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# McKnight's

## LONG-TERM CARE NEWS

### Walgreens, CVS Health COVID-19 Vaccinations Starting at Thousands of Long-term Care Facilities

**Long-term care is starting to see the first COVID vaccine distributions as senior safety has become the top priority for the nation's at-risk population. The demand has been sky high since over 99% of all skilled nursing facilities signed up for the vaccination program.**

Written by: Danielle Brown

12/21/2020

U.S. pharmacy retailers Walgreens and CVS Health both began coronavirus vaccinations at long-term facilities late last week.

Vaccinations started at facilities in Ohio, Connecticut and Florida, the companies announced Friday. The inoculation program is set to expand into other states starting this week.

CVS Health and Walgreens have partnered with the federal government to administer the vaccines free of charge to long-term care facilities, and [more than 99% of skilled nursing facilities](#) have signed up for the program.

Walgreens on Friday [detailed](#) that it will provide COVID-19 vaccines at approximately 800 long-term care facilities across 12 states starting Monday. Overall, the company expects to vaccinate about 3 million residents and staff at 35,000 long-term care facilities, including skilled nursing, assisted living and other locations.

CVS vaccinated about 1,500 people at facilities in those states on Friday. The company also will begin servicing 12 additional states this week and will vaccinate residents and staff at more than 40,000 long-term care facilities overall.

Long-term care residents who received some of the first doses welcomed the vaccine's arrival.

“It was easier than what I have seen on television,” Patricia John, a 93-year old resident at Sundale Rehabilitation and Long-Term Care in Morgantown, WV, [said](#) after receiving the shot. “It was such a quick shot that no one should be afraid.”

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## LONG-TERM CARE NEWS

### AHCA and Other Groups Pushing for Extension of 2% Medicare Sequester Cut; Congress Reaches Deal on Third Relief Bill

**With Congress passing a new stimulus bill last week, several national associations for healthcare are calling for an extension of the Medicare sequester cut. LeadingAge and AHCA, among others realize the importance of this cut to keep operations afloat as we still continue to forge ahead.**

Written by: Danielle Brown

12/21/2020

Healthcare providers, including nursing homes, are demanding continued relief from the 2% Medicare sequester cuts through the duration of the COVID-19 pandemic. The relief would help improve the “relatively dire financial outlook” providers are facing thanks to the public health emergency, four top provider groups warned.

Federal lawmakers in May approved a moratorium on the sequester cuts through the end of 2020 with the passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. No [action](#) has been taken on the issue since.

“Clearly, Congress recognized the importance of this relief for the duration of the [public health emergency],” the American Health Care, American Hospital and American Medical associations, and the National Association for Home Care & Hospice, wrote in [a letter](#) Thursday nato Congressional leaders.

“This relief helped to improve what was, and continues to be, the relatively dire financial outlook for many of our members,” they wrote. “Clearly the cost of providing care to patients continues to increase. Without future sequestration relief, America’s health care safety net could be at further risk of collapse.”

The 2% sequestration reduction to Medicare payments have been in place since 2013. A [2013 analysis found that it would reduce payments](#) to skilled nursing facilities by \$9 billion over 10 years when the sequestration cuts first took effect.

The groups argued that it’s safe to assume the public health crisis will continue into 2021 and that providers will see continued financial challenges and pressures associated with higher overhead costs and lost revenue.

“In some cases, this 2% cut will effectively negate the Medicare inflation adjustment health care providers depend on and would otherwise receive in 2021,” the groups concluded. “As such, we respectfully ask that Congress pass legislation this year that further postpones the application of this harmful 2% cut for the duration of the PHE in 2021.”

In other news, Congress late Sunday evening [reached an agreement](#) on a \$900 billion stimulus package. LeadingAge President and CEO Katie Smith Sloan called the deal a “helpful down payment, but it falls short in providing the necessary relief for older Americans.”

“This crisis is far from over, and the launch of the vaccine cannot become an excuse to walk away from older Americans. The continuing surge of infection, illness and deaths — and the unsustainable escalation of costs — means that struggling aging care providers need more testing, PPE, staffing support and money than this package provides,” Sloan said.

“Some providers are shutting down, and more will follow unless the next Congress steps up and provides more robust support,” she added.

## Skilled Nursing News

### HHS Releases \$1.1B More in Direct Aid to Nursing Homes in Phase 3 Relief Expansion

**With over \$1 billion allocated to direct aid for nursing homes in the new Federal relief package, there is new monetary assistance for SNF operators on the horizon. With controversy on the details of the legal coverage, there could be more at stake for the future of skilled facilities.**

Written by: Alex Spanko

12/16/2020

The federal government on Wednesday announced an expansion of the third phase of COVID-19 relief for health care providers, specifically releasing an extra \$1.1 billion to nursing homes.

