

**American Rescue Plan (ARP) State
Fiscal Recovery Funds (SFRF)
Request Form**

Please complete this form in accordance with
the process instructions.

Agency/Point of Contact: Dan Pollock, DHS Assistant Commissioner, 651-325-1505

Title of Request: Nursing Facility Emergency Grants for Additional Staffing (through January 2022)

Date: 12/1/2021 **Request Amount:** \$ 50,000,000

Expenditure Time Period: 12/1/2021 to 6/30/2023

Brief Summary of Request: (Summary must be complete on this page with supporting information attached)

DHS requests \$50 million in funding from the State Fiscal Relief Fund (ARPA) to administer emergency grants to nursing facilities that agree to use at least 90 percent of the new funding for hiring and retention bonuses to hire or retain existing employees.

DHS would allow for advanced payments as lump sum via a gross adjustment through the MMIS claim system. Providers would need to submit follow up documentation showing how the funds were spent and complete a settle up.

To expedite the processing of the payments, DHS will allocate eligible funds across nursing facilities in proportion to their number of reported Medicaid "days". Facilities with higher Medicaid utilization received less federal money, as some of those federal distributions were based on Medicare days. Higher proportion Medicaid facilities are more likely to be serving diverse populations, are more rural, and may have a harder time maintaining operations during a staffing-related crisis. Using a grant to pay for unprecedented bonuses in this way is unusual and will require additional administrative expenses. Up to \$100,000 may be used by DHS for administrative costs.

Nursing facilities can use these funds for: costs hiring and retention bonuses provided to eligible employees and; increased costs for FICA, Medicare taxes, worker's compensation premiums, and federal and state unemployment insurance associated with bonuses. Providers will complete documentation for the emergency grant with DHS through an attestation form and be subject to post-grant activity audit review.

This is authorized under 2021 Session Laws, First Special Session, Chapter 12, Article 5, Section 2, which establishes the COVID-19 flexible response account within the state treasury to pay expenditures eligible under federal guidance for the state fiscal recovery fund. Prevention activities in nursing facilities are a permissible use of ARPA funds. Additional authority is in Minn. Stat., section 256.01, subds. 2(a)(6) and 25.

Jodi Harpstead

Department Head Signature

Digitally signed by Jodi Harpstead
Date: 2021.11.18 12:23:00 -06'00'

11/18/2021

Date