

Item 8: Department of Human Services / Oregon Health Authority /

Department of Administrative Services

Long Term Care Facility COVID-19 Baseline Testing

Analyst: Tom MacDonald and Laurie Byerly

Request: Increase the Federal Funds expenditure limitation for the Department of Administrative Services (DAS) initially established at the April 23, 2020 meeting of the Emergency Board by \$2,428,502, from funding made available to states through the Coronavirus Relief Fund (CRF) to support the transfer of CRF to the Oregon Health Authority (OHA) and Department of Human Services (DHS); and increase Other Funds expenditure limitations for OHA by \$2,128,502 and DHS by \$300,000 for funding from the CRF received by DAS and transferred to OHA and DHS for one-time COVID-19 baseline testing of long term care facility staff and residents.

Description: Under direction from the Governor, OHA and DHS implemented a statewide plan in June 2020 to test staff and residents for COVID-19 in Oregon's 683 state-licensed long term care facilities (LTCF). The plan has two phases:

- ***Phase 1 - baseline testing (one-time):*** By September 30, 2020, all licensed nursing, residential care, and assisted living facilities must complete baseline testing of their staff and consenting residents. This objective has been met and resulted in the testing of approximately 29,000 staff and 31,000 residents, for a combined total of 60,000 baseline COVID-19 tests.
- ***Phase 2 - routine testing (on-going):*** Within 30 days of the completion of the baseline testing phase, LTCFs must begin routinely testing their staff on a monthly basis. The agencies published an updated LTC testing plan in October 2020 that established on-going testing guidelines and identified relevant federal rules that had taken effect since the initial testing plan was published.

The agencies are requesting Coronavirus Relief Funds (CRF) to support the phase 1 baseline testing and related expenses that have already been incurred through September 30, 2020 and for which insurance or other sources of reimbursement are not available. These one-time costs total \$2.4 million, of which \$2.1 million represents OHA's costs and \$300,000 DHS's costs. A funding request to support on-going phase 2 testing costs is also before the Emergency Board today (Item #9). The table below summarizes the phase 1 baseline testing expenses identified in the agencies' request.

| LTC Baseline Testing Costs | OHA | DHS | Total |
|-------------------------------|------------------|----------------|------------------|
| Testing | 1,849,236 | 300,000 | 2,149,236 |
| Personal Protective Equipment | 62,500 | - | 62,500 |
| Internal Personnel | 36,727 | - | 36,727 |
| Prevalence Study | 100,039 | - | 100,039 |
| Informed Consent Videos | 80,000 | - | 80,000 |
| Total | 2,128,502 | 300,000 | 2,428,502 |

The COVID-19 Response and Recovery Unit (CRRU), which OHA and DHS jointly established with

agency staff in the early stages of the pandemic and have so far supported within existing agency resources, coordinated the baseline testing activities. In terms of agency roles, OHA was responsible for supporting testing efforts for facilities that requested state assistance and DHS was responsible for providing guidance, monitoring compliance, and administering reimbursement for eligible testing costs. Given the varying needs across LTCFs, baseline testing was achieved and funded in multiple ways. Many LTCFs arranged for baseline testing on their own accord and submitted reimbursement to DHS for only costs that were ineligible for insurance reimbursement or otherwise not funded by the facilities. To a lesser extent, some LTCFs requested assistance from contractors hired by OHA or through local public health authorities.

OHA costs (\$2.1 million): Of the 60,000 tests, 15,253 were provided through OHA contractual agreements with MetroWest, Willamette Valley Toxicology, and the U.S. Department of Veterans Affairs (USDVA). The testing costs attributed to these three contracts total \$1.8 million. Most of these costs represent specimen collection, testing kit purchases, and laboratory services. Nearly three-fourths of the 15,253 tests were completed through the contract with USDVA. Similar to other states, OHA entered into an agreement with USDVA for pandemic-response support available through USDVA's Fourth Mission program.

In addition to testing costs, OHA's portion of the request includes \$100,000 for a COVID-19 prevalence study undertaken to inform the LTCF baseline and on-going testing requirements, as well as \$80,000 for culturally specific informed consent videos to communicate to facility staff and residents regarding COVID-19 testing. The remaining OHA costs reflect smaller amounts expended for personal protective equipment and agency staffing.

