

Proposal for SPARK: [Support for nurses and frontline care workers]

New or existing program?

New program

Description

- Provide nurses and frontline care workers with premium pay by increasing their hourly wages
- Funding will go to General Hospitals who will serve exclusively as a pass through to nurses and frontline care workers
- Hospitals will receive State discretionary funds, based on the number of licensed beds and accepted minimum staffing ratios as of 8/31
- Hospitals will have discretion on how to distribute pay increases between part-time and full-time staff over the time period of 9/1/21 to 12/31/21

Budget requested

Total: \$30-50M¹

- Increase in hourly pay for ~6,000-9,800 nurses and frontline care workers (~4,400-7,200 inpatient nurses; ~600-1,000 ICU nurses; ~1,000-1,600 frontline care workers)
- Total funding to each hospital will be allocated based on licensed beds and accepted minimum staffing ratios, with hospitals required to pass through 100% of funds received

Proposed funding source

ARPA – State Fiscal Recovery Funds

Rationale

- The surge in COVID-19 cases is creating capacity issues as nurses, physicians, and other health care workers are stretched to the limit, and ICU admissions mirror levels last seen at the height of the pandemic
- Nurses are receiving incentives from competitor hospitals outside of Kansas, such as large sign-on bonuses, to transition jobs
- This premium pay can help ensure that nurses and frontline care workers with the experience, knowledge, and aptitude to handle this surge remain in Kansas and are appropriately compensated

Allowability

- According to the most recent Treasury guidance (7/19/21)², recipients may provide premium pay retroactively or proactively for work performed at any time since the start of the COVID-19 public health emergency. Such premium pay must be “in addition to” wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021
- The increase in pay will be incorporated as an hourly rate increase, to a designated recipient's paycheck, up to \$13 per hour and not to exceed \$25k per individual over the life of the ARPA SFRF funding

1. Inclusive of administrative costs, up to 5% of grant program; 2. Coronavirus State and Local Fiscal Recovery Funds, Frequently Asked Questions: <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>