



OFFICE OF MANAGEMENT & BUDGET

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MEMORANDUM

To: The Honorable Marvin L. Abney
Chairman, House Finance Committee

The Honorable William J. Conley, Jr.
Chairman, Senate Finance Committee

From: Jonathan Womer
Director, Office of Management & Budget

Date: June 26, 2020

Subject: Responses to Task Force Questions

A handwritten signature in blue ink, appearing to read "Jonathan Womer".

Thank you again for the opportunity to appear before you and shed light on the Administration's efforts to address the COVID-19 public health emergency. The Department offers the below information in response to the outstanding questions asked at the Joint Legislative COVID-19 Emergency Spending Task Force meeting on June 9, 2020. As always, if you require more information or need any clarification on what has been presented below, please feel free to reach out to me and my team.

Federal Funding & Discretion

How much money has been used by the State and is essentially committed? Is there a cap on the FEMA match funding?

There is no cap on FEMA match funding. A total of \$186.4 million has either been expended or encumbered for COVID-19 emergency response efforts. This includes the cost of supplies, testing, contact tracing and other community mitigation measures. The budget projections for all COVID-19-related costs as of this moment ranges between roughly \$660 million and \$900 million. That leaves about \$350 million of the \$1.25 billion Coronavirus Relief Fund.

We utilize a range because the State, at minimum, needs to be prepared for a worst-case scenario where we see another surge of COVID-19. These are the best estimates at this time of what the State needs to ensure it is prepared for that from a public health perspective.

Has the Administration set up a program to begin reimbursing cities and towns for their COVID-19 expenses?

This is an area at which the Administration is actively examining, but no specific programs have been developed yet. In addition, we are closely monitoring activity on the Congressional level with respect to the possibility of future stimulus funding.

What is the State developing to address current and future health care needs for our underserved communities beyond testing?

We continue to work closely with RIDOH to develop mitigation strategies to meet the needs of residents most impacted by the virus. Ramping up testing has been one of the most significant areas of need, but we are also focusing on what more we can do to further promote safe and healthy communities.

Can CARES Act funding be used to incentivize PPE manufacturers to relocate to Rhode Island (i.e. a relocation bonus?)

The Coronavirus Relief Fund (CRF) is the primary source of state funding under the CARES Act. The administration does not believe a bonus for a PPE manufacturer to relocate to Rhode Island would be an eligible expenditure under the existing federal guidance for that fund. Any expenditures from the fund must be limited to necessary expenditures that address the public health emergency and its second-order effects, and must be incurred by December 30.

Hospitals & Nursing Homes

What is the testing strategy for nursing homes? What is the PPE strategy?

We are currently testing asymptomatic people in congregate care settings, including nursing homes, assisted living facilities, congregate homeless shelters and the Adult Correctional Institutions (ACI). For additional context, we are also testing first responders, including members of law enforcement, firefighters, EMS, and high-risk health care workers.

There is a portal for PPE requests through the State of Rhode Island that can be used by hospitals, EMS, nursing homes, assisted living communities, home health and hospice agencies, health centers, urgent care centers and other health care practices serving as respiratory care clinics at www.health.ri.gov/ppe. Naturally, we have seen both regional and nationwide shortages of certain equipment during the last few months due to high demand, and so our available resources have fluctuated and continue to do so.

What are the program goals for HAPP that are laid out in the current procurement?

Information about program goals for HAPP can be found in a copy of the application, which you can access here: <http://www.purchasing.ri.gov/RIVIP/ExternalBids/Grants/RIDeptofAdminBids/DOA05292020.pdf>.

Can you provide further detail on “cold” versus “warm” alternative hospital site operations?

Operating and Healthcare Services Contract costs are the variables that define the range for “cold” versus “warm.” The definitions are as follows:

Cold: assumes sites are on standby (ready for activation in event of a surge), with zero patients. Includes baseline operating costs (e.g., rent, insurance, utilities, healthcare wrap around services). Low estimate of alternative hospital site costs assumes all sites in cold status through June 30, with the RI Convention Center in cold status through December.

Warm: assumes sites are operating as hospitals, with expanded utilities, cleaning, security, and other healthcare wrap-around services (e.g., clinical/healthcare support staffing, pharmacy, food services). High estimate of alternative hospital site costs assumes all sites are operating as warm through December.

Can I also get the leases for the three sites?

Yes. Please see attached for lease agreements.

Can I get copies of all contracts related to the surge hospitals?

Attached are the State's contracts with Dimeo and AECOM, janitorial and security services.

Procurement

How many contracts have been awarded to MBEs as of May 11, and what is their value? What about future contracts and their values?

The State has used a total of 10 MBE/WBE MPA vendors in the State's COVID response efforts. The vendors are listed in the table below with information current as of June 22, 2020. The transaction column represents all services and goods for which the State has received an invoice and/or made a payment. The encumbered column represents all services and goods for which the State issued a purchase order or a requisition order.

