remain dedicated to keeping residents, patients, and staff safe and they will continue to be a resource to our acute-care hospital partners by working hard to treat in place and limit hospital admissions.

Nursing homes and assisted living centers are actively working to comply with your recent orders. In fact, Maryland's long-term care sector has for weeks been actively planning for and creating clinically appropriate and separate isolation wings, units, or floors, both for newly and readmitted residents and for those with known or suspected COVID-19.

Along with you and your teams, we have been seeking possible solutions to the lack of testing and shortage of personal protective equipment (PPE). Despite all of our collective efforts, supplies remain short. Our national and state healthcare supply chain was simply not designed to meet this kind of national emergency. **Because those in our care are more susceptible to severe illness or death from COVID-19, the long-term and post-acute sector requests priority one status on PPE supplies.**

We applaud the creation of statewide strike teams to bring triage, emergency care, supplies, and equipment to overburdened nursing homes. Please know that behind the scenes we have been working together with the Maryland Hospital Association (MHA), the University of Maryland Medical System (UMMS), Johns Hopkins Medicine (JHM), and others for more than a month to coordinate the best ways to manage the care surge. In addition, we have reached out to the appropriate Maryland agencies on the following related policies.



We have requested for the Office of Health Care Quality (OHCQ) to waive the 30-day involuntary discharge rules in order to proactively segregate COVID-19 patients from non-COVID-19 patients and in preparation for an increase in hospital transfers at the peak of the care surge.

We have requested approval for an abbreviated eight-hour online CNA/GNA training course from the Maryland Board of Nursing (MBON). Our national partner, the American Health Care Association/National Center for Assisted Living (AHCA/NCAL), has a free course available online that has already been approved by the Centers for Medicare and Medicaid Services (CMS).

In public-private partnership we have to continue reviewing the current policy of admissions bans relative to skilled nursing and rehabilitation centers with even a single positive COVID-19 case or a single infected staff member.

Additionally, we seek your financial help. As you know, a federal relief package that includes a 6.2 percent temporary increase in the Medicaid federal medical assistance percentage (FMAP) was enacted on March 18. If fully matched, this 6.2 percent increase would add \$580 million in federal dollars to match Maryland Medicaid resources. The increased match is available to states retroactively, beginning January 1, 2020, and will continue until the last month of the quarter when the National State of Emergency ends.

We would like to respectfully again offer two specific recommendations to ensure that skilled nursing and rehabilitation centers have the funds they need now to manage this crisis and continue providing quality care to Marylanders in need. These recommendations are as follows:

- Retroactively apply the four percent Medicaid rate increase for skilled nursing and rehabilitation centers passed by the Maryland General Assembly in the budget and BRFA for FY21 beginning January 1, 2020 and continue until June 30, 2021. With the enhanced FMAP match of 6.2 percent, implementing this will require \$30 million in state dollars (less in state dollars because of the enhanced state match) and will provide a total estimate of \$65 million with the enhanced federal match.
- Implement a COVID-19 Medicaid add-on rate of three percent to be effective April 1, 2020 and continue until the last month of the quarter when the National State of Emergency ends. This COVID-19 add-on would be designed similar to Maryland's long-established ventilator add-on for nursing homes. This recommendation will require \$25.6 million in state dollars and will provide a total estimate of \$55.8 million with the enhanced federal match to fund critically needed care being provided by Maryland skilled nursing and rehabilitation centers.

These recommendations are critical for Maryland skilled nursing and rehabilitation centers to continue providing quality care during the COVID-19 pandemic. Skilled nursing facilities across Maryland have already made unprecedented investments in response to this ongoing crisis.

We anticipate that as we move further in to the care surge, costs will rise by 16 - 19 percent due to staffing shortages, bonus and overtime pay, costs for enhanced technology to manage telehealth and family visits, extremely inflated PPE costs, and the need to pay for high-cost medications for patients not normally transferred to our setting. Lastly, due to aggressive admissions bans, these facilities are currently operating at a much lower census and struggling to meet even regular payroll and basic costs.

Governor Hogan and Deputy Secretary Phillips

April 8, 2020

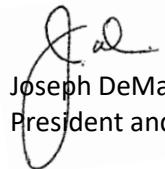
Page 3

As Deputy Secretary Phillips said yesterday, COVID-19 is sneaky, there is no cure, no vaccine, it spreads easily, and you do not know you have it for several days. As a nation and as a sector, we have gotten through crises before by working together to create innovative solutions. In the early days of the HIV/AIDS crisis, before we understood how it spread and before universal precautions were implemented, nursing homes in Maryland were among the first to compassionately care for terminally ill patients including infants, men, and women.

Thankfully, HIV/AIDS is today well understood, not terminal, and our sector is proud to have played a role in this. While we face many challenges with the current pandemic, we will continue to step up and find solutions to care for Marylanders in need.

Finally, please know that my colleagues at LifeSpan Network and LeadingAge Maryland join in support of this letter and in our appreciation of your leadership during this incredibly challenging time.

Respectfully,



Joseph DeMattos
President and CEO

CC: The Honorable Robert R. Neall, Secretary, Maryland Department of Health
The Honorable Dennis Schrader, COO & Medicaid Director, Maryland Department of Health
The Honorable David Brinkley, Secretary, Department of Budget and Management
Diane Croghan, Deputy Chief of Staff, Office of Governor Hogan
Webster Ye, Director, Office of Governmental Affairs, Maryland Department of Health
HFAM Board of Directors
Kevin Heffner, President and CEO, LifeSpan Network
Jill Schumann, President and CEO, LeadingAge Maryland
Allison Ciborowski, Director of Member Relations, LeadingAge Maryland