The Department of Health and Human Services (HHS) decided to boost its Phase 3 funding total [from \\$20 billion](#) to \$24 billion after determining that the initial amount was not enough to cover lost revenues and expense increases — the stated purpose of the distribution.

“This funding will distribute to providers up to 88% of their reported losses,” HHS observed in its statement announcing the move. “It is worth noting that over 35,000 applicants will not receive an additional payment either because they experienced no change in revenues or net expenses attributable to COVID-19, or because they have already received funds that equal or exceed reimbursement of 88% of reported losses.”

The first round of Phase 3 payments will hit operators’ bank accounts today, according to HHS, and will continue into the new year.

“HHS is providing more than \$24 billion in new relief to more than 70,000 healthcare providers, meeting close to 90% of the losses they’ve reported from the COVID-19 pandemic in the first half of the year,” HHS secretary Alex Azar said in the statement. “With the Provider Relief Fund, we’ve been able to support providers hardest hit by COVID-19, including safety net hospitals, rural providers, and nursing homes, helping ensure they can continue serving their communities during and beyond the pandemic.”

HHS initially announced the \$20 billion Phase 3 distribution in October, urging providers to apply for the funds as soon as possible to expedite the calculation process.

The third phase comes on top of other dedicated federal relief rounds for nursing homes, as well as blanket cash allocated to Medicare and Medicaid providers.

The additional \$1 billion funding injection is also separate from the value-based incentive program for nursing homes, which thus far has distributed \$856 million to facilities that were able to reduce COVID-19 infection and death rates below HHS-determined benchmarks.

All of those distributions come from the original Provider Relief Fund, created under the \$2 trillion CARES Act relief package approved by Congress early in the coronavirus crisis.

A long-awaited second stimulus remains under consideration, with a bipartisan group of lawmakers this week releasing a framework that would send an additional \$2 billion to long-term care providers — though it also includes a controversial liability shield for health care providers and many other employers, which could emerge as a key point of contention between Democrats and Republicans on Capitol Hill.



## Providers Welcome Pending COVID-19 Relief Package, But Emphasize It's Only a First Step

**While the new relief package gives the skilled nursing industry a little more breathing room, many industry leaders are saying that there is more that can be done to help the seniors in their care. The crisis management efforts still need to take more considerations for both seniors and frontline healthcare employees.**

Written by: Maggie Flynn

12/21/2020

Congress reached an agreement on a new COVID-19 relief package on Sunday, but for skilled nursing providers, the measures in the bill are at best a preliminary step toward the aid necessary for them to survive the aftershocks of a grueling year.

The bill, which runs to almost 6,000 pages and had not been finalized as of press time, would include a range of steps to mitigate the effects of the COVID-19 pandemic on individuals and businesses. Key provisions, as reported by NPR, include \$284 billion for Paycheck Protection Program loans and about \$68 billion for the purchase and distribution of COVID-19 vaccines and for helping states conduct testing.

Katie Smith Sloan, the president and CEO of LeadingAge, which represents nonprofit senior living and care providers, emphasized in a statement released Sunday that the "crisis is far from over."

"This is a helpful down payment, but it falls short in providing the necessary relief for older Americans—relief that has been urgently needed for the last 10 months to save the lives and better protect and serve older adults who have suffered 80% of coronavirus deaths," she said in the statement. "Mission not yet accomplished."

Sloan argued that providers cannot cope with the need for more testing, personal protective equipment (PPE) and staffing support with the relief in the pending legislation.

Mark Parkinson, the president and CEO of the American Health Care Association (AHCA), called on Congress to do more for relief in the new year by directing aid specifically to long-term care in a statement released Monday.

AHCA represents more than 14,000 primarily for-profit skilled nursing and assisted living facilities.

“While we appreciate the difficulty in reaching a bipartisan compromise, we are disappointed that Congress could not strike a deal that recognizes the dire situation our long term care residents and staff are facing right now,” Parkinson said in the statement. “Due to soaring community spread, nursing homes are experiencing a record-breaking number of cases and deaths—worse than the spring ... Facilities will not be able to return to normal for some time, meaning providers need ongoing support with PPE, testing and staffing.”

He also noted that almost two-thirds of long-term care facilities are operating at a loss, with only “minimal” additional funds from the Provider Relief Fund for all health care providers in the legislation.

“Hundreds of facilities are in danger of closing their doors permanently and uprooting the frail seniors they care for,” Parkinson said in the statement.

Sloan had a similar exhortation for the next Congress, since providers are already struggling.

“Some providers are shutting down, and more will follow unless the next Congress steps up and provides more robust support,” she said in her statement. “The federal government will also need to expedite relief payments, since it has taken months for the government to get the funds Congress appropriated into providers’ hands.”