DHS costs (\$300,000): Whereas 15,253 tests were provided through the contractual arrangements discussed above, the remaining tests were independently arranged by LTC providers or by a local public health authority responding to an outbreak. LTC providers have the option to request reimbursement through DHS for all testing costs not eligible for other sources of reimbursement or to pay for the tests themselves. DHS has so far received reimbursement requests for 2,918 tests at a total cost of \$283,396. This currently represents most known claims, but LTCFs have until the end of 2020 to submit for reimbursement. Ultimately, DHS does not anticipate additional claims to surpass the \$300,000 identified in this request.

CRF Availability / FEMA: The requested \$2.4 million is available from the state program share of Oregon's CRF award. As previously reported to the Emergency Board, the planned state program CRF budget includes \$10.0 million for COVID-19 testing in LTCFs. To date, none of the \$10.0 million has been authorized for expenditure by the Emergency Board. Additionally, the costs identified in this request could be eligible for reimbursement from the Federal Emergency Management Agency (FEMA). However, the process for requesting reimbursement is still underway and the timeline for receiving federal approval remains unclear and could potentially surpass the December 30, 2020 expiration date for recording qualifying CRF expenditures.

Recommendation: The Co-Chairs of the Emergency Board recommend approval of:

1. Increasing the Federal Funds expenditure limitation for the Department of Administrative Services initially established at the April 23, 2020 meeting of the Emergency Board by \$2,428,502 from funding made available to states through the Coronavirus Relief Fund (CRF) to support the transfer of funding to the Oregon Health Authority and Department of Human Services, for one-time COVID-19 baseline testing of long term care facility staff and residents.

2. Increasing the Other Funds expenditure limitation for the Oregon Health Authority (OHA) established at the August 5, 2020 meeting of the Emergency Board for COVID-19 contact tracing and testing by \$2,128,502 for funding from the CRF received by the Department of Administrative Services and transferred to OHA for one-time COVID-19 baseline testing of long term care facility staff and residents.
3. Increasing the Other Funds expenditure limitation for the Department of Human Services (DHS) established at the August 5, 2020 meeting of the Emergency Board by \$300,000 for funding from the CRF received by the Department of Administrative Services and transferred to DHS for one-time COVID-19 baseline testing of long term care facility staff and residents.



Office of the Director

Kate Brown, Governor

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November 5, 2020

The Honorable Senator Peter Courtney, Co-Chair
The Honorable Representative Tina Kotek, Co-Chair
State Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairs:

Nature of the Request

From the funding made available to states from the Coronavirus Relief Fund, the Oregon Health Authority (OHA) requests \$2,128,502 for the Public Health Division and \$300,000 for Oregon Department of Human Services to fund Phase 1 of the Oregon Long-Term Care Facility testing plan.

Agency Action

The Governor released Oregon's Long-Term Care Facility (LTCF) testing plan on June 15, 2020, with two objectives:

- Phase 1 – Complete baseline testing of all residents and staff at LTCFs by September 30, 2020; and,
- Phase 2 – Require completion of monthly routine staff testing following Phase 1.

Oregon has 683 LTCFs licensed by Oregon Department of Human Services (ODHS), housing about 31,000 residents and employing about 29,000 staff (about 60,000 people in all).

The COVID-19 Response and Recovery Unit (CRRU) led a multi-agency team of the Oregon Health Authority (OHA) and ODHS to accomplish these objectives. In releasing the plan, Governor Brown stated that the state would pay for the baseline testing identified in the plan. During Phase 1, OHA assisted with the following tasks:

- ✓ Development of COVID-19 prevalence study in LTCF types to inform Phase 1 and Phase 2 policy recommendations

- ✓ Supporting local public health authorities and LTCFs to obtain testing supplies and specimen collection for outbreaks
- ✓ Identifying testing vendors to support LTCFs in completion of baseline testing
- ✓ Coordinating deployment of contracted testing vendors to LTCF facilities
- ✓ Provision of testing and infection control protocol guidance to LTCFs
- ✓ Identification of testing schedule based on risk of COVID19 outbreaks

CRRU convened stakeholders during late June to assess what supports LTCFs would need to begin conducting testing to meet the requirements identified in Phase 1. At that time, LTCFs asked OHA to identify vendors for full-service testing support, including informed consent protocols, training on trauma/testing history in the state, test kits, lab contracts, specimen collection and transportation of specimen to laboratories. OHA issued a Request for Application to identify vendors to take on this work and identified scope of work with testing teams from the U.S. Department of Veteran’s Affairs on mission to the state to support COVID-19 work. The following chart summarizes the total costs for Phase 1 baseline testing.

