COVID Funding and Grant Opportunities

ADvancing States compiled the following COVID funding and grant opportunities in response to state request for information. Please see the ADvancing States COVID-19 website for additional information, including federal guidance, state materials, CMS waiver approvals, and business solutions to help support state agencies during the crisis. If you have any questions about the information in this document, please contact Damon Terzaghi at dterzaghi@advancingstates.org.

Aging and Disability Funding Opportunities

Older Americans Act (OAA) Additional Funding

The CARES Act appropriates $820 million for OAA programs which, coupled with the $250 million from the prior COVID relief package, results in over a billion dollars of additional OAA funding. The $1.07 billion is divided into:

- $200 million for OAA Title III-B Supportive Services;
- $730 million for OAA Nutrition Services;
- $100 million for Title III-E Family Caregiver Supports;
- $50 million for Aging and Disability Resource Centers;
- $20 million for Title VI Tribal Nutrition Services; and
- $20 million for Elder Justice Activities, including the Long-Term Care Ombudsman (LTCO) program.

For more information:

ACL State by State Totals for CARES Act Funding and OAA Title VI CARES Act Funding by Tribe

Aging and Disability Resource Center/No Wrong Door System Funding Opportunity: Critical Relief Funds for COVID-19 Pandemic Response

Centers for Independent Living (CILs)

The CARES Act includes $85 million of additional funding for CILs.

Programs Extended Through November 30, 2020

The CARES Act does not provide exact dollar amounts for each of the extensions, but instead fully funds the programs until the end of FY2020 (ie: September 30). The bill then allocates all these programs a prorated amount equal to what they received in FY2020 for October and November. This essentially means that they are all funded at their current levels until November 30.

Extended programs include:

1) The Money Follows the Person Grants;

2) Additional funding for Medicare outreach and enrollment, originally authorized by the Medicare Improvements for Patients and Providers Act (MIPPA) legislation that is provided to:

a. State Health Insurance Counseling Programs (SHIPs);

b. AAAs;

c. ADRCs; and

d. The National Center for Benefits Outreach and Enrollment.

3) Community Mental Health Services Demonstration Program is also extended and two additional states are able to participate.

Increased Funding for Nursing Home Survey and Certification Visits

The CARES Act provides CMS with $200 million of additional program management funding for domestic and international responses to the coronavirus. Of this funding, at least $100 million must be used for survey and certification activities, with an emphasis on areas with community transmission of coronavirus.

Increased Housing Funds

The CARES Act provides $15 million of additional funding for Section 811 Supportive Housing for Persons with Disabilities programs and $50 million for Section 202 Supportive Housing for the Elderly Program.

Geriatric Workforce Enhancement Program

The CARES Act creates the establishment of a geriatrics workforce enhancement grant program and provides approximately $40.7 million for each of fiscal years 2021-2025 (a total of $203.7 million) to enhance training for geriatrics workforce enhancements. The goals of the program include clinical and interprofessional training with an emphasis on patient and family engagement, integration of geriatrics with primary care and other appropriate specialties, and collaboration with community partners to address gaps in health care for older adults.

Medicaid Flexibilities and Funding Opportunities

Medicaid Federal Match Increase

The Families First Coronavirus Response Act provides a 6.2 percent increase of the Federal Medical Assistance Percentage (FMAP) for the duration of the emergency. In order to secure this increased FMAP, states may not implement eligibility standards, methodologies, or procedures that are more restrictive than those in place as of January 1, 2020. States also cannot increase premiums above the levels in place on January 1, 2020. Individuals enrolled in Medicaid at the time of the bill's passage or who enroll in Medicaid during the public health emergency must be maintained in Medicaid until the end of the emergency period. Lastly, in order to receive the FMAP increase, states must cover testing for COVID-19 through their Medicaid program with no cost-sharing requirements. In addition to the FMAP increase, the bill also increases Medicaid allotments for the Territories. For more information, please see the Families First Coronavirus Response Act – Increased FMAP FAQs.

Medicaid Flexibilities that Can Support Providers

1135 Waivers

Targeted to policies that ensure sufficient health care items and services are available to eligible individuals during a crisis. Applies across entire Medicaid program. CMS may also issue waivers for Medicare requirements. Changes to payment policy are not allowed. CMS-developed Medicaid template includes items such as:

- Waivers of prior authorization requirements and extension of existing authorizations;
- Timeline flexibility for PASRR and Nursing Home MDS;
- Extending fair hearing timelines;
- Variety of options for expanding the pool of available providers and expediting enrollment; and
- Flexibility around certain data and reporting requirements.

While there are no financial changes allowed, alleviation of some of the other requirements may assist with provider relief.

