



March 26, 2021

The Honorable Joyce Krawiec, Co-Chair
Joint Legislative Oversight Committee
on Health and Human Services
300 N. Salisbury Street, Rm. 308
Raleigh, NC 27603
VIA EMAIL: Joyce.Krawiec@ncleg.gov

The Honorable Donny Lambeth, Co-Chair
Joint Legislative Oversight Committee
on Health and Human Services
300 N. Salisbury Street, Rm. 303
Raleigh, NC 27603
VIA EMAIL: Donny.Lambeth@ncleg.gov

Mark Trogdon, Director
Fiscal Research Division
Legislative Office Building, Suite 619
300 N. Salisbury St.
Raleigh, NC 27603-5925
VIA EMAIL: Mark.Trogdon@ncleg.gov

Co-Chairs and Director Trogdon:

Section 1.2 of Session Law 2020-97, which added a new Section 114e to Section 3.3 to Session Law 2020-4 (as amended by Section 3 of Session Law 2020-32, Section 4 of Session Law 2020-49, Section 1.1(d) of Session Law 2020-80, Section 3B(b) of Session Law 2020-88, and Section 4.9(a) of Session Law 2020-91), allocated \$11,500,000 to the NC Health Care Facilities Association (NCHCFA) to be used for the following materials for our member facilities:

- *COVID-19 related supplies and equipment necessary for life safety, health, and sanitation, such as ventilators, touch-free thermometers, gowns, disinfectant, and sanitizing wipes.*
- *Personal protective equipment, such as surgical and respiratory masks and gloves, that meets Centers for Disease Control and Prevention standards and guidelines.*

This provision, as later amended by Session Law 2021-1, further required NCHCFA to submit a second report on our use of these funds by April 1, 2021, following our initial report due February 1, 2021. Please allow this letter to constitute that second required report.

Since our initial report, the following activity has occurred:

- An additional two nursing facilities have received a total of \$5,418 in reimbursement for covered items, bringing the total to 230 nursing facilities receiving a total of \$7,555,431 in reimbursement for covered items

Additionally, following dialogue with OSBM, NCHCFA is preparing a request to submit to NC DOR to have the sales tax paid on the purchases of PPE under this grant refunded. NCHCFA, as a 501(c)(6) organization, does not anticipate having this sales tax refunded.

Currently, NCHCFA has approximately \$147,000 unspent for this grant. If the sales tax refund request is approved by NC DOR, this will return approximately \$246,000 and increase the amount of grant funds available to be spent. NCHCFA's leadership is evaluating the best uses for the remaining funds.

On behalf of NCHCFA's more than 390 member nursing facilities across North Carolina, thank you for the support provided by this grant and through other channels during the COVID-19 pandemic. We are extremely grateful for it, and we know that your continued support will be needed as this terrible episode continues. If we can answer any questions or provide any additional information on the topics covered herein, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'ASH', with a long horizontal line extending to the right.

Adam Sholar
President and CEO

cc: Members of the Joint Legislative Oversight Committee on Health and Human Services (via email)
Jim Harrell, NCHCFA (via email)
Sam Clark, NCHCFA (via email)
Jeff Wilson, Chair, NCHCFA (via email)