



STATE OF VERMONT
OFFICE OF LEGISLATIVE COUNSEL

MEMORANDUM

From: Office of Legislative Counsel and Joint Fiscal Office
Date: July 15, 2020
Subject: Rationales for health care- and human services-related appropriations from the Coronavirus Relief Fund in Act 136 (H.965)

Act 136 (H.965), An act relating to health care- and human services-related appropriations from the Coronavirus Relief Fund, appropriated \$326,850,000.00 from the Coronavirus Relief Fund for necessary expenses incurred due to, or as a result of, the COVID-19 pandemic. This memorandum details how each appropriation from the Fund complies with the requirements of Sec. 5001(d)(1) of the CARES Act, Pub. L. No. 116-136 and related federal guidance. The rationales are based on legislative determinations developed throughout the legislative process. The material to be reported pursuant to the U.S. Department of the Treasury, Office of Inspector General's July 2, 2020 [memorandum](#) regarding reporting and record retention requirements for Coronavirus Relief Fund recipients will also provide information regarding the grantees' and subgrantees' compliance with the CARES Act provisions and related guidance.

Sec. 6. Front-Line Employees Hazard Pay Grant Program

Sec. 6 appropriated \$28,000,000.00 to the Agency of Human Services to provide grants to certain public health, health care, human services, and public safety employers for the provision of hazard pay to their employees who were engaged in activities related to mitigating or responding to the COVID-19 public health emergency and whose job placed them at an elevated risk of exposure to SARS-CoV-2 or COVID-19, or both, during the first two months of the COVID-19 public health emergency in Vermont. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary because the eligible employees faced a significant risk of exposure to COVID-19, and the significant economic disruption caused by the COVID-19 public health emergency has made it difficult or impossible for many of the covered employers to provide the eligible employees with hazard pay without the grant funding authorized pursuant to this section.

Sec. 7. Health Care Provider Stabilization Grant Program

Sec. 7 appropriated \$275,000,000.00 to the Agency of Human Services to establish the Health Care Provider Stabilization Grant Program. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary to stabilize health care providers based on their COVID-19-related costs and the fiscal impacts of disruptions to their business operations as a result of COVID-19. Health care providers had to change their care delivery models, suspend elective procedures and surgeries, reduce patient volume, acquire additional equipment and supplies, and make other modifications to their practices in order to respond to and mitigate the effects of the COVID-19 public health emergency.

The result of these modifications and health care business disruptions has been significant losses to Vermont's health care providers. Vermont hospitals have been losing approximately \$100 million per month in net patient revenue during the COVID-19 pandemic and an estimated 20–30% of independent physician practices report that they may have to close as a result of their COVID-19 financial losses. The federally qualified health centers (FQHCs) have seen a significant drop in their patient visits despite transitioning quickly to telemedicine. Adult day services had to close in mid-March because their clients are in the most at-risk demographic for adverse outcomes from COVID-19; they have been incurring costs of almost \$1 million per month. Dental practices also closed for elective and nonurgent care; these small businesses are beginning to reopen but must obtain extensive personal protective equipment due to the nature of their work. Home health and hospice agencies have experienced reduced volume, while the designated and specialized service agencies have been seeing a surge in psychiatric crises, substance use disorders, and anxiety and depression among Vermonters as a result of the COVID-19 pandemic.

Sec. 8. Addressing COVID-19-Related Health Disparities

Sec. 8 appropriated \$500,000.00 to the Department of Health for grants to community organizations to assist them in meeting the needs of certain individuals at high risk of experiencing adverse outcomes from COVID-19 for food, shelter, health care, and emotion support. These funds complement other funds available through the Department's Epidemiology and Laboratory Capacity (ELC) Enhanced Detection Grant to engage with specific populations most likely to experience adverse outcomes from COVID-19 based on factors such as race or ethnicity, immigrant status, sexual orientation, gender identity, disability, age, and geographic location.