Appendix K for 1915(c) Waivers

Allows changes to services delivered under 1915(c) waivers or certain LTSS services within pre-existing 1115 waivers. CMS COVID-focused template includes options such as:

- Temporary nonapplication of requirement to allow visitors at any time;
- Electronic/distance option for service delivery;
- Temporarily adding new services, such as meals, medical supplies, and assistive technology;
- Allow case management entities to provide direct services in some instances;
- Modify provider qualifications in order to recruit new providers;
- Expand to include family members as providers;
- Additional flexibility around some timelines and processes for some operations;
- Temporary payment rate increases; and
- Temporary "retainer payments" for personal care and habilitation services, within applicable limits (allowable for the lesser of 30 days or the state-specific institutional bed hold policy).

State Plan Amendments
States have broad options allowable within the existing State Plan. This is not applicable to pre-existing 1915(c) or 1115 waivers. Options in the CMS pre-print include:

- Eligibility: adopt new groups, increase income limits, loosen nonfinancial requirements;
- Enrollment: expand presumptive eligibility, extend redetermination periods;
- Cost Sharing: suspend out of pocket costs, allow hardship waivers;
- Benefits: add new benefits, modify current benefits, expand telehealth;
- Payment: increase rates for certain services.
- Prescription Drugs: increasing limits on the number of drugs dispensed, expanding prior authorization, and adding exceptions to state preferred drug lists.

1115 Waivers
States can implement changes to state-plan services as well as to HCBS not delivered via a 1915(c) waiver, such as 1915(i); 1915(k); 1905(a) state plan benefits. The CMS template includes items such as:

- Changes to benefits;
- Waiver of statewideness;
- Ability to provide services in a different amount, duration, or scope for certain individuals;
- Adjust payment rates;
- Waiver of premiums, cost-sharing, or other participant costs;
- States can also request retention payments, though CMS has thus-far only approved retention payments that are subject to the same limitations as 1915(k) waivers (ie: same services and same timeframes) that are applied to other LTSS options such as the 1915(k).

Small Business and Loans Opportunities

Paycheck Protection Program (PPP)

These are small-business loans available to certain entities with fewer than 500 employees, including 501(c)(3) nonprofits. Please note that nonprofits organized under 501(c)(6) authority are not eligible. The amount of the loan can be up to the lesser of 2.5 times the monthly payroll expenses of the business or $10 million with a maximum interest rate of 4%. Importantly, loan applicants who maintain the payroll/staffing levels that were in place as of February 15th through June 20th can request loan forgiveness. The amount forgiven can be the amount spent on payroll, mortgage interest, rent, and utilities over an 8 week period. This essentially means that at least a portion of the loan can be forgiven and not repaid. The CARES Act provided $349 billion for this program, which was rapidly exhausted. A second bill allocated an additional $310 billion for a total of $659 billion for the PPP. A new round of applications were accepted beginning on Monday, April 27th.

Employee Retention Credit

This credit provides a refundable payroll tax credit for 50 percent of wages paid by employers to employees during the COVID-19 crisis. The credit is available to employers whose (1) operations were fully or partially suspended, due to a COVID-19-related shutdown order, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year. The credit is based on qualified wages paid to the employee. The credit is provided for the first $10,000 of compensation, including health benefits, paid to an eligible employee. The credit is provided for wages paid or incurred from March 13, 2020 through December 31, 2020. For more information, visit the Internal Revenue Service Employee Retention Credit FAQs.

Subsidy for Certain Loan Payments

Requires the Small Business Administration (SBA) to pay the principal, interest, and any associated fees that are owed on certain loans for a six-month period starting on the next payment due. The loans eligible for this payment include an existing 7(a) (including Community Advantage), 504, or microloan product. PPP (discussed above) loans are not covered. Loans already on deferment will receive six months of payment by the SBA beginning with the first payment after the deferral period. Loans made up until six months after enactment will also receive a full 6 months of loan payments by the SBA. For more information, visit the SBA's Small Business Guidance and Loan Resources website.

Emergency Economic Injury Disaster Loans (EIDL)

Expands eligibility to include Tribal businesses, cooperatives, and employee stock ownership plans with fewer than 500 employees, any individual operating as a sole proprietor, or an independent contractor during the covered period (January 31, 2020 to December 31, 2020). Private non-profits (including 501 c3 and c6) are also eligible for both grants and EIDLs. The law waives personal guarantees, the requirement that an applicant have been in business for 1-year before the disaster, and the "credit elsewhere" requirement on advances and loans less than $200,00 for EIDL loans made in response to COVID-19 before December 31, 2020. Instead, during the covered period, the SBA can approve and offer EIDL loans based solely on an applicant's credit score, or use an alternative appropriate alternative method for determining applicant's ability to repay.

