

State Advance Reimbursement Mechanisms for EMAC Missions

During the course of the 2020 EMAC Coordinator Workshop (Virtual), states present discussed opportunities for improvement in the reimbursement process. Some states noted that they had or were considering developing mechanisms to advance some or all expected funds to resource providers. To capture these emerging practices, the National Emergency Management Association (NEMA) developed a survey to ascertain more information about which states have this capability already in place and if so, how the mechanism to do so is structured.

Thirty-nine states responded to the survey, six of whom currently have an advance reimbursement capability for state and local resource providers on EMAC missions. Of these, two of them have legislation that allows for it while the others have policy and Standard Operating Procedure in place.

Legislation

Utah's advance reimbursement process is codified through legislation (<u>U.C.A. 53-2a-603</u>) which created a State Disaster Recovery Restricted Account within the General Fund. As part of this legislation, agents of the state on an EMAC mission can receive advanced funding from the account if the provider has no other funding source available at the time of the EMAC request. Utah allows for the advance of up to 80 percent of EMAC-eligible expenditures. Eligibility and documentation expectations are addressed with the resource provider during the pre-deployment phase to ensure a smooth process for reimbursement approval.

Washington's payment process is funded through their Disaster Recovery Account (RCW 38.52.105), which is appropriated legislatively and dedicated to supporting state agency or local government disaster response and recovery efforts. In the event of an EMAC mission, the supporting agencies pay for their expenses and then they send the reimbursement to EMAC Designated Contact at the state, where they process and reimburse any applicable state agencies and/or locals. Washington Emergency Management Division therefore incurs all the cost and then finally requests reimbursement from the Requesting State. However, Washington pays the appropriate reimbursement cost regardless of reimbursement from others.

Policy and Procedure

Some states have developed policies and procedures to allow for advance reimbursement. A sampling of these methods is below.

Colorado allows for the advance reimbursement of up to 100 percent through its Standard Operating Procedure (SOP) through the state's Resource Mobilization Fund. Funds advanced to the resource provider are then paid back to the Resource Mobilization Fund by the requesting state.

Nevada allows for the advance reimbursement of up to 75 percent through the policy process.

Once resources providers in **New Jersey** have submitted their R-2 and completed packet, the state reviews the documentation and makes every effort to provide reimbursement. The state then awaits reimbursement from the requesting state. If any adjustments need to be made once New Jersey has received reimbursement, the resource provider and the state address it at that time. New Jersey's method of advance reimbursement stems from prior command directives and state EMAC leadership.

South Dakota allows for the advance reimbursement of up to 100 percent through its emergency fund.

Looking Ahead

While these states already have legislative mechanisms or processes in place to provide an advance reimbursement capability to resource providers in whole or in part, other states are currently exploring methods by which to conduct advance reimbursement. Some states have bills related to reimbursement pending in their state legislatures, others have created the process but are still developing an accompanying policy, and still more are in discussion with their leadership and finance teams. Given the increased scale and scope of disasters in recent years, state capabilities to provide timely and appropriate reimbursement to resource providers within assisting states will be integral to ensuring resource providers remain able to surge and respond when disaster strikes.

Additional Resources

Colorado

<u>Colorado Resource Mobilization Annex</u> <u>Colorado EMAC Reimbursement Workbook</u> <u>Colorado DHSEM Reimbursement Information</u> (website)

Utah

Utah legislation referenced above

Utah Disaster Recovery Restricted Account EMAC Advanced Funding Request Form: available upon request

Washington

Washington legislation referenced above

Washington Annex to ESF-4 for EMAC Deployments: available upon request