



Coronavirus Relief Fund: Overview of Agency Requests

June 15, 2020

Prepared by House Appropriations Committee Staff

OVERVIEW



Summary

- Virginia received \$3.1 billion from the federal Coronavirus Aid Relief and Economic Security (CARES) Relief Act through the Coronavirus Relief Fund (CRF)
- At this time, funding cannot be used to backfill lost state revenues; hoping for relaxation of federal rules as part of upcoming legislation
- Secretary of Finance has indicated that one-half of state share will be distributed to state agencies now
 - Half of the funding will be held back in case additional federal flexibility will allow states to backfill revenue losses
- Funding must be used for expenditures directly related to COVID-19 response
 - Must be used by December 30, 2020
 - Consequently, should be spent on non-recurring expenses



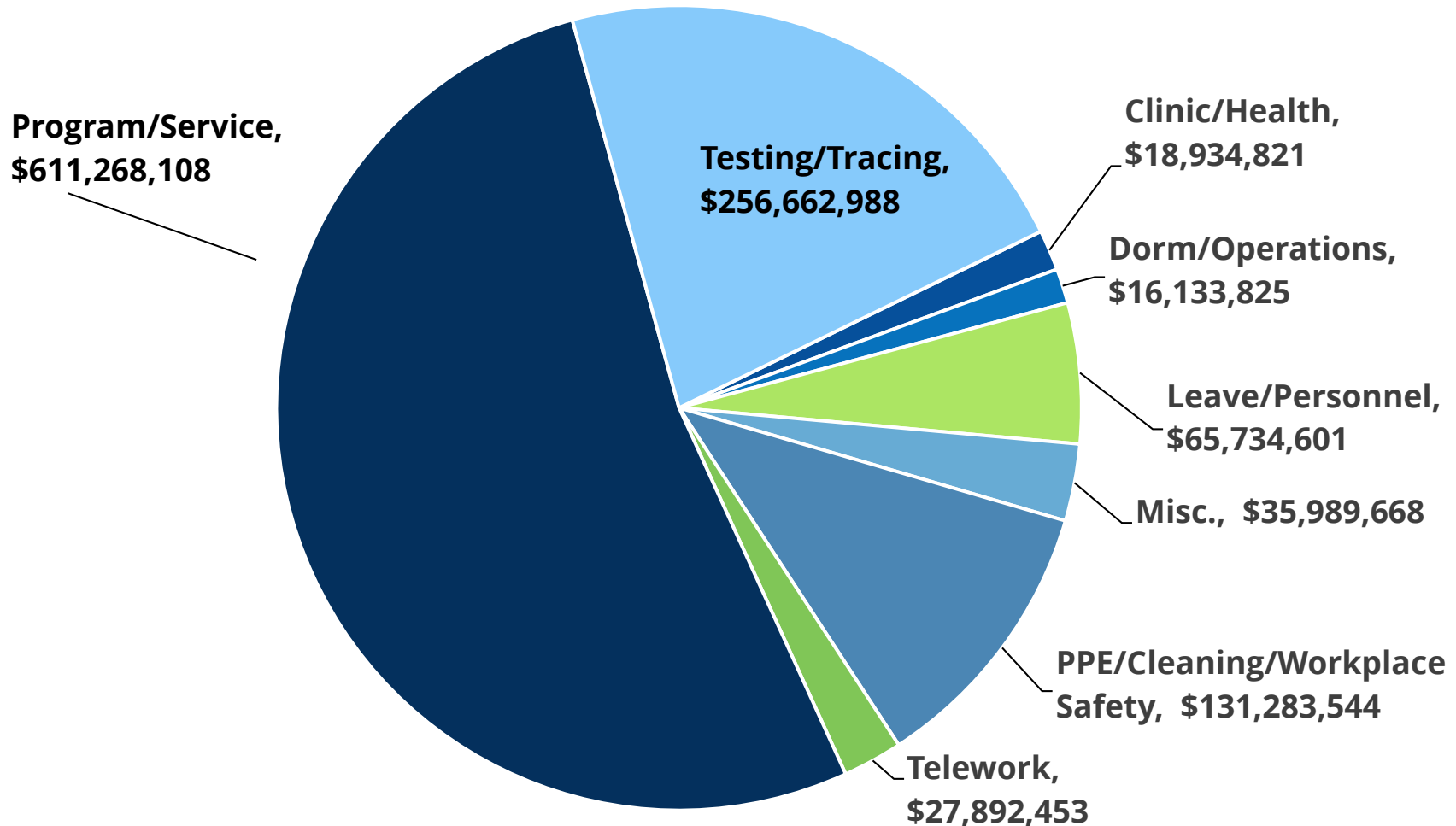
Summary

- As of May 26th, agencies submitted 430 requests totaling \$1.2 billion to DPB for Coronavirus Relief Funds (CRF)
- Total funding available from state share of CRF is \$1.8 billion
- Three secretarial areas represent 90% of total requests:
 - Health and Human Resources = \$372.9 million
 - Education = \$361.7 million
 - Commerce and Trade = \$306.1 million
- When looked at by type of request, "programs and services" represent 53% of total requests on a dollar basis
 - A majority of the requests for programs or services originate from health or commerce agencies



Agency Requests by Type

Coronavirus Relief Fund: Agency Requests as of May 26, 2020 by Type
Total Requests = \$1.2 billion



HEALTH AND HUMAN RESOURCES



Health & Human Resources

CARES Act Requests by Agency	(\$ in millions)
Dept. of Social Services (DSS)	\$170.9
Dept. of Medical Assistance Services (DMAS)	121.4
Dept. of Behavioral Health & Developmental Services (DBHDS)	49.8
<i>Grants to Localities (CSBs)</i>	40.4
<i>Mental Health Hospitals</i>	7.3
<i>Central Office</i>	1.3
<i>VA Center for Behavioral Rehabilitation</i>	0.7
<i>Intellectual Disability Training Centers</i>	0.1
Virginia Dept. of Health (VDH)	29.9
Dept. for the Blind & Vision Impaired (DBVI)/Deaf & Hard of Hearing (DDHH)	0.8
Dept. for Aging and Rehabilitative Services	0.1
Total	\$372.9



Dept. of Social Services

Description	\$ in m.
