



# COVID SPENDING UPDATE

DOA/OMB Presentation to the Joint Legislative COVID-19  
Emergency Spending Task Force

June 9, 2020

RHODE  
ISLAND

# Summary of Expenditure and Encumbrance Data

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# Expenditures and Encumbrances through May 27

Table includes expenditures and encumbrances from the state's accounting system for items the state intends to cover with FEMA or federal COVID-related funding.

Category	Description	Expenditures	Encumbrances	Total
Agency Operating & Other Costs	Costs agencies incur to adapt operations to the pandemic, e.g. to implement teleworking, increase sanitation, and other preliminarily identified federally reimbursable costs	\$2.7M	\$10.8M	\$13.5M
Congregate & Child Care	Costs to support infection control, staffing, and community mitigation for continued operations of congregate care and child care settings	\$8.0M	\$2.5M	\$10.4M
Contact Tracing	Costs to support the contact tracing and investigation efforts associated with tracking COVID-19 cases	\$0.5M	\$2.2M	\$2.7M
Grants & Assistance	Grants and additional assistance made available to individuals and organizations	\$0.1M	\$0.2M	\$0.3M
Emergency Management	Costs for logistics, staging, and nonmedical and nonsanitation supplies used in support of the state's recovery efforts	\$1.8M	\$1.7M	\$3.5M
Supplies	Costs for the centralized procurement of supplies to address the COVID-19 public health emergency, including PPE, ventilators, and sanitation/medical supplies	\$14.1M	\$101.3M	\$115.4M
Quarantine & Isolation	Costs for quarantine and isolation services for particularly vulnerable populations	\$0.4M	\$2.5M	\$3.0M
Surge Hospitals	Costs to increase the healthcare sector's capacity to be prepared in the case of a surge of COVID-19 positive patients	\$13.1M	\$14.5M	\$27.6M
Testing	Costs to implement testing and detection of COVID-19 across the state	\$3.1M	\$6.9M	\$10.0M
<b>TOTAL</b>		<b>\$43.7M</b>	<b>\$142.7M</b>	<b>\$186.4M</b>

# Spending Targets

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**RHODE  
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# Hospital Assistance Partnership Program

**Hospital Assistance Partnership Program**

To maintain a responsive hospital system and to strengthen the overall preparedness and resilience of Rhode Island’s healthcare system, this program provides financial assistance to hospitals through successive grants.

Highlights	COST Through 12/30/2020	
	Low	High
HAPP Phase 1 (Mid-June disbursement)	\$130.0M	\$150.0M
Phase 2	TBD	TBD

**Estimated Total Range:  
\$130M - \$150M**

- **Phase 1:** Proportional distribution of total based on hospitals' lost revenue and additional COVID-19 expenses, less total direct CARES Act grant funding received; conditional on acknowledgement of program goals and commitment to take action and progress.
- **Phase 2:** TBD

# Congregate & Child Care

## Congregate Care

To support infection control, staffing, and infrastructure for continued operations of long-term care and congregate residents and workforce

- **COVID-19 Specialty Nursing Home Contract** “low” costs are through June 30; “high” costs include estimates for extending through Dec 30 and beyond. Need beyond June 30 has not been indicated by RIDOH at this time.
- **Provider Rate Increases** through June 30 includes DD rate increase, nursing home and assisted living rate increase, and DCYF initiatives for foster care stipends and Voluntary Extension of Care program.
- **CCAP Rate Increase:** Rate increase from June 1, 2020 through August 31, 2020. High represents total if the rate increase is extended through December 2020.

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
COVID-19 Specialty Nursing Home Contracts	\$1.1M	\$4.1M	-	\$3.0M
Provider Rate Increases through June 30	\$15.6M	-	-	-
Workforce Stabilization Program (Phase 1: May)	\$8.2M	\$8.2M	-	-
Workforce Stabilization Program (Phase 2: June 1-15)	\$4.0M	\$5.0M	-	-
CCAP Rate Increase (June 1-August 31)	\$3.9M	\$8.6M	-	-

**Estimated Range: \$32.8M - \$44.5M**

\*Total estimate includes sum of current state initiatives (does not include federal provider relief funds)

# Supplies

**SUPPLIES**

To manage the centralized procurement of supplies needed to address the COVID-19 public health emergency

