
**COPING WITH TWIN DISASTERS:
HHS RESPONSE TO THE 1989
HURRICANE AND EARTHQUAKE**



OFFICE OF INSPECTOR GENERAL
OFFICE OF EVALUATION AND INSPECTIONS

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HHS RESPONSE TO THE 1989
HURRICANE AND EARTHQUAKE**

**RICHARD F. KUSSEROW
INSPECTOR GENERAL**

EXECUTIVE SUMMARY

PURPOSE

This inspection evaluated the Department of Health and Human Services' (HHS) response to Hurricane Hugo and the Loma Prieta earthquake and identified ways to improve response efforts to future disasters.

BACKGROUND

In 1989, HHS provided disaster recovery assistance and some emergency relief after (a) Hurricane Hugo devastated parts of Puerto Rico, the Virgin Islands and North and South Carolina, and (b) the Loma Prieta earthquake caused massive destruction in Northern California. These combined disasters were the most destructive and costly this century.

The Federal Government always provides financial assistance for recovery when the President declares a major disaster but only assists with direct relief when State and local capabilities are overwhelmed. The HHS provides both immediate response and long term recovery assistance under the direction of the Federal Emergency Management Agency (FEMA), which coordinates the entire Federal response.

We interviewed 68 Federal, State and local officials who had first hand experience with the relief and recovery efforts in the affected areas. We reviewed situation reports and other documents describing the disasters and the response. We did not study North Carolina's experiences.

FINDINGS

The Department responded promptly and appropriately to the earthquake and hurricane to restore program operations and provide direct disaster relief.

Managers in HHS took all necessary steps to restore program operations promptly and to provide immediate relief and recovery assistance. The effects of the disasters, and hence the responses, were different in Puerto Rico, the Virgin Islands, South Carolina and California. Government services broke down in St. Croix, Virgin Islands, but not in the other areas. Although some Head Start and other HHS program centers were closed, most were restored within a few days. A few in the Virgin Islands were still closed at the time we issued our draft report. Social Security Administration (SSA) facilities were damaged, but all were restored in a week or less. Social Security benefits were not interrupted. The Public Health Service (PHS) provided some immediate disaster response in the Virgin Islands and Puerto Rico, and the PHS National Institute for Mental Health provided the funding mechanisms for counseling to disaster victims in each affected area.

The Department experienced internal communication problems as well as both communication and coordination problems with FEMA.

Some HHS managers, particularly at the regional level, were confused about which agency within the Department is responsible for coordinating the disaster response. This confusion had not been resolved by the January 1990 transfer of primary disaster authority from the Office of the Secretary to PHS. Both HHS and State officials had problems communicating and coordinating with FEMA. Some of these problems caused delays in transporting needed supplies and personnel that could result in deaths in a catastrophic disaster.

Arrangements for funding disaster response activities are inadequate.

Few discretionary or formula grant funds are available within the Department for use in disaster relief to fill gaps not covered by FEMA or other federal agencies. Current accounting systems used by all components to pay travel and personnel expenses for disaster relief are inadequate and result in delays in charging payments to the proper accounts.

The Department lacks clearly defined, up-to-date plans for restoring programs in future disasters.

Regional and national plans for program restoration and long term disaster recovery contain outdated information and rely too heavily on telephone systems. In contrast, the HHS plans for emergency medical relief are much more thorough and useful, particularly preparedness plans for a California earthquake. Most HHS managers said they need plans that are simple, flexible, updated and practiced frequently.

RECOMMENDATIONS

The Office of the Secretary (OS) and the PHS Office of the Assistant Secretary for Health (OASH) should clarify HHS disaster recovery roles and responsibilities.

The OS and OASH should (a) define precisely how they will implement the January 1990 delegation of authority and (b) clarify the disaster relief and recovery responsibilities of PHS, other operating divisions (OPDIVs), regional directors and regional OPDIVs.

The OASH should issue guidelines to improve disaster planning.

The guidelines should mandate simple, flexible plans and frequent practice of these plans. The plans of each operating and staff division should spell out lines of communication with each other and should intermesh with the overall HHS disaster plan. The disaster plan should specify headquarters and regional lines of communication with FEMA, which should then be reflected in OPDIV plans. Each plan should be updated periodically.

The OASH should establish backup communication systems and regional command posts.

The backup system could include cellular telephones and radio communication utilizing the frequency already set aside for HHS. To facilitate better communication, the OASH should mandate that each region establish a regional command post.

The OASH should improve procedures to pay for disaster relief expenditures.

The OASH, working with the HHS Office of the Assistant Secretary for Management and Budget, should (a) set up a system to identify existing HHS discretionary and formula grant funds that could be used to supplement FEMA funding for disaster relief, (b) establish an improved system, including a common accounting number, to account for disaster payments and (c) develop procedures to ensure that the support agreement with FEMA for each declared disaster provides appropriate reimbursement.

AGENCY COMMENTS

The PHS, SSA and Office of Human Development Services concurred with the recommendations. The Health Care Financing Administration had no comments. The PHS is taking steps to clarify the emergency preparedness and disaster recovery roles and responsibilities of the regional directors, regional health administrators and others. The PHS is also revising and simplifying emergency planning and response guidance for OPDIVS and Staff Divisions, improving internal emergency communication systems and developing procedures with FEMA to assure prompt reimbursement for HHS operations in disasters declared by the President.

