

## Hospital Preparedness Program Public Health & Social Services Emergency Fund (PHSSEF) FY 2023 Labor HHS Appropriations Bill

	FY2021	FY2022	FY2023 President's	FY2023 TFAH
			Request	
Hospital	\$280,000,000	\$295,500,000	\$292,000,000	\$474,000,000
Preparedness				
Program (ASPR)				

**Background:** The tremendous strain that the COVID-19 pandemic has placed on America's healthcare system was long predicted by health security experts. While our nation has made progress in preparing the healthcare system for localized emergencies, a nationwide pandemic exposed longstanding gaps in healthcare preparedness. The Health Care Readiness Portfolio, administered by the Assistant Secretary for Preparedness and Response (ASPR) at HHS, supports the readiness of the healthcare delivery system for emergencies. The foundation for this state of readiness is the Hospital Preparedness Program (HPP), which provides funding and technical assistance to 62 health departments in all states, U.S. territories, freely associated states, and in Los Angeles County, Chicago, New York City, and Washington, D.C. to prepare the healthcare delivery system by increasing its ability to operate and provide care during a disaster, saving lives and ensuring the earliest possible recovery of the system. The funding line for HPP also supports other related initiatives within the broader portfolio that support healthcare readiness, such as the Regional Disaster Health Response System (RDHRS) and the National Special Pathogen System (NSPS).

**Impact:** HPP is the primary source of federal funding for regional health system preparedness, minimizing the lag in response and need for supplemental state and federal resources during most health emergencies. To meet its goal for healthcare preparedness and response capabilities, HPP supports the development of healthcare coalitions (HCCs) – sub-state regional collaborations between healthcare organizations, emergency management, public health agencies, and other private partners - to increase medical surge capacity, coordinate resource allocation, and leverage strong partnerships across the healthcare continuum during an emergency. As of June 2021, the cooperative agreements support 321 HCCs with 44,356 participating entities from across the health system, including 92 percent of all U.S. acute care hospitals and 94 percent of public health agencies.<sup>1</sup> Meaningful participation by healthcare facilities in coalitions means that when disaster strikes, systems are in place to coordinate the response. These systems support managing patient movement, communicating situational awareness, and providing resource-sharing across disparate healthcare entities to maintain clinical care delivery and enable the healthcare system to save lives and protect Americans. HHS has found that HCCs are making progress on enhancing their Health Care Preparedness and

<sup>&</sup>lt;sup>1</sup>Fiscal Year 2020/Budget Period 2 data collected by ASPR National Healthcare Preparedness Programs (NHPP) Branch.

Response Capabilities<sup>2</sup> – what the healthcare delivery system must do to effectively prepare for and respond to emergencies – but gaps remain.<sup>3</sup>

During the tremendous challenges of the pandemic, HPP provided resources, technical assistance, and information sharing across HCCs to improve readiness for patient surges. The cooperative agreement served as the foundation for COVID-19 funding for HCCs, which was used to help coalitions ramp up their response.<sup>4</sup> For example, the University of North Carolina (UNC) Health Southeastern community Health Services has begun to operate a telehealth booth for public use in Lumberton as a step towards overcoming inequitable access to health care resources.<sup>5</sup> Also, coalitions in Texas used HPP funding to meet the urgent needs of hospitals throughout the state after the winter storms of 2021, which impacted 254 counties with power outages, impassable roadways, and sparce resources.<sup>6</sup>

In addition to the HPP cooperative agreement, ASPR's Health Care Readiness Portfolio also includes the National Special Pathogen System (NSPS), which builds upon Ebola treatment and education networks to support the urgent preparedness, education, and response needs of hospitals, health systems, and healthcare providers related to treating patients with high consequence infectious diseases. HPP recipients provide funds to 10 Regional Ebola and Special Pathogen Treatment Centers (RESPTCs) and 55 Special Pathogen Treatment Centers (SPTCs) as subrecipients within the NSPS. Through the portfolio, ASPR also manages the Regional Disaster Health Response System (RDHRS), which directly supports four regional partnerships to develop and disseminate innovative practices in coordinating disaster readiness and surge capacity. These sites are intended to collaborate with HCCs and other partners to identify gaps in patient care affected by emergencies, expand specialty care expertise, and coordinate medical response across jurisdictions.<sup>7</sup>

HPP appropriations have been cut nearly in half from \$515 million in FY 2003 to \$280 million in FY 2021, or over 62 percent when accounting for inflation.<sup>8</sup> Even before the pandemic, the National Health Security Preparedness Index found that healthcare delivery remains a nationwide area of vulnerability.<sup>9</sup> In 2019, HHS identified surge capacity, access to specialty care, healthcare situational awareness, health system readiness and patient transport and tracking as key priorities for improvement. The COVID-19 pandemic demonstrated how critical these gaps can be during a widespread, high-impact event.

https://www.phe.gov/emergency/events/COVID19/HPP/Pages/overview.aspx

<sup>5</sup> Office of the Assistant Secretary for Preparedness and Response.

https://www.phe.gov/Preparedness/planning/hpp/events/Pages/telehealth-booth.aspx

<sup>6</sup> Office of the Assistant Secretary for Preparedness and Response.

https://www.phe.gov/Preparedness/planning/hpp/events/Pages/Health-Care-Coalitions-Texas-Winter-Storms-Feb2021.aspx

<sup>7</sup> Regional Disaster Health Response System Report to Congress. HHS, 2020.

https://www.phe.gov/Preparedness/planning/RDHRS/Documents/RDHRS-RTC.pdf

<sup>8</sup> <u>\$515M in 2021 dollars</u> would be \$741.4M and FY21 funding was \$280M. (\$741.4-280)/741.4=62.2% cut.

<sup>&</sup>lt;sup>2</sup> 2017-2022 Health Care Preparedness and Response Capabilities,

https://www.phe.gov/Preparedness/planning/hpp/reports/Documents/2017-2022-healthcare-pr-capablities.pdf <sup>3</sup> PHSSEF CJ.

<sup>&</sup>lt;sup>4</sup> HHS. COVID-19 Supplemental Funding Overview.

<sup>&</sup>lt;sup>9</sup> National Health Security Preparedness Index, <u>NHSPI\_2020\_Key\_Findings.pdf</u>

**<u>Recommendation</u>**: TFAH recommends \$474 million for FY 2023 for HPP to help rebuild the program from years of underfunding, the amount authorized in the 2006 Pandemic and All-Hazards Preparedness Act. The increases would be used for:

- Increased funding to the HPP cooperative agreement, based on the current formula. Such increases have a larger impact on states with smaller public health budgets. The drastic cuts experienced by the program have led to decreased capacity and a wide variation in capabilities from state to state.
- Building capacity of HPP recipients and their HCC subrecipients and healthcare partners to be more adequately prepared for infectious diseases outbreaks, including strengthening HPP coordination with the National Special Pathogen System.
- Addressing major gaps in the Health Care Preparedness and Response Capabilities and health system preparedness, such as readiness of emergency medical services and medical transport systems. Effective medical transport is especially a concern in rural areas that have experienced hospital closures in recent years.
- It is also critical to continue to fund the Regional Disaster Health Response System demonstration sites, which have already helped partnership members address healthcare preparedness challenges in its regional, tiered framework in order to build a nationwide response system and identifying and scaling healthcare readiness innovations.