



Q&A: How to Get FEMA Emergency Funding During the COVID Crisis

July 1, 2020 - [PSQH](#)

By John Palmer

Editor's note: The following Q&A resulted from a conversation PSQH had with Brad Gair, senior managing director of [Witt O'Brien's](#), a Washington, D.C.–based emergency management and disaster response consultancy firm.

Gair formerly served as deputy commissioner of New York City's Office of Emergency Management, and as NYU Langone Health's first vice president for emergency management and enterprise resilience. In both roles, he helped oversee disaster financial responses after 9/11 and Hurricane Sandy in New York City.

Among the numerous challenges that U.S. hospitals are facing during the COVID-19 pandemic—besides keeping their facilities open, safe, and able to treat patients—is how to get paid by the federal government for the services they provide to the community.

A broad range of federal programs were allocated funding through the \$150 billion Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress. But getting that money, either through FEMA or other agencies, has caused some confusion for governments, institutions, organizations, and individuals in search of COVID-19–related aid.

This interview has been lightly edited for clarity.

PSQH: What do you think are some of hospitals' biggest emergency funding needs, and what are the challenges in getting them met?

Brad Gair: Hospitals have several immediate needs, including the following:

- Personal protective equipment (PPE). This is an issue because essential workers continue to care for COVID-19 patients, and the counts are on the rise. This holds true for care delivered within a hospital or in an outside triage testing unit. Even in states where the COVID-19 patient levels are stabilized, if the facility has not planned and forecasted for additional PPE to cover the next surge, they are going to find themselves in the exact same position they were in when COVID-19 impacted the U.S. in March and April. Hospitals should be forecasting their future burn rates through September at the very least.
- Staff capacity. This is an ongoing issue, especially if they continue to have staffing needs 24/7. Hospitals need to determine how they are going to best address their ongoing resource needs in that environment. Some have secured commitments for reserve staffing through mutual aid agreements. Large organizations can do this within their own hospital structures.

Public hospitals or state hospitals will have a greater challenge—all the more reason to best understand what their staffing resource priorities will be for extended COVID-19 responses.

- Cash flow. Because there is a significant sustained COVID-19 resurgence, cash flow is going to be a big issue for hospitals that are not in a strong position or that have not already secured CARES funding. The linchpin is understanding the whole ecosystem of funding that is out there, and how to plug costs into the right place to get the most linear, point-to-point funding opportunity, and how to do that in a manner that lets your application go through smoothly and quickly, and be rock solid so it won't get challenged in the future. One of the biggest challenges is that aside from large, sophisticated organizations, few healthcare organizations really understand the whole scheme and how to plug into it.

PSQH: A disaster like COVID-19 is different than, say, Hurricane Katrina or Sandy, because with those two storms, you could see the damage—the lights went out, the basements got flooded, etc. With a pandemic, it's different as facilities are technically still operational. Is it more difficult to get insurance companies and FEMA to label this as a disaster that needs emergency funding, and how do hospitals convince FEMA that they need funding immediately?

Gair: One misconception that can trip up hospitals is that FEMA reimbursement is not immediate or even fast. This is the case for a number of reasons, and the primary culprit is not having the documentation from the applicants necessary to justify funding.

In truth, if your reliance is on getting FEMA funding “fast” in a hospital environment, that is your first mistake. You need to understand what the total sources available are, and then the proper way of slotting in your costs into each of those funding opportunities so you can package those into an application for reimbursement.

The reality is that none of the federal funding that has been provided has been perfect. None has hit every potential variable right or anticipated every impact. There are going to be actions that hospitals take that are deemed appropriate that will never get funding from the federal government programs. It's best to focus on the eligible funds you can get. And since some funding is first come first serve, focus on developing the best applications possible and getting them to the right funding source. And once the money is in your bank account, do not sweat it. Just have a plan to spend it appropriately.

PSQH: There have been some obvious costs for things (such as drive-through testing, field hospitals, etc.) that can't really be planned for ahead of time. Are hospitals finding it difficult to get funding for these emergency services?

Gair: Testing is the biggest problem because it is really not a hospital's responsibility to set up mass testing in another facility. That is fundamentally the government's job. FEMA initially was setting up their own testing sites, and then states and local jurisdictions began operating their own.

It is going to be an interesting eligibility decision when it comes down to submitting those costs, and what the funding stream is going to do about it.



Hospitals need to be up front and not try to blur the lines. They should know what is covered and by whom. For example, a hospital may set up a triage unit outside the emergency room to do testing; this activity is likely to be considered by FEMA for reimbursement as there is a low chance of a duplication of benefit from another funding source such as insurance.

PSQH: One of the biggest things that experts suggest when disaster planning is to conduct a hazard assessment before bad things happen. In reality, could this pandemic (and the emergency funding it requires) have been planned for, and how does asking FEMA for assistance fit into that plan?

Gair: Yes, it could and should have been assessed in advance. This is not our first trip to the pandemic rodeo. Good hospital crisis-scenario planning should include pandemic response. Gauging the scope and depth of the event is a challenge, and sometimes you may have to be doing assessments on the fly, when you are in the thick of it. If you have somebody who understands the emergency planning process, they can help you work through even the most unimaginable scenarios. An expert who really knows how to navigate the government funding waters can help you find opportunities, define them, and slot your costs into the appropriate places to be in the best position for reimbursement.

John Palmer is a freelance writer who has covered healthcare safety for numerous publications. Palmer can be reached at johnpalmer@palmereditorial.com.