Agency Recommendation Summary

The Department of Health (DOH) requests funding to continue supporting the ongoing statewide effort to control the spread of COVID-19 through diagnostic testing, case investigation and contact tracing, care coordination, outbreak response, disease surveillance, public communications, and necessary operational and information technology support. Although DOH has received spending authority from the Legislature to use COVID-19 related federal funding sources up to $1.1 billion to perform this needed work through the end of the 2021-23 biennium, it is unclear if federal grants will be received to cover DOH expenses. This supplemental request is submitted to ensure adequate funding is available to continue this work through the end of June 2023.

Fiscal Summary

Fiscal Summary *Dollars in Thousands*	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	2023	2021-23	2024	2025	2023-25
Operating Expenditures						
Fund CVD - N	$90,476	$121,908	**$212,384**	$0	$0	**$0**
Total Expenditures	**$90,476**	**$121,908**	**$212,384**	**$0**	**$0**	**$0**

Decision Package Description

PROBLEM:

Contain the Spread

The "Contain the Spread" plan consists of seven strategies, which must all operate in concert with each other in order for any of them to be of value. These seven strategies are:

- Testing;
- Case Investigation and Contact Tracing;
- Outbreak Response;
- Care Coordination;
- Community Outreach;
- Data Collection and Analysis (also called Surveillance); and
- Information Technology and Operations.

DOH is utilizing every funding source available to fund its core mission to control the ongoing threat of the COVID-19 pandemic which requires a sustained, all-out public health, whole of government, and whole of society response to contain the virus, minimize deaths, prevent as much illness as possible, and support continued recovery of the state's economy and in-person education of our students.

In the 2021 state budget, DOH received $900 million in federal spending authority for testing and tracing to cover the areas included in the Contain the Spread plan. Beginning in July 1, 2021 and based on current grants and funding from federal sources, DOH realizes a shortfall in funding of **$212,384,000** to continue its testing contractors, outbreak response services, and IT and surveillance functionality. Most of the shortfall is created by the Federal Emergency Management Agency (FEMA) discontinuing funding for the COVID-19 pandemic on December 31, 2021 and the unknown of additional other federal funding to support these activities.

DOH has been leveraging the FEMA Public Assistance cost reimbursement to support response efforts for COVID-19. Traditionally, FEMA cost reimbursement comes with a 75 percent federal share and a 25 percent state share match requirement but can be changed based on federal policy updates from the President of the United States. Currently, COVID-19 is under a 100 percent federal cost share based on a directive from President Biden published in February 2021, that allows 100 percent cost reimbursement for Public Assistance approved activities from January 20, 2020 through December 31, 2021.

DOH is utilizing FEMA cost reimbursement for allowable activities contained in this proposal, including diagnostic, and screening testing, public information, state-led isolation and quarantine efforts, care coordination, community outreach, and outbreak response.

Because FEMA and other funding sources provided from the Federal government are time limited, DOH must ensure that these key response

activities are able to continue with adequate funding to support strides to contain the spread of COVID-19.

TESTING

This activity develops the statewide testing strategy, assures adequate lab capacity across the state – including the expansion of the Public Health Laboratories (PHL) capabilities – and procures and distributes testing specimen collection supplies in response to outbreaks and local health jurisdiction (LHJ) needs. In addition, this activity ensures testing access to individuals who are uninsured or underinsured.

Insurance companies are currently required per the CARES Act to pay for diagnostic testing with no cost-sharing, but the future of this requirement is uncertain. Health insurance generally does not pay for asymptomatic screening testing, which has demonstrated to be critical as a COVID-19 mitigation strategy, especially in congregate settings, including shelters, confinement facilities, long-term care facilities and schools.

DOH has an estimated need of $435,406,000 for all diagnostic, and screening testing capabilities through June 30, 2023. Costs to support contracts for diagnostic testing with private labs to provide testing capacity has been eligible for FEMA reimbursement. Now, that FEMA reimbursements are anticipated to end December 31, 2021, funding is needed to cover these contracts through the end of the biennium. It is estimated, at current levels of testing that DOH will need $92,138,000 in ARPA funding to cover these costs.

