



Date: November 10, 2020

To: Legislative Advisory Commission Members

Senator Paul Gazelka
Senate Majority Leader


Representative Melissa Hortman
Speaker of the House

Senator Julie Rosen, Chair
Finance Committee

Representative Lyndon Carlson, Sr., Chair
Ways and Means Committee

Senator Bruce Anderson, Chair
Veterans and Military Affairs Finance and Policy
Committee

Representative Rob Ecklund, Chair
Veterans and Military Affairs Finance and Policy
Division

From: Jim Schowalter, Secretary Legislative Advisory Commission 

Subject: URGENT REVIEW | #74 Coronavirus Relief Fund Request to Legislative Advisory Commission

This is a request to spend federal dollars received through the CARES Act as part of the Coronavirus Relief Fund for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19). This request is submitted under M.S. 3.3005 subd. 4 and 5, which allows for a 10-day review.

Attached are the details of the federal fund review request. Details about this request were shared in a briefing for the Legislative COVID-19 Response Commission members and the chairs of the relevant House and Senate Finance Committees on November 9, 2020.

Federal Fund Review Request

FY 2021

74. FY21 MDVA Coronavirus Budget Relief Request (Veterans Affairs)

\$4,610,000

PROCEDURE FOR LAC REVIEW:

The six LAC members have until Friday, November 20, 2020 to provide a recommendation. To expedite the LAC review process, LAC members may respond to this review request directly, recommending their approval or request for further review, instead of waiting the 10-day period.

CC: Bill Marx, House Chief Fiscal Analyst
Eric Nauman, Senate Lead Fiscal Analyst
Nancy Conley, House Ways and Means Committee Administrator
Jessica Young, Senate Finance Committee Administrator

Coronavirus Relief / Health Care Response / COVID-19 Minnesota Funds Request Form

Please complete this form in accordance with the process instructions.

Agency/Point of Contact: VETERANS AFFAIRS / JOHN POWERS - MDVA CFO

Title of Request: FY21 MDVA Coronavirus Budget Relief Request

Date: 9/8/2020 **Request Amount:** \$ 4,610,000

Expenditure Time Period: 7/1/2020 to 12/30/2020

Request Funding Source:

- Coronavirus Relief Fund (if selected complete page 2)
- Health Care Response Fund
- COVID-19 Minnesota Fund

Brief Summary of Request: (Summary must be complete on this page with supporting information attached)

MDVA has been responding to the COVID-19 crisis in a number of ways in order to protect our Veterans Homes residents, our staff, and MN Veterans that have been negatively impacted by the COVID-19 emergency. The following is a list of the agency's response and the impact that it will have on our FY21 General Fund budget that wasn't otherwise funded or appropriated to respond to this emergency.

1. \$1.0 million for staff costs for the Veteran Healthcare program in order maintain a safe COVID-free healthcare environment for our residents and staff in the Veterans Homes. MDVA has had staff shortages due to COVID leave which has resulted in an increase in overtime and the need to have other staff and contract workers pick-up extra shifts at the Veterans Homes.
2. \$300 thousand for non-payroll costs for Veteran Healthcare program for the purchase of Personal Protective Equipment for staff and residents along with other necessary products and services to maintain a safe COVID-free healthcare environment.
3. \$2.8 million for COVID-19 testing of Staff. New CMS COVID Testing requirements which will require extensive testing of Staff at four veteran homes. Memorandum and Interim Public Law, Ref: QSO-20-38-NH on August 26, 2020.
4. \$85 thousand for increased MNIT technology costs due to having staff working from home which required purchasing additional laptops, new phones and increased voice service.
5. \$60 thousand for staff overtime costs for the Programs & Services program in order to process emergency grants for MN Veterans that have been impacted by COVID.
6. \$305 thousand for non-payroll costs for the Programs & Services program to cover costs related to purchasing necessary products and services to maintain a safe COVID-free work environment at our State Veterans cemeteries, the Veterans Services building and MNIT office work spaces.
7. \$60 thousand of non-payroll contract costs for the MN CORE program which is serviced by Lutheran Social Services to provide mental health services and respite care to MN Veterans and dependents who have by impacted by COVID-19.