Phase 1 Costs: Baseline Testing

| | <i>Total Cost</i> |
|-------------------------------|--------------------|
| Testing | \$2,149,236 |
| Personal Protective Equipment | \$62,500 |
| Internal Personnel | \$36,727 |
| Prevalence Study | \$100,039 |
| Informed Consent Videos | \$80,000 |
| Total | \$2,428,502 |

Testing Costs

Of the 60,000 people who needed to be tested by September 30, OHA directly paid for 15,253 tests via contracts with MetroWest, the Department of Veterans Affairs, and Willamette Valley Toxicology.

State rules require LTCFs to test all residents and staff in the event of an outbreak (one or more presumed or confirmed positive case among residents, staff, or close contacts). LTCFs could use these tests to meet the baseline testing requirements if they had not already done their baseline testing.

In some cases, LTCFs covered outbreak testing costs using a contracted vendor. In other cases, LTCFs received support from their local public health authority, and occasionally from OHA. This support varied, but could include staff support for specimen collection, provision of test kits and/or personal protective equipment

(PPE), and provision of testing services. OHA and local public health authority costs associated with supporting LTCFs for outbreak testing are not included in the amounts discussed in this summary.

Phase 1 Costs: Testing Directly Financed by OHA Contracts

| <i>Contract</i> | <i>Number of Tests</i> | <i>Total Cost</i> |
|------------------------------------|------------------------|--------------------|
| MetroWest total | 1,340 | \$261,300 |
| Veterans Affairs total | 11,324 | \$1,329,036 |
| Willamette Valley Toxicology total | 2,589 | \$258,900 |
| LTCF reimbursement via ODHS | 3,092 | \$300,000 |
| Total Testing Costs | 15,253 | \$2,149,236 |

MetroWest

MetroWest teams tested 1,340 staff and residents across 12 LTCFs and charged \$80 per test for specimen collection services. The specimens were processed at the Quest Diagnostic Laboratory, which charges \$100 per specimen. OHA amended its contract with MetroWest to ensure compliance with REALD requirements. Health care providers are required to collect data on race, ethnicity, preferred spoken and written languages, English proficiency, interpreter needs and disability status (REALD) during the provision of health services related to COVID-19 (HB 4212, 2020 First Special Session). OHA provided MetroWest with an additional \$15 charge per test for REALD data collection.

Phase 1 Costs: MetroWest

| <i>MetroWest</i> | <i>Number of Tests</i> | <i>Cost per Test</i> | <i>Total Cost</i> |
|---------------------------|------------------------|----------------------|-------------------|
| Quest Diagnostics lab fee | 1,340 | \$100 | \$134,000 |
| Collection services costs | 1,340 | \$80 | \$107,200 |
| REALD data collection | 1,340 | \$15 | \$20,100 |
| Total | 1,340 | \$195 | \$261,300 |

U.S. Department of Veterans Affairs

OHA requested federal resources to support LTCF testing and infection control and prevention consultation. This Mission Assignment (MA) was accepted by the U.S. Department of Veterans Affairs (VA) and valued at \$730,200 for an array of supports, including testing. The state share of this MA was 25% or \$182,500. OHA did not have to support VA salary costs, only costs for overtime, travel, PPE used and other miscellaneous costs. The VA teams tested 11,324 staff and residents across 120 LTCFs. The VA teams used two laboratories to process tests: Quest Diagnostics and the Oregon State Public Health Laboratory (OSPHL). Quest Diagnostics charges \$100 per specimen and OSPHL charges \$104 per specimen and OHA is seeking reimbursement for those costs.