Provide stimulus benefit to immigrant families with Taxpayer Identification Numbers who are not eligible for a social security number (\$1,200 per individual/\$500 per dependent)	\$165.6
Comprehensive food insecurity package – extends pandemic SNAP electronic benefits (EBT) & TANF emergency assistance	3.1
<i>SNAP vendor costs / TANF system modifications</i>	1.8
<i>Admin. costs to extend SNAP benefits to families with children and Head Start children through the summer</i>	1.0
<i>Funds for Federation of Virginia Food Banks</i>	0.3
Technology and contract modifications (website, 2-1-1, VaCMS)	0.4
PPE/Cleaning/Workplace safety	0.3
Telework expenses for state and local DSS staff (laptops, video capability, software, licenses, encrypted USB drives)	0.2
Supplemental support: foster parents & youth aging out of foster care	0.8
Total	\$170.9



Dept. of Medical Assistance Services

Description	\$ in m.
Payments to Medicaid providers	
Primary care providers: 10% increase in payments for all services based on historic volumes provided July-Dec. 2019	\$39.8
Primary care providers: 100% of July-Dec. 2019 payments for certain core services (routine child & adult check-ups, pregnancy services) based on historic volume	12.3
DD Waiver residential services reimbursement increase for COVID-19 expenditures	23.0
5% rate increase: personal care attendants (agency & consumer directed); Ch. 1289 contains a 5% rate increase for FY 2021	12.1
Dental providers: 10% of March-April 2019 expenditures	5.8
Virginia Free Clinics for care of uninsured and underinsured	2.0
Opioid Treatment Providers & Office-based Opioid Providers	1.7
COVID-19 expenses of PACE providers (not covered in CARES Act)	1.2
Retainer payments to DD supported employment providers	0.2
Sub-total	\$98.1



Dept. of Medical Assistance Services

Description	\$ in m.
PPE/Cleaning/Workplace safety for Medicaid dental providers, personal/respite care attendants, DD waiver residential services providers	\$16.9
Overtime for personal care providers (agency & consumer directed)	4.6
Testing/Contact tracing – reimbursement increase	1.1
Eligibility Changes – Policy decisions in Ch. 1289 that were unallotted	
Elimination of 40-quarter work requirement for lawful permanent residents	\$0.3
Extend Medicaid and CHIP coverage for lawful permanent residents post partum beyond 60 days and children who turn age 19	0.4
Total	\$121.4