The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary to reduce health disparities that disproportionately affect individuals who belong to or identify with certain social categories by providing all Vermont residents with an equal opportunity to be healthy and to protect themselves and others from COVID-19. Grantees will work directly with affected populations and conduct outreach to isolated individuals at high risk of adverse outcomes from COVID-19 to assess and identify their needs during the COVID-19 public

health emergency in order to help them protect themselves and others from the disease, such as by providing education and resources regarding prevention of COVID-19 in languages and formats appropriate to the population, assisting with access to COVID-19 testing and treatment, and identifying and addressing difficulties in safely meeting essential needs, including food, shelter, health care, and emotional support, during the public health emergency.

Sec. 10. Mental Health Peer Warm Line

Sec. 10 appropriated \$200,000.00 to the Department of Mental Health for a grant to Pathways Vermont to operate its peer warm line 24 hours per day, seven days per week until December 30, 2020 and to conduct outreach to health care providers and others across Vermont to make them aware of the warm line and encourage them to use it. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary because call volume to Pathways Vermont's warm line has increased substantially as a result of the COVID-19 public health emergency, including significantly increased numbers of calls regarding suicidality; the warm line provides an essential service to Vermonters on which their mental health and, in some cases, their lives may depend; and Pathways only had sufficient funds to continue operating the warm line 24 hours per day, seven days per week through June 30, 2020. In addition, responding to the COVID-19 public health emergency has taken an enormous toll on the mental health of health care providers across the State, and the funding for outreach will help to make them aware of the support available to them through the warm line.

Sec. 11. Vermont Foodbank; Food Insecurity

Sec. 11 appropriated \$4,700,000.00 for distribution to the Vermont Foodbank for purpose of addressing food insecurity throughout the State, including purchasing more food and necessities, such as diapers, toilet paper, and cleaning supplies; providing subgrants to partner food shelves and meal sites; and for additional personnel, supplies, materials, warehouse space, delivery services, and equipment to meet the increased need of Vermonters for access to food as a result of the COVID-19 public health emergency. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary because the Vermont Foodbank has experienced a 46 percent increase in demand for services resulting from high unemployment rates, business closures, and significant business interruptions during the COVID-19 public health emergency. In addition, the Vermont Foodbank will also incur significant expenses to access the food assistance funds available from the U.S. Department of Agriculture's Coronavirus Food Assistance Program, especially if the availability of the Vermont National Guard to support food distribution changes, because the Vermont Foodbank does not currently have the resources needed to independently manage food distributions on its own. The expenditure is further necessary because many families with infants and young children are in need of diapering and other supplies, and the COVID-19 pandemic has created economic hardships for many

families, including loss of employment, that render them unable to procure these supplies.

Sec. 12. Agency of Education; Summer Meals for Children

Sec. 12 allocated up to \$12,000,000.00 of a previous \$50,000,000.00 appropriation for distribution to Summer Meal Sponsors for purposes of continuing meal delivery services to children during the months of June, July, and August. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary to provide meal delivery services to children, including the preparation, packaging, and delivery of meals. Food insecurity has increased significantly during the COVID-19 pandemic, and settings that often provide meals during summer months, like congregate settings, may not be available in the summer of 2020 due to public health considerations. This appropriation assists in the payment of costs incurred by Sponsors to address one or both of the following: (1) compliance with COVID-19 public health precautions; or (2) accommodation of increased participation in the Program due to the increase in number of eligible participants due to the negative economic effects of the COVID-19 public health emergency.

Sec. 14. Child Care Providers, Summer Camps, Afterschool Programs; Parent Child Centers; Children's Integrated Services

Sec. 14 appropriated \$12,000,000.00 to the Department for Children and Families to provide: (1) additional restart grants to summer camps, afterschool programs, and child care providers; (2) the cost incurred by Parent Child Centers in responding to the COVID-19 public health emergency, including the increased demand for services by impacted families; and (3) funds to address the immediate needs related to providing Children's Integrated Services, including information technology training and the provision of equipment necessary for telehealth service.

The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary to ensure that summer camps, afterschool programs, and child care providers are able to conform to health and safety standards designed to mitigate the risk of COVID-19 infections, such as altering staffing patterns, securing personal protective equipment and cleaning supplies, and retrofitting facilities. This appropriation is also necessary to cover budgetary shortfalls resulting from the inability of a summer camp, afterschool program, or child care provider to open at full capacity as a result of COVID-19 because families are either unenrolling children to prevent transmission of the virus or summer camps, afterschool programs, and child care providers are reducing their capacity to conform with required health and safety standards.

