



March 13, 2020

The Honorable Mitch McConnell  
Majority Leader  
S-230, U.S. Capitol  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
S-221, U.S. Capitol  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker of the House  
H-232, U.S. Capitol  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
H-204, U.S. Capitol  
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi and Leader McCarthy,

The National Association of Counties (NACo) and the 3,069 counties we represent commend you for your leadership in responding to the Coronavirus 2019 (COVID-19) pandemic. **Counties are on the frontlines of our nation's local public health emergency response and overall public safety efforts. Now, more than ever, we need strong federal, state and local intergovernmental collaboration to address this crisis.**

Counties nationwide are committed to working with both Congress and the Administration to advance legislation that assists with the mitigation of this public health crisis and its potential far reaching economic, health and safety impacts on our nation. **We respectfully urge that a portion of the federal resources directed at the pandemic flow directly to counties, based on our statutory responsibilities.** We appreciate the bipartisan efforts of Congress and the Administration to provide an appropriate level of flexibility and waivers that honor the intent of federal policies but provide state and local officials the flexibility and discretion to address rapidly changing conditions.

Nationally, counties invest \$83 billion annually in community health systems and support 903 hospitals, 824 long-term care facilities and over 1,900 public health departments—local agencies that are essential components of the Centers for Disease Control and Prevention's COVID-19 containment strategy. In more than 26 states, counties also help finance and administer the Medicaid program, the largest source of health insurance coverage in the U.S., covering nearly one-quarter of the population.

As the ground troops in the fight against the COVID-19 pandemic, counties are rapidly disseminating factual and timely updates to the public, while pursuing containment strategies. These include transforming motels and recreational vehicles to use as emergency quarantine facilities, and building cross-jurisdictional partnerships across county and state lines to implement best practices to prepare for and mitigate community transmission of COVID-19 in places where our most vulnerable residents reside such as hospitals, nursing homes, homeless shelters and jails. We are also working with groups across the country to ensure that children have access to meals they need throughout school closures and that older Americans and those with special needs can similarly access food delivery, health care and other essential life services.

While responding to this local health crisis, counties are also responsible for many other critical national functions that may be impacted by the coronavirus. Counties are key players in managing our national election system over the next few months, providing oversight for the 2020 census, helping our local small businesses navigate during this time—all while trying to stabilize our own local budgets during this time of extraordinary community and individual need.

NACo applauds Congress' introduction of [\*The Families First Coronavirus Response Act\*](#) (H.R. 6201), legislation introduced to address the impacts of the Coronavirus 2019 pandemic. Counties are supportive of several provisions within this legislation including:

- *Coverage for COVID-19 testing under Medicaid and CHIP, which would allow additional services to be covered under the Medicaid program and ensure that counties do not take on increased costs for a higher demand for health services, especially for uninsured, indigent and uncompensated care.*
- *A temporary increase in the Medicaid federal medical assistance percentage (FMAP) that will allow counties to receive additional funding as they treat low-income populations who have contracted the virus. **We strongly urge Congress to include an FMAP increase that preserves and protects the existing FMAP sharing arrangements between states and their political subdivisions.***
- *Increased funding for the Senior Nutrition Program and for additional home-delivered and pre-packaged meals to low-income seniors which will ensure continued services for our elderly residents who are most susceptible to illness.*
- *A suspension of work and training requirements for Supplemental Nutrition Assistance Program (SNAP) recipients and other provisions that provide flexibility related to the SNAP program, which will assist counties in ensuring that children and families in need can access healthy food in spite of school and work closures.*
- *Workforce supports that would provide funding to supplement paid sick leave to individuals affected by COVID-19. This would help to ensure county employees can fully attend to emergency medical matters without the threat of job loss or loss of benefits.*

**Counties need sustained federal investments and flexibility at the local level to help us protect our residents from the spread of this virus and lessen the impact of this pandemic on our local communities.** These investments should include additional personal protective equipment for both county facilities and private facilities, measures to address lab capacity issues, which contain sufficient funding, technical support and equipment to meet growing demands for testing, and the assurance of direct funding to local public health departments given their critical role in containment and treatment efforts.

