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**Thomas P. DiNapoli  
COMPTROLLER**



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**OFFICE OF THE  
NEW YORK STATE COMPTROLLER**

**DIVISION OF STATE  
GOVERNMENT ACCOUNTABILITY**

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**NEW YORK STATE  
DEPARTMENT OF HEALTH**

**FLU PANDEMIC  
PREPAREDNESS**

**Report 2007-S-9**

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## AUDIT OBJECTIVE

Our objective was to determine whether the Department of Health has taken steps to prepare for, and respond to, a flu pandemic.

## AUDIT RESULTS - SUMMARY

The Department of Health (Department) is responsible for planning and responding to all health emergencies in the State, including a flu pandemic. We found the Department has taken steps to prepare for, and respond to, a flu pandemic. For example, the Department has developed a plan to address a flu pandemic. The Department has also distributed Federal grant funds to counties and hospitals for health emergency preparedness.

Federal grant funds are distributed by the Department's Health Emergency Preparedness Program (Department's Preparedness Program). A portion of the funds goes to 57 counties and 147 hospitals in New York State outside of New York City. Each grant year, the Department's Preparedness Program establishes activities that the counties and hospitals must work toward completing to receive the grant funds. We found that the counties and hospitals generally completed these activities.

Our audit report makes three recommendations.

This report, dated November 6, 2007, is available on our website at: <http://www.osc.state.ny.us>.

Add or update your mailing list address by contacting us at: (518) 474-3271 or Office of the State Comptroller  
Division of State Government Accountability  
110 State Street, 11th Floor  
Albany, NY 12236

## BACKGROUND

The United States Center for Disease Control (Disease Control) and the United States Department of Health and Human Services (Health and Human Services) provides grant funds to the New York State Department of Health (Department) for health emergency preparedness. (The Health and Human Services grants were previously administered by Health Resources and Service Administration.) The Department's Health Emergency Preparedness Program (Department's Preparedness Program) is responsible for planning and responding to all health emergencies in the State, including a flu pandemic. A pandemic occurs when a novel strain of influenza emerges that has the ability to infect people. Since it is new, people have relatively low immunity to it and the virus can spread rapidly. Pandemics have occurred three times since 1900 (1918, 1957, and 1968), killing millions of people worldwide.

Federal grant funds are distributed by the Department's Preparedness Program. A portion of the Disease Control funds goes to the 57 counties outside of New York City and Health and Human Services funds are

distributed to 147 hospitals in New York State outside of New York City. In addition, eight large hospitals in different regions have been identified as Regional Resource Centers (Centers) and receive extra funding from Health and Human Services to coordinate regionalized planning in their areas.

Each grant year, the Department's Preparedness Program establishes grant deliverables or activities that the counties and hospitals must work toward to receive the funds. For the 2006-2007 grant year, (August 31, 2006 to August 30, 2007) Disease Control funds for emergency health preparedness totaled \$32 million, of which \$7.8 million were for a flu pandemic. In addition, funds from the Health and Human Services for hospital preparedness totaled \$16.9 million, none of which were specifically earmarked for flu pandemic.

New York City receives its own funding directly from Federal agencies for health emergency preparedness and was not included in our review.

## **AUDIT FINDINGS AND RECOMMENDATIONS**

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### *Department Planning Activities*

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The grant funds from Disease Control and Health and Human Services have guidelines about general emergency health preparedness, including a flu pandemic. We found the Department has adhered to these guidelines and has been proactive in developing a plan to address a flu pandemic, including creating a plan for the Department and distributing grants to counties and hospitals.

The Department's Preparedness Program has had a flu pandemic plan in place since February 2006. We note it has been a work in progress and the Department updates it as

new information becomes available. The plan has 13 sections that address such topics as Command and Control; Surveillance and Laboratory Testing; Vaccine Procurement, Distribution, and Use; and Training and Education. The sections of the plan are similar to those in the U.S. Department of Health and Human Services plan. Each section provides guidance to counties and hospitals. The Department's Preparedness Program has posted the plan to its website ([www.health.state.ny.us](http://www.health.state.ny.us)), making it available to counties, hospitals, and the public.

In addition, the Department's Preparedness Program works with other State agencies and grant recipients on flu-related pandemic issues. For example, the Department's Preparedness Program:

- Worked with the Office of Emergency Management to prepare a flu pandemic annex to the State's Comprehensive Emergency Management Plan,
- Prepared packets for school districts with the Education Department that include guidance on steps to consider in response to a flu pandemic, and,
- Provided training and exercises to test portions of its flu pandemic plan.

We observed one of the Department's Preparedness Program's exercises, which was attended by professionals from county health departments, county emergency services, and hospitals. We noted that participants raised a variety of legal and/or regulatory issues to the Department they viewed as barriers to their local planning and response efforts (e.g., participants said there were barriers preventing counties from more efficiently operating the clinics that would carry out mass vaccinations during a pandemic). The Department's Preparedness Program

acknowledged these issues and efforts to reduce these barriers are ongoing.