Dept. of Behavioral Health & Develop. Services

Description	\$ in m.
Programs/Services	
CSB grants for MH outpatient services for vulnerable populations	\$10.0
CSB housing grants for individuals with serious mental illness or ID	10.0
Homeless shelter, food & hygiene supplies to prevent disease spread	0.4
Public health emergency leave, overtime costs, additional pay for employees providing face-to-face care w/ potential COVID-19 patients	14.1
PPE/cleaning/workplace safety in state facilities and CSBs	8.0
Clinic/health – quarantine units at state facilities; special hospitalization treatment costs; pharmacy, medical supply or medical equipment related to COVID-19 treatment at state facilities; emergency medical response expenses; contracts to speed discharges	4.5
Telework/telehealth capability, devices, software services	2.2
Testing/contact tracing	0.6
Total	\$49.8



Virginia Department of Health

Description	\$ in m.
Network support costs; testing & symptom checking communications; technology platform for services and reporting by service providers to meet needs of individuals & COVID-19 related support for affected populations	\$13.4
Long-term care facility support based on outbreak rates and a case rate to cover direct expenses for COVID-19 patients	10.0
Testing/contact tracing: seroprevalence testing, contract tracing staff, contact tracing data management system	5.0
Address food insecurity	0.8
Clinic/health: online tool to triage for COVID-19	0.5
Telework/telehealth capability, devices, software services	0.2
Total	\$29.9

Note: VDH noted in its submission that a number of systems requests will require additional funding that extends beyond Dec. 30, 2020.



Other Federal Resources for HHR

- Federal Funds Information for States (FFIS) estimates that Virginia will receive \$1.5 billion in additional federal funds addressing HHR needs during the COVID-19 pandemic
 - Families First Coronavirus Response Act
 - CARES Act designated programs and discretionary grants
- Some of the funding is provided to state agencies & local partners; some is directed at health care providers
- Timing of awards varies depending on the various federal agencies involved
- Estimated funding and purpose is contained in the Appendix to this presentation
 - Doesn't include additional federal funds that may be provided to individuals (e.g., SNAP and TANF funding)



EDUCATION



Direct CARES Funding for Education

- Under Section 18004 of the CARES Act, public higher education institutions have already been allocated about \$210 million of which 50% must be reserved to provide students with emergency financial aid grants
- Institutions allocations of about \$105 million used for
 - Expenses related to cleaning & PPE
 - Reimbursement for dorm closing costs
 - Cost to create online programs
- Student allocations of about \$105 million distributed in a variety of ways by the institutions
 - Students completed applications
 - Block grants to eligible students
 - Hybrid approaches



GEERF Funding for Education

- In addition, Virginia has been allocated about \$66.8 million in one-time funding under the Governor's Emergency Education Relief Fund (GEERF) for all of education
 - States provided with significant flexibility
 - Governor has recommended that higher education received only 35% of the GEERF pool or about \$23.4 million
- \$14.5 million or 62% is directed to 4-year publics for student aid, health & safety costs & online education
- \$4.9 million or 21% is directed to the VCCS for student aid, the G-3 initiative and extending internet access into parking lots on the 40 campuses
- \$3.8 million or 16% is directed to the TAG program
- \$175,000 or 1% is allocated for the five higher education centers (\$35,000 for each center)



Higher Education CRF Requests Total \$356.7 m.

- The seventeen Public Colleges and Universities have requested \$91.6 million from the CRF for a variety of items to include:
 - PPE / Cleaning / Workplace Safety - \$25.8 million
 - Telework / Distance Ed - \$16.6 million
 - Personnel Costs / Leave - \$15.8 million
 - Testing / Tracing - \$13.4 million
 - Dorms / Continuity of Operations - \$16.1 million
 - Clinic / Health - \$1.4 million
 - Miscellaneous - \$2.4 million



Higher Education CRF Requests Total \$356.7 m.