Emergency Grants/Advances from EIDL Loans

Establishes an Emergency Grant to allow an eligible entity who has applied for an EIDL loan due to COVID-19 to request an advance on that loan, of not more than $10,000, which the SBA must distribute within 3 days. Establishes that applicants shall not be required to repay advance payments, even if subsequently denied for an EIDL loan. In advance of disbursing the advance payment, the SBA must verify that the entity is an eligible applicant for an EIDL loan.

Unemployment and Employee Compensation

Pandemic Unemployment Assistance

Creates a temporary pandemic unemployment assistance program through Dec 31, 2020 to provide payment to those not traditionally eligible for unemployment benefits (self-employed, independent contractors, those with limited work history and others) who are unable to work as a direct result of the COVID outbreak.

- Increase in Unemployment Benefits: Provides an additional $600 per week payment to each recipient of unemployment insurance or Pandemic Unemployment Assistance for up to four months.
- Additional Weeks of Unemployment: Provides an additional 13 weeks of unemployment through December 31, 2020 to help those who remain unemployed after state unemployment benefits are no longer available.
- Immediate Relief for Workers: provides funding to pay the cost of the first week of unemployment benefits through December 31, 2020 for states that choose to pay recipients as soon as they become unemployed instead of waiting one week before the individual is eligible to receive benefits.
- Support for Government Agencies, Nonprofits, and Indian Tribes: provides payment to states to reimburse nonprofits, government agencies, and Indian tribes for half of the costs they incur through December 31, 2020 to pay unemployment benefits.
- For more information see the House Committee on Ways and Means CARES Act Unemployment Insurance FAQs.

Temporary Financing of Short-Time Compensation Payments in States with Programs in Law

This section provides funding to support short-time compensation programs. The bill would pay 100 percent of the costs incurred in providing this short-time compensation through December 31, 2020.

- Temporary Financing of Short-Time Compensation Agreements: Provides funding to support states which begin a program. Provides financing for 50 percent of the costs that a state incurs in providing short-time compensation through December 31, 2020.
- Grants for Short-Time Compensation Programs: The law provides $100 million in grants to states that enact "short-time compensation" programs to help them implement and administer these programs.
- Assistance and Guidance in Implementing Programs: Requires the Department of Labor to disseminate model legislative language for states, provide technical assistance, and establish reporting requirements related to the short time compensation programs.
- For more information on the short-time compensation payments provisions of the CARES Act, visit the Office of Unemployment Insurance Short-Time Compensation fact sheet.

Deferral of Payroll Taxes

Allows employers and self-employed individuals to defer payment of the employer share of the Social Security tax, which is generally 6.2-percent of wages. Employers have two years to pay the deferred amount. Half must be paid by December 31, 2021 and the other half by December 31, 2022. This essentially amounts to a no-interest loan to employers for the amount of the payroll tax they defer.

- Changes to Charitable Deductions: there are a couple of changes to charitable deduction policies, which could help 501(c)(3) nonprofits in the network access increased contributions. Nonprofit aging and disability agencies may want to include this in marketing & outreach materials. These provisions include:
  - Allowance of partial "above the line deduction" for charitable contributions. Allows individuals to deduct up to $300 of cash contributions in tax year 2020, regardless of whether they itemize their deductions.
- Increase of charitable contribution limits during 2020. This increases existing limits on deductions by individuals who itemize and by corporations. For individuals, the 50-percent of adjusted gross income limitation is suspended for 2020. For corporations, the 10-percent limitation is increased to 25 percent of taxable income. This provision also increases the limitation on deductions for contributions of food inventory from 15 percent to 25 percent.

Additional Funding Opportunities

Community Services Block Grant (CSBG)

The CARES Act provides an additional $1 billion for CSBG.

Low Income Home Energy Assistance (LIHEAP)

The CARES ACT allocates $900 million for LIHEAP.

Healthcare Provider Support

The CARES Act included $100 billion to reimburse providers for lost revenue or for costs they incur from treating COVID-19. Subsequent legislation added $75 billion for a total of $175 billion. Hospitals are the primary provider type that appear to benefit from this fund; however, other eligible entities can apply for funding as well. The law specifies that eligible providers include, "public entities, Medicare or Medicaid enrolled suppliers and providers, and *such for-profit entities and not-for-profit entities not otherwise described in this provision as the Secretary may specify*, within the United States (including territories), that provide diagnoses, testing, or care for individuals with possible or actual cases COVID–19." For more information see the HHS CARES Act Provider Relief Fund webpage.