



October 4, 2021

Ms. Andrea Palm
Deputy Secretary
U.S. Department of Health and Human Services
1401 Constitution Avenue N.W.
Washington, D.C. 20230

Dear Deputy Secretary Palm,

On behalf of Argentum, the leading national association representing 70% of the nation's senior living communities, of which, approximately one in four seniors who receive some form of assistance for activities of daily living reside, we would like to extend our sincere appreciation for the recent release of \$25.5 billion in provider relief, including \$17 billion specifically for Phase 4. These funds are critically needed to help offset the extraordinary expenses and losses that providers have incurred as a result of the COVID-19 pandemic, particularly senior living providers who have been on the front lines caring for our nation's most vulnerable seniors.

Senior living communities care for nearly two million older vulnerable Americans—those most vulnerable to COVID-19, with an average age in assisted living of 85, and a need for daily assistance with activities such as eating, bathing and toileting. As a result of the pandemic and their efforts to protect these fragile residents, we have projected that these caregivers have incurred roughly \$30 billion in expenses due to PPE, staffing needs, overtime and hero pay, and unprecedented losses due to record-low occupancy that continue to compound. On top of the financial challenges through the first half of 2021, providers are also now grappling with the increased needs in protecting against the Delta variant that is again targeting this most at-risk population.

Unfortunately, relief to date has been disproportionately insufficient (less than 0.4% of PRF was allocated to assisted living providers according to a March 2021 report from the Government Accountability Office). We greatly appreciate the relief that is being made available now, and we urge you to utilize the discretion granted by Congress to target additional relief to these frontline providers, who have been committed to ensuring the safety of residents and caregivers throughout the past year and a half of this pandemic.

As you know, Phase 4 will include bonus payments based on the amount of services that providers furnish to Medicare patients, who tend to have more complex medical needs. We therefore ask that, as the administration reviews application data to determine a methodology for the Phase 4 payments, you specifically consider the significant number of Medicare beneficiaries who receive direct care as residents of senior living facilities, and factor this into the bonus payments intended for providers serving seniors. Despite the fact assisted living facilities care for Medicare beneficiaries,



these providers do not receive any Medicare reimbursement. And while skilled nursing facilities and other providers will be eligible for bonus payments as a result of receiving Medicare funds, assisted living providers would be left behind again, even though they have cared for the same seniors and incurred the same losses and increased expenses. We respectfully ask that HHS recognize the critical care being provided in the assisted living setting and allow communities to receive bonus payments so they can continue to provide the critical care needed for our nation's seniors.

Separately, while we greatly appreciate the attention that this administration has brought toward vaccination and the prioritization of our residents and staff for boosters, we are concerned that there is not adequate support for clinics to effectively administer these doses. Through the Pharmacy Partnership for Long-Term Care Program (PPLTCP), senior living communities were able to achieve overall vaccination rates higher than 99% of all U.S. counties, with over 90% of residents and more than 8 out of 10 workers vaccinated. But without a coordinated PPLTCP for boosters, it's imperative that the administration provide necessary coordination to ensure vaccines are able to be administered as efficiently as possible so we may continue protecting our nation's most frail seniors.

We sincerely appreciate the administration's leadership during this challenging time and know that you are doing everything possible to help providers by quickly distributing funds from the PRF. Please let us know if you have any questions or would like to discuss these matters further.

Sincerely,

James Balda
President & CEO
Argentum