- UVA Hospital has requested about \$260.2 million with almost \$230 million associated with the costs of testing and the expansion of testing capacity
- SCHEV, EVMS and Higher Education Centers requested \$2.7 million
- State Museums requested \$2.2 million



Other CARES Act K-12 Funds

CARES Act Provision	Funds (in millions)
<p><u>Governor’s Emergency Education Relief (GEERF)</u> Governor Northam has announced intended uses of these funds:</p> <ul style="list-style-type: none"> • Internet access expansion, including devices for students without home internet access - \$26.9 million • Early childhood and child care program expansion - \$10 million • Expand Virtual Virginia online learning program - \$3.5 million • School-based meals programs - \$3 million • Remaining \$23.4 million to support institutions of higher education 	\$66.8
<p><u>Elementary & Secondary School Emergency Relief (ESSER)</u></p> <ul style="list-style-type: none"> • \$214.7 million mandated to be allocated directly to Virginia school divisions • \$23.9 million reserved as state set-aside, proposed uses yet to be announced by VDOE 	\$238.6



Department of Education

COVID-19 Response Program	Monies Requested (in millions)
<u>School Division Reimbursements</u> <ul style="list-style-type: none">Application-based reimbursements to address school division costs such as cleaning and disinfection, personal protective equipment, and expansion of virtual instruction	\$5.0
Total	\$5.0

- CARES Act education funding (GEERF and ESSER) streams are flexible, and could be used to address same costs



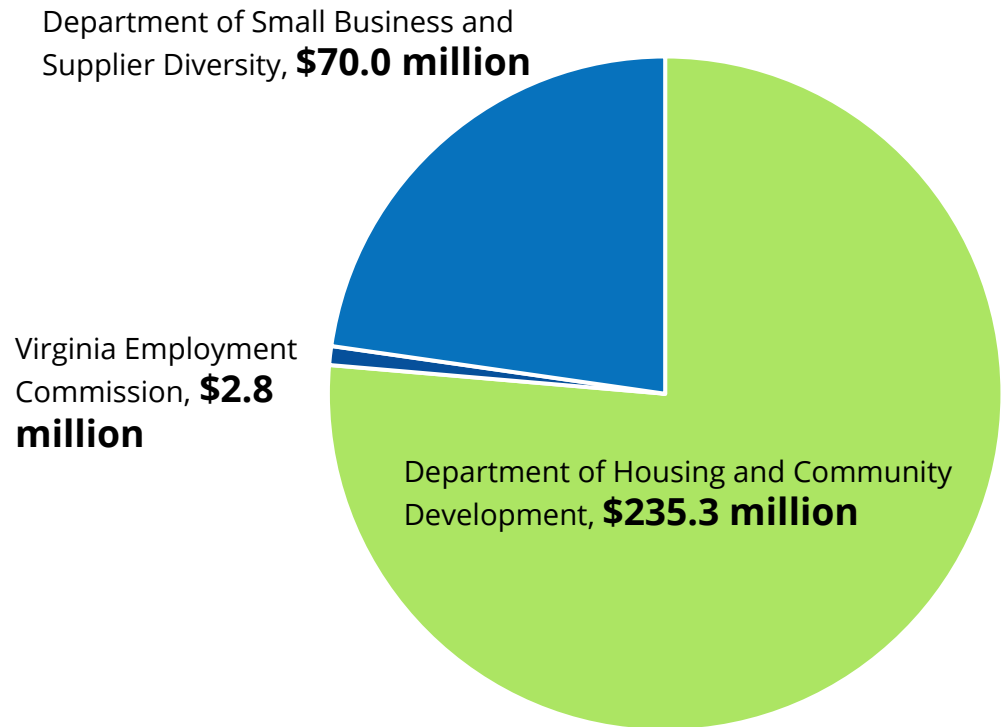
COMMERCE AND TRADE



Requests for CRF Funding by Agency

- Commerce agencies requested \$308.1 million in state CRF Funding, with two-thirds of total requests coming from DHCD
- DHCD requested \$200 million to support a rent and mortgage relief program

