



January 14, 2022

The Honorable Jim Burgin, Co-Chair  
Joint Legislative Oversight Committee  
on Health and Human Services  
300 N. Salisbury Street, Rm. 620  
Raleigh, NC 27603  
**VIA EMAIL:** [Jim.Burgin@ncleg.gov](mailto:Jim.Burgin@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](mailto: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](mailto: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, as well as a final report by February 1, 2022. NCHCFA timely submitted both reports in 2021. Please allow this letter to constitute that third and final required report.

Since our last report, the following activity has occurred:

- NC DOR denied our request for a refund of sales tax, an outcome that was expected based on our interpretation of state law.
- \$9,289.93 in grant expenses were incurred. This amount was for auditing expenses and accounting services.

All told, this appropriation and grant provided for the reimbursement of more than \$7.55M in allowable costs incurred by nursing facilities across the state, as well as the purchase and shipment to facilities of more than 210,000 N95 masks, 1.56M isolation gowns, and 390 N95 fit testing kits.

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: NCHCFA Board Chair Jeff Wilson ([jwilson@libertyhcare.com](mailto:jwilson@libertyhcare.com))  
NCHCFA Counsel Ken Burgess ([kburgess@bakerdonelson.com](mailto:kburgess@bakerdonelson.com))  
NCHCFA Counsel Jim Harrell ([jim@bodeharrell.com](mailto:jim@bodeharrell.com))  
NCHCFA VP of Finance Sam Clark ([samc@nchcfa.org](mailto:samc@nchcfa.org))