ARKANSAS AMERICAN RESCUE PLAN STEERING COMMITTEE MEETING MINUTES

Zoom Meeting

Monday, January 10, 2022 – 2:00pm-3:00pm

**IN ATTENDANCE**

**STEERING COMMITTEE MEMBERS**

Larry Walther, Secretary, Department of Finance & Administration

Johnny Key, Secretary, Department of Education

Cindy Gillespie, Secretary, Department of Human Services

Mike Preston, Secretary, Department of Commerce

Wes Ward, Secretary, Department of Agriculture

A.J. Gary, Director of the Arkansas Department of Emergency Management

Stacy Hurst, Secretary, Department of Parks, Heritage & Tourism

Daryl Bassett, Secretary, Department of Labor & Licensing

Dr. Jose Romero, Secretary, Department of Health

Senator Bill Sample

Senator Keith Ingram

Senator Ronald Caldwell

Representative Kenneth Ferguson Representative Jeff Wardlaw

Representative Frances Cavenaugh

**ADDITIONAL ATTENDEES**

Alan McVey, Chief of Staff, Department of Finance and Administration

Paul Louthian, Deputy Director, Department of Finance and Administration

Renee Mallory, Chief of Staff, Department of Health

**AGENDA**

1. Welcome and Opening Remarks – Secretary Larry Walther

2. Requests – Department of Health – Hospitals – Secretary Jose Romero

* 1. 3. Adjournment

**WELCOME AND OPENING REMARKS**

Secretary Walther welcomed the Committee to the meeting and called the meeting to order. He states this is the first meeting of the year and apologized for the late notice in meeting today but it looks like we have an emergency situation that has arisen because of the current situation with regard to the Omicron variant and the amount of bed space the hospitals are requiring throughout the state.

**DEPARTMENT OF HEALTH REQUEST-HOSPITALS – SECRETARY JOSE ROMERO**

Secretary Walther turned the meeting over to Secretary Romero with the Department of Health to present his proposal to the committee. He stated that he is requesting an allocation for funding in the amount of $50,120,160.00 to increase bed capacity for Arkansas in response to the recent Omicron surge happening here in the state. He explains that the funding will be for eleven hospitals including Arkansas Children’s Hospital here in Little Rock. The funding will provide these hospitals with 265 beds for 30 to 45 days depending on the hospital. It will also include funding for both ICU and Med Surg beds. Romero continues by pointing out a typo in the proposal documentation presented to the committee in that where it says the purpose of the proposals is to “Increase bed capacity – Utilizing *existing* staff. He noted that there is no existing staff, and it should have read “Utilizing *outside* staff.” He ends by entertaining any questions from the committee.

Secretary Walther asked for any questions, and Senator Ingram, speaking to Secretary Romero, asked if the funding approved for the 90 days last fall had been exhausted. Secretary Romero answers by stating he believes most of the money had already been used. Secretary Romero then introduced Renee Mallory, Chief of Staff of the Department of Health, who stated that most of the money had been used. She also stated that four or possibly five out of the five packets for those hospitals funded in the fall are at a high approval rate of being reimbursed by FEMA. She explained that the funding provided by the ARPA was around $66 million, and she thinks we will get it all back when FEMA approves the fifth hospital funding expense reports. Secretary Walther asked Secretary Romero if this would be the case for the money being allocated here today in that it too may also be returned to the state through FEMA once their applications have been approved. Secretary Romero answered that he believed that to be correct. He stated he believes these hospitals also have a high enough approval rate for all money to be accepted for reimbursement by FEMA. Secretary Walther explained that the money in the American Rescue Plan has a much longer time period in which we are able to spend the money which will be good for future expenditure requirements needed in the state having that money reimbursed by FEMA.

Secretary Walther asked for any more questions, and Director Gary wanted to state that what he is looking at on the list are hospitals that are all non-profit. He stated the period of performance for reimbursement is still open for this event, and he agrees with Secretary Romero in that we should have no problem getting approval for reimbursement through public assistance from FEMA on all funding requests being presented to the committee.

Secretary Walther entertained any more questions, and Representative Wardlaw stated in talking to Legislative Council leadership, specifically Chairman Rice, they wanted to know what types of cases we are seeing in hospital admissions at this time. He asks if they are mostly COVID unvaccinated, younger adolescence ages, or extreme risk COVID patients. He stated that these were questions they want answers to before he would be comfortable in approving these requests. Secretary Romero answered by stating what they are seeing in admissions is an increase in incidental admissions and ICU patients. He says what is happening today is that the infection has passed what we have seen in the past and overall seem to be milder cases, but the volume of admissions is much larger than before causing this surge and need for the additional beds. Representative Wardlaw asked whether these admissions were vaccinated or unvaccinated patients, and Secretary Romero answered by stating the majority of cases they are seeing now were unvaccinated and un-boosted. He also stated there has been as increase in younger age cases. He says we will exceed the number of ICU admissions we had at the peak of the Delta variant by the end of the week, and expects to see more cases to continue coming in. Representative Wardlaw replied that he had already told the Governor basically the same thing and wanted to make sure he was correct. Secretary Romero answered that they can provide the numbers to the committee after he reaches out to our state epidemiologists and gets the exact numbers. Senator Ingram asked when they anticipate the peak to happen with this variant, in which, Secretary Romero answered stating that by looking at other countries, the duration has been about a month. He continues saying that we are starting to see New York State and some earlier states trending downwards, so somewhere between three and four months would be his prediction. Secretary Romero went on to say that he anticipates we will start to see the numbers go down towards the end of the month, but we do have a disadvantage with the fact that a significant number of our population is not fully vaccinated.

Representative Wardlaw asked if we are advertising to help push people to get vaccinated and what the effects are of the booster with this new variant and how helpful it is.  Secretary Romero shared that last week a report came out of the Morbidity and Mortality Weekly Report from the CDC which shows that children that have been infected with COVID are now developing an increased incidence of diabetes, and so we are going to be pushing that out in in in public service messages to hopefully get the kids vaccinated. We know that adults already are at a greater risk for diabetes if they have COVID. Representative Wardlaw asked Secretary Romero if he would send something on that to the Committee because it may be helpful if the members start putting this information out on their social media. Just like the Polio vaccination, we don’t know what the aftereffects will be, so it would be helpful if we educated the public how important vaccinations are. Secretary Romero then stated that his staff will send out the MMWR Report, which will tell you everything you need to know in the first paragraph and the summary.

Secretary Walther asked if we are on the lower half of the states of people that are vaccinated when looking at the statistics. Secretary Romero explained that we are in the lower third and clarified that the strain seen in the hospitals now are the Omicron variant. Secretary Walther summarized that the risk of being admitted to the hospital for a person who unvaccinated is much greater than someone who is fully vaccinated, in which, Secretary Romero concurred that the risk is much greater for the unvaccinated and un-boosted population.

*Secretary Walther entertained a motion to approve; Representative Wardlaw provided a motion to approve; Senator Ingram and Secretary Gillespie provided a second; Secretary Romero abstained from the vote; Secretary Walther called for a vote; the motion passed.*

**The meeting was adjourned.**