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### *Distribution of Grant Funds*

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The Department's Preparedness Program is responsible for distributing grant funds to counties and hospitals. In exchange for grant funds, the Department's Preparedness Program creates specific activities based on Federal guidelines that counties and hospitals must work toward to meet the preparedness objectives intended by the grants (e.g., developing county and hospital flu pandemic plans, attending trainings relating to flu pandemic, performing emergency preparedness drills, etc.). We found that, generally, counties and hospitals completed these activities and met the requirements of the grant funds.

#### County Planning Activities

The Department's Preparedness Program is responsible for distributing Disease Control funds to 57 counties outside of New York City for flu pandemic planning. To determine whether the counties completed the required activities, we judgmentally selected 11 counties (Saratoga, Broome, Schuyler, Westchester, Nassau, Orange, Clinton, Warren, Oneida, Onondaga, and Monroe) and 207 activities required by the Department's Preparedness Program. We selected grant activities from the 2006/2007 grant year, so they should have been completed at the time of our review. We found that 193 (93 percent) activities were completed. For example, every county had the required flu pandemic plan. Most of the remaining 14 items not completed by the counties were training or planning-related activities. We note that some of the counties stated they did complete the activities, sometimes in conjunction with other health preparedness activities, but they did not document it. We

recommend the counties keep sufficient documentation of all activities related to the grant funds.

#### Hospital Planning Activities

The Department's Preparedness Program distributes Health and Human Services funds to 147 hospitals in New York State outside of New York City, as well as the eight hospitals identified as Regional Resource Centers (Centers). All of the hospitals and Centers are required to work toward completing specific activities to receive grant funds.

To determine whether hospitals were completing the required activities, we judgmentally selected and visited four hospitals (Albany Medical Center, SUNY Upstate Medical Center, North Shore University Hospital, and Glens Falls Hospital). We tested 60 activities at these hospitals and found 58 of the 60 were completed. One of the activities required hospitals to conduct an exercise to test the hospital's plan to distribute vaccines to its personnel. We found that all four hospitals conducted this exercise. The two activities not completed were also exercises. One hospital received an extension by the Department, and the other hospital said it did complete the exercise but did not document it.

Three of the four hospitals we visited were Centers (Albany Medical Center, SUNY Upstate Medical Center, and North Shore University Hospital), which are required to complete additional activities for funding. We tested these activities at the 3 hospitals and found that 49 out of 63 activities were completed during the 2005/2006 and 2006/2007 grant years. While the Centers held the required quarterly meetings with other regional hospitals to discuss emergency preparedness issues, none of the Centers completed all of the required regionalized

analyses. These activities (e.g., regional surge analyses, regional hazard vulnerability assessments, etc.) accounted for 11 of the 14 incomplete items. The remaining three involved coordination with hospitals in the region.

Officials at the Department and Centers said information and cooperation from the hospitals is required to complete these analyses. However, the officials also indicated that information such as bed availability, needed to complete the bed surge capacity report, was often closely guarded and hospitals were hesitant to provide it, especially to a competing hospital. As a result, we found just one Center completed this activity. Since the Centers have no real authority to require hospitals to comply with requests, officials at the Centers noted it was difficult to get the necessary information to complete these analyses. Department officials are aware of these issues and are working with the Centers and hospitals to facilitate better working relationships for emergency planning purposes.

### **Recommendations**

1. Continue to address regulatory barriers that may affect planning at counties and hospitals.
2. Ensure counties maintain sufficient documentation of all activities related to the grant funds.
3. Continue to facilitate the relationships between the Centers and hospitals to allow better information-sharing so required planning activities can be completed.

### **AUDIT SCOPE AND METHODOLOGY**

We conducted our audit in accordance with generally accepted government auditing standards. The audit examined whether the Department has taken steps to prepare for, and respond to, a flu pandemic outbreak. The audit covered the period August 31, 2005 through May 31, 2007. To accomplish our objective, we met with Department and county health emergency officials, as well as hospital officials in charge of emergency preparedness.

We reviewed the Department of Health and Human Services flu pandemic plan as well as State and local flu pandemic plans. We also reviewed the national strategy for the flu pandemic implementation plan, grant guidance, and deliverables tied to the Center for Disease Control and Health and Human Services funding. To test county completion of Disease Control activities, we judgmentally selected 11 counties (Saratoga, Broome, Schuyler, Westchester, Nassau, Orange, Clinton, Warren, Oneida, Onondaga, and Monroe) based on population and geographic location in the State, and reviewed 207 activities required to be completed.

