

# Support & Reimbursement Issues Related to For-Profit and Not-For-Profit Healthcare Facilities During Incidents Eligible for Stafford Act

Last Update: July 26, 2011

## STAFFORD ACT

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5206 (Stafford Act), authorizes federal funding programs to provide reimbursement for costs related to a hurricane or tropical storm that impacts the State of Florida (and other qualifying disasters). In order to qualify for federal supplemental aid under the Stafford Act the following criteria must be met:

- Governor declares state of emergency
- Governor requests a presidential declaration in writing that certifies that the combined local, county and state resources are insufficient and that the situation is beyond their recovery capabilities.
- FEMA regional and national office evaluates request recommends course of action to the President.
- President declares major disaster declaration.

Without a major disaster declaration to enact the Stafford Act, no funding or reimbursement is available to local, county or state entities (public and private) for costs associated with the response.

The two primary funding mechanisms are the Public Assistance Grant Program and the Individual Assistance Grant Program.

## HEALTHCARE FACILITIES

**Government operated and private-not-for-profit hospitals and custodial care facilities** are eligible to seek reimbursement for disaster related expenses through the public assistance program (PA) extraordinary emergency medical care and medical evacuation. Through the PA Program, FEMA provides supplemental Federal disaster grant assistance for debris removal, emergency protective measures, and the repair, replacement, or restoration of disaster-damaged, publicly owned facilities and the facilities of certain Private Non-Profit (PNP) organizations. The PA Program also encourages protection of these damaged facilities from future events by providing assistance for hazard mitigation measures during the recovery process (through the Hazard Mitigation Grant Program). Emergency medical care is defined as “medical treatment or services provided for injuries, illnesses and conditions caused as a direct result of the emergency or declared disaster, and which require immediate medical treatment or services to evaluate and stabilize an emergency medical condition. Emergency medical care may include care provided during transport under a medical evacuation and stabilization of persons injured during evacuation.”

Examples of eligible public assistance expenses include:

- Emergency medical care costs. Eligible costs include certain staffing costs, temporary facilities and equipment required to provide **emergency medical care** to disaster victims when existing facilities are overwhelmed or damaged. Examples of eligible costs include : overtime for staff performing eligible work, extra hires to provide emergency medical care, transport of victims requiring emergency medical care, treatment and monitoring (ie. triage, first aide, prescriptions, durable medical equipment, vaccinations for victims and emergency workers, health information, temporary tents/portable buildings, security) (See [FEMA Policy 9525.4, Medical Care and Evacuations.](#))
- Emergency evacuations of medical and custodial care facilities. Eligible costs include overtime and extra hires to evacuate and assist in transport, transport-related equipment costs,

equipment and labor costs associated with returning patients to original facility, transport-related medical tests and medication, and DME, costs incurred from activation of contracts, mutual aid agreements and/or force account resources in advance of disaster in order to prepared for evacuation. .Ineligible costs include equipment and labor costs incurred during standby times. (See [FEMA Policy 9525.4, Medical Care and Evacuations.](#))

- Expenses of private not for profits for providing emergency protective measures for their facilities are eligible if their facilities are otherwise eligible for assistance.
- Temporary generators for facilities that provide health and safety services.

The following are considered ineligible costs:

- Medical care costs incurred by the victim once admitted as an inpatient.
- Follow-on treatment of victims beyond 30 days of emergency or disaster declaration
- Increased administrative and operating costs to the hospital due to increased or anticipated increased patient load
- Loss of revenue
- Existing ineligible costs
- Any expenses in which patients or insurances have been billed for services are not eligible under the Public Assistance Grant Program including private insurance, Medicare, Medicaid or a pre-existing private payment agreement.
- Costs incurred in preparation for an increased patient load from an emergency or disaster.

Qualified healthcare facilities seeking funds through the public assistance program must submit an application seeking reimbursement to Florida's Public Assistance Officer within 30 days

More information on the Public Assistance Program and the process for submitting claims can be found on FEMA's website at <http://www.fema.gov/government/grant/pa/index.shtm>

**For-profit healthcare facilities** are not eligible for public assistance, however some costs associated with for-profit providers may be eligible for Public Assistance when contracted for by an eligible applicant.

For-profit healthcare facilities may also seek federally subsidized loans to repair or replace business property that sustained damages not covered by insurance through the Small Business Administration. SBA loans may repair or replace disaster-damaged property, including inventory, and supplies.

For more information on Small Business Administration Disaster Loans and the process for applying for a loan visit FEMA's website at [http://www.fema.gov/assistance/process/sba\\_assistance.shtm](http://www.fema.gov/assistance/process/sba_assistance.shtm).

## **STATE ESF8 HEALTHCARE FACILITY SUPPORT**

During a hurricane or tropical storm State ESF8 is often contacted directly by healthcare facilities seeking resources. State ESF8 will apply the following decision making algorithm to supporting healthcare facilities with resources in order to assure expenses are eligible for public assistance and that the State can seek reimbursement. This process applies to scenarios in which a Presidential disaster declaration has been made and Stafford Act is enacted.

