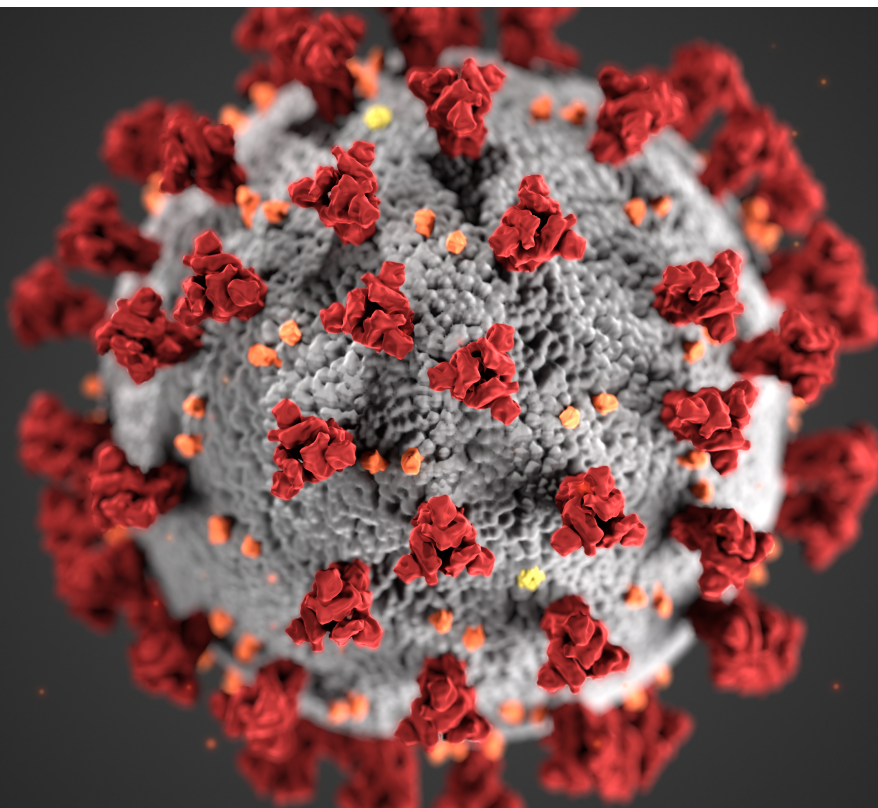




KENTUCKY ASSOCIATION OF PRIVATE PROVIDERS

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COVID-19 IMPACT REPORT

BACKGROUND

ABOUT KAPP

The Kentucky Association of Private Providers (KAPP) is a statewide trade association representing over 100 providers of community-based services through Kentucky's 1915c waivers. KAPP members provide a wide range of services including facility-based services. KAPP members provide critical support to over 10,000 Kentuckians with intellectual and developmental disabilities and employ over 9,000 Direct Support Professionals.

COVID-19

COVID-19, a novel coronavirus, is a highly contagious respiratory disease that can result in serious illness or death. Because COVID-19 can spread rapidly through communities, Governor Andy Beshear declared a State of Emergency on March 6, 2020. On March 17, 2020, Governor Beshear issued an interim guidance requiring that all Adult Day Training (ADT) programs be closed on or before March 20, 2020. Since that time, Kentucky's Cabinet for Health and Family Services has issued guidance which limits the provision of most in-person, community based 1915c waiver services. Beginning June 29, 2020, ADT services reopened with restrictions.

THE SURVEY

KAPP members recognize the need for social distancing and the extra measures taken by the Governor and the Cabinet for Health and Family Services to protect individuals with intellectual and development disabilities who receive community-based care from contracting COVID-19. With that said, the financial impact of this pandemic on providers has been tremendous. This survey was created to identify the services most impacted and accurately capture the financial impact of the COVID-19 pandemic on service providers.

CONCLUSION

Kentuckians with I/DD are experiencing significant regression as a result of lack of access to in-person services and caregivers are experiencing significant burnout. Waiver providers are struggling as a result of service closures and significantly reduced service utilization. Waiver providers are the state's safety net. Without waiver providers, individuals with I/DD may permanently lose access to critically important support services. For the health, safety, and welfare of the participants served, we must do everything in our power to make sure waiver providers remain solvent so that participants can continue to receive vitally important, community based support services.

COVID-19 RELATED COSTS

PERSONAL PROTECTION EQUIPMENT

\$2,830.74 PER PROVIDER

Respondents reported an average additional expense of \$2,830.74 for purchases of PPE during the period of **March 6 - August 1**.

- These costs will continue to increase as providers gain access to and use additional PPE.
- Respondents reported difficulty in purchasing PPE.
- Many providers have received donated PPE.

DISINFECTANT AND SANITIZER

\$2,505.25 PER PROVIDER

Respondents reported an average additional expense of \$2,505.25 for purchases of disinfectant and sanitizer during the period of **March 6 - August 1**.

- These costs will continue as providers use and repurchase disinfectant and sanitizer.
- Respondents reported difficulty in purchasing disinfectant and sanitizer.

TECHNOLOGY

\$3,875.50 PER PROVIDER

Respondents reported an average additional expense of \$3,875.50 for COVID-19 related technology during the period of **March 6 - August 1**.

OTHER COVID-19 RELATED EXPENSES

\$10,262.22 PER PROVIDER

Respondents reported an average additional expense of \$10,262.22 for “other COVID-19 related expenses” during the period of **March 6 - August 1**. These expenses include:

- Facility modifications.
- Home delivered medications.
- Supplies for daily activities to keep participants engaged.
- Increased administrative burden.
- Increased food, utility, and entertainment costs.
- Closed Day Training facility rent and utility costs.