To test hospital and Centers' completion of Health and Human Services activities, we judgmentally selected four hospitals (Albany Medical Center, SUNY Upstate Medical Center, North Shore University Hospital, and Glens Falls Hospital) based on size and region. Three of the hospitals were also Centers (Albany Medical Center, SUNY Upstate Medical Center, and North Shore University Hospital). We reviewed 60 hospital deliverables and 63 deliverables at the Centers.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated

duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions, and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these functions do not affect our ability to conduct independent audits of program performance.

#### **AUTHORITY**

The audit was performed according to the State Comptroller's authority under Article V, Section 1, of the State Constitution; and Article II, Section 8, of the State Finance Law.

#### **REPORTING REQUIREMENTS**

A draft copy of this report was provided to Department officials for their review and comment. Their comments were considered in preparing this report, and are included as Appendix A. The Department agreed with our recommendations.

Within 90 days of the final release of this report, as required by Section 170 of the Executive Law, Department officials shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons therefor.

#### **CONTRIBUTORS TO THE REPORT**

Major contributors to this report include William Challice, Al Kee, Todd Seeberger, Brian Krawiecki, Lauren Bizzarro, Mark Breunig, Sunny Jeong, Amanda Strait, and Sue Gold.

APPENDIX A - AUDITEE RESPONSE



Coming Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Richard F. Daines, M.D.  
Commissioner

Wendy E. Saunders  
Chief of Staff

September 17, 2007

Mr. William P. Challice  
Audit Director  
Office of the State Comptroller  
Division of State Government Accountability  
123 William Street – 21<sup>st</sup> Floor  
New York, NY 10038

Dear Mr. Challice:

Enclosed are the Department of Health's comments on the Office of the State Comptroller's draft audit report on "Flu Pandemic Preparedness" (2007-S-9).

Thank you for the opportunity to comment.

Sincerely,



Wendy E. Saunders  
Chief of Staff

Enclosure

cc: Stephen Abbott  
Robert L. Burhans  
Randall Griffin  
Robert W. Reed

**Department of Health  
Comments on the  
Office of the State Comptroller's  
Draft Audit Report 2007-S-9 on  
“Pandemic Flu Preparedness”**

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The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) draft audit report 2007-S-9 on "Pandemic Flu Preparedness", including general comments followed by responses to the specific recommendations included in the draft audit report.

**General Comments**

1. On page 2, under "AUDIT RESULTS – SUMMARY":

a. The second sentence of the second paragraph should be changed to read, "A portion of the funds goes to 57 counties... and 147 hospitals in New York State outside of New York City." (New York City is directly funded by CDC and DHHS for this project; therefore, grant funds received by New York State are focused on local health departments and hospitals outside of New York City.)

\*  
Note

b. The third paragraph states the audit report makes three recommendations to improve steps to prepare for, and respond to, a flu pandemic. However, the actions categorized as recommendations are all ongoing activities already included in the Department's efforts to plan and prepare for an Influenza pandemic, so describing them as recommendations for improvement is ambiguous.

\*  
Note

2. Under "Hospital Planning Activities" starting on page 4, the references to "Centers" and "Regional Centers" should be changed to Regional Resource Centers (RRCs). (8 trauma center hospitals have been identified to serve as Regional Resource Centers for regional medical surge planning across New York State.)

\*  
Note

3. As a point of clarification, the federal grant funds are distributed to partners through contracts.

**Recommendation #1:**

Continue to address regulatory barriers that may affect planning at counties and hospitals.

\* State Comptroller Note - We have revised our report to address these points.

**Response #1:**

The Department agrees and continues to identify and address regulatory barriers that may effect planning at counties and hospitals. These are addressed in a variety of ways including amending regulations, identifying statutes that may need to be waived in the event of an emergency declaration under Executive Law Article 2-B, and discussing possible statutory amendments with stakeholders.

**Recommendation #2:**

Ensure counties maintain sufficient documentation of all activities related to the grant funds.

**Response #2:**

The Department agrees that counties should maintain sufficient documentation of all grant related activities and believes that is predominate as evidenced by the 93 percent compliance rate for the 11 county audit sample. To address the exceptions, at the end of each grant year the final status of each county's grant activities will be reconciled, and work plans developed for completing any undocumented activities. The reconciliations will begin September 2007 and become standard practice at the end of each grant cycle in the future.

**Recommendation #3:**

Continue to facilitate the relationships between the Centers and hospitals to allow for better information sharing so required planning activities can be completed.

**Response #3:**

The Department agrees and continues to facilitate relationships between the Regional Resource Centers (RRCs) and hospitals, allowing for better information sharing so required planning activities can be completed. Specifically, the Department will continue to facilitate and co-chair quarterly meetings with RRCs and Hospital Associations, conduct bi-weekly conference calls with RRCs, and co-chair Regional Preparedness Councils (participants include RRCs, hospitals in specific geographic areas, Hospital Associations, and other preparedness partners such as local and state emergency management and health departments) to facilitate regional surge planning.