We also solicited comments from FEMA. While agreeing with the report's recommendations, FEMA generally considered its actions in the disasters to be appropriate, citing (a) limits on the Federal role during disasters, (b) the less than catastrophic nature of the earthquake and (c) the necessity for quick action in a disaster allowing little time for training or screening of non-FEMA personnel. While we did not undertake a comprehensive review of FEMA's actions in the dual disasters, we disagree with FEMA's premise that the need for quick action in disaster response precludes careful planning which would optimize the use of HHS personnel.

The complete texts of the comments are contained in Appendix A.

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INTRODUCTION

This inspection evaluated the Department of Health and Human Services' (HHS) response to Hurricane Hugo and California's earthquake and identified ways to improve future disaster response efforts. These combined disasters were the most destructive and costly this century. In September 1989, Hurricane Hugo devastated parts of Puerto Rico, the Virgin Islands and North and South Carolina. Less than a month later, the Loma Prieta earthquake caused widespread death and destruction in Northern California. Both affected HHS because they (a) triggered emergency health and other assistance during the immediate recovery periods and (b) damaged office buildings and temporarily disrupted some program operations.

The Federal Government always provides financial assistance in the recovery stage when the President declares a major disaster, but only assists with direct disaster relief when State and local governments are unable to do so. When a disaster occurs, local authorities within damaged areas use all available resources. If local resources are inadequate or exhausted, assistance is requested first from State agencies and then from the Federal government. Federal efforts are coordinated by the Federal Emergency Management Agency (FEMA) which also provides financial assistance to individuals and businesses for repairs, physical rehabilitation and economic reconstruction.

When a disaster strikes, HHS officials have two major responsibilities: (a) to restore HHS program operations as quickly as possible and (b) to provide emergency medical and public health services when a State or local government is overwhelmed by the disaster. Executive Order 12656, issued in November 1988, directs HHS to mobilize the health industry in national security emergencies to provide medical services and to assist State and local governments in providing human services, including lodging, food, clothing and social services. In major disasters, the Public Health Service (PHS) is the lead agency to provide emergency medical and health services under the overall direction of FEMA. Within PHS, the Office of the Assistant Secretary for Health (OASH) manages the National Disaster Medical System, and the Centers for Disease Control (CDC) make public health expertise available to the disaster area. Each HHS operating division is responsible for developing adequate emergency plans for its programs. The HHS regional directors are responsible for preparing and disseminating regional emergency plans and for coordinating the regional office response.

METHODOLOGY

We interviewed 68 officials from HHS, FEMA, other Federal agencies and State and local governments who had first hand information about the relief and recovery efforts in Puerto Rico, the Virgin Islands, South Carolina and California. We did not study North Carolina's experiences. We reviewed articles, news clippings, situation reports, disaster plans and other documents pertaining to the disasters and the governments' responses.

FINDINGS

The Department responded promptly and appropriately to the earthquake and hurricane to restore program operations and provide direct disaster relief.

Following Hurricane Hugo and the Loma Prieta earthquake, HHS was responsible primarily for restoring normal program operations. The only significant direct relief required in these two emergencies occurred through PHS medical services in the Virgin Islands. The Office of Human Development Services (OHDS) and the Family Support Administration (FSA) provided relief funding to each affected area.

The effects of the disasters, and hence the need for relief, were different in Puerto Rico, the Virgin Islands, South Carolina and California. In St. Croix, 90 percent of homes, the island's main hospital and most programs and services were destroyed and disrupted. Law and order broke down, and local government was not able to cope with the situation. In the rest of the Virgin Islands, in Puerto Rico and in South Carolina, Hurricane Hugo's damage was severe, but State and local governments were able to deal with most emergency medical needs. The Loma Prieta earthquake caused 66 deaths and extensive damage to property, bridges and highways, but State and local governments were also able to provide needed emergency medical services.

✓ **Officials quickly restored HHS programs after the disaster.**

Managers in HHS acted immediately to ensure employee safety and restore program operations. They used initiative without awaiting instructions. Following the earthquake and the hurricane, most HHS managers attempted to reach all their employees to ensure that they were safe. Although all employees eventually were tracked, the process took a few days because telephone lines frequently were jammed or out of order, and many managers did not have complete lists of employees' home phone numbers.

Social Security Administration (SSA) field offices in all four affected areas were closed for up to a week, but benefits continued without interruption. In San Francisco, however, some Social Security recipients would not have received their checks except for the prompt action of SSA staff. Although the general delivery window of the damaged post office building was closed, the SSA staff worked with the U.S. Postal Service to get notices out and develop alternative ways to deliver the checks. In South Carolina, the regional and field offices worked together to assure that Supplemental Security Income benefits were paid on time despite mail delivery problems. Staff also requested bank drafts from headquarters in case they needed to make emergency payments.

The PHS sent architects and engineers to help FEMA and the territorial agencies in Puerto Rico and the Virgin Islands assess health facility damage and provided funding for repairs to PHS-supported clinics. Health Care Financing Administration (HCFA) regional offices contacted State health agencies, which in turn determined the extent of facility damage and the

effects on hospital and nursing home patients. In Region IV, HCFA gave the South Carolina Department of Health and Environmental Control permission to suspend survey reviews of damaged nursing homes and hospitals for a couple of weeks and asked the Peer Review Organization to be reasonable in their expectations and demands during the hardship period. In all disaster areas, however, the HCFA role was primarily to gather information from State agencies. In Puerto Rico, one of the two HCFA fiscal intermediaries managed to reimburse hospitals by using an old manual typewriter and a flashlight. Local banks were then notified that these checks were valid and asked not to bounce them.

