

Federal Asks [updated 3.6.20] Washington State COVID-19 Response

TOP PRIORITY ASKS

- **Send HHS/CDC Personnel to Assist Local Health Jurisdictions and Life Care Center.** Our local health jurisdictions are overwhelmed or soon will be with managing the outbreak in King and Snohomish Counties, and we anticipate more confirmed cases there and across the state. As community transmission of the virus continues to spread, more local health agencies in Washington will need support managing the demand for testing, isolation/quarantine, and medical care in their jurisdictions. We request that HHS and CDC deploy additional personnel to bolster the public health system in Washington and help us ensure that local health agencies can manage what lies ahead.

Additionally, the Life Care Center in Kirkland has been facing staffing shortages and has been overwhelmed providing appropriate medical care to its residents. We understand a federal team of clinicians and administrators from HHS and CDC are due to arrive at Life Care Center on March 6.

- **Approve Emergency Rules for Unemployment Insurance.** We need approval from the U.S. Department of Labor for emergency rules being proposed by our state's Employment Security Department (ESD) to ensure workers who are isolated or quarantined, or who must care for a loved one in such a situation, can access income support through Unemployment Insurance (UI). DOL is currently assisting our state to confirm that these emergency rules will meet federal requirements for UI. We ask that the White House work with DOL to do whatever possible to provide clarity, waive any conflicting requirements on an emergency basis, or support legislation to make these impacted workers temporarily eligible for UI.
- **Approve a Governor's Request for Small Business Administration Disaster Loans.** Following enactment of the emergency supplemental, we anticipate sending a formal request from the governor requesting an SBA disaster declaration to make loans available to businesses in Washington that are economically impacted by COVID-19. We ask the Administration to move expeditiously to approve this request.
- **Start Preparing Assistance for Medical Surge Needs.** We anticipate needing in the days ahead significant assistance from the federal government to expand capacity in our healthcare system when patient volumes from COVID-19 exceed our current servicing capacity. The three areas where we expect shortages are: (1) space to care for patients; (2) supplies needed to care for patients; and (3) staff. Supplies and staffing are currently the biggest concern for our healthcare system. There will be significant requests for medical personnel and additional personal protective equipment (PPE) from the Strategic National Stockpile, and we ask that these requests be promptly filled in full.
- **Expand Testing Capacity at Commercial Labs.** We need the federal government's continued help in bringing commercial labs online to begin testing for COVID-19 in Washington. Specifically, we need FDA to promptly approve labs' applications for emergency use authorization (EUA) and we need the Administration to persuade commercial lab companies to agree to offer testing. These labs are a critical part of expanding our testing capacity in Washington at the scale we need.

- **Provide Flexibility in Administering Social and Health Services.** We will be seeking flexibility from the federal government in the administration of a range of social and health service programs, including Temporary Assistance for Needy Families (TANF), the WIC (Women, Infants & Children) Nutrition Program, the Supplemental Nutrition Assistance Program (SNAP), and Free and Reduced Price School Meals. These waiver requests are detailed further below. We ask the Administration to provide as much flexibility as possible as we seek to meet the needs of families and communities during the rapidly evolving COVID-19 response.

Public Health and Health Care Needs

- **Promptly Distribute Emergency Supplemental Funds.** HHS needs to move expeditiously to distribute new federal funding that Congress is providing in the emergency supplemental. We ask that funds be distributed long before the 30-day deadline in the legislation, and that as much funding as possible be provided to Washington, which has faced the country's most significant impacts of COVID-19 to date.
- **Continue Delivering Requests for PPE.** The state requested personal protective equipment (PPE) from the Strategic National Stockpile (SNS) on February 29 for respirators, surgical masks, eye protection, gowns and gloves. We have been assured the remainder of that PPE request will be provided, with a final shipment due to arrive March 6. We ask the Administration to continue delivering requests for PPE as additional requests are made to the SNS.
- **Continue Delivering COVID-19 Test Kits.** CDC must continue to send new test kits promptly as additional requests are made. We do not have any unmet needs at this time. But in the days and weeks ahead, it is imperative that additional requests from state and local governments continue to be fulfilled in a timely manner.
- **Approve Use of Federal Funding for Healthcare Staffing Shortages.** The Life Care Center in Kirkland is having difficulty staffing the facility, and we anticipate this being a growing issue as additional providers face staffing shortages due to COVID-19. Unfortunately, we have been notified by CMS that Medicaid funding cannot be used for this purpose. We request the Administration provide flexibility to use some source of federal funding — whether Medicaid, CDC transfer funds, or the emergency supplemental funding — to address staffing shortages at the Life Care Center and other healthcare providers in Washington.
- **Approve 1115 and 1135 Medicaid Waivers.** The state will be requesting enhanced Medicaid match through an 1115 Waiver and eligibility and procedural flexibility through an 1135 Waiver. The 1115 waiver would provide enhanced federal funding for local health jurisdictions and services and to create capacity by expediting patient discharge from hospitals. Additionally, it would be used to pay outside vendor rates and/or cover overtime wages for health care personnel. The 1135 waiver would provide flexibility by allowing individuals to self-attest eligibility, waive CMS face-to-face requirements, increase eligibility levels for specific categories within geographic regions, extend redetermination timelines for current enrollees, suspend CHIP premium payment requirements, and other procedural requirements. We ask that both waivers be approved.
- **Issue Guidance Classifying COVID-19 Testing as Preventative.** Currently, high-deductible health plans (HDHPs) with health savings accounts (HSAs) cannot cover COVID-19 testing in full because the