**As Congress looks to advance H.R. 6201 in a proactive manner, we also respectfully request consideration of the below concerns as a part of this legislation:**

- **DSH Cut Delay:** Counties support a repeal or delay of the statutory Medicaid disproportionate share hospital (DSH) payment reductions scheduled to take effect [May 23, 2020](#). Medicaid DSH payments critical to local hospitals that serve our nation's most vulnerable citizens, by enabling local hospitals to make up for those losses and continue to provide high quality care to all patients. Given the risk, emergency legislation responding to the coronavirus would seem to be a reasonable vehicle.
- **MFAR Moratorium:** Counties support a moratorium on the CMS Medicaid Fiscal Accountability Regulation (MFAR) because it would reduce the ability of localities to finance the non-federal share of Medicaid, resulting in a reduction in federal Medicaid funding for the public health and hospital system. This rule should be withdrawn, and CMS should engage states and counties and other stakeholders in order to address any concerns with Medicaid financing. If finalized, this rule would destabilize our county public health systems at the same time we are responding to a global pandemic.
- **2020 Census:** The decennial census, which aims to count every United States resident each decade, is critical to county governments. With the rapid spread of COVID-19, counties are concerned that this will weaken outreach efforts for a complete count of our nation's residents. While counties applaud the U.S. Census Bureau's response to the outbreak, we urge lawmakers to allocate additional funding and reevaluate the current timelines needed to ensure a complete count for the 2020 Census.
- **Public Financing Tools:** States and local governments will face massive challenges in responding to, and as a result of, COVID-19. As lawmakers partake in negotiations, counties urge Congress to include temporary extension and permanent restoration of proven, financing tools utilized by state and local governments, schools, hospitals, airports and special districts and other public sector entities to provide efficient and low cost financing of critical investments in infrastructure that will move this country forward immediately. Specifically, counties support the inclusion of measures such as restoring the ability for governments to advance refund tax-exempt municipal bonds, increasing the bank qualified borrowing limit from \$10 million to \$30 million and restore the use of direct pay type bonds.
- **Elections:** The unprecedented nature of the rapid spread of COVID-19 has fundamentally altered the current phase of the 2020 election cycle. With concerns over transmission of the virus, counties are closely working with federal, state and local election officials to ensure the highest level of safety, security and integrity in our elections. While the health and safety of our residents are a top priority for local election officials, counties urge Congress to maintain local flexibility over elections or provide dedicated funding to assist counties with meeting new federal voting requirements as there are ongoing negotiations.
- **Housing:** Counties nationwide will be experiencing housing and economic challenges. Additional investments in federal programs like CDBG, HOME, EDA, SBA, USDA Rural Development and emergency housing rental and mortgage assistance will allow counties to best serve those in need. Funding these critical programs will provide direct funding to localities to help mitigate the local economic crisis for

small businesses, build infrastructure and ensure residents can remain and maintain their housing and prevent an increase in homelessness.

NACo is committed to working with both Congress and the Administration to advance legislation that assists with the mitigation of this global crisis and its widespread impacts on our nation. We respectfully urge that Congress take these concerns into consideration, and act quickly to pass this legislation so that counties can effectively implement containment and community mitigation strategies that would assist us with preserving the health and safety of our residents.

Building on the initial investment of the \$8.3 billion supplemental package signed by the president, we would appreciate ongoing dialogue, evaluation and resources to support the mounting demands on county public health, behavioral health and emergency response systems caused by this and other public health emergencies.

Please call on us for any additional information and county-level resources.

Matt Chase, NACo Executive Director, [mchase@naco.org](mailto:mchase@naco.org) or 703-731-0742

Deborah Cox, NACo Director of Government Affairs [dcox@naco.org](mailto:dcox@naco.org) or 202-680-4963

Sincerely,



Matthew D. Chase  
Executive Director