Head Start and other OHDS programs were disrupted in all areas. Although most programs closed only for a few days, some Virgin Islands programs were disrupted up to 6 weeks and a few were still closed at the time we issued our draft report. Several senior centers and developmental disability facilities also were damaged, but were quickly restored. When the disasters closed Head Start facilities, grantee staff worked with families and children in their homes. Several Head Start centers were used as emergency shelters, and their staff worked at FEMA disaster assistance centers. Grantees also encouraged their families to go to these centers to obtain financial assistance. The OHDS staff obtained damage assessments from grantees, made funds available for repairs and worked with grantees to secure FEMA assistance for facility restoration. At the time we issued our draft report, a few facilities on St. Croix also had not been restored because of disagreements with FEMA about funding.

The earthquake damaged the San Francisco HHS regional office. Working with the General Services Administration, HHS officials were able to make repairs and restore operations promptly. Although the building was closed for a week to most employees, the closure did not seriously interrupt HHS program operations.

✓ **Departmental programs provided limited direct emergency assistance.**

In the Virgin Islands, much of the health care delivery system was damaged. The St. Croix hospital remains closed because of water damage. It had been decertified even before the hurricane. In St. John, the hospital was 85 percent destroyed and took 5 months to restore. In St. Thomas, the hospital was damaged but remained operational. Hospitals located on the eastern side of Puerto Rico were closed due to lack of utilities and diesel fuel for emergency generators. In both California and South Carolina, hospitals were able to care for their regular patients as well as disaster victims without straining the facilities. Nursing home patients were moved from barrier islands to an inland facility for about 10 days, but services were not denied. Several community health centers were damaged, but were restored to full service within a week.

The PHS provided medical staff to both Puerto Rico and the Virgin Islands and sent St. Croix a disaster medical assistance team including vector control staff. This team staffed the evacuation hospital and operated an emergency room, clinic and inpatient care facility. Puerto Rico did not need direct medical assistance, although PHS staff worked with Commonwealth

health officials to place patients evacuated from the Virgin Islands. In South Carolina, CDC provided several staff for mosquito abatement, the only PHS direct assistance in that region.

Both PHS and FEMA officials stated that emergency medical relief services were ready in all affected areas in California, even though they were not needed because the State and local governments had the situation under control. Immediately following the earthquake, PHS had medical teams set up west of the Mississippi, alert and ready to go if needed. A PHS official stated, "All the buttons were there waiting to be pressed to send a lot of people into action." California let PHS know early, however, that little direct Federal medical assistance was needed. County governments were able to handle the immediate emergency and did not have to turn to the State, let alone to the Federal government.

The Food and Drug Administration (FDA) and the National Institutes of Mental Health (NIMH) also provided direct relief in all the affected areas. Staff from FDA removed contaminated food and monitored damage to pharmaceutical manufacturing plants. All 59 FDA employees stationed in Puerto Rico were assigned to work with the Commonwealth food and drug agency. The FDA staff faced danger from the public while disposing of contaminated food because people wanted to consume it. According to the FDA manager for the San Juan district, "We had to call in the police to get rid of food at dump sites and keep people away. People were fighting us off, tearing off our shirts, to get at the perishable, already spoiled food." Overall, there were no reports of illness because of spoiled food in Puerto Rico or the Virgin Islands, and eventually an emergency food distribution system was set up by local governments.

The FDA regional manager in San Francisco reported that his staff completed emergency inspection work even though the damaged office and laboratory were closed for a week. The SSA provided FDA with temporary office space and supplies. The FDA manager said, "We did without some files. We used our laboratory people to supplement our investigations staff, and we shipped lab samples to our Los Angeles laboratory."

The Department experienced internal communication problems as well as both communication and coordination problems with FEMA.

✓ **HHS experienced problems with FEMA.**

Both HHS and State officials had problems coordinating and communicating with FEMA. Some of these problems caused delays that could have resulted in deaths in a more catastrophic disaster. For example, FEMA gave a low priority to HHS requests for transportation to the Virgin Islands, and key equipment and personnel did not arrive when they should. An HHS official in Puerto Rico could not get FEMA to help fly an employee to the Virgin Islands. He finally arranged transportation through the Customs Service. A local agency director in the Virgin Islands had to go to several locations to request FEMA's assistance, but could not locate the correct site. On the other hand, SSA reported good communication with FEMA in the Virgin Islands because FEMA operated out of the SSA

office in St. Thomas. A FEMA manager commended PHS staff for their willingness to accept assignments in the Virgin Islands and Puerto Rico and to coordinate with other agencies.

Some significant interagency coordination and communication problems occurred when FEMA asked for HHS Region IX volunteers to work in disaster assistance centers following the earthquake. Initially, FEMA requested 250 HHS staff. About 40 HHS staff showed up for training on the Saturday following the earthquake, but several hundred FEMA and State employees also came. The FEMA training was disorganized. As a result, HHS staff were left with unclear assignments, underassignments or no assignments. The FEMA also used untrained California Conservation Corps staff when skilled case and eligibility workers were available. The FEMA brought people from distant communities and paid them per diem when many trained Federal staff were available locally. Most HHS staff said that FEMA needs to have better deployment procedures. According to an FSA staff person, "FEMA would not even let HHS people go out and conduct outreach, something that the HHS people are used to and good at." Region IX HHS officials also had problems getting reimbursement for salaries and expenses of staff detailed to the disaster assistance centers.