Coronavirus Relief Fund: Commerce Agency Requests as of May 26, 2020



Department of Housing and Community Development

COVID-19 Response Program	Monies Requested (in millions)
<p><u>Rental and Mortgage Relief Program</u></p> <ul style="list-style-type: none"> • Need based program to cover 50 to 100 percent of monthly rent or mortgage payments • Approximately 768,000 Virginians could qualify for the program with an income threshold of 80% or below the area median income 	\$200.0
<p><u>Broadband Access</u></p> <ul style="list-style-type: none"> • Covers seven months of internet access for low-income Virginians residing in public housing and some other low-income properties 	23.5
<p><u>Homeless Assistance</u></p> <ul style="list-style-type: none"> • Continue Virginia's efforts to provide non-congregate shelters through hotel/motel vouchers • Governor has authorized \$5.5 million in emergency spending for this program since the beginning of the pandemic 	8.8
<p><u>Local Building Departments</u></p> <ul style="list-style-type: none"> • One-time funding for local building departments to conduct regular business electronically or remotely 	3.0
Total	\$235.3

NOTE: Federal programs administered by DHCD, such as Emergency Solutions Grants and Community Development Block Grants received additional funds through the CARES act. Decisions related to CRF funding will determine how DHCD deploys flexible monies received through these federal programs.



Department of Small Business and Supplier Diversity

Relief Grant for Small Businesses, \$70.0 Million

- House Bill 1505 of the 2020 General Assembly Session capitalized a COVID-19 relief grant for small business with \$700,000 to grant 140 businesses \$5,000 each
- Requested money provides an additional 6,650 grants of \$10,000 to qualifying small business in Virginia for payroll support, employee salaries, mortgage or rent payments, utilities, PPE, and principal and interest payments on loans
- Includes one-time build costs for a COVID-19 portal for processing grant and loan applications including internal and external licenses for the system (\$66,863)



Virginia Employment Commission

COVID-19 Response Program	Monies Requested (in millions)
<u>Staffing</u> <ul style="list-style-type: none">Covers some expenses related to hiring new restricted salary positions, hourly state positions and contractors to fulfill staffing needed to support the state's unemployment systemThis would be in addition to the \$26 million VEC receives from the federal government for administration	\$1.2
<u>Personal Protective Equipment</u> <ul style="list-style-type: none">Purchase PPE, sanitization equipment, and social distancing markers in Virginia's one-stop unemployment and workforce centers	0.8
<u>Security</u> <ul style="list-style-type: none">Hire 21 additional security guards and purchase camera equipment for Virginia's one-stop unemployment and workforce centers to enforce public health safety measures	0.8
Total	\$2.8



