



High Risk Update— Emergency Preparedness

California Has Improved Its Emergency Preparedness

Report 2015-612

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October 15, 2015

2015-612

The Governor of California
President pro Tempore of the Senate
Speaker of the Assembly
State Capitol
Sacramento, California 95814

Dear Governor and Legislative Leaders:

This report presents the results of our high risk review concerning California's level of emergency preparedness. Two key California agencies that oversee statewide emergency preparedness are the California Department of Public Health (Public Health) and the California Governor's Office of Emergency Services (Emergency Services). Public Health is responsible for preparing Californians for public health emergencies such as the December 2014 measles outbreak and overseeing public health disaster planning while Emergency Services' mission is to protect lives and property by preparing for, protecting against, responding to, recovering from, and mitigating the impacts of all hazards and threats.

Both Public Health and Emergency Services have made improvements to the State's level of emergency preparedness. In our September 2013 high risk report, we noted that Public Health and Emergency Services faced challenges as they attempted to meet their objectives and lacked fully developed strategic plans to guide their emergency preparedness efforts. In our current review, we found that Public Health has begun to use specific measures to monitor its progress toward achieving its objectives. We also found that Public Health has improved how it tracks its employees' completion of required emergency preparedness trainings and uses additional tools and assessments to improve the State's preparedness for emergencies. Additionally, we found that Public Health's federal funding has stabilized over the last three fiscal years, allowing it to sustain its emergency readiness capabilities. In our reassessment of Emergency Services we found that it has updated its strategic plan, developed related performance measures, and has begun to report on them.

As a result of these improvements, we do not believe emergency preparedness at Public Health and Emergency Services should continue to be designated as an area of high risk under our state high risk program. However, we will continue to monitor the issue at both agencies to ensure each maintains its emergency preparedness capabilities.

Respectfully submitted,



ELAINE M. HOWLE, CPA
State Auditor

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Summary

Results in Brief

The California Department of Public Health (Public Health) and the California Governor's Office of Emergency Services (Emergency Services) have made progress in preparing the State for emergencies. Because of their improvements, we do not believe emergency preparedness at Public Health and Emergency Services should continue to be designated as a statewide high risk issue under our state high risk program.

In our September 2013 high risk report, we noted that Public Health did not have a fully developed strategic plan, and that the plan did not contain any specific performance measures with which to gauge its success in achieving the strategic plan's goals. Public Health's emergency preparedness office (preparedness office) is responsible for coordinating the planning and other efforts to prepare Californians for public health emergencies. Based on our current reassessment, Public Health has begun to use specific measures to monitor its progress toward achieving its objectives. For example, Public Health is measuring its emergency preparedness office's progress in meeting an objective to train at least 48 employees in key positions on emergency response teams by December 31, 2016. In addition, Public Health has begun using an improved system for tracking the training provided to all of its employees. Furthermore, Public Health uses federal tools, such as an assessment of 23 capabilities, to assess its readiness for emergencies. Finally, over the past three years its federal funding has stabilized and Public Health reports that it is now able to sustain its emergency preparedness capabilities. Because of its progress on strategic planning, training, and sustained capabilities, we conclude that Public Health has sufficiently improved its level of emergency preparedness to warrant removal from our state high risk program.

At the time of our last high risk reassessment, Emergency Services was in a position similar to Public Health: still in the process of developing performance measures, planning to update its strategic plan, and creating a performance evaluation system. Emergency Services is now in a better position to fulfill its stated mission: to protect lives and property by preparing for, protecting against, responding to, recovering from, and mitigating the impacts of all hazards and threats. As of this update, Emergency Services has put in place clearly defined goals, which include plans to mitigate disasters throughout the State and strengthen its internal capabilities. To measure its progress toward achieving these goals, Emergency Services has developed detailed objectives and key performance indicators for its offices to report on regularly. In its first year of implementation, Emergency Services has reported

Highlights . . .

In our 2013 assessment of the high-risk issues facing the State, we identified the State's emergency preparedness as a remaining area of high risk. Two key agencies—the California Department of Public Health (Public Health) and the California Governor's Office of Emergency Services (Emergency Services)—lacked fully developed strategic plans and faced challenges in meeting some objectives.

