

March 22, 2021

FEMA Updates its COVID-19 Policy on Medical Care Eligible for Public Assistance

The Federal Emergency Management Agency (FEMA) recently updated its [policy](#) on “Coronavirus (COVID-19) Pandemic: Medical Care Eligible for Public Assistance.” This interim policy defines the framework, policy details and requirements for determining the eligibility of medical care work and costs for FEMA public assistance (PA) funding during the COVID-19 emergency. The updated policy includes a number of important changes and additions, described below, compared to the previous version of this policy issued in May 2020.

AHA Take: Hospitals can use FEMA as an additional source of funding for the extraordinary expenses they have faced throughout the pandemic. While FEMA PA applications and funding require substantial documentation, the program can provide reimbursement that may not otherwise be available through other federal programs.

Highlights of the updated FEMA policy follow.

HIGHLIGHTS OF FEMA’S UPDATED COVID-19 PUBLIC ASSISTANCE POLICY

Federal Cost Share Increased to 100%. Consistent with recent Presidential [memoranda](#), FEMA increases the federal cost share for the eligible emergency protective measures to 100%, retroactive to Jan. 20, 2020 and continuing through Sept. 30, 2021, including costs associated with the treatment of and vaccination against COVID-19 that are not covered by other sources.

Requires FEMA PA Funding to Focus on Equitable COVID-19 Response and Recovery. As a condition of receiving this financial assistance, recipients must focus the use of FEMA funding on the highest-risk communities and underserved populations as determined by established measures of social and economic disadvantage (e.g., the Center for Disease Control and Prevention (CDC) Social Vulnerability Index). This includes communities of color and other underserved populations, including members of the LGBTQI+ community, persons with disabilities, those with limited English proficiency, and those living at the margins of our economy. Failure to prioritize funding for these purposes could result in funding reductions and/or delays. A separate [part of the policy](#) titled, “Equitable COVID-19 Response and Recovery: Recipient and Subrecipient Job Aid” further describes the steps that recipients of FEMA funds must take to document this prioritization.

Eligibility of Costs Associated with COVID-19 Vaccination. The updated policy includes a new section on COVID-19 vaccination. FEMA notes that while the federal government provides the vaccine itself at no cost, there may be additional costs eligible for PA funding that are incurred by providers to support the distribution and administration of the vaccine.

Eligible work and costs in this category include:

- community vaccination centers;
- personal protective equipment (PPE), other equipment, and supplies required for storing, handling, distributing/transporting, and administering COVID-19 vaccinations;
- facility support costs, including leasing space for storage and/or administration of vaccines, utilities, maintenance, and security;
- additional staff, if necessary, including medical and support staff not paid for by another funding source and consistent with FEMA PA labor policies;
- onsite infection control measures and emergency medical care for COVID-19 vaccination administration sites;
- resources to support mobile COVID-19 vaccination in remote areas and/or transportation support for individuals with limited mobility or lack of access to transportation, when reasonable and necessary;
- vaccine-related costs incurred by a federally qualified health center, rural health clinics and critical access hospitals that are not covered by the Department of Health and Human Services or another funding source;
- communications to disseminate public information regarding vaccinations, including translation and interpretation services as necessary;
- information technology equipment and systems, when reasonable and necessary, for patient registration and tracking, vaccine-related inventory management, and/or analytics and reporting needs; and
- training and technical assistance specific to the proper storage, handling, distribution, and administration of COVID-19 vaccinations in accordance with CDC guidance.

Summary of Other Eligible Medical Care Work and Costs. The following categories eligible for FEMA COVID-19 funding are not new in this updated policy but are included here for completeness.

Primary Medical Care Facility. For medical care provided in a primary medical care facility, work must be directly related to the treatment of COVID-19 patients. Work may include both emergency and inpatient treatment of patients with confirmed and suspected COVID-19 disease.

The following medical care activities and associated costs are eligible in primary medical care facilities:

- emergency and inpatient clinical care for COVID-19 patients;

- purchase, lease, and delivery of specialized medical equipment necessary to respond to COVID-19;
- purchase and delivery of PPE, durable medical equipment, and consumable medical supplies necessary to respond to COVID-19; and
- medical waste disposal related to COVID-19.

Furthermore, certain labor costs associated with medical staff providing treatment to COVID-19 patients may be eligible as well. However, labor costs for medical staff that are included in patient billing and/or otherwise covered by another funding source are not eligible for PA. Otherwise, the following labor costs may be eligible:

- overtime for budgeted medical staff providing treatment to COVID-19 patients;
- straight time and overtime for temporary medical staff providing treatment to COVID-19 patients; and
- straight time, overtime, and other necessary costs for contract medical staff providing treatment to COVID-19 patients.

Temporary and Expanded Medical Facilities. FEMA may approve work and costs associated with temporary medical facilities or expanded medical facilities, when necessary, in response to the COVID-19 public health emergency. These facilities may be used to treat COVID-19 patients, non-COVID-19 patients, or both, as necessary.

Eligible costs for temporary and expanded medical facilities include:

- all eligible items and stipulations included above for primary medical care facilities, as described above, but applicable to both COVID-19 and non-COVID-19 patients;
- lease, purchase, or construction costs, as reasonable and necessary, of a temporary facility as well as reasonable alterations to a facility necessary to provide medical care services;
- mobilization and demobilization costs associated with setting up and closing the temporary or expanded medical facility;
- operating costs including equipment, supplies, staffing, wraparound services, and clinical care not covered by another funding source; and
- maintenance of a temporary or expanded medical facility in an operationally ready but unused status available for surge capacity for COVID-19 readiness.

The entire compilation of FEMA COVID-19 PA policies can be found at: [Public Assistance Disaster-Specific Guidance - COVID-19 Declarations | FEMA.gov](https://www.fema.gov/public-assistance/disaster-specific-guidance-covid-19-declarations).

NEXT STEPS

The AHA will continue to track FEMA's updates on COVID-19 PA policy. If you have further questions, contact Roslyne Schulman, AHA director of policy, at rschulman@aha.org.