With regard to the Parent Child Center Network, the General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary because the Network serves many of Vermont's most vulnerable families, and the COVID-19 public health emergency has rendered the State's most vulnerable

families even less secure in terms of food, housing, and parental and other educational supports.

With regard to Children's Integrated Services, the General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary to provide remote services because the risk of COVID-19 infection has limited the provision of in-person Children's Integrated Services.

Sec. 15. Grants to Vulnerable Populations

Sec. 15 appropriated \$2,000,000.00 to the Agency of Human Services for the purposes of distributing the monies among populations made vulnerable by the COVID-19 public health emergency as determined by a needs-based assessment. This section benefits households living below 300 percent of the Federal Poverty Level (FPL), including families receiving Reach Up, older Vermonters, and individuals with a disability.

The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary because Vermont's most vulnerable families, many of whom are below 300 percent FPL, have been especially susceptible to financial hardship as a result of the high unemployment rates, business closures, and significant business interruptions due to the COVID-19 public health emergency and may require supplemental funds to provide COVID-19-related resources for their households.

With regard to older Vermonters and persons with intellectual disabilities, the General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary to ensure that vulnerable populations understand how to: (1) reduce the risk of exposure to and transmission of COVID-19; and (2) access health, social, and financial supports necessitated due to infection from COVID-19, social distancing, or financial hardship as a result of the high unemployment rates, business closure, or significant business interruption during the COVID-19 pandemic.

Sec. 16. Supports for New Americans, Refugees, and Immigrants

Sec. 16 appropriated \$700,000.00 to the Agency of Human Services for distribution in equal amounts to the Association of Africans Living in Vermont and the U.S. Committee for Refugees and Immigrants' Vermont Refugee Resettlement Program for various purposes related to COVID-19. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary because many members of Vermont's New American, refugee, and immigrant populations have been unable to access information related to: (1) the prevention of COVID-19 transmission; and (2) support services for persons experiencing either symptoms of the virus or financial hardship as a result of high unemployment rates, business closure, or significant business interruption due to the COVID-19 public health emergency.

Sec. 17. COVID-19 Public Health Expenses on State Lands

Sec. 17 appropriated \$3,000,000.00 to the Agency of Natural Resources for necessary expenditures incurred to implement COVID-19 public health precautions on lands owned or controlled by the Agency, including updating signage and information provided at entry or access to trails, forests, and parks; temporary campsites or structures to allow for proper social distancing of users and staff; the cost of services or equipment to clean or sanitize public spaces; and expanding, improving, or adding public access to State lands and public waters to allow greater social distancing among users. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary to enable the Agency to improve or implement public health precautions at State forests, parks, and fishing access in order to provide protections for users of Agency lands in light of the COVID-19 pandemic.

Sec. 18. Legislative Branch; Health and Safety; COVID-19 Mitigation

Sec. 18 appropriated \$750,000.00 to the Legislature for use by the Legislature, the Sergeant at Arms, and the Office of Legislative Information Technology to prepare for future operations in light of the COVID-19 pandemic. These preparations include a space and health and safety needs assessment for the Legislative Branch and purchasing any equipment recommended from this assessment; purchasing COVID-mitigation equipment or making upgrades to the State House, including personal protective equipment (PPE) and other health and safety equipment or infrastructure; and purchasing legislative information technology equipment, including any networking set-up required for the State House or new legislative space, camera and video set-up, and purchasing hardware, such as laptops and tablets. The General Assembly determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary for addressing the health and safety of legislators, staff, and the public in the State House and other legislative space for the purpose of COVID-19 mitigation. The General Assembly also determined that the expenditure of monies from the Coronavirus Relief Fund as set forth in this section was necessary for addressing upgrades to the State House information technology infrastructure for the potential transition to a new legislative space to meet social distancing requirements, to support a remote work environment for legislators and legislative staff, and to ensure remote public access to legislative meetings resulting from the COVID-19 public health emergency.