



September 29, 2020

The Honorable Alex M. Azar
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Secretary Azar,

Senior living communities care for our nation's most vulnerable populations. Nearly 80 percent of all COVID-19 deaths in the U.S. have occurred in people over the age of 65, making this population among the most vulnerable to the virus. For older adults living in senior living communities—whose average age is 85, the risk is even higher. Many senior living community residents require assistance with activities of daily living, putting them in close contact with direct care workers, and a majority suffer from chronic conditions and comorbidities. Financial resources for these communities to assist in the administration of rapid-testing and vaccines is urgently needed.

The senior living sector provides care to more than two million seniors and employs nearly one million front-line caregivers across 21,600 assisted living, memory care, continuing care retirement communities, and independent living communities. To combat the spread of the virus, senior living operators have taken extraordinary measures and suffered billions of dollars in financial loss. Senior living communities are not skilled nursing homes, but they care for and protect the same vulnerable populations.

We thank the Administration for its strong leadership in combating this virus. Though the financial losses of senior living operators continue to mount, the recent distributions for Medicaid and private pay assisted living facilities from the Provider Relief Fund were greatly appreciated. However, as these communities continue to sustain massive financial losses, it is important to note that they care for the same vulnerable populations as other long-term care facilities (such as skilled nursing facilities) yet have received only a fraction of the same federal relief.

As the Administration works toward its goal of rapid-testing and vaccination to abate the pandemic in senior communities, please know that our members are with you. Our industry will be the cornerstone for implementing rapid testing, vaccinations and overall mitigating the virus in these senior communities. To be effective, however, additional financial resources are needed.

We are encouraged by the recent announcement to prioritize and deliver rapid response antigen tests to those assisted living communities with Clinical Laboratory Improvement Amendment (CLIA) waivers. Many assisted living facilities won't be in a position now to receive the tests and will be required to shoulder the costs of testing on their own. The costs of caring for those most at risk of infection cannot be overstated, and current financial losses are simply not sustainable.

Senior living communities currently estimate COVID-related losses to total \$15 billion. Unlike other providers, whose losses were felt in the earlier days of this pandemic (due to loss of elective procedures), the senior living industry is suffering our most significant losses now and these losses will only be compounded in the future. This is in large part due to the sharp decline in occupancy rates. Many providers are reporting declines in admissions of 75% compared to the same period in 2019. In fact, assisted living occupancy fell to a record low in the second quarter of 2020.

Such devastating losses will dramatically impede the ability of these facilities to afford and administer long-term rapid-testing and vaccinations efforts. Therefore, to win the COVID-19 battle, senior living communities must have the financial resources to procure tests and acquire the requisite PPE and staff to effectively implement widescale testing. We strongly believe that the most cost-effective and efficient manner to ensure that these senior living facilities can meet the great demands of regular testing to staff and residents is to provide a stipend to each facility which will provide appropriate reimbursement of the costs of purchasing and administering the tests. We ask that sums be made available in a similar manner as testing resources that were distributed to other types of long-term care providers.

Secretary Azar, we look forward to winning the fight against COVID-19 with you. With your help we can and will continue to protect America's seniors. Thank you for your efforts to prioritize our nation's seniors.

Sincerely,



James Balda
President & CEO
Argentum



Scott Tittle
Executive Director
National Center for Assisted Living (NCAL)