The FEMA sent confusing messages about what level of disaster response HHS should provide. A directive issued immediately following the earthquake did not clearly say whether Federal catastrophic earthquake procedures would be invoked. The FEMA took 2 days to clarify its policy that the earthquake did not meet the catastrophic criteria. Because of this confusion, regional PHS staff were concerned that they may have given the wrong signals to others during the first 48 hours following the earthquake. One PHS manager said, "It was not clear when or if FEMA would call on us. There certainly was fuzziness when we tried to call FEMA that first night. There is no good way to access FEMA in its regional office or headquarters." Although FEMA was ambiguous, State disaster officials clearly declared within hours after the earthquake that Federal emergency medical assistance would not be needed.

✓ **Telephone problems were widespread.**

Telephone systems in the disaster areas often were inoperative or jammed, and HHS staff lacked adequate backup communication equipment. It took from several days to several weeks to establish contact with parts of Puerto Rico and the Virgin Islands. Telephone communication was absent for more than a month in St. Croix and for 10 days in St. Thomas. A local official in the Virgin Islands had to (a) use a radio to communicate or (b) drive from place to place to deliver messages. One office in Region II could not get through to Puerto Rico because the regular phone lines were busy and finally used the separate electronic mail line. Following the earthquake, all Region IX telephones were inoperative except for a few old-fashioned dial phones. Region IV officials had to wait for phone service to return before contacting South Carolina program directors about the level of damage and need for assistance.

The HHS lacked any kind of systematic emergency radio communication system to replace inoperative telephones. A dedicated radio frequency set aside for the Secretary has been sitting idle for many years. Even when telephone service returned, some Region IX managers did not have current telephone numbers for staff. This hampered efforts to ensure that employees were accounted for and safe. In one office, employee home phone numbers were locked in the office vault and were inaccessible after the earthquake. Regional staff utilized several ad hoc, alternative communication methods to replace lost telephone service. The regional inspector general for investigations in San Francisco had a cellular phone in a government car. San Francisco's acting regional director set up a command center in one of the few offices in the damaged regional office building with a working telephone. The small group of regional managers who collocated to that office said that the command center surmounted many communication problems.

✓ **Internal HHS coordination problems caused delays.**

Some HHS officials said that delays and duplication of effort resulted from the lack of headquarters and regional coordination. They were not sure who was supposed to coordinate the overall HHS response and criticized the lack of clear procedures in how to work with other agencies. Region II managers expressed the most concern about communication and coordination problems, followed by Region IV managers. For example, efforts to contact HHS employees and find out whether they were safe were accomplished by individual agency components, not as a coordinated regional effort. Region II HCFA staff reported that duplication resulted from failure to coordinate PHS and HCFA efforts to restore damaged health facilities in Puerto Rico and the Virgin Islands. Region II HCFA staff did not understand how coordination was to be achieved. The regional director's office in Atlanta cited the need for clear policy guidance on headquarters' role.

Primary responsibility for HHS emergency preparedness and response has changed since the hurricane and earthquake. In January 1990, Secretary Sullivan transferred primary authority to the Office of the Assistant Secretary for Health (OASH). Under the delegation, OASH provides policy guidance and monitors the performance of all HHS officials.

Regional directors and regional health administrators do not understand their respective responsibilities following the transfer of authority. They do not know how much direct authority OASH or the regional health administrators have over HCFA, SSA and other components or what the working relationship is between the regional health administrator and CDC. They also wonder whether regional directors are still the primary HHS contact with State and local officials or whether this function also has been transferred to OASH. The OASH has not yet issued policy guidance on roles and responsibilities to implement the delegation of disaster authority.

Arrangements for funding disaster response activities are inadequate.

Using FEMA funding, NIMH provided grants to the States for mental health counseling. All areas reported that this program is useful and effective, but some complained that funding delays for second-phase longer term grants slowed the provision of needed counseling. In fact, NIMH was overloaded with applications for grants from State and local mental health agencies. The NIMH is working with FEMA to speed up the application review and approval process.

Both OHDS and FSA provided discretionary grant funds for Hurricane Hugo relief. The OHDS Administration on Aging (AOA) has a small grant program for disaster relief, and FSA provided funds to the Virgin Islands for projects FEMA could not fund to provide jobs to rebuild senior housing. However, OHDS and FSA did not provide similar discretionary grant funds immediately after the earthquake. The AOA made a disaster grant to California later, in February 1990. Some San Francisco regional officials said this was because of timing--the hurricane occurred at the end of one fiscal year and the earthquake at the beginning of another. These officials also felt that the HHS operating divisions (OPDIVS) gave a lower priority to the earthquake than to Hurricane Hugo.

Regional program staff stated that few discretionary or formula grant funds are available within the Department for use in disaster relief to fill gaps not covered by FEMA or other Federal agencies. Discretionary funds are usually encumbered for other purposes, and no tracking system exists to identify them. Formula grant funds are difficult to use for disaster relief because they often require special authorization.

The OASH disaster relief staff reported that current HHS accounting systems used by all components to pay travel and personnel expenses for disaster relief are inadequate and result in delays in charging payments to the proper accounts. Several regional program staff reported that no agreements or procedures exist within the Department or between the Department and FEMA for reimbursement for salary and expenses of staff detailed outside HHS for disaster relief activities. Furthermore, no clear HHS guidelines exist to document disaster-related costs. This creates difficulties tracking and reimbursing costs to HHS OPDIVs and staff divisions (STAFFDIVs).