Average Tests Distributed and Cost/Month by DOH*				
Tests	Average Tests/Month	Cost/Test	Cost/Month	Estimated Total Cost 1/22-6/23
BinaxNOW	234,764	$ 5.00	$ 1,173,818	$ 21,128,724
ID Now	3,693	$ 37.00	$ 99,375	$ 1,788,755
PCR	98,695	$ 37.50	$ 3,701,045	$ 66,618,818
Total	**337,151**		**$ 4,974,239**	**$ 89,536,297**
*Includes assembly a distribution cost. The table does not include lab costs or tests distributed by the federal government in Washington				

Testing

For the purposes of this request, it is assumed the state will be able to provide support for up to 10,000 tests per day at $20 per test and the remainder (about 3,000/day) at $100 per test. When including the estimated cost-per-test-kit of $25, the average unit testing cost used in this estimate is $37.50 per test across both modalities. Since DOH is always seeking more cost-effective methods to test, the cost-per-test may change in the future.

Staffing

9.0 FTEs are needed to oversee the expansion and testing activities in order to sustain the agency's PHL and ongoing response efforts. For clarity, all staff cost estimates are annualized. All proposed staff would be employed by DOH.

LHJs have an estimated funding need of $12,380,000 for diagnostic testing capabilities in order to continue the current level of testing associated with COVID-19 response and recovery efforts. Funding for testing will support LHJs in paying associated salaries and fringe benefits for staff and contracts, as well as costs for lab supplies and equipment, IT/software and communication equipment, personal protective equipment, strike teams, and travel to on-site testing activities. Costs associated with drive-through test sites, including but not limited to items such as white boards, traffic cones, two-way radios, ATVs, and medical waste. Local health jurisdictions have relied on CARES funding to support gaps in their response activities. These funds are set to expire on December 31, 2021 or have already been exhausted.

CONTACT TRACING AND INVESTIGATION

LHJs have an estimated funding need of $21,182,000 for contact tracing and investigation in order to continue the current level of contact tracing and investigation. Funding for contact tracing and investigation will support LHJs in paying associated salaries and fringe benefits for staff and contracts, as well as costs for IT/software and communication equipment, personal protective equipment, and travel to on-site investigative activities.

OUTBREAK RESPONSE

As parts of Washington are progressing through reopening phases, supporting local and regional outbreaks of COVID-19 in congregate settings, such as long-term care facilities, behavioral health facilities, agricultural worker housing, interim shelters for people experiencing homelessness, hospitals, correctional facilities, and education settings (early learning, K-12, colleges and universities) is critical to a disease containment and suppression strategy. In order to mitigate impacts to populations at higher risk (including the elderly and the medically frail) and prevent community spread, local outbreak identification and response supplemented with regional and state resources will be an ongoing need until the virus is contained.

This activity supports the timely identification, follow-up and investigation of local outbreaks. It also includes efforts to ensure the availability and safety of facilities which house the state's farmworker communities – a population that has been significantly impacted by recent outbreaks.

The Epidemiology and Laboratory Capacity (ELC) grant funding provided by the Centers for Disease Control and Prevention (CDC) for outbreak response will not fully cover the services needed until the end of the biennium. Beginning October 1, 2021, DOH will be $2,350,000 short in funding to cover the 7.0 FTE for epidemiologists supporting outbreak response and associated virtual desktops required to provide the functionality needed to conduct this effort, including monitoring COVID-19 cases and vaccinations.

LHJs have an estimated funding need of $10,851,000 for COVID-19 infection prevention and control for high-risk populations and $5,842,000 for associated behavioral health services in order continue the current level of activity associated with COVID-19 response and recovery efforts. Funding for these areas would support LHJs in paying associated salaries and fringe benefits for staff and contracts, as well as costs for IT/software and communication equipment.

