



Department of Health

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HOWARD A. ZUCKER, M.D., J.D.
Commissioner

SALLY DRESLIN, M.S., R.N.
Executive Deputy Commissioner

September 27, 2018

Mr. Kenneth Shulman
Assistant Comptroller
New York State Office of the State Comptroller
110 State Street, 10th Floor
Albany, New York 12236

Dear Mr. Shulman:

Pursuant to the provisions of Section 170 of New York State Executive Law, I hereby transmit to you a copy of the New York State Department of Health's comments related to the Office of the State Comptroller's final audit report 2017-S-78 entitled, "Oversight of Obesity and Diabetes Prevention Programs."

Please feel free to contact Estibaliz Alonso, Assistant Commissioner, Office of Governmental and External Affairs at (518) 473-1124 with any questions.

Sincerely,

Sally Dreslin, M.S., R.N.
Executive Deputy Commissioner

Enclosure

cc: Estibaliz Alonso

**Department of Health
Comments on the
Office of the State Comptroller's
Final Audit Report 2017-S-78 entitled,
Oversight of the Obesity and Diabetes Prevention Programs**

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2017-S-78 entitled, "Oversight of the Obesity and Diabetes Prevention Programs."

Recommendation #1

Take steps to improve oversight of contractor performance to ensure that contractor deliverables are outcome-based and correlate to Department expectations for the individual programs it is funding.

Response # 1

The Department maintains multiple, complementary data collection systems to track the performance of funded grantees, measure the local impact of selected contractor activities, and track key diabetes and obesity indicators in the general population. The Department prioritizes data collection to demonstrate if grantees have achieved milestones that have been proven to result in population-level health behavior change and if grantees have maintained implementation fidelity to the evidence-based interventions (i.e., was the intervention delivered as intended).

To maximize resources most effectively, the Department maintains public health surveillance on key health outcomes and behaviors, including breastfeeding, physical activity, adult and childhood obesity, among the broader general population (e.g., county-level and statewide surveillance data). The Department will take steps to meet this recommendation by ensuring the health indicators tracked through ongoing public health surveillance align closely with intended outcomes of funding programs and by analyzing and reporting data on key surveillance indicators associated with funding programs annually. When possible, the Department will aggregate data for communities reached and outside the reach of its funding programs.

Grantees of two current programs funded through the diabetes and obesity appropriation are engaged in pre-post data collection to evaluate activities to promote access to healthy foods and physical activity opportunities and to encourage environments that promote breastfeeding. Due to the timing of this audit, the Department did not have pre- and post-program implementation data illustrating the local impact of funding programs. The Department will take steps to meeting the recommendation by analyzing the pre-post data when it becomes available, reporting findings based on the analysis to grantees and other stakeholders and using information to inform future funding programs to address diabetes and obesity by encouraging healthy eating, physical activity and breastfeeding.

The Department will continue to take steps to meet the recommendation by stating the expectations of its funding programs in terms that are specific, measurable, achievable, relevant and time-bound, (SMART).

Recommendation #2:

Ensure that costs reported by the Department's network of contractors are supported, appropriate, and reimbursable.

Response #2:

The Department has reviewed the \$5,751 of personal services costs that were not allowable under the master contract. It has been determined that while the contractor did overbill for fringe benefits for one of their employees; they also underbilled for eligible fringe benefits elsewhere within their contract for a total of \$6,475. These errors in combination resulted in the determination that reimbursement by the vendor was unnecessary.

The Department has been reimbursed by the other contractor for the \$60 in unsupported utility expenses.

Guidance documents have been updated to provide direction to staff and grantees regarding new requirements for final vouchers. These updates include details regarding appropriate fringe billing and the back-up that will be required from the grantee. Additionally, training has been provided to the staff regarding proper fringe billing procedures and requirements that coincide with the updated guidance documents.

We also will begin conducting voucher traces on selected grantees during the fiscal year. These voucher traces will require a full personal services documentation review.