MBE MPA Vendor	Encumbered 6-22-20	Transaction 6-22-20
HIGHWAY TECHNOLOGIES LLC or New England Highway Technologies	\$ -	\$ 134,308.00
HORTON INTERPRETING SERVICES INC	\$ 357.00	\$ 1,892.00
INTERPRETERS AND TRANSLATORS INC	\$ 2,500.00	\$ -
JMB MECHANICAL INC	\$ -	\$ 2,704.00
LEGACY CLEANING SERVICES LTD	\$ 1,208.12	\$ -
PRESTIGE MANUFACTURING INC	\$ 2,632.00	\$ 79,686.00
WILKEM SCIENTIFIC LTD	\$ 22,380.00	\$ 65,909.00
HCH ENTERPRISES LLC	\$ 462,912.00	\$ 37,418.00
FAULKNER CONSULTING GROUP LLC	\$ 43,187.00	-
G METZ MOVING INC	\$ 9,686.00	-
TOTAL	\$ 544,862.12	\$ 321,917.00

How many no-bid contracts have we used in the COVID-19 crisis? What is the total value of those contracts?

Due to our antiquated systems, the Division of Purchases would have to manually sort through every single contract and purchase to determine which type of emergency procurement was utilized in addition to the Master Price Agreements noted in our last communication to the Task Force. Upon the completion of the Administration's eProcurement project, staff will have more of an ability to cull this type of data.

I would like you to confirm the number of MBEs – NOT WBEs – that you used for COVID.

The following is a breakdown of the MBEs used off of Master Price Agreements:

<u>Company Name</u>	<u>Certification Type</u>	<u>Demographic</u>
Faulkner Consulting Group	WBE	White Female Owned Firm
G. Metz Moving	MBE	Native American Male Owned Firm
HCH Enterprises	MBE	Black Male Owned Firm
Horton Interpreting Services, Inc.	MBE/WBE	Hispanic Female Owned Firm
Interpreters and Translators, Inc.	MBE/WBE	Hispanic Female Owned Firm
JMB Mechanical, Inc.	WBE	White Female Owned Firm
Legacy Cleaning Services, Ltd.	MBE	Black Male Owned Firm
New England Highway Technologies, LLC	MBE	Hispanic Male Owned Firm
Prestige Manufacturing, Inc.	WBE	White Female Owned Firm
Wilkem Scientific, Ltd.	WBE	White Female Owned Firm

It's important to note that under the State's MBE program, per RIGL 37-14.1, the State's MBE program includes WBEs.

Rental Assistance

Are there immigration status restrictions on the rental assistance program?

The original \$1.5 million committed came from ESG (Emergency Solutions Grants) funding. HUD does restrict these funds based on immigration status. Funds designated from the Coronavirus Relief Fund are still being reviewed for any immigration status restrictions.

How many rent assistance recipients have been minorities? How many of those rejected have been minorities?

Crossroads, the nonprofit designated to administrator the rental assistance program, will be providing race/ethnicity data at the end of June for all applications completed after June 17th. RI Housing had to update the website to collect this information, this information began being collected on June 17th.

Staffing

Can you provide names, departments, salaries of those reassigned or transferred for crisis response?

Attached is a list of personnel and volunteers who have been directly supporting the Rhode Island Department of Health and the Emergency Management Agency. This list has and continues to evolve as volunteers switch to new projects to help fight the spread of COVID-19 and support economic readiness activities. We are not aware of any salary changes due to reassignments to the COVID-19 response effort.

Employees from the Division of Lottery and the State's casinos have also offered to assist in the effort. As of the end of May:

- 18 staff are assigned to the Department of Business Regulation.
- 10 staff are assigned to the Department of Labor and Training.
- 6 staff are assigned the Department of Health.

As stated in this week's hearing, the Division of Sheriffs have also stepped up to the plate while the Courts have essentially been closed to assist the Executive Branch with verbal health screening at our high-traffic state facilities, including at the Division of Motor Vehicles (DMV).

We are also aware of a wide range of people working on teams under specific workstreams. Workstreams have evolved as the State has moved through the phases of reopening and the needs of Rhode Islanders have changed. Workstreams have focused on a variety of response areas, including testing, surge capacity, outbreak management, business and workforce supports, individual supports, community mitigation, childcare and education planning, government readiness and health system support.

Public Health

Are congregate settings actually allowing asymptomatic COVID-positive employees to continue working?

With permission from RIDOH, some congregate care facilities are allowing asymptomatic positive employees to work directly with COVID-positive patients using additional precautions and the latest public health guidance. Health care workers are considered essential to the COVID-19 emergency response effort.

What population is going to be tested? What is the testing strategy, and who is processing the lab tests?

The Administration has implemented a three-part strategy around testing:

- **We're going to rapidly test all symptomatic people.**
- We're going to react quickly to an outbreak. Our plan called for an **outbreak response team** on the ground within hours of multiple cases discovered in places like congregate care settings, workplaces, and other high-density areas. Our team also conducts rapid testing of any contacts who may have been exposed.
- With those two pieces of our strategy in effect, we're now turning our focus to our third and final goal: Create – and expand – our early warning system by **testing key groups of asymptomatic individuals**. As of this week, asymptomatic testing will be available for eligible Rhode Islanders who work in close-contact settings such as childcare, hair salons, barber shops, nail salons, gyms, tattoo, massage, and tanning facilities. In addition, people who have recently attended a large protest or demonstration are encouraged to get tested.

For more information, the Rhode Island Department of Health (RIDOH) also provides comprehensive testing information here: <https://health.ri.gov/covid/testing/>.

Thank you.

Attachments:

- RIDOH volunteers
- AECOM contract
- Dimeo contract
- AHS Services contracts
- Leases for 3 alternative hospital sites

Cc: Members of the Joint Legislative COVID-19 Emergency Spending Task Force
Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Brett Smiley, Director of Administration