DISASTER ASSISTANCE

Additional Actions Needed to Strengthen FEMA’s Individuals and Households Program

What GAO Found

From 2016 through 2018, 5.6 million people applied for disaster assistance from the Federal Emergency Management Agency (FEMA), and 4.4 million were referred to the Individuals and Households Program (IHP) for assistance. For eligible survivors, FEMA’s IHP can offer financial assistance—including money for personal property losses and repair of certain home damages. The IHP may also provide rental assistance or direct housing assistance, such as trailers, when justified by the lack of available housing resources.

<table>
<thead>
<tr>
<th>Type of Assistance</th>
<th>Amount of Assistance</th>
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<tbody>
<tr>
<td>Total Financial Assistance</td>
<td>$5.98 billion</td>
</tr>
<tr>
<td>Total Temporary Housing Assistance</td>
<td>12,805 housing units</td>
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Of the 4.4 million referred to IHP, FEMA found almost 2 million eligible. On average, FEMA awarded about $4,200 to homeowners and $1,700 to renters during 2016 through 2018. FEMA determined roughly 1.7 million ineligible for IHP assistance, and the most common reasons for ineligibility were insufficient damage, failure to submit evidence to support disaster losses, and failure to make contact with the FEMA inspector. The remaining applicants either withdrew from IHP or received no determination due to missing insurance information. Program outcomes also varied across demographic groups, such as age and income.

GAO found that survivors faced numerous challenges obtaining aid and understanding the IHP, including the following:

- FEMA requires that certain survivors first be denied a Small Business Administration (SBA) disaster loan before receiving certain types of IHP assistance. FEMA, state, territory, and local officials said that survivors did not understand and were frustrated by this requirement. GAO found that FEMA did not fully explain the requirement to survivors and its process for the requirement may have prevented many survivors from being considered for certain types of assistance, including low-income applicants who are less likely to qualify for an SBA loan. By fully communicating the requirement and working with SBA to identify options to simplify and streamline this step of the IHP process, FEMA could help ensure that survivors receive all assistance for which they are eligible.

- Opportunities also exist to improve survivors’ understanding of FEMA’s eligibility and award determinations for the IHP, for example, that an ineligible determination is not always final, but may mean FEMA needs more information to decide the award. By enhancing the clarity of its determinations and providing more information to survivors about their award, the agency could improve survivors’ understanding of the IHP, better manage their expectations, build trust, and improve transparency.

What GAO Recommends

GAO is making 14 recommendations, and DHS concurred.

To address challenges faced by survivors, GAO recommends improving the communication of the SBA loan requirement, identifying ways to simplify the application process, improve the IHP award determination letters, and provide more information to survivors about their award.

To address challenges FEMA faced implementing the IHP, GAO recommends improving the communication of guidance changes, ensure employee engagement to raise morale, and improve training among call center staff. GAO also
Further, GAO found that since 2016, FEMA faced challenges implementing the IHP through its call center and field workforce, as well as coordinating with state and local officials, as noted below:

- Regarding workforce management, GAO found that FEMA has faced challenges managing its call center and field staff. Specific to their call center workforce—who help survivors apply for IHP and process assistance—challenges using program guidance, low morale, and inadequate training following the catastrophic 2017 hurricane season affected their work supporting disaster survivors. For example, while FEMA issues standard operating procedure updates for processing IHP applications, staff we spoke to at all four call centers noted that they could not maintain awareness of IHP guidance because of its large volume and frequent changes, which made it difficult for staff to appropriately address survivor needs. Identifying ways to improve the accessibility and usability of program guidance would help staff better assist survivors. Further, FEMA staff at disaster recovery centers (DRC) lacked some skills and capabilities needed to support survivors, such as knowledge to provide accurate guidance about required documents. By identifying and implementing strategies, such as on-the-job training, to ensure staff at its DRCs have the needed capabilities, FEMA could improve support and streamline the survivor experience.

- Regarding coordination, GAO found that state and local officials generally had trouble understanding the IHP. For example, these officials said that FEMA did not provide sufficient training, support, and guidance that was needed in order for them to be able to effectively work with FEMA to facilitate IHP assistance. Further, local officials expressed challenges coordinating with FEMA regarding temporary housing units, such as recreational vehicles. By providing more information on the IHP to local officials, and implementing best practices for information-sharing with recovery partners, FEMA could help ensure that state and local recovery partners are better able to help survivors navigate the IHP and effectively deliver temporary housing units to survivors.

Lastly, FEMA has planned or implemented multiple efforts to improve assistance to survivors since 2017, including a redesign of the Individual Assistance Program, which includes the IHP. However, GAO found that FEMA did not complete activities that are critical to the success of a process improvement effort, according to GAO’s Business Process Reengineering Assessment Guide. Specifically, the agency did not fully assess customer and stakeholder needs and performance gaps in the program, or set improvement goals and priorities for the redesign. By completing these process improvement activities, FEMA will be able to further refine the redesigned Individual Assistance Program, and more effectively direct and focus its implementation efforts.