



July 2, 2021

Stephen Groff, Director
 Delaware Division of Medicaid and Medical Assistance
 Delaware Health and Social Services
 1901 N. Du Pont Highway, Lewis Bldg.
 New Castle, Delaware 19720

RE: Enhanced HCBS FMAP & American Rescue Plan Act Funding Request

Dear Director Groff,

On behalf of LeadingAge New Jersey & Delaware, I respectfully request the Delaware Division of Medicaid and Medical Assistance to consider using funds from the recently announced (ten point) FMAP increase for Medicaid home and community-based services (HCBS) and the American Rescue Plan Act (ARPA) to support the aging services infrastructure in Delaware.

LeadingAge New Jersey & Delaware (LANJDE) is a bi-state association of more than 140 mission-driven, primarily not-for-profit senior care organizations and is dedicated to advancing quality aging services through advocacy, education and fellowship. We represent the full continuum of aging services providers, including skilled nursing facilities, assisted living residences, continuing care retirement communities, independent senior affordable housing and home and community-based providers like hospice, and PACE. As a state partner, along with our national affiliate, our association provides support, networking and educational programs for our members.

I think we can all agree, the COVID-19 pandemic has shone a light on the critical role aging services play in Delaware and across the nation. LANJDE members including Acts Retirement Life Community at Cokesbury Village, Acts Retirement Life Community at Country House, Acts Retirement Life Community at Manor House, Acts Signature Hospice & Home Care, The Moorings at Lewes, Westminster Village and Saint Francis LIFE / Trinity Heath PACE have been working tirelessly since the beginning of the pandemic to protect older adults and their staff from this unforgiving virus. While we appreciate the support provided thus far to the long-term care community, more is desperately needed. As you deliberate and design your spending plan for CMS, we urge the Department of Health and Social Services via the Division of Medicaid and Medical Assistance to leverage the unique funding opportunity presented by the enhanced HCBS FMAP and the ARPA to support the following:

1) Enhanced funding for PACE

Under normal circumstances, PACE is a unique long-term care alternative, providing coordinated and integrated health care, while keeping some of Delaware's most vulnerable seniors independent and safe. During the pandemic, even with the PACE center closures, these innovative programs worked tirelessly around the clock to keep their participants healthy in their homes, supporting the elders, their families and caregivers. As an outcome of the pandemic and the increased costs associated with transportation, COVID testing, PPE, and additional staffing and technology needed to provide quality care, plus their reduced enrollment, PACE has seen a disproportionate and unexpected effect on their operating budgets

and are desperately in need of enhanced funding. Investing in PACE would help the programs care for seniors that want to age in place and keep them out of a higher-cost-of-care setting like nursing homes; in return, saving the State taxpayer dollars.

2) **Re-investing in Assisted Living and Nursing Homes**

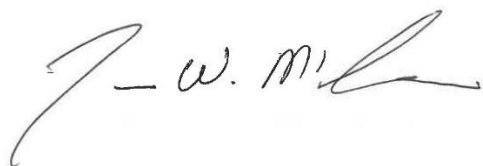
Despite being on the front line of the pandemic and navigating all the increased costs previously detailed above, assisted living residences and nursing homes have received only nominal relief from the federal and state governments. Just to put things into perspective, a six-month average of non-budgeted COVID-related expenses for a 40-bed skilled nursing facility and 45-bed assisted living facility was \$159,000.00 for one of our Delaware members. Taking these exorbitant costs and lack of COVID financial relief into consideration, LANJDE requests that the Department re-invest a part of the enhanced FMPAP back into assisted living and nursing homes. Re-investing these funds would not only help these providers care for seniors that want to age in place and keep them out of a higher-cost-of-care setting like hospitals; in return, saving the State taxpayer dollars, but it would help offset the exorbitant costs of continued COVID testing, infrastructure improvements, and to comply with any new legislative mandates (e.g., increases in Delaware's minimum wage for staff).

3) **Invest in Aging Services Workforce Development**

While in many ways the pandemic recovery is underway, unfortunately, too many senior care organizations cannot find the staff they need to provide the quality care to their elders nor keep up with an increasing demand for services as our aging population significantly grows. Skilled nursing facilities, assisted living residences as well as homecare, hospice, and PACE programs are all struggling to find people to work in the aging services field in Delaware. The workforce hiring crisis existed before COVID-19, but has been severely exacerbated by the pandemic. Targeted funding is desperately needed to create a comprehensive aging services workforce development program that addresses the recruitment, education and training, as well as retention of long-term care staff. In an effort to accomplish this goal, some states are looking at other federal support available for essential workers to combine with this new funding in order to bolster the HCBS workforce and we urge Delaware to do the same.

I welcome the opportunity to meet to discuss the above request and encourage you to please call upon our association to collaborate as the Department makes its funding decisions over the next few weeks.

Sincerely,



James W. McCracken
President & CEO
LeadingAge New Jersey & Delaware