93.889  NATIONAL BIOTERRORISM HOSPITAL PREPAREDNESS PROGRAM

State Project/Program:  NORTH CAROLINA HOSPITAL PREPAREDNESS PROGRAM

U. S. Department of Health and Human Services

Federal Authorization:  Public Health Service Act, Section 319 (c)-2.

State Authorization:  None

N. C. Department of Health and Human Services
Division of Health Service Regulation

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<tr>
<th>Agency Contact Person – Program:</th>
<th>N. C. DHHS Confirmation Reports:</th>
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| Shelley Carraway                 | SFY 2010 audit confirmation reports for payments made to Counties, Area Programs, Boards of Education, Councils of Government, District Health Departments, DCD State Level Contractors and ASPR National Hospital Preparedness Program Grant Sub recipients will be available by around late August to early September at the following web address: http://www.dhhs.state.nc.us/control/At this site, page down to “Letters/reports/forms for ALL Agencies” and click on “Audit Confirmation Reports (State Fiscal Year 2009-2010)”.
| Hospital Preparedness Coordinator | Additionally, audit confirmation reports for Nongovernmental entities receiving financial assistance from the DHHS are found at the same website except select “Non-Governmental Audit Confirmation Reports (State Fiscal Years 2008 – 2010)”.
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The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current. The grantor agency may elect to review audit working papers to determine that audit tests are adequate.
I. PROGRAM OBJECTIVES

In the aftermath of the terrorist attacks in September 2001, the State Health Director requested the use of state emergency funds to address the public health threat of Bioterrorism in North Carolina. By January 2002, the Governor’s Terrorism Task Force had approved all aspects and funding for the Division of Public Health (DPH) “Bioterrorism Risk Reduction and Response Plan”.

Beginning in September 2001, four agencies have combined efforts to identify and reduce the gaps in the treatment and response phase of a terrorist event. Agencies from the Department of Health and Human Services include the Division of Health Service Regulation, Office of Emergency Medical Services (OEMS) and the Division of Public Health – Epidemiology & Communicable Disease. The Department of Crime Control and Public Safety is represented by the Division of Emergency Management. The Special Operations Response Team is an independent agency actively involved in both federal and state bioterrorism initiatives. These agencies comprise the management system responsible for coordinating a disaster response, ensuring that treatment and prevention strategies, as well as disease surveillance and medical preparedness, are implemented.

The scope of the grant has become broader to include not only preparedness for a terrorist attack but also other disasters such as pandemic flu, inclement weather, explosives and natural disasters such as earthquakes. The goal of this effort is to assure the citizens of North Carolina that when a disaster occurs in North Carolina, they will be able to get the medical care services they need to protect their health and prevent the further spread of disease and/or an exposure. Priorities include enhancing disease monitoring and investigation systems, improving communications capabilities among health agencies, and building the medical response capacity.

The objectives of the National Hospital Preparedness Program include the building of a state, regional and local infrastructure for response to a disasters, provision of federal funds to local hospitals and EMS Systems to prepare for a disasters and to comply with all requirements of the FY 2009 Continuation Guidance of the National Hospital Preparedness Program as specified by the U. S. Department of Health and Human Services, Assistant Secretary for Preparedness and Response.

II. PROGRAM PROCEDURES

OEMS prepares a Hospital Preparedness Program Grant Application each year to address the scope of the program and outline state, regional and local grant activities. The Grant application is developed by a group of staff specialists and reviewed by the Division of Public Health and Department of Health and Human Services staff prior to submission to the USDHHS, Assistant Secretary for Preparedness and Response (ASPR) for review.

OEMS primarily awards grant funds through written contracts that reflect the requirements for compliance with the grant and OEMS guidelines. Therefore, the contract document should be the main source of guidance for a compliance audit.

In addition, OEMS staff develop grant guidelines for use by eight lead hospitals that are awarded contracts through a regional application process that includes hospitals and EMS systems in each catchment area. OEMS develops a funding formula that determines the allocation of funding available to each lead hospital in preparing their grant application. Each of these hospitals provides oversight to their Regional Advisory Committee (RAC). After OEMS receives approval from ASPR that the grant application is approved, the OEMS notifies the lead hospitals in writing of the grant approval and provides guidance in developing their grant application. The individual RACs develop their grant application following the guidelines provided and address each of the subcapabilities that are included in the grant guidance. Funds may be used for a variety of activities to prepare local agencies in responding to a terrorist event or other manmade or natural disasters.
Throughout the grant period, OEMS is available to provide technical support or other assistance as needed to ensure successful implementation of the grant initiatives.