NOTE: Respondents were asked to report costs specific to the COVID-19 pandemic for the period of March 6-August 1.

COVID-19 RELATED COSTS

OVERTIME

\$53,296.68 PER PROVIDER

Respondents reported an average additional expense of \$53,296.68 for COVID-19 related overtime during the period of **March 6 - August 15**.

- There is a well-documented, national workforce crisis. Waiver providers have had incredible difficulty recruiting and retaining qualified direct support professionals. COVID-19 makes DSP recruitment even more difficult than it was previously.
- Overtime costs can largely be attributed to Residential providers.

SICK/FMLA LEAVE

\$10,441.92 PER PROVIDER

Respondents reported an average additional expense of \$10,441.92 for COVID-19 related paid sick and FMLA leave during the period of **March 6 - August 15**.

- These costs will continue to increase as COVID-19 spreads through Kentucky and schools remain closed.
- The Family First Coronavirus Recovery Act requires employers to pay employees a combination of sick and FMLA leave for up to 12 weeks for a number of reasons, including inability to obtain child care.

ENHANCED PAY/HERO PAY

\$38,187.16 PER PROVIDER

Respondents reported an average additional expense of \$38,187.16 for COVID-19 related overtime during the period of **March 6 - August 15**.

- There is a well-documented, national workforce crisis. Waiver providers have had incredible difficulty recruiting and retaining qualified direct support professionals. COVID-19 makes DSP recruitment even more difficult than it was previously.
- In order to retain qualified employees, providers have offered enhanced and HERO pay.

NOTE: Respondents were asked to report costs specific to the COVID-19 pandemic for the period of March 6-August 15.

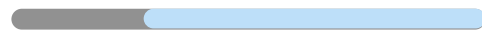
CLOSED SERVICES

HAVE YOU CLOSED A SERVICE AS A RESULT OF COVID-19?

YES: 66.67%



NO: 33.33%



Closures Reported Per Service

Day Training	35
Supported Employment	10
Community Access	7
ADHC	3
CLS	3
Transportation	3
Behavior Supports	1
Personal Assistance	1

DAY TRAINING/ADHC

\$652,169.33 AVERAGE ANNUALIZED LOST REVENUE PER CLOSED PROGRAM

As a result of COVID-19 related service closures, respondents reported average lost revenue in the amount of \$217,389.78 during the period of **April 1-July 31, 2020**.

- Day Training and ADHC facilities were required to close on or before March 20, 2020.
- The majority of respondents reported closing Day Training and ADHC programs sometime between March 16 and March 20.
- Day Training and ADHC programs were permitted to reopen beginning June 29, 2020. Many have been unable to reopen due to low utilization.

2019/2020 Impact Comparison

	April 19/20	May 19/20	June 19/20	July 19/20
Average Daily Attendance	-94.19%	-93.56%	-91.14%	-76.81%
Gross Revenue	-93.61%	-95.87%	-92.64%	-85.02%
Employee Wages	-36.91%	-32.16%	-22.01%	-46.63%

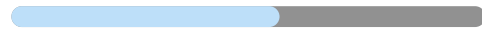
REDUCED SERVICES

HAVE YOU EXPERIENCED A REDUCTION IN THE UTILIZATION OF A SERVICE?

YES: 81.82%



NO: 18.18%



2019/2020 Impact Comparison (Gross Revenue)

	April 19/20	May 19/20	June 19/20	July 19/20
Supported Employment	-97.89%	-96.52%%	-91.60%	
CLS	-71.24%	-64.93%	-42.45%	-57.95%
Personal Care/ Personal Assistance	-80.95%	-77.9%	-50.09%	-77.46%
OT,PT, Speech, Behavior and Psych Services	-44.40%	-47.62%	-47.26%	-38.04%

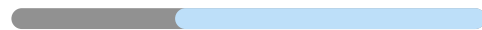
POSITIVE COVID-19 CASES

HAVE YOU FURLOUGHED OR LAID OFF STAFF?

YES: 60.61%

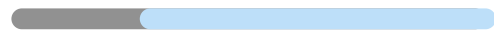


NO: 39.39%



ARE YOU AWARE OF ANY WAIVER PROVIDER THAT HAS PERMANENTLY CLOSED AS A RESULT OF COVID-19?

YES: 30.30%



NO: 69.70%

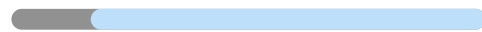


HAS YOUR AGENCY APPLIED FOR A PPP LOAN?

YES: 84.85%



NO: 15.15%



IF YES, DID YOUR AGENCY RECEIVE FUNDING THROUGH THE PPP ACT?

93%

YES

POSITIVE COVID-19 CASES

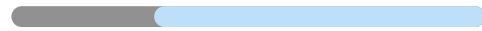
HAS A PARTICIPANT
YOU SUPPORT TESTED
POSITIVE FOR
COVID-19?

IF YES, HOW MANY?

NO: 79.41%



YES: 20.59%



19*

PARTICIPANTS

HAVE ANY OF YOUR
STAFF TESTED POSI-
TIVE FOR COVID-19?

IF YES, HOW MANY?

NO: 58.82%



YES: 41.18%



29

TOTAL STAFF

*Note: Respondents reported that they support a total of 19 participants who have tested positive for COVID-19. KAPP cannot determine if any of these reported positives are duplicates.



KENTUCKY ASSOCIATION OF PRIVATE PROVIDERS

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