Larry J. Herke
Digitally signed by Larry J. Herke
Date: 2020.09.10 12:28:44 -05'00'
Department Head Signature

9/10/2020
Date

Coronavirus Relief Fund (CRF) Categories

Medical Expenses	<input checked="" type="checkbox"/> Costs incurred by public hospitals, clinics, and similar facilities
	<input type="checkbox"/> Establishing temporary public medical facilities and other measures to increase treatment capacity, including related construction costs
	<input checked="" type="checkbox"/> Testing, including serological testing
	<input checked="" type="checkbox"/> Emergency medical response expenses, including emergency medical transportation
	<input checked="" type="checkbox"/> Establishing and operating public telemedicine capabilities for COVID-19 related treatment
Public Health Expenses	<input checked="" type="checkbox"/> Communication and enforcement of public health orders related to COVID-19.
	<input checked="" type="checkbox"/> Acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers
	<input checked="" type="checkbox"/> Disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency
	<input type="checkbox"/> Technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety
	<input checked="" type="checkbox"/> Public safety measures undertaken in response to COVID-19
	<input checked="" type="checkbox"/> Expenses for quarantining individuals
	<input checked="" type="checkbox"/> Contact tracing
Payroll Expenses	<input checked="" type="checkbox"/> Recovery planning projects or operating a recovery coordination office
	<input checked="" type="checkbox"/> Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
Compliance with Public Health Measures	<input checked="" type="checkbox"/> Food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
	<input type="checkbox"/> Facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
	<input checked="" type="checkbox"/> Improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions
	<input checked="" type="checkbox"/> Providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions
	<input type="checkbox"/> Maintaining state prisons and county jails, including sanitation and the improvement of social distancing measures, to enable compliance with COVID-19 public health precautions
	<input checked="" type="checkbox"/> Care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions
Economic Support	<input type="checkbox"/> Provision of grants to small businesses to reimburse the costs of business interruption caused by required closures
	<input type="checkbox"/> Expenditures related to a state, territorial, local, or tribal government payroll support program.
	<input type="checkbox"/> Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise
	<input type="checkbox"/> Facilitation of livestock depopulation incurred by producers due to supply chain disruption
	<input checked="" type="checkbox"/> Programs designed to prevent eviction and assist in preventing homelessness due to COVID-19 public health emergency
	<input type="checkbox"/> Employment and training programs for employees that have been furloughed due to the COVID-19 public health emergency
	<input checked="" type="checkbox"/> Emergency financial assistance to individuals or families directly impacted by loss of income
Other	<input type="checkbox"/> Other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria. If this category is selected, please explain further here:

CRF Fund Request Confirmations

- **Confirm that your CRF funding request meets federal guidance: (1) as a necessary expenditure to respond to the COVID-19 public health emergency, (2) is not accounted in the current biennial budget and (3) funds will be expended by December 30, 2020.**
- **Confirm that your CRF funding request does NOT include expenses that cover:**
 - The state's share of Medicaid costs
 - Damages covered by insurance
 - Payroll or benefits of employees whose work duties are not substantially dedicated to mitigating or responding to COVID-19
 - Costs reimbursed under other federal programs or funding sources
 - Reimbursement to donors for donated items or services
 - Workforce bonuses other than hazard pay or overtime
 - Severance pay
 - Government revenue replacement, including provision of assistance to individuals or businesses to meet tax obligations
- **Confirm that your agency will maintain records related to these expenses that will be sufficient to demonstrate that they are in accordance with the requirements of the CARES Act.**
- **Confirm that your agency has the approval of the lead of the selected work group to submit this proposal.**