- PPE procurement includes expenditure requests for public healthcare systems, first responders, institutional care settings, state government, and businesses
- Example of “Other”: Vaccination Campaign – Purchasing supplies in anticipation of global materials shortage when vaccine becomes available

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
PPE Procurement	\$81.5M	\$134.0M	-	-
Ventilators	\$11.5M	\$11.5M	-	-
Other	\$5.1M	\$5.8M	-	-

**Estimated Total Range:  
\$98.1M - \$151.3M**

# Testing

## Testing

To increase and implement all types of diagnostic testing and detection of COVID-19 across the State

- RIDOH engaged three vendors to provide diagnostic laboratory services, with contractual prices ranging from \$65 per test to \$100 per test.
- Average testing capacity is approximately 9,000 per day starting in July 2020, with an expected peak of 10,000 per day in September, gradually declining to 9,000 by December.

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
Laboratory Contracts	\$90.3M	\$111.7M	\$71.0M	\$84.9M
Testing Supplies and Equipment	\$10.2M	\$11.8M	\$6.6M	\$7.9M
Testing Sites - RING Replacement Staff	\$10.8M	\$11.9M	\$10.8	\$11.9M
RIEMA Tents	\$5.7M	\$5.7M	\$3.4M	\$3.4M
Ambulance Contracts and Mobile Testing MOUs	\$3.4M	\$3.4M	\$2.2M	\$2.2M
Antibody/Serology Testing and Research	\$5.8M	\$5.8M	\$4.9M	\$4.9M
Other	\$1.4M	\$1.4M	\$0.9M	\$0.9M

**Estimated Total Range:  
\$227.4M - \$267.8M**



# Contact Tracing and Case Investigation

**Contact Tracing**  
**To support the contact tracing and investigation efforts associated with tracking COVID-19**

- ADIL staffing is for 175 contract positions, most of which are for case investigation, nurses and epidemiology.
- A vendor will be contracted by RIDOH to enhance staffing at the call center for general inquiries and contact tracing, including start-up and training fees.

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
Contract Staffing	\$15.1M	\$15.8M	\$11.1M	\$11.1M
Other	\$0.8M	\$.8M	\$0.2M	\$0.2M

**Estimated Total Range:  
 \$27.2M - \$27.9M**

# Quarantine and Isolation (Q&I)

**Quarantine and Isolation**

To manage the quarantine and isolation services, policies and procedures associated with particularly vulnerable populations

- **Q & I Facilities:** to provide isolation space for homeless, housing insecure, or resourced individuals who cannot isolate at home. This includes: Wyndham (through June 2021, if required), Zambarano, Frontline Worker Housing, and Homeless Response Efforts, and Shelter Reduction.
- **Estimated Total Funded by Categorical Grants:** \$7.2M
  - Funded through ACL grants through CARES Act or FFCRA

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
Q & I Facilities	\$7.0M	\$7.0M	\$3.1M	\$3.1M
Senior & Food Services	\$8.2M	\$8.2M	\$1.7M	\$1.7M
Other	\$0.1M	\$0.1M	-	-

**Estimated Total: \$20.1M**

# Technical Enablement/Deployment

## Technical Enablement/Deployment

To manage the rollout of new software that directly helps to fight the spread of COVID-19, as well as supporting technical contracts.

- Salesforce better supports quick and effective contact tracing efforts to help stop the spread of COVID-19.
- CrushCovid RI App development is at no cost to the State and is a one-stop shop for COVID-19 resources for Rhode Islanders. It is an opt-in only application.

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
Salesforce: Additional Development, Support & Licensing	\$4.6M	\$4.6M	\$2.0M	\$2.0M
Existing IT systems changes	\$7.6M	\$7.6M	\$0.1M	\$0.1M
Crush COVID RI: Support	\$0.8M	\$0.8M	\$0.6M	\$0.6M
Other	\$1.2M	\$2.6M	\$0.4M	\$0.9M

**Estimated Total Range:  
\$17.3M - \$19.2M**

# Rental Assistance

**Rental Assistance**  
**To provide rental assistance to households hardest hit by the COVID-19 pandemic.**

- Provides an average of \$3,000 in rental assistance relief per eligible household.
- Eligibility is currently restricted to households that earn at or below 50% of area median income (AMI) and demonstrate at least one additional risk factor for housing instability.
- \$1.5 million has been committed so far to assist 500 households and an additional \$1.6 million will support another 500 eligible households in the current applicant pool.
- Additional funding (\$3.4 million) will be available to support over 1,100 future applicants in the coming months, especially now that eviction filings have resumed.