The Department lacks clearly defined, up-to-date plans for restoring programs in future disasters.

While HHS has many plans spelling out general roles for restoring programs following a disaster, most are obsolete, ineffective or overly detailed. In Region IX, for example, at least seven national and regional earthquake and general disaster management plans were in place prior to the earthquake. Yet few people knew about them. Each of the affected regions lacked simple reporting rosters and directories showing where to reach people at work and home. One San Francisco office had no paper copies of the emergency telephone lists; the computerized list was unavailable because the power was out. A regional manager said that the national PHS response plan is written as if PHS were all "within the Washington, D.C.

beltway” and that the plan does not spell out regional responsibilities sufficiently. Most of the plans depend on telephones, yet the phone lines to disaster areas were all disrupted.

Many respondents said that the general management plans were irrelevant to the actual hurricane and earthquake responses. Program restoration steps which regional managers took were based on logic and reason and not on a disaster management plan that listed emergency actions. A South Carolina manager said that every SSA office is required to have a security action plan, but the plan does not address disasters the magnitude of Hurricane Hugo. One PHS manager said that they have a plan for program restoration, but it has been so long since they updated it, he does not know if it would be effective. Managers said the plans need to be briefer and more flexible; detailed plans are not helpful. Some State and territorial plans were equally ineffective. According to the Virgin Islands health director, “We started to use our plans and then discovered problems. Communications were wiped out. We could not contact St. Croix for a full day. The key to the plans is getting in touch with key people, and we could not get in touch.”

In contrast, emergency medical plans are more thorough and useful, especially in California. These plans are intended primarily for disaster specialists who will be deployed in medical relief activities, and many have been updated recently.

Region IX has been the lead region for earthquake and general disaster planning, serving as a model for the other regions. For example, “Response ’89,” a 2-day training exercise designed to simulate a catastrophic earthquake was held by FEMA in California in August 1989 for Federal and State officials. This training proved useful when the Loma Prieta earthquake struck 2 months later. The HHS Region IX earthquake plan is more complete than any other HHS disaster relief plan. According to FEMA officials, however, even the Region IX plan needs to be coordinated better with its national plan.

Officials in HHS suggest that disaster plans be practiced more regularly. A Region IX PHS official suggested, “Plans should be simple loose-leaf reference manuals, involve all staff and not just emergency specialists, be practiced regularly and be kept up to date.” According to the departmental coordinator, FEMA is planning a major training exercise for 1992 to replicate “Response ’89” in other parts of the country. Although the greatest attention has been given to California, the possibility for a big disaster exists everywhere.

RECOMMENDATIONS

The OS and the OASH should clarify HHS disaster recovery roles and responsibilities.

They should define clearly how they will implement the January 1990 delegation of authority for disaster relief and clarify the disaster relief and recovery responsibilities of PHS, other operating divisions, regional directors and regional OPDIVs.

Regional directors and regional health administrators do not understand their respective roles in disaster response activities. This is still not sorted out under the delegation of authority to OASH. Duplication of effort and delays in providing disaster relief can be reduced if roles and responsibilities for each component are defined clearly.

The OASH should issue guidelines to improve disaster planning.

The OASH should (a) issue overall planning guidance to all operating divisions and staff divisions based on the recent disaster experience; (b) direct each operating division, regional office and field installation to develop a simple, clear, concise and flexible set of procedures for dealing with emergency contingencies; (c) mandate that each plan spell out lines of communication within HHS and between HHS and FEMA; (d) ensure that individual component plans are compatible with the overall departmental plan and are reviewed and updated periodically; and (e) conduct frequent, brief training sessions at both national and regional levels.

The Department has an overabundance of obsolete, ineffective and overly detailed disaster plans for restoring programs. Prior to the 1989 disasters, few staff knew about the plans or about their roles and responsibilities in disaster recovery. Clear and frequently practiced plans will allow a prompt and effective HHS disaster response.

The OASH should establish backup communication systems and regional command posts.

This backup communication system could include cellular telephones and radio communication utilizing the frequency already set aside for HHS. The OASH also should mandate that each region establish a command post.

Currently HHS lacks adequate backup communication systems to use when primary systems, such as telephones, are out of service. Communication breakdowns occurred in both the hurricane and the earthquake. A radio frequency set aside for the Secretary has not been used. Adequate backup systems would ensure that vital communication links are maintained between disaster areas and response agencies. Collocating staff in a command post would facilitate emergency communication.

The OASH should improve procedures to pay for disaster relief expenditures.

The OASH, working with the Office of the Assistant Secretary for Management and Budget, should (a) set up a system to identify existing HHS discretionary and formula grant funds that could be used to supplement FEMA funding for disaster relief, (b) establish an improved system, including a common accounting number, to account for disaster payments and (c) develop procedures to ensure that the support agreement with FEMA for each declared disaster provides appropriate reimbursement.

An improved accounting and funds tracking system would enable HHS to respond more rapidly and effectively to disasters and ensure that each HHS component is fully reimbursed for disaster relief expenses.

AGENCY COMMENTS

The PHS, SSA, and OHDS concurred with the recommendations. The HCFA had no comments. The PHS is taking steps to clarify the emergency preparedness and disaster recovery roles and responsibilities of the regional directors, regional health administrators and others. The PHS is also revising and simplifying emergency planning and response guidance for OPDIVS and Staff Divisions, improving internal emergency communication systems and developing procedures with FEMA to assure prompt reimbursement for HHS operations in disasters declared by the President.

