COVID-19 Response

Nursing Home Provider COVID-19 Capacity Payments
April 22, 2020

Background
The Department of Health and Human Services (DHHS) will implement a regional hub strategy to provide nursing home care to individuals being treated for and recovering from COVID-19. Under this plan, one or more facilities (or unit within a facility) within a region will be designated as a hub for receiving COVID patients discharged from hospitals. This ensures hospitals can continuously discharge recovering COVID patients and maintain surge capacity within their facilities. Hubs will also receive COVID residents from other nursing homes that are not able to provide care in accordance with federal guidelines. Additionally, this strategy allows the state to specifically target equipment, financial resources, and treatment protocols to nursing facilities treating COVID patients, ensuring they can safely provide care.

How It Will Work

- DHHS will designate certain nursing facilities with dedicated COVID units as regional hubs. These facilities have previously expressed their willingness to receive COVID patients and serve in this capacity.
- DHHS will issue guidance outlining care procedures and structural accommodations for regional hubs needed to minimize the risk of further transmission.
- Hub facilities will receive an up-front incentive payment reserved for COVID patient care. This payment will provide facilities with immediate cash support to safely provide care to individuals with or recovering from COVID.
- DHHS will prioritize hub facilities for personal protective equipment (PPE) distribution from the state supplies.
- Existing nursing facility level-of-care determination requirements would be waived at the time of admission, easing the hospital discharge process.

Financial Details

- DHHS will use up to $5 million of the $50 million GF appropriated in HB 4729 for increasing healthcare capacity to facilitate a first-round of these payments to cover the first month of operations.
- The department is also considering how to allocate an additional $10 million in supplemental payments for longer-term support to these regional hubs should COVID-related needs persist beyond one month.
- Per-bed payment levels will depend upon the number of approved beds within nursing home regional hubs. The payment level will likely be around $5,000 per bed, which assumes 1,000 approved beds.
- Approvals for beds are ongoing and made on a rolling basis. Payments will be made in batches as beds are approved.