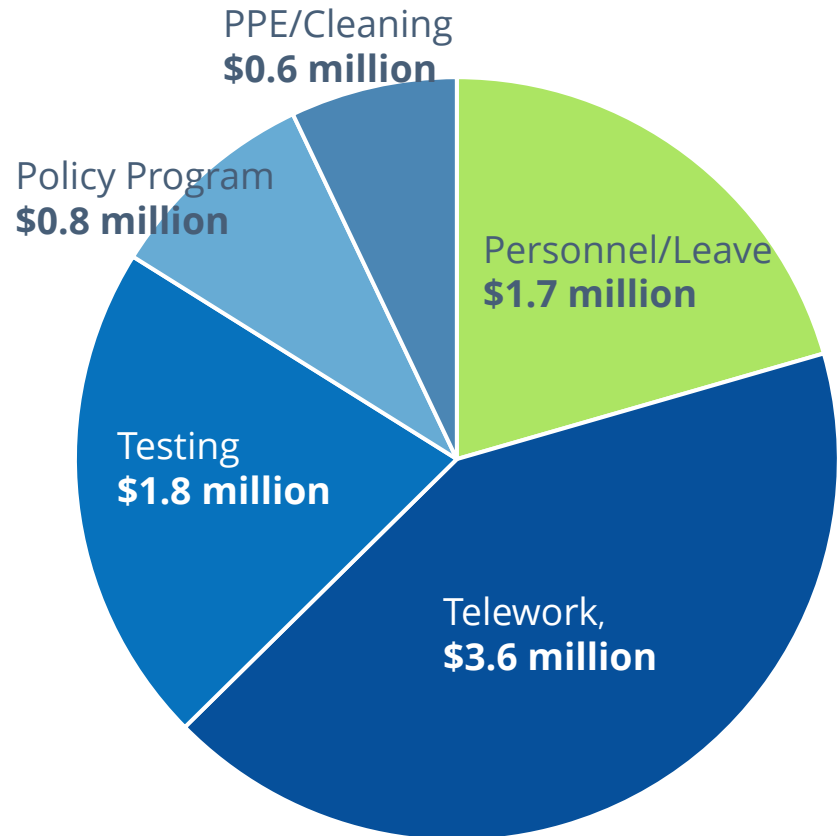
GENERAL GOVERNMENT



Requests for CRF Funding by Type

- General government includes the legislative department, administration secretariat, finance secretariat, and independent agencies, all of which requested CRF Funds
- A majority of the \$8.6 million in requests related to increasing teleworking capabilities, supporting additional personnel costs or leave programs, testing, and purchasing PPE or cleaning supplies

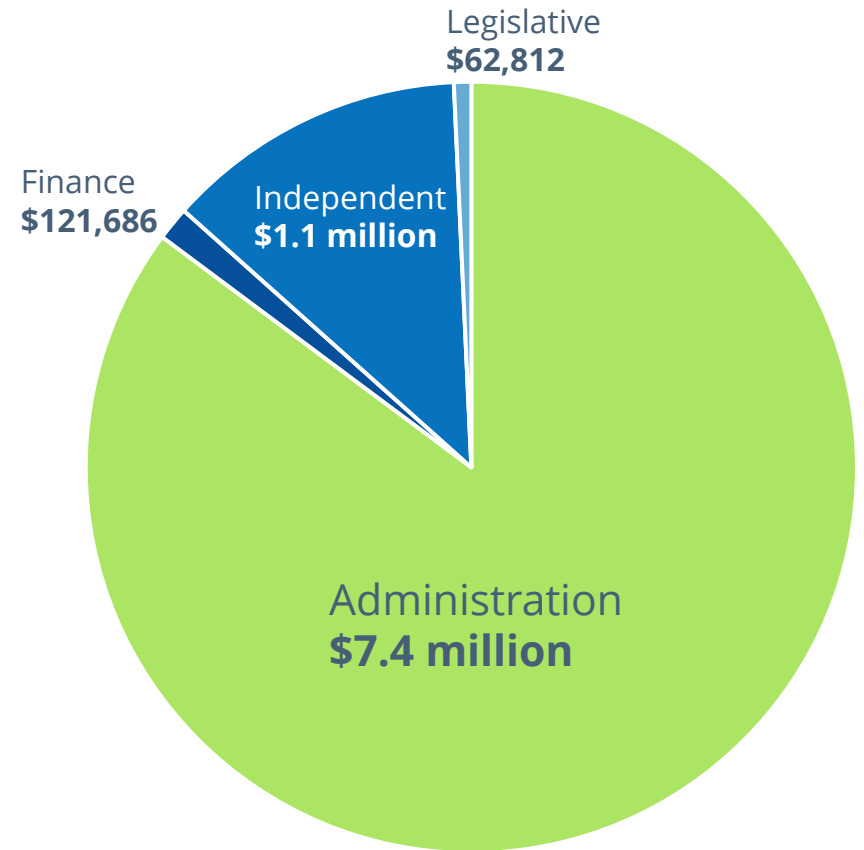
Coronavirus Relief Fund: General Government Requests as of May 26, 2020



Requests for CRF Funding by Agency

- A majority of the \$8.6 million in requests came from agencies within the administration secretariat
- The \$7.4 million requested by administration secretariat agencies were primarily driven by:
 - \$3.3 million requested by VITA to support teleworking among state agencies
 - \$3.0 million requested by DGS to support testing including personnel costs at the state lab
- In separate CARES Act Appropriation, ELECT received \$11.5 million
 - \$9 million has been distributed to localities to administer elections in June and November

Coronavirus Relief Fund: General Government Agency Requests as of May 26, 2020



PUBLIC SAFETY



Public Safety CRF Requests

Public Safety Agencies have requested reimbursement for a total of \$96.9 million in COVID-19 related expenses

Agency	Amount
VDEM	\$74.5
DOC	\$13.1
ABC	\$8.1
DJJ	\$0.7
VSP	\$0.4
DFS	<\$0.1
DFP	<\$0.1
DCJS	<\$0.1
Total	\$96.9 million