CARE COORDINATION – Care Connect Washington

All components of the "Contain the Spread" strategy for COVID-19 are crucial to reduce the spread of the disease. Diagnostic testing identifies people who are infected, ensures they get needed care and allows for case investigations. During these investigations, people who have been exposed to disease (contacts) are identified. However, identification of cases and contacts is not enough; it is necessary to protect these individuals in isolation (if sick with COVID-19) or quarantine (for close contacts) in order to break transmission and reduce the number of people infected.

Some individuals and families have the means and ability to isolate and quarantine with no or limited support (e.g. daily check-in, health education materials). However, case reports indicate that historically marginalized and vulnerable populations are disproportionately infected. People living in vulnerable communities are significantly more likely to have contracted and/or died from COVID-19 (Surgo Ventures (2021) Vulnerable Communities and COVID-19: The Damage Done, and the Way Forward). Barriers such as equitable access to food, health care, affordable housing, transportation, childcare, or secure and safe employment contribute to individuals being unable to complete at home isolation and quarantine, as identified in the DOH rapid needs assessment conducted in summer of 2020. Care Connect WA is a Hub and Spoke model designed to assist individuals and families combining community-based, human-centered supports in tandem with a state infrastructure designed to amplify local efforts. Established through community partner decision making, all partners agree to endorse one partner to serve as a Hub, which provides centralized resources to Care Coordinating Agencies (CCA). Each client's experience is anchored in a relationship with their CC employed by local CCA (Spoke) reflecting the community where the client resides. Working with CCs, clients are matched to the local services best suited to their needs and preferences. Clients benefit from ongoing access to a trusted partner who can help them navigate the complex web of interconnected systems and services to achieve the goals established in their care plans. Thus, culturally sensitive social support from trusted sources is required to support individuals' safety, comfort, and adherence with isolation and quarantine guidance. Many of these services may be provided through existing social service programs (e.g. Dependent Care Assistance Program, Medicaid, Supplemental Nutrition Assistance Program (SNAP), etc.) which make use of and augment networks of community-based workers (such as community health workers). Individuals in these systems, however, still may require immediate access to additional support. Individuals outside these programs may require even more comprehensive support. Thus, an equitable and efficient program is needed to triage and respond to individuals' needs/cultural preferences and engages local communities, employs community-based workforce, builds a sustainable social support system, and can adapt as needs fluctuate.

This proposal requests funding to continue to:

- Maintain the data management system used for implementation of a Community Health Record;
- Support nine Regional Care Coordination Hubs that use the centralized data collection system to access pooled resources and document services provided to cases/contacts served;
- Support a community-based workforce, including community health workers, tribal supports, and peers;
- Cover the costs of COVID-19 care provision services for those not eligible for state services and/or services that are not readily available for acute needs, such as medical supplies, food, rent and utilities, childcare, elder care, etc.; and
- Support for strategic coordination, monitoring, quality improvement, and evaluation.

Resource Support for Individuals in Isolation & Quarantine

Expenditures assume support for Regional Care Coordination Hubs and their subcontracted Care Coordination Agencies that provide care coordination services to individuals/households in isolation/quarantine by providing acute care needs such as Care Kits, Food Kits, and fresh food orders, rent, mortgage and utilities for the short-term and then helping them navigate through safety net programs such as subsidized healthcare, food banks, unemployment benefits, supplemental nutrition programs, etc. to support them longer-term. DOH will continue to partner with state agencies (Employment Security Department, Department of Social and Health Services, Department of Children, Youth and Families, etc.) to ensure individuals/household in isolation/quarantine are given high priority and move to the front of the line for social service approval. In addition, estimates assume other statewide food and medical supplies supports are leveraged using local vendors.

Modeling* suggests an estimated 22,585 individuals/households in isolation/quarantine will need this type of support and will not be able to participate in these statewide safety net programs. This proposal assumes DOH will cover these costs at an estimated $798 per household to provide this support.

Care Kits and Food Kits

Care kits will be provided to individuals/households who are in isolation/quarantine and indicate a need. Care kits include masks, gloves, hand soap, acetaminophen, and a thermometer. Food kits include non-perishable items with 3 to 5 days of food that will feed one adult. Food kits are provided to meet short term needs until a fresh food order can be delivered.