testing has not been classified as preventative by federal law and regulation. We ask the Administration through IRS, HHS and Treasury to provide guidance permitting HSA HDHPs to classify this testing as preventive so that health plans can provide coverage for this testing pre-deductible.

Economic and Workforce Needs

- **Unemployment Insurance (UI) Administrative Grant Funding:** Like most states, Washington must use state funds to supplement insufficient federal funds to administer its UI program under current economic conditions. Given the economic impacts possible with spread of the COVID-19 virus, we anticipate an increase in UI claimants, and in addition, state workforce agency staff may fall ill, leaving fewer staff to handle more claimants during this period. We urge you to work with Congress to make available emergency supplemental funding to meet state needs to administer UI programs if needed.
- **Remove Federal Barriers to Disaster Unemployment Assistance.** We ask the Administration to either use existing flexibility, such as by declaring COVID-19 a major disaster, or to work with Congress on a statutory change so that disaster unemployment assistance (DUA) can be applied to pandemics in the same manner as for natural disasters when a federal emergency is declared. This will enable more Americans have access to Unemployment Insurance (UI) without some of the standard eligibility requirements.
- **Fully Fund the National Dislocated Worker Reserve Fund.** We encourage the Administration to work with Congress to fully fund the National Dislocated Worker Reserve Fund. That will ensure the U.S. Department of Labor has sufficient resources to respond should the pandemic lead to large worker dislocations across the nation, and it will ensure those workers have access to the income support and re-employment services they need.
- **Extend Trade Adjustment Assistance.** We ask the Administration to work with Congress to amend the Trade Adjustment Assistance (TAA) statute so that workers who have been adversely affected by the closure of foreign export markets due to the COVID-19 outbreak may be certified for trade adjustment assistance ensuring our workers have access to the income support and training they need.
- **Pursue Risk Insurance Model for COVID-19.** We encourage the Administration to work with Congress on extending a mechanism like Terrorism Risk Insurance to provide coverage for businesses facing significant losses as a result of COVID-19.
- **Boost Trade and Export Promotion Funding.** We encourage the Administration to work with Congress on increasing funding for the State Trade and Export Promotion (STEP) Program. By expanding STEP funding from \$18 million to \$30 million a year, the federal government can help states like Washington assist small businesses that are negatively impacted by COVID-19 with exporting their goods and providing services abroad.

Family and Community Needs

- **Remove Federal Barriers to TANF Assistance.** We ask the Administration to waive the Temporary Assistance for Needy Families (TANF) participation requirements, either on a local or statewide basis, to ensure sufficient access to cash assistance for families and communities in states that are hard hit by COVID-19, such as Washington.
- **Provide Needed Flexibility in WIC Program.** We ask the Administration to waive federal requirements that retailers stock specific food products and a specific amount of those products in order to be certified for the WIC (Women, Infant and Children) Nutrition Program. With uncertainty in how food supply chains may be affected by COVID-19, a waiver of this rule would ensure retailers can continue to serve low-income families without fear of losing WIC certification.
- **Help School Districts Provide Continued Access to Meals.** We encourage the Administration to either declare a presidential disaster or waive the requirement that a presidential disaster be declared so that school districts, if closed due to COVID-19, can distribute commodity food to local food banks for distribution. This is an important tool to ensure that low-income students and their families who qualified for Free or Reduced Price Meals do not go hungry when schools close.
- **Remove Barriers to Basic Food Assistance.** We ask the Food and Nutrition Service (FNS) to waive requirements for face-to-face interviews in certain circumstances, to ensure we can continue to provide basic food assistance to needy families during the COVID-19 outbreak.
- **Provide Flexibility in Child Support.** We ask the Administration to provide needed flexibility in cash processing timelines as part of the state's administration of IV-D Child Support.
- **Provide Flexibility to States in Delivering Basic Food Assistance.** Because stockpiling food is exceptionally challenging for households that already struggle to put food on the table, we ask the U.S. Department of Agriculture (USDA) to give states affected by COVID-19 the flexibility to provide an additional month's worth of food benefits for SNAP households, so they can afford to stock basic food staples during a declaration of emergency.