Department of Corrections

Description	Amount (\$ in millions)
Additional Contract Medical Staff	\$6.3
Personal Protective Equipment (PPE) and cleaning supplies	\$2.9
Agency Overtime Costs	\$1.5
Inmate and Staff Testing Costs	\$0.7
Install UV and Ionization Units at 12 DOC Locations	\$0.6
Establish Seven Medical Observation Units	\$0.5
Video Visitation Costs	\$0.5
Other Costs	<\$0.1
Total	\$13.1 million

- Increased use of contract medical staff
 - Quarantines for staff who have tested positive
 - Inmates exposed or with positive test results must have vitals checked twice per day
- DOC has received PPE from VDEM stockpile, but high levels of use and extensive cleaning needs require agency to procure own supplies
- Positive tests results among correctional officer and administrative staff has increased overtime costs
 - Due to movement restrictions, staff are not being transferred between facilities to fill gaps in coverage
- Increased use of telemedicine has reduced need for transportation; video visitation has been expanded
- Most testing costs for staff and inmates have been covered by other sources, such as VDH
- Transportation and intake likely to continue under severe restrictions due to risks posed to populations held in congregate settings



VDEM Requests

Description	Amount (\$ in millions)
Personal Protective Equipment (PPE) Stockpile	\$45.0
Public Education and Preparedness Campaign	\$10.0
Revise and Update Emergency Plans for Localities, State Agencies, Higher Education	\$9.0
IT and Space Improvements for 9-1-1 Call Centers	\$5.9
Contact Tracing Support for VDH	\$2.5
Stockpile 1 million MREs	\$2.0
Other Items	\$0.1
Total	\$74.5 million

- Department is point agency for procuring the Commonwealth's PPE stockpile
 - PPE stockpile is being distributed to state and local government agencies, and non-state entities
- Department has plans to include COVID-19 awareness materials in public outreach related to hurricane season
- Updating 200 state and local emergency plans would be done on a contract basis
- Plans to support physical improvements to 9-1-1 call centers (space barriers, movement of workspaces, etc.) to promote social distancing
 - Also planned procurement of cloud-based software to overlay COVID-19 related questions for emergency calls
- Department plans to support VDH contract tracing by procuring contract services for data analytics



ABC Requests

Description	Amount (\$ in millions)
Increase Staffing Due to Workload Increases and High Call-Out Rate	\$3.5
Deep Cleaning Services Following Positive Tests	\$2.2
PPE and Installation of Countertop Plexiglass at Agency Stores	\$1.9
Home Delivery	\$0.5
Total	\$8.1 million

- Wage staffing costs have increased due to increased levels of staffing and the provision of service commitment pay structure
- Sourcing PPE through eVA and independently through their procurement division
 - Authority has not received distribution from VDEM
- Authority is developing home delivery capability
 - Hired consultant and have diverted some IT staff from other agency projects
 - In pilot program serving Suffolk
 - UPS handling delivery; orders entered by 3pm are delivered the next day. Fulfilled through local store inventory
- Gross sales up year-over-year
 - Increase in retail sales for home have exceeded decrease in sales decreases
 - Concern about meeting sales projections in FYs 2021 and 2022 if economic activity remains depressed



TRANSPORTATION AGENCIES



Transportation Secretariat

- Funding request from the Transportation Agencies totals \$9.9 million

Agency	Request
Virginia Port Authority	\$5,707,188
Department of Transportation	3,548,427
Department of Motor Vehicles	652,005
Department of Aviation	<u>2,599</u>
Total	\$9,910,219



Port of Virginia

- Funding requests for the Virginia Port Authority totals \$5.7 million
 - Request includes \$2.7 million to cover cost incurred from a third party contractor for temperature checks during continued operations during the pandemic
 - \$937,800 for costs incurred during FY 2020 and an estimated \$1.73 million for FY 2021
 - \$2.3 million to support additional for additional cleaning and sanitizing of operational facilities
 - \$494,085 for the purchase of gloves, masks, sanitizer and other cleaning materials
 - Includes 7 additional requests, totaling approximately \$250,000, for expenses related to teleworking and social distancing requirements