We also solicited comments from FEMA. While agreeing with the report's recommendations, FEMA generally considered its actions in the disasters to be appropriate, citing (a) limits on the Federal role during disasters, (b) the less than catastrophic nature of the earthquake and (c) the necessity for quick action in a disaster allowing little time for training or screening of non-FEMA personnel. While we did not undertake a comprehensive review of FEMA's actions in the dual disasters, we disagree with FEMA's premise that the need for quick action in disaster response precludes careful planning which would optimize the use of HHS personnel.

The complete texts of the comments are contained in Appendix A.

APPENDIX A

Agency Comments



Memorandum

SEP 17 1990

Date
From Assistant Secretary for Health
Subject
To Inspector General, OS

Attached are the comments of the Public Health Service on the subject draft report. Though we agree that the HHS disaster response to Hurricane Hugo and the Loma Prieta earthquake was prompt and appropriate, we are supportive of improved Departmental capabilities to respond to emergencies and disasters.

We concur with the report's recommendations and have taken or are taking action to implement them.

James O. Mason
James O. Mason, M.D., Dr.P.H.

Attachment

IG	<u> ✓ </u>
FDIG	<u> ✓ </u>
DIG-AS	<u> ✓ </u>
DIG-EI	<u> ✓ </u>
DIG-OI	<u> ✓ </u>
AIG-MP	<u> ✓ </u>
OGC/IG	<u> ✓ </u>
EX SEC	<u> ✓ </u>
DATE SENT	<u> 9/18 </u>

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COMMENTS OF THE PUBLIC HEALTH SERVICE ON THE OFFICE OF
INSPECTOR GENERAL'S DRAFT REPORT "COPING WITH TWIN
DISASTERS: HHS RESPONSE TO THE 1989 HURRICANE AND EARTHQUAKE"
OEI-09-90-01040, JULY 31, 1990

OIG Recommendation

- 1) --The Office of the Secretary (OS) and the Office of the Assistant Secretary for Health (OASH) should clarify HHS disaster recovery roles and responsibilities.

PHS Comment

We concur. OASH has taken the lead in this area by hosting a meeting, chaired by the Deputy Assistant Secretary for Health (DASH), that was held on June 29 with headquarters Operating Division (OPDIV) emergency preparedness officials. At that time, implications of the Secretary's January 8 delegation of authority were discussed. Plans for updating and revising the Department Emergency Planning and Operations Manual and the Disaster Response Guides were discussed and input was requested from the Social Security Administration, Health Care Financing Administration, Office of Human Development Services, and Family Support Administration.

OASH, through the Office of Emergency Preparedness (OEP), is fostering continuing dialogue between the HHS Regional Directors (RDs) and the PHS Regional Health Administrators (RHA). A statement clarifying the respective emergency preparedness roles and responsibilities of the RDs and RHAs has been prepared. This statement was approved by the RHAs and, on August 1, was forwarded by the DASH to the Deputy Under Secretary for Intergovernmental Affairs, Boards and Commissions for his review and that of the RDs. On August 10, OASH staff met with the RDs to discuss this draft statement and other emergency preparedness concerns. This meeting resolved many of the RDs' concerns. OASH is awaiting comments on the draft statement from the Deputy Under Secretary for Intergovernmental Affairs, Boards and Commissions. Following approval of a statement of roles and responsibilities, formal delegations of authority to the RDs and RHAs will be prepared, approved, and published in the Federal Register.

OASH Office of Emergency Preparedness (OEP) staff participated in a series of meetings with PHS regional emergency preparedness officials that were held in conjunction with the National Disaster Medical System Conference, August 6-9, in Memphis, Tennessee. These meetings helped to reinforce the roles and responsibilities on the RHAs. To further coordination on emergency preparedness matters, OEP staff meet with the RHAs during their regular quarterly meetings and participate in regional conference calls as needed.

OIG Recommendation

- 2) --The OASH should issues guidelines to improve disaster planning.

PHS Comment

We concur. OASH OEP has undertaken the revision, updating, and simplification of emergency planning and response guidance for OPDIVs, Staff Divisions, and Agencies at Headquarters and Regional levels. It is expected that draft guidance will be available for review and comment by October 1, 1990. In addition, OASH OEP will coordinate the development of HHS Disaster Response Guides, which will outline the types of emergency assistance provided by the Department, and the primary and supporting agencies for providing such assistance. The target date for completion of these guides is October 1990.

OIG Recommendation

- 3) --The OASH should establish backup communications systems and regional command posts.

PHS Comment

We concur. OASH is currently analyzing the need for, and resource implications of emergency communications systems for regional command post operations during emergencies and disasters. Also, OASH is analyzing the need to enhance headquarters emergency communications systems and provide improved emergency communications capability for deployment to areas affected by major disasters or emergencies.

OIG Recommendation

- 4) --The OASH should improve procedures to pay for disaster relief expenditures.

PHS Comment

We concur. OASH is working with appropriate Federal Emergency Management Agency (FEMA) officials to simplify FEMA tasking and mission assignment procedures to assure prompt reimbursement for HHS operations associated with a Presidentially-declared disaster or emergency. The FEMA mission assignment contains commitments for FEMA to reimburse HHS for specific tasks.