III. COMPLIANCE REQUIREMENTS

A. Activities Allowed or Unallowed

Activities/services described in Section I, Program Objectives, are allowable activities of the Hospital Preparedness Program. The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Public Law 107-188) enacts Section 319C-2 of the Public Health Service Act (42 U.S.C. 247d-6), which supports activities related to countering potential terrorist threats and other potential disasters to civilian populations.

Funds can be expended for a number of activities including but not limited to surge capacity, isolation, personal protective equipment, interoperable communication, Emergency Systems for Advance Registration of Volunteer Health Care Professionals (ESAR-VHP), Fatality Management, Medical Evacuation/Sheltering in Place, Mobile Medical Assets, Pharmaceutical Caches, etc.

Under no circumstances may the ASPR HPP grant be charged for costs that are demonstrably outside the scope of the Hospital Preparedness Program. In general, funds may not be expended except for those items specified in the approved grant application or subsequent approved revisions on file both at the grantee’s business location and the OEMS offices.

B. Allowable Costs/Cost Principles

Costs must be reasonable and necessary for the performance and administration of the award/grant and be allocable to the activity.

Costs in the application budget are allowable costs of the Hospital Preparedness Grant. Expenditures are limited to those outlined in the approved budget of the application. OEMS has adopted the Federal allowable cost principles in OMB Circular A-87, “Cost Principles for State, Local and Indian Tribal Governments” for the determination of allowable costs applicable for this program, which is available from the OMB website at http://www.whitehouse.gov/omb/circulars/index.html.

An annual agreement between OEMS and the grantees outlines other programmatic and fiscal requirements.

All grantees that expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are required to comply with the cost principles described in the N. C. Administrative Code at 09 NCAC 03M .0201.
C. Cash Management

Grantees receive funding under the Hospital Preparedness Program on a cost reimbursement basis. Accordingly, program costs must be paid for by the grantee before reimbursement is requested from OEMS. Therefore, there is no testing required at the local level for Cash Management.

E. Eligibility

Eligibility for Hospitals and EMS Systems

Eligibility requirements and determinations are unique and based on the specific contract. Some of the requirements are as follows:

Hospitals must submit the requested data into the North Carolina State Medical Asset Resource Tracking Tool (SMARTT), bed tracking system, unless otherwise noted by NCOEMS. Participation in the SMARTT is defined in the North Carolina Hospital Preparedness Program Funding Guidelines (NCHPPFG) for FFY 2009.

Hospitals must participate in RAC Disaster Preparedness committee meetings.

EMS Systems must participate in the North Carolina PreHospital Medical Information System (PreMIS). Participation in PreMIS is defined in the NCHPPFG for FFY 2009.

EMS Systems must also participate in SMARTT and RAC Disaster Preparedness Committee meeting during this grant period as defined in NCHPPFG.

F. Equipment & Real Property Management

All equipment purchased with the Hospital Preparedness Program funds must be properly maintained and inventoried and use of this equipment must be to support the grant. Specific procedures for equipment purchases, inventory controls and dispositions are stated in the contract document, grant award and grant guidelines.

G. Matching, Level of Effort, Earmarking

The Hospital Preparedness Program does have a non-federal matching requirement of 5% of the grant award. The matching requirement is met through allowable costs incurred by OEMS.

H. Period of Availability of Federal Funds

Federal funds are available for expenditure by grantees during their approved Grant period or approved extension through a Grant amendment with OEMS.
I. Procurement and Suspension and Debarment

All grantees that expend federal funds (received either directly from a federal agency or passed through the N. C. Department of Health and Human Services) are required to conform with federal agency codifications of the grants management common rule accessible on the Internet at http://www.whitehouse.gov/omb/grants/chart.html.

All grantees that expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are required to comply with the procurement standards described in the North Carolina General Statutes and the North Carolina Administrative Code, which are identified in the State of North Carolina Agency Purchasing Manual accessible on the Internet at http://www.doa.state.nc.us/PandC/agpurman.htm#P6_65.

Nongovernmental subrecipients shall maintain written procurement policies that are followed in procuring the goods and services required to administer the program.

L. Reporting

Most contractors are required to submit monthly contract expenditure and progress reports in addition to other reporting requirements as required in the contract. All non-State entities (except those entities subject to the audit and other reporting requirements of the Local Government Commission) that receive, use or expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are subject to the financial reporting requirements of G. S. 143C-6-23 for fiscal years beginning on or after July 1, 2007.

These requirements are included in the contract as an attachment entitled “Notice of Certain Reporting and Auditing Requirements.

M. Subrecipient Monitoring

Subrecipient contractors may sub-grant funds further. If this occurs, it is the responsibility of the contractor to perform adequate subrecipient monitoring of their contractor.