



# Department of Health

**KATHY HOCHUL**  
Governor

**JAMES V. McDONALD, MD, MPH**  
Commissioner

**JOHANNE E. MORNE, MS**  
Executive Deputy Commissioner

October 8<sup>th</sup>, 2025

Nadine Morrell  
Audit Director  
Division of State Government Accountability  
NYS Office of the State Comptroller  
110 State Street, 11<sup>th</sup> Floor  
Albany, New York 12236

Dear Nadine Morrell:

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 2023-S-14 entitled, "State Public Health Emergency Medical Stockpile."

Please feel free to contact the Office of Governmental and External Affairs at (518) 473-1124 with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Johanne E. Morne".

Johanne E. Morne, M.S.  
Executive Deputy Commissioner

Enclosures

cc: Melissa Fiore  
DOH Audit

**Department of Health  
Comments on the  
Office of the State Comptroller’s  
Final Audit Report 2023-S-14 entitled,  
“State Public Health Emergency Medical  
Stockpile”**

The following are the Department of Health’s (Department) comments in response to the Office of the State Comptroller’s (OSC) Final Audit Report 2023-S-14 entitled, “State Public Health Emergency Medical Stockpile.”

**General Comments:**

The following comments address specific statements made in the draft audit report.

Audit Scope, Objective, and Methodology, Page 22, 3<sup>rd</sup> Paragraph

*We used a non-statistical sampling approach to provide conclusions on our audit objective and to test internal controls. We selected judgmental samples; because we used a non-statistical sampling approach for our tests, we cannot project the results to the respective populations, even for the samples.*

Department Response to OSC’s Use of Judgmental Samples

Judgmental sampling is based on a found problem. It doesn’t accurately measure how many problems you have or how widespread they are. This method involves selecting specific cases based on the auditor’s judgment rather than using a statistically valid, random sample. Such an approach is inherently prone to selection bias, meaning the resulting findings cannot be generalized to the broader population and may overstate the prevalence of any identified issues.

**State Comptroller’s Comment** – While the Department likes to comment on the use of judgmental sampling in our audit work, consistent with auditing standards, we use judgmental (non-statistical) sampling to focus our audit resources where non-compliance with relevant laws, regulations, and program requirements was most likely. Our intent was not to project results to the entire population—this targeted approach allowed us to obtain evidence most likely to impact the health and well-being of New Yorkers in the event a medical equipment emergency arises. The use of a judgmental sample was both appropriate and necessary to meet the audit’s objective in an efficient manner.

**Audit Recommendation Responses:**

**Recommendation #2**

Maintain basic internal controls during emergency scenarios to ensure stewardship over State assets that address concepts such as conducting transactions in an ordinary manner, recording transactions, effective communication, and documenting receipt of purchases.

## **DOH Response #2**

DOH maintains appropriate internal controls and processes to maintain appropriate stewardship over State assets. As noted in the report, DOH was not involved in decisions to order supplies and Durable Medical Equipment (DME) during the onset of the COVID-19 pandemic.

**State Comptroller's Comment** – As noted in our original State Comptroller's comments, throughout the report, we note that DOH was not involved in decisions regarding the ordering of supplies and DME and was often unaware of what had been purchased. However, DOH was responsible for other internal control processes such as credit card transactions, paying vouchers, and receiving equipment—over which it did not maintain appropriate controls. When we asked DOH officials how they accounted for these transactions and receipt of DME purchases, officials stated they cannot trace a voucher to a specific item of equipment or the inverse.

## **Recommendation #3**

Develop and implement a statewide public health strategic plan to utilize surplus DME.

## **DOH Response #3**

DOH has confidence in its utilization of surplus DME. DOH conducts surveys of healthcare facilities to assess need and interest level for specific DME and upon issuing a Letter of Agreement, forward deploys based on the results. All other surplus DME will follow OGS rules and regulations for surplus of equipment. The Medical Emergency Response Cache (MERC) Medical Workgroup has identified several entities that could benefit from this surplus DME, and the group is currently working to ascertain need while ensuring compliance with State Finance Law and OGS rules.

## **Recommendation #4**

Document and preserve the process and/or key factors used when making significant decisions, and keep documentation of key events, such as the Steering Committee's recommendation of DME to be retained and to receive preventive maintenance.

## **DOH Response #4**

Steering Committee decisions were documented and forwarded to subject matter experts from other state agencies for review. The former Executive Chamber provided final approval for the preventative maintenance recommendation. DOH provided OSC with a sample Steering Committee agenda and the methodology that the Steering Committee used, including factors it considered. Additionally, ongoing workgroup meetings are now documented with more in-depth notes and documentation and distributed to all workgroup members following meetings.

## **Recommendation #5**

Obtain and maintain access to DOH's inventory and inventory records at non-DOH warehouses as part of asset management.

### **DOH Response #5**

Access to non-DOH warehouses is at the discretion of the owner of the warehouse.

**State Comptroller's Comment** – As noted in our original State Comptroller's comments, as part of asset management, DOH should have access to records of inventory owned by DOH. DME equipment is consolidated into two DOH and three DHSES warehouses, yet DOH does not have direct access to the inventory or the inventory tracking system used in DHSES warehouses for DOH-owned DME equipment. DOH also doesn't receive any periodic inventory reports. During the audit, DOH could not provide us with an inventory listing of DME in the DHSES warehouses and had to obtain this information from DHSES.

### **Recommendation #6**

Develop and implement a strategic plan for DME preventive maintenance so that it is ready for use during public health emergencies.

### **DOH Response #6**

DOH conducts preventative maintenance programs pursuant to manufacturers' recommendations.

**State Comptroller's Comment** – As noted in our original State Comptroller's comments, as of December 2024, there was no preventive maintenance contract in place for DME, and one had not been in place for at least 12 months. In fact, 90% of the DME with scheduled preventive maintenance was past due.

### **Recommendation #7**

Finalize analysis on DME to keep and preventively maintain, and issue an RFP for any needed services.

### **DOH Response #7**

DOH utilizes a medical warehouse workgroup, which meets every two weeks. The workgroup compiled an approved list of necessary DME for preventative maintenance services. The Request for Proposal (RFP) is currently going through the approval process and will be released to vendors when complete.

### **Recommendation #8**

As part of creating a transparent environment, maintain records and supporting documentation for decision-making so that requests for public information can be fulfilled.

### **DOH Response #8**

DOH maintains such records which are available to fulfill requests for public information.