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
Housing Help RI	\$6.5M	\$6.5M	-	-

**Estimated Total: \$6.5M**

# Education: Summer 2020

**Summer 2020**

**Supporting high-quality summer education programming for RI students.**

- In-Person Programming: \$7.5 million of competitive grants for municipal/non-profit in-person summer camp programs for extraordinary expenses associated with COVID-19 pandemic.
- Menu of Courses: High-quality distance learning classes for the extended school year.
- Youth Summer Job Project: \$2.1 million in subsidized summer job opportunities related to COVID-19 response and recovery efforts for roughly 1,000 youth aged 16 to 24.
  - Employers would include nonprofits, municipalities, and other organizations across the state.
  - Youth would work 20-30 hours per week for six weeks over the summer.

Highlights	COST Through 12/30/2020		COST Beyond 12/30/2020	
	Low	High	Low	High
In-Person Programming	\$7.5M	\$7.5M	-	-
Menu of Courses	\$10.0M	\$10.0M	-	-
Youth Summer Job Project	\$2.1M	\$2.1M	-	-

**Estimated Total: \$19.6M**

# Surge

## Surge

To increase the healthcare sector's capacity for a surge of COVID-19 positive patients

- Alternative Hospital Sites
  - “Low” assumes all sites on standby through June 30 with one the RI Convention Center on standby through December
  - “High” assumes all sites are operating through December
- Estimates may vary depending on utilization and demobilization decisions
- Non-AHS costs total \$6.3M

Highlights	COST Through 12/30/2020	
	Low	High
Alternative Hospital Sites – Construction, Operation, Demobilization	\$77.1M	\$183.5M
Medical Examiner’s Building/Vehicles	\$4.4M	\$4.4M
Other (expanded mortuary/livery services, workforce recruitment, supplies, etc.)	\$1.9M	\$1.9M

**Estimated Total Range:  
\$83.4M - \$189.8M**

# Detailed Review

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Surge Hospital Expenses and  
Nursing Home COVID-19 Support

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# Surge – Alternative Hospital Sites

## Surge

To increase the healthcare sector's capacity for a surge of COVID-19 positive patients

- AHS Operating Notes
  - “Low” assumes all sites on standby through June 30 with only RI Convention center on standby through December (includes general operating, rent, utilities, healthcare wrap around services)
  - “High” assumes all sites are operating with patients through December (includes general operating, rent, utilities and estimates for healthcare staffing and wrap-around services)
- Estimates will vary depending on utilization and demobilization decisions (e.g. timing of deconstruction)

Highlights	COST Through 12/30/2020	
	Low	High
Construction Estimates (time, materials, management, medical equipment, and furniture expenses)	\$33.9M	\$33.9M
Operating (rent, utilities, healthcare wrap-around services)	\$25.0M	\$131.4M
Demobilization (includes baseline deconstruction costs plus indirect costs)	\$18.2M	\$18.2M

**Estimated Total Range:  
\$77.1M - \$183.5M**



# Nursing Home COVID-19 Support

To support Nursing Homes in response, recovery and readiness the state has established...

- **Congregate Setting Support Team:** A multi-agency, public/private team, that provides guidance to congregate care facilities for improving infection control, optimizing PPE use, and building capacity to stabilize operations and mitigate COVID-19. 60 requests and 50 missions complete.
- **Staffing Supports:** Disaster Medical Assistance Team (DMAT) volunteers supported nearly 8,000 hours of support; Skills RI is a new staffing support model established to support staffing needs – 11 facilities are contracted.
- **Surveys and Inspections:** Covid-19 Infection Control Focused Surveys performed by RIDOH; CMS funding request for 6 additional FTEs pending.

Nursing homes have received over \$60M in state and federal assistance and advances

COVID Response	\$\$	Month
10% Fee-for-Service Temp. Rate Increase	\$10.1M	April – June
Delayed Interim Payment Recoupment	\$13.2M	April – June
Workforce Stabilization (Round 1)	\$3.9M	May
Workforce Stabilization (Round 2 – Est.)	\$2.5M	June
Federal Provider Relief Fund (Round 1)	\$5.4M	April
Federal Provider Relief Fund (Round 2)	\$34.0M	May
TOTAL	\$61.1M	

Note: Medicare advances, PPP loans and other similar financial supports not shown