Staff from OEP and the OASH Division of Financial Management have discussed the need for clear guidance and procedures for tracking disaster related expenditures, including the assignment of a Common Accounting Number (CAN) to each disaster operation. Such CANs were assigned following Hurricane Hugo and the Loma Prieta Earthquake. Improved tracking procedures will be developed in coordination with the PHS Agencies, other OPDIVs and the Assistant Secretary for Management and Budget (ASMB). OASH will work with ASMB to establish a system to identify existing HHS discretionary and formula grant funds that might be used to supplement FEMA disaster relief funding.



18M
Alc
Carroll
Brown
Janet

Refer to:

SEP 24 1990

Memorandum

Date:

From:

Gwendolyn S. King
Gwendolyn S. King
Commissioner of Social Security

Subject:

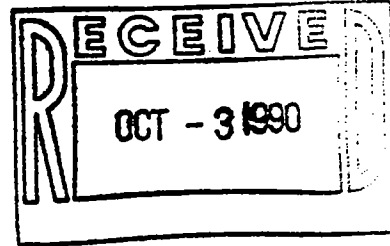
Office of Inspector General Draft Report, "Coping with Disasters:
HHS Response to the 1989 Hurricane and Earthquake"
(OEI-09-90-01040) -- INFORMATION

To:

Mr. Richard P. Kusserow
Inspector General

Attached is the response to your draft report. If we can be of further assistance, please let us know.

Attachment:
SSA response



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AIG-MP
OGC/IG
EX SEC
DATE SENT

9/25

COMMENTS OF THE SOCIAL SECURITY ADMINISTRATION ON THE OFFICE OF INSPECTOR GENERAL DRAFT REPORT, "COPING WITH TWIN DISASTERS: HHS RESPONSE TO THE 1989 HURRICANE AND EARTHQUAKE" (OEI-09-90-01040)

Office of Inspector General (OIG) Recommendation

The Office of the Secretary and the Office of the Assistant Secretary for Health (OASH) should clarify the Health and Human Services (HHS) disaster recovery roles and responsibilities.

SSA Response

We concur with this recommendation. We believe that coordination at the regional office level will improve emergency preparedness.

OIG Recommendation

The OASH should issue guidelines to improve disaster planning.

SSA Response

We concur with this recommendation. SSA field offices are required to possess both an office security plan which includes physical and systems security and an Occupant Emergency Plan which addresses safeguarding lives and property, including in the event of hurricanes and earthquakes. Each region has been directed to review and update its Emergency Operating Plan and forward appropriate portions to central office.

OIG Recommendation

The OASH should establish backup communication systems and regional command posts.

SSA Response

We concur with this recommendation. We agree that adequate backup systems would assure that vital communication links are maintained between disaster areas and response agencies.

OIG Recommendation

The OASH should improve procedures to pay for disaster relief expenditures.

SSA Response

We concur with this recommendation. An improved accounting and funds tracking system would enable HHS to respond more rapidly and effectively to disasters and ensure that each component within the department is fully reimbursed for disaster relief expenses.



DEPARTMENT OF HEALTH & HUMAN SERVICES

Mary Sheila Gall
Cameron
Brown

Bebel
Office of
Human Development Services

Assistant Secretary
Washington D C 20201-0001

SEP 8 1990

RECEIVED
OFFICE OF INSPECTOR
GENERAL
SEP 20 AM 10:47

TO: Richard P. Kusserow
Inspector General

FROM: Assistant Secretary
for Human Development Services

SUBJECT: OIG Draft Report: "Coping with Twin Disasters:
HHS Response to the 1989 Hurricane and Earthquake,"
OEI-09-90-01040

We agree with the findings of the subject draft report. The report accurately describes the assistance given and the inadequacies in federal emergency procedures.

We wish to emphasize in particular our concurrence with the recommendations that seek to clarify HHS disaster recovery roles and responsibilities, provide guidelines to improve disaster planning, establish backup communication systems, and improve procedures to pay for disaster relief expenditures.

Thank you for this opportunity to review the report.

Mary Sheila Gall
Mary Sheila Gall

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SEP 26 1990



Federal Emergency Management Agency

Washington, D.C. 20472

*Winston
Cameron
Region 9
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OCT 25 1990

Mr. Richard P. Kusserow
Inspector General
Department of Health & Human Services
Office of Inspector General
Washington, D.C. 20201

RECEIVED
OFFICE OF DIRECTOR
FEDERAL EMERGENCY MANAGEMENT AGENCY

Dear Mr. Kusserow:

09-90-01040

This is in response to your letter of July 31, 1990, to Mr. Jerry D. Jennings, Deputy Director, Federal Emergency Management Agency (FEMA), in which you requested review and comment on the draft inspection report entitled "Coping With Twin Disasters: HHS Response to the 1989 Hurricane and Earthquake."

I agree in general regarding the need for better coordination between FEMA and HHS on disaster response plans and responsibilities. Most of the problems cited in the draft report are valid, but the report does not always communicate an in-depth understanding of the real issues, systems and procedures utilized by FEMA and other agencies in responding to the disasters. The report appears too subjective rather than being a mechanism for fact finding and subsequent problem correction. I suggest changing the format of the report to include (1) Description of the Problem followed by (2) Proposal for Solution. Using this format, we offer the following suggestions to better serve as the basis for improved procedures in the future.