Department of Transportation

- Funding requests from the Department of Transportation totals \$3.5 million
 - Request includes \$2.6 million to support the cost of paid family leave, sick leave, medical leave, and Public Health Emergency Leave
 - Requests includes cost incurred and projected through June 30
 - Includes \$400,701 to cover the cost of disinfecting public areas and facilities
 - Includes 4 additional requests, totaling approximately \$520,000, for expenses related to teleworking, overtime pay, and the purchase of equipment and supplies including face shields, gloves and water bottles for field operations (replacing water coolers)



DMV & Dept. of Aviation

- Funding requests from the Department of Motor Vehicles totals \$652,005
 - Request includes \$479,730 to purchase personal protective equipment and supplies
 - \$110,630 for the installation of plastic partitions at the DMV customer service centers
 - \$36,321 for increased cleaning costs including professional cleaning of weighing stations
 - Includes 4 additional requests, totaling approximately \$28,000, for expenses related to overtime, and equipment and supplies including portable toilets at weighing stations
- Funding requests from the Department of Aviation totals \$2,599 for the purchase of supplies and equipment



AGRICULTURE AND NATURAL RESOURCES



Ag & Natural Resources CRF Requests

Agency	Description	Amount (\$ in millions)
VDACS	Develop Emergency Food Supply Packages	\$1.3
VDACS	Develop Virginia Agricultural Surplus System to support farmers	\$1.0
DCR	Total Request – PPE, Leave Costs, Equipment, Cleaning and Sanitation	\$0.5
DEQ	Total Request – PPE, Distance Learning, Cleaning and Sanitation	\$0.4
Dept. of Forestry	Provide (2) incident management teams to Emergency Operations Center	\$0.3
VMRC	Total Request – Leave, PPE for Law Enforcement Officers	<\$0.1
Total		\$3.6 million



APPENDIX



Other HHR Federal COVID-19 Funding

Federal Agency/Program	\$ in millions
Administration for Families and Children	
Child Care and Development Fund	\$70.8
Low Income Home Energy Assistance Program (LIHEAP)	23.4
Community Services Block Grant (Community Action Agencies)	16.0
Head Start	12.2
Child Welfare Services	1.1
Family Violence Prevention Programs	1.0
Runaway & Homeless Youth Ctrs./Transitional Living & Refugee Resettlement	0.3
Administration for Community Living	
Congregate & Home-delivered Meals for the Elderly	\$17.4
Home and Community-based Supportive Services for the Elderly	4.8
Family Caregiver Support Program for Chronically Ill/Disabled Elderly	2.4
Centers for Independent Living	1.8
Aging and Disability Resource Center – No Wrong Door System	1.1
Ombudsman Program to Protect Vulnerable Older Adults	0.5



Other HHR Federal COVID-19 Funding

Federal Agency/Program	\$ in millions
Centers for Disease Control and Prevention	
Testing (Coronavirus Preparedness & Response Support Supplemental Appropriation Act – H.R. 6024)	\$213.1
Public Health Crisis Response – surveillance, epidemiology, infection control & mitigation, lab capacity (H.R. 6024)	13.6
Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (CARES Act)	14.8
Health Resources and Services Administration (HRSA)	
Community Health Centers	\$31.0
Rural Health Clinic Testing	2.0
Small Rural Hospital Improvement Program	1.9
Telehealth Resource Centers	0.8
Ryan White HIV/AIDS Program – Part B	0.5
Health Workforce Training Programs	0.4
Area Health Education Centers (AHECs)	0.1
Poison Control Centers	0.1



Other HHR Federal COVID-19 Funding

Federal Agency/Program	\$ in millions
U.S. Department of Agriculture	
Child and Adult Care Food Programs	\$25.0
Women, Infants and Children (WIC)	6.3
Substance Abuse & Mental Health Services Admin. (SAMHSA)	
Emergency Grants for Mental Health and Sub. Abuse Svs.	2.0
Certified Community Behavioral Health Clinics	4.0
Office of the Secretary of Health & Human Services	
Provider Relief Funds (includes some small amounts for VDH, DBHDS)	\$814.4
Provider Relief Funds for High Impact Area Providers	75.0
Provider Relief Funds for Rural Providers	134.4
Hospital Preparedness	\$7.3
Total	\$1,499.5

Source: FFIS Estimated State Funding for Coronavirus Pandemic, updated June 5, 2020 and Virginia Department of Health Response to COVID-19, Presentation to Senate Finance and Appropriations Committee, May 19, 2020.