Local Care Coordinators

This proposal will support over 120 Community Health Workers (CHWs) within LHJs, Community-based Organizations or Federally Qualified Health Centers to serve as a care coordinator to reaching out to folks that need groceries, supplies, housing, unemployment, and any other support services that will allow the individual to stay isolated or quarantined.

Statewide Data Collection System

In order to best access pooled state resources, six (6) of the Regional Care Coordination Hubs currently use the statewide data collection system.

Other Activities

This proposal also includes funding to support strategic engagement and evaluation, systems to assist in the tracking and coordination of care and services, data and analytics support, and call center support.

This work was originally budgeted by DOH at $27,500,000 in fiscal year (FY) 2021. In order to continue providing the current level of care coordination through the end of the biennium, DOH will utilize FEMA funding until the end of December and then transition to ELC grant and a new CDC grant with that funding runs through 2023 and 2025 respectively. Even with these federal funding sources, there will still be a need for an additional $8,600,000 to continue to provide the support outlined above through June 30, 2023.

COMMUNITY OUTREACH

LHJs have an estimated funding need of $11,662,000 for Community Education in order to continue the current level of Community Education

and support associated with COVID-19 response and recovery efforts. Funding for Community Education would support LHJs in paying associated salaries and fringe for staff and contracts.

DATA COLLECTION AND ANALYSIS

COVID-19 data collection and analysis (surveillance) is needed to track the impact of the outbreak and inform public health response. Washington State DOH Surveillance applications draw from a combination of data sources from existing influenza and viral respiratory disease surveillance, syndromic surveillance, case reporting, commercial lab reporting, ongoing research platforms, and other new systems designed to answer specific questions. These systems create an updated, accurate picture of COVID-19 spread and its effects in Washington state and provide data used to inform public health response to COVID-19.

Informatics and Surveillance funding has been used and will be used to support staff and systems needed to support the COVID-19 response. Systems supported are WA Health, Vital records, Electronic Case Reporting (eCR) and Electronic Lab Reporting (ELR), Washington Disease Reporting Systems (WDRS), WA Notify, Sara Alert, Case Risk and Exposure Surveillance Tool (CREST), Rapid Health Information NetwOrk (RHINO). Staff time is used to provide data to support these systems as well as provide surveillance activities, data modeling for COVID-19 and IT support for COVID-19 missions. The total needed to support these activities are $97,900,000 of which the ELC grant will cover $95,600,000 providing a gap of $2,300,000.

DOH also requires $704,000 to purchase continued access to the Cloud Environment Necessary for Data Analytics and Reporting (CEDAR) and other COVID-19 projects. CEDAR supports both COVID-19 testing and vaccination mission areas.

LHJs have an estimated funding need of $10,292,000 for surveillance and informatics capacity in order to continue the current level of activity associated with COVID-19 response and recovery efforts. Funding for surveillance and informatics would support LHJs in paying associated salaries and fringe benefits for staff and contracts.

ISOLATION AND QUARANTINE

DOH has estimated a funding need of $2,682,000 for isolation and quarantine which includes rental agreements to quarantine individuals exposed to COVID-19 or those who test positive for COVID-19 that are not residents of the state (i.e., commercial fishers, wards of the state, cruise ships and people that are traveling abroad. The isolation and quarantine funds support facilities and services to provide a space where people can recover and contain the spread, keeping the people of Washington safe. These funds include allocation for staff and associated expenses to support recovery, security, nursing, cleaning, meals, and supplies.

LHJs have an estimated funding need of $7,604,000 for isolation and quarantine capabilities in order to continue the current level of coordination and support associated with COVID-19 response and recovery efforts. Funding for isolation and quarantine would support LHJs in paying associated salaries and fringe benefits for staff and contracts, as well as costs for associated facilities, wraparound services, transportation, IT/software and communication equipment.