ISSUE 1: Ambiguity Regarding the Need for Medical Assistance (Page 5). The system, under which local governments are responsible for responding to local disaster situations and under which local governments must request assistance from and provide information to State governments, limits the Federal government's ability to be the most knowledgeable of a disaster event. Federal agencies must become familiar with the system and their responsibilities in order to reduce false expectations. Under the "Plan for Federal Response to a Catastrophic Earthquake" (the "Plan"), the Public Health Service has the responsibility to coordinate with the State medical counterpart regarding need for supplemental Federal assistance and to provide information on medical requirements to FEMA.

Since Hurricane Hugo and the Loma Prieta earthquake, FEMA has been reviewing the concept of operations as developed in the Plan. Though the Plan was not formally activated in either of these disasters, the structure of the Plan, grouping essential activities such as transportation, communications, and health and

medical services under Emergency Support Functions (ESFs) was utilized successfully in the Loma Prieta response. The Plan is being extensively rewritten as the "Federal Natural Disaster Response Plan" to better address any disaster situation which requires Federal response.

The revised Plan focuses particularly on the need for individuals to deploy as part of an interagency response team in order to establish early liaison both with FEMA and the affected State. This team will also be the nucleus of the ESF operational activities to follow. We believe that based on our experience in Hurricane Hugo and the Loma Prieta earthquake, we are better prepared to utilize the resources of the Federal government in providing timely assistance to a State affected by a disaster.

ISSUE 2: Level of Disaster Response (Page 6). The "Plan" was originally based on a catastrophic earthquake of unprecedented proportions in which the State would be quickly overwhelmed and immediate Federal assistance to provide lifesaving and protection of life would be required. A severe but less than catastrophic disaster, such as the Loma Prieta earthquake, did result in some unclear information being provided by FEMA headquarters to the Federal Coordinating Officer and from the Federal Coordinating Officer and staff to the Federal agencies as to whether or not the Plan was being activated and to what extent it would be utilized to conduct the response. To correct this problem, FEMA has developed an operational concept using a response and recovery organization which will address the requirements of any disaster situation. This concept is also being incorporated into the revised Plan.

ISSUE 3: Early Notification (Page 6). The Region IX Interagency Steering Committee had not completed the notification and activation procedures before the Loma Prieta earthquake. This resulted in lack of timely and appropriate communication between FEMA and the other Federal agencies. The Region IX Steering Committee meets monthly to develop and refine procedures for a catastrophic disaster. The Fiscal Year 1990 work plan included developing the regional notification, deployment, and disaster field office procedures. As the Loma Prieta earthquake occurred before these procedures were fully developed, there were limited notification and activation procedures utilized during the disaster. By the end of Fiscal Year 1990 interim supplements will be developed and the notification procedures will be drilled and activated. The Fiscal Year 1991 work plan includes continuing development of these detailed procedures and will involve all agencies under the Plan.

ISSUE 4: FEMA Training Was Disorganized (Page 6). In view of the urgency of the situation, and the requirement for the entire Federal government to respond quickly to a disaster of the magnitude of the Loma Prieta Earthquake, it was necessary to train personnel as rapidly as possible in the basic requirements for the positions they were to assume. Since the Disaster Application Centers (DACs) were to be opened within several days following the President's declaration, and since these facilities were the initial focal point of the response operation, the immediate staffing of the DACs became a critical effort. The training was considered by most of those receiving it to be adequate to provide the foundations for their assignments to the DACs, although the physical training environment was inadequate. Approximately 300 personnel were given one day of training prior to their assignment to specific DACs. Individual and in-depth training was not possible under the circumstances, and it was clear that further training would have to be accomplished on the job. We do, however, recognize the requirement to effectively and efficiently train a large number of staff for such an event, and we are enhancing our current training capability with additional resources to better address this situation in future disasters. We are revising our basic DAC registration form, and are also proceeding to automate it in 1991. This development will result in the need for only minimal training of DAC staff before they will be able to perform the function.

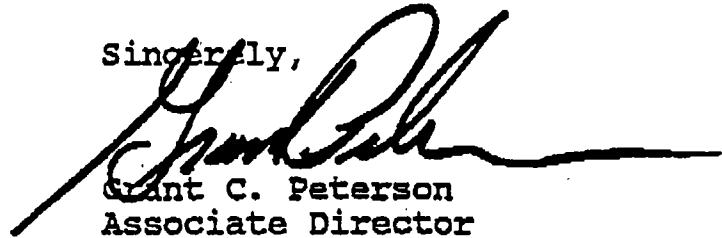
ISSUE 5: HHS Staff Were Left With Unclear Assignments, Underassignments or No Assignments (Page 6). There was not sufficient time allowed, due to the urgency of the situation, for detailed personnel screening to determine the best person for the best job. The initial requirement was for DAC staff, and this was the aim of the training and was the basis for much of the initial assignments. Some HHS personnel were assigned different duties; however, without the opportunity to conduct a detailed analysis of the initial staffing charts, specific assignments of HHS personnel cannot be provided at this time. The effort was made to continuously review assignments, and to make such reassignments as was necessary in the light of additional information on personnel capabilities.

Among resources available, FEMA used California Conservation Corps (CCC) personnel in the DACs to provide bilingual assistance to the applicants and the DAC staff. Other CCC staff were assigned to various duties consistent with their experience and training. Some of these personnel, because of their training, were assigned duties in data entry and document control.

5.

I trust these comments will be helpful in developing your final report.

Sincerely,

A handwritten signature in black ink, appearing to read "Grant C. Peterson", with a long horizontal flourish extending to the right.

Grant C. Peterson
Associate Director
State and Local Programs
and Support