



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

December 14, 2020

Sue Birch, Director
Health Care Authority
P.O. Box 45502
Olympia, WA 98504-5502

Dear Director Birch:

Pursuant to enactment of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), I hereby allocate \$40,900,000 to the Health Care Authority from General Fund-Federal (Coronavirus Relief Funds) for hospital and pediatrician assistance and nursing home transition. These funds may be used for the purposes outlined below:

- 38,000,000 is for hospitals to respond to the surge of cases, hospitalizations, and the longer stays needed for COVID-19 patients. Hospitals are eligible for the funds if they have inpatient services, increased inpatient capacity between September to the present, and a payor mix weighted more toward those treating more individuals covered by Medicaid/Medicare. Funding may be used for personal protective equipment for hospital staff, COVID-19 testing supplies, medical supplies, and health care worker pay.
- \$2,000,000 is for pediatricians, with an emphasis on those who treat Medicaid patients. Allowable uses of the funds include personal protective equipment for clinic or medical staff, COVID-19 testing supplies, medical supplies, and health care worker pay.
- \$900,000 is for transitioning Medicaid clients, primarily over the age of 65, out of acute care hospitals into appropriate nursing home settings. As an incentive to providers, the department will provide \$6,000 for individuals served between now and December 30, 2020, based on an average 60-day length of stay.

According to guidance issued by the federal government on the Coronavirus Relief Funds, for a cost to be considered to have been incurred, the performance or delivery must take place by December 30, 2020, but payment can occur up to 90 days afterwards.

The Office of Financial Management approved this allocation in Unanticipated Receipt # 0189. Using expenditure authority code 7Z0, please submit the required allotment amendment packet to OFM using the "Operating Allocation" packet type.

We appreciate your continued efforts in responding to this health crisis. If you have any questions, please contact OFM Budget Operations at (360) 902-0555 or budget.operations@ofm.wa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Schumacher".

David Schumacher
Director

cc: Charlie Gavigan, Staff Coordinator, House Appropriations Committee
Michael Bezanson, Staff Coordinator, Senate Ways and Means Committee
Nona Snell, Assistant Director for Budget, Office of Financial Management
Robyn Williams, Senior Budget Assistant, Office of Financial Management
Megan Atkinson, CFO, Health Care Authority