INCIDENT MANAGEMENT RESPONSE

The DOH will require continued funding for rental agreements to house Personal Protective Equipment (PPE) beginning January 1, 2021 through June 30, 2022 when the contract expires, this is currently being funded through FEMA reimbursement which will end December 31, 2021. DOH will also need funding to continue staffing expenses for incident management response efforts that consists of community outreach, behavioral health, and med surge efforts. Total amount needed $7,282,000.

LHJ COVID-19 funding to continue to cover their incident response activities, key staffing positions such as public health nurses, and costs associated with the evolving pandemic situation is needed in the amount of $16,515,000. Local health jurisdictions have relied on CARES funding to support gaps in their response activities. These funds are set to expire on December 31, 2021 or have already been exhausted.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

Not applicable

Detailed Assumptions and Calculations:

See attached 2022 Suppl PL-Q1 COVID-19 Contain the Spread- Funding Summary

Workforce Assumptions:

Not applicable

How is your proposal impacting equity in the state?

This request will help in reducing the burden of disease across the state with focused efforts on specific communities impacted by COVID-19 and provide support to a healthier Washington.

Strategic and Performance Outcomes

Strategic Framework:

This proposal supports several goal areas and overlapping outcomes in Results Washington:

- Goal 1: World Class Education
  - Making Sure Kids Enter School Ready to Learn;
  - Supporting an Effective K12 System; and
  - Increasing Access to Living Wage Jobs.
- Goal 2: Prosperous Economy
  - Ensuring Access to Quality Healthcare;
  - Improving Washington's Resiliency;
  - Increasing the Economic Security of Washingtonians; and
  - Increasing Access to Living Wage Jobs.
- Goal 4: Healthy and Safe Communities
  - Ensuring Access to Quality Healthcare;
  - Improving Washington's Resiliency; and
  - Increasing the Economic Security of Washingtonian

Performance Outcomes:

Various measures have already been discussed throughout this proposal. Some of them include:

Diagnostic Testing

- Reduce positive test rate to one out of 50 (two percent) ; and
- Provide access to testing within 24 hours of symptom onset.

Outbreak Response

As outbreaks are reported DOH's goal is to respond within 24 hours of the report date. DOH strives for our interventions to stalwart any secondary transmission by proper isolation, quarantine, screening, and infection control practices.

Other Collateral Connections

Puget Sound Recovery:

Not applicable

State Workforce Impacts:

Not applicable

Intergovernmental:

This proposal has broad, statewide impacts. DOH expects strong support from tribal, county and city governments as it supplements the resources, they are already investing in their own pandemic response efforts. School districts and higher education systems also would benefit from a robust, statewide testing and contact tracing strategy that ensures the safety of their students and faculty.

Legal or Administrative Mandates:

Not applicable

Stakeholder Response:

Due to the extent of this proposal, it is difficult to identify any nongovernmental entity or any Washington State resident that will not be potentially impacted by this request. DOH expects support from the public health communities, healthcare communities, educational entities, and the business communities since controlling the spread of COVID-19 will improve the health of Washingtonians and allow schools and businesses to reopen and stay open. However, it also expects some resistance from voices that are remain skeptical of the dangers posed by the novel coronavirus.

Changes from Current Law:

Not applicable

State Facilities Impacts:

Not applicable

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure	**Fiscal Years**		**Biennial**	**Fiscal Years**		**Biennial**
Dollars in Thousands	**2022**	**2023**	**2021-23**	**2024**	**2025**	**2023-25**
Obj. A	$4,320	$5,290	**$9,610**	$0	$0	**$0**
Obj. B	$1,693	$2,072	**$3,765**	$0	$0	**$0**
Obj. C	$2,601	$8,688	**$11,289**	$0	$0	**$0**
Obj. E	$8,734	$7,498	**$16,232**	$0	$0	**$0**
Obj. G	$6	$0	**$6**	$0	$0	**$0**
Obj. J	$122	$100	**$222**	$0	$0	**$0**
Obj. N	$72,679	$97,858	**$170,537**	$0	$0	**$0**
Obj. T	$321	$402	**$723**	$0	$0	**$0**

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