

COVID-19: Infection Disease Event Emergency Declarations

Why is the emergency declaration important?

There are two basic types of declarations – an emergency and major. An emergency declaration is limited to reimbursement for Category B - Emergency Protective Measures. A major declaration is broader and covers the same costs, but can also include assistance for individuals, hazard mitigation findings, and reimbursement for other types of expenses. By making the declaration, the Federal Emergency Management Agency (FEMA) is now able to utilize funds in the Disaster Relief Fund (DRF) to address the COVID-19 public health and safety concern for federal and local governments. Currently all 50 states and 4 Territories have the emergency declaration, and no major declarations have been granted.

What costs are considered emergency protective measures?

Under Public Assistance, emergency protective measures are actions that are conducted before, during, and after an event to eliminate or lessen immediate threats to lives, public health, or safety. We urge our clients to document all expenditures associated with COVID-19 preparedness, response and recovery. There must be a tie-back to protecting public health and safety. We have included a list of suggested actions of what could be covered, but it is by no means an inclusive list of possible reimbursable expenses.

Can economic losses be covered under the emergency declaration?

Not historically. However, as the country faces new challenges, new forms of relief may be available. Typically, lost revenue from closed ports or convention facilities can be covered by Business Interruption insurance. In this case, the federal government may enact new programs over the next year that could address economic losses. Check with your insurance provider to discuss your existing policies. In addition, new grants will likely be rolled out in the coming months that may be more helpful than just insurance, such as HHS and CDC.

What is the federal and local cost share requirements?

As of now, the cost share for COVID-19 is a 75% federal/25% local mix. This may change, and states may cover all or a portion of the local match. Be aware that volunteer hours cannot be reimbursed as part of Public Assistance; however, these hours may be used in offsetting the local cost share amount.

How do I get started with FEMA?

FEMA has created a separate COVID-19 Emergency Declaration for each state. Each declaration is included in Grants Portal. Eligible applicants may use Grants Portal to submit a Request for Public Assistance (RPA). By navigating to the dashboard upon login to Grants Portal, select the link *“Click here to submit a RPA for your organization”* to begin the RPA process. Each state may have a specific process to submit the RPA. Please consult with your state officials prior to submitting the RPA.

Federal Procurement Requirements

Emergency or exigent circumstances are defined by FEMA as unexpected or unusually dangerous situations requiring immediate action or an urgent need for assistance or relief. On March 17, 2020 FEMA released a memo establishing that beginning on January 27, 2020 emergency conditions exist due to COVID-19. When emergency or exigent circumstances exist, local governments, nonprofits, and other non-state entities are able to enter into new or utilize existing contracts that are not competitively procured.

We recommend attempting to gather bids and quotes where possible. However, COVID-19 presents a unique challenge with closed businesses and limited options to solicit quotes. Be aware that documentation requirements are not waived, and FEMA will require supporting documentation for all costs incurred. Be prepared to document and justify every circumstance where competition is not available. Work performed under the noncompetitively procured contracts must be specifically related to the emergency circumstances.

Emergency circumstances do not waive all Federal Procurement Requirements under 2 C.F.R. §200.318-326 and Appendix II, only competition requirements. Required contract clauses, a cost or price analysis, and the prohibition of cost-plus-percentage-of-cost contracts are still applicable. Time and materials contracts must be justified and have a not-to-exceed amount. The previously mentioned requirements are only a sample of what is required, see 2 C.F.R. §200 for additional requirements.

For costs incurred related to the COVID-19 response, documentation required can vary based on the type of expenditure. We recommend keeping the following actions in mind:

- Document all costs, for insurance and possible public assistance funding.
 - Detailed timesheets, including volunteers, noting who, what activity was performed, where, and when.
 - Activity logs to support timesheets
 - If vehicles are used, log all drivers, mileage, and locations traveled
 - Keep receipts
 - Track all spending
 - Gather procurement documentation
 - Keep records of all bids and quotes received.
- Follow all applicable federal, state, and local procurement rules.

Reimbursable Expenses

Emergency Protective Measures

These actions save lives or protect public health or safety. This list is not all-inclusive. Additional detail for some actions are provided below. • Temporary medical facilities • Mass mortuary services • Emergency Operation Center (EOC)-related costs • Emergency access • Medical care and transport • Evacuation and sheltering (quarantine) • Safety inspections • Security, such as barricades, fencing, or law enforcement • Use or lease of temporary generators for facilities that provide essential community services • Dissemination of information to the public to provide warnings and guidance about health and safety hazards using various strategies, such as flyers, call centers, public service announcements, or newspaper campaigns.

Supplies & Commodities

- Purchase and delivery of food, water, ice, medicine, and other consumable supplies (i.e. support of interrupted food programs)
- Transporting and pre-positioning equipment and other resources
- Movement of supplies



Transportation

- Transferring patients from inoperable, compromised, or overwhelmed eligible medical or custodial care facilities to another medical facility or to a shelter.
- Transferring patients back to original medical or custodial care facility, when appropriate.
- Transport may include emergency air, sea, or ground ambulance services if necessary.
- Emergency medical care provided during transport, including emergency medical personnel and supply costs.

Sheltering

Shelter staff costs • Medical staff • Personal assistance service staff • Veterinary staff • Public Information Officer • Social workers • Food service workers • Custodial and facilities staff • Shelter supplies and commodities • Durable medical equipment • Consumable medical supplies

Medical Costs

When the emergency medical delivery system within a declared area is overwhelmed, FEMA may fund extraordinary costs associated with operating emergency rooms and with providing temporary facilities for emergency medical care. Eligible medical care includes, but is not limited to:

- Triage and medically necessary tests and diagnosis
- Treatment, stabilization, and monitoring
- First-aid assessment and provision of first aid
- A one-time 30-day supply of prescriptions for acute conditions or to replace maintenance prescriptions
- Durable medical equipment
- Consumable medical supplies
- Temporary facilities, such as tents or portable buildings for treatment of survivors
- Leased or purchased equipment for use in temporary medical care facilities
- Security for temporary medical care facilities
- Use of ambulances for distributing immunizations and setting up mobile medical units

Not all costs are reimbursable for federal funds, however tracking should still occur for all costs as insurance or other grants may be available. FEMA funds are of last resort, as FEMA requires eligible activities that can be funded through other federal sources be claimed through those programs. Reimbursement is not available if a benefit is provided from another funding source, such as insurance or other federal funds. Duplication of benefits is not permitted.

Infectious disease events are rare, and a wealth of uncertainty surrounds this topic. Tetra Tech understands the need for guidance, even during unpredictable circumstances. We will continue to update our clients as new developments arise.

***Please Note:** The information presented in this document reflects the latest information available at the time of publishing. For the most up-to-date information, please also refer to all local, state and federal guidance.*



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