Phase 1 Costs: Department of Veterans Affairs

| <i>Department of Veterans Affairs</i> | <i>Number of Tests</i> | <i>Cost per Test</i> | <i>Total Cost</i> |
|---------------------------------------|------------------------|----------------------|--------------------|
| OHA share of the MA | - | - | \$182,000 |
| Quest Diagnostics lab fee | 7,665 | \$100 | \$766,500 |
| OSPHL lab fee | 3,659 | \$104 | \$380,536 |
| Total | 11,324 | - | \$1,329,036 |

Willamette Valley Toxicology

OHA offered LTCFs the option to use self-swab test kits from Willamette Valley Toxicology (WVT). OHA connected 40 LTCFs with WVT to ensure the OHA account was charged for the kits (\$100/kit). WVT self-swab kits were used by 2,589 residents and staff totaling \$258,900.

Long-Term Care Facility Reimbursement via ODHS

Of the 60,000 people who needed to be tested by September 30, OHA directly paid for 15,253 tests via contracts. The remaining 45,000 tests were arranged for by LTCFs themselves or by a local public health authority as part of an outbreak response. LTCFs have the option to submit reimbursement requests to ODHS for any testing costs not covered by insurance or other sources. To date, ODHS has received reimbursement requests for 2,918 tests (1,825 staff and 1,093 residents), totaling \$283,396. ODHS coded these costs to OHA. LTCFs have until the end of the year to submit reimbursement claims, and ODHS continues to receive claims. ODHS has received most known claims but does anticipate that the total amount needed to cover reimbursement claims, including those that have already been submitted, is \$300,000.

Personal Protective Equipment

To accomplish the collection of specimens for tests while keeping staff and residents safe from the virus and reducing spread, OHA assembled Personal Protective Equipment (PPE) kits for VA teams to take to the LTCFs. The kits included masks, gowns, face shields and gloves. Each kit was developed based on teams of four people visiting a facility with an average size of 70 residents and staff. PPE kits were estimated to cost \$500 each.

Phase 1 Costs: PPE Kits for VA Teams

| <i>PPE item</i> | <i>Average Unit Cost</i> | <i>Per team of 4</i> | <i>Total Cost</i> |
|-----------------|--------------------------|----------------------|-------------------|
| Procedure Masks | \$1.00 | 40 | \$40 |
| N95 Masks | \$3.00 | 8 | \$24 |
| Gloves | \$0.30 | 1,120 | \$336 |
| Gowns | \$5.00 | 8 | \$40 |
| Face Shields | \$5.00 | 12 | \$60 |
| Total | - | - | \$500 |

Culturally Specific Informed Consent Videos

Facilities are required obtain consent from residents and staff prior to collecting specimens for COVID-19 testing (OAR 411-060-0000). Prior to obtaining consent, facilities are required to provide communication to residents and staff regarding upcoming testing. To assist facilities with complying with the informed consent policy, OHA partnered with the ODHS Office of Equity and Multicultural Services and contractor ViveNW to produce and develop content for training videos and materials in 8 languages (Spanish, Russian, Mandarin, Cantonese, Korean, Vietnamese, Arabic, Somali).

Action Requested

The Oregon Health Authority requests \$2,128,502 from the Coronavirus Relief Fund and \$2,128,502 Other Funds expenditure limitation for the agency to receive and expend that funding from the Department of Administrative Services.

For the Oregon Department of Human Services, the Oregon Health Authority requests \$300,000 from the Coronavirus Relief Fund and \$300,000 Other Funds expenditure limitation for the agency to receive and expend that funding from the Department of Administrative Services.

Legislation Affected

Oregon Health Authority: Oregon Laws 2019, Chapter 695, Section 2, Subsection (1), Other Funds, \$2,128,502.

Oregon Department of Human Services: Oregon Laws 2019, Chapter 668, Section 2, Subsection (4), Other Funds, \$300,000.

Sincerely,



Patrick M. Allen
Director

EC: Tom MacDonald, Legislative Fiscal Office
Ken Rocco, Legislative Fiscal Office
Patrick Heath, Department of Administrative Services
George Naughton, Department of Administrative Services