We found the following in regard to issues we previously identified as posing a high risk to the State:

» *Public Health has sufficiently improved its level of emergency preparedness:*

- *It uses specific measures to monitor its progress toward achieving its objectives.*
- *It has improved its tracking of required training provided to its employees and uses additional tools and assessments to improve the State's preparedness for emergencies.*
- *Over the past three years Public Health's federal funding has stabilized, allowing it to sustain its emergency preparedness capabilities.*

» *Emergency Services has sufficiently improved its emergency planning efforts:*

- *It updated its strategic plan and its reporting on objectives and indicators related to emergency preparedness.*

on the status of almost 400 objectives. In addition, Emergency Services recently began reporting on some of its key performance indicators. For example, Emergency Services established an indicator measuring its Response and Recovery Branches' overall success in completing branch objectives and found that 73 percent of the Response Branch's 123 objectives and 78 percent of the Recovery Branch's nine objectives were on time or completed. Based on its updated goals and progress measures, we conclude that Emergency Services has sufficiently improved its level of emergency preparedness.

Introduction

Background

State law authorizes the California State Auditor (state auditor) to establish a state high risk audit program and to issue reports with recommendations for improving state agencies or statewide issues that it identifies as high risk. Programs and issues that are high risk include not only those particularly vulnerable to fraud, waste, abuse, and mismanagement, but also those that have major challenges associated with their economy, efficiency, or effectiveness.

The California Department of Public Health (Public Health) is responsible for preparing for public health emergencies, coordinating planning for the Strategic National Stockpile of emergency medical supplies, overseeing public health disaster planning, and distributing and overseeing funds to local health departments for disaster planning. The California Governor's Office of Emergency Services' (Emergency Services) mission is to protect lives and property by preparing for, protecting against, responding to, recovering from, and mitigating the impacts of all hazards and threats. We first identified the area of emergency preparedness as it related to the California Department of Health Services—the predecessor to Public Health—and Emergency Services as being a high risk to the State in our May 2007 high risk report. In that report we noted that our office issued five prior reports related to emergency preparedness, and each concluded the State is weak in one or more of four elements of emergency preparedness: planning, training, corrective action, and equipment and resources. Our subsequent high risk reports in 2009, 2011, and 2013 continued to highlight areas of both progress and concern in emergency preparedness for Public Health and Emergency Services. In our 2013 report we remained concerned about the lack, or inadequate development, of specific metrics in strategic planning for both Public Health and Emergency Services.

In order to update our analysis of the high risk status for Public Health and Emergency Services, we interviewed knowledgeable staff with significant responsibilities related to emergency preparedness at each agency. We then assessed their perspectives regarding the high-risk issues identified in our 2013 report. We also reviewed reports and other documentation relevant to the issues.

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High Risk Agency Update

THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH

In our September 2013 high risk report, we reassessed our original identification of emergency preparedness as continuing to be an area of high risk for the California Department of Public Health (Public Health), citing its lack of a fully developed strategic plan and its funding challenges. Our current reassessment found that Public Health now uses specific measures to monitor its progress toward achieving strategic objectives. Further, Public Health has improved how it tracks its employees' completion of required emergency preparedness trainings and uses additional tools and assessments to improve the State's preparedness for emergencies. We also found that Public Health's funding has stabilized, allowing it to sustain its emergency readiness capabilities. For these reasons, we will no longer designate Public Health's level of emergency preparedness as a statewide high risk issue.

Public Health Has Made Progress in Preparing for Emergencies

Public Health gauges its progress in achieving its strategic priorities and objectives through the use of action plans that include lower-level objectives that are detailed and measurable. Specifically, in November 2014 Public Health began requiring its offices and centers to develop and report progress on strategic map action plans (action plans). The action plans detail goals, measurable targets, and tasks that Public Health has established to achieve its strategic objectives. Furthermore, the action plans help Public Health demonstrate how it is meeting its emergency preparedness responsibilities of coordinating the planning and other efforts to help Californians prepare for public health emergencies. For example, Public Health's emergency preparedness office (preparedness office) has an action plan that focuses on training staff who serve on emergency response teams. The action plan's objective is for the preparedness office to train at least 48 employees in key positions on emergency response teams by December 31, 2016. In order to achieve this objective, the preparedness office requires more than 90 individuals selected as emergency response team members to receive training, attend monthly meetings, and participate in an emergency exercise or incident once each year. Public Health established this objective in early 2015, and by mid-June 2015, 45 staff had already received the required training. When Public Health hosts an emergency

preparedness exercise planned for November 2015, many of the emergency response team members will have a chance to complete the exercise requirement in the action plan.

Public Health has also improved its tracking system for emergency preparedness trainings. Public Health requires its entire staff to complete two emergency preparedness training sessions. One of the sessions describes employee responsibilities during an emergency, while the other instructs them on the standardized emergency and the national incident management systems. In 2015 Public Health began using an improved method for tracking training to ensure its staff are completing the two sessions. In prior years Public Health's tracking system included non-state employees, such as contractors and student assistants, resulting in inflated state employee training completion rates, but the new tracking method focuses only on state employees so it now reports more accurate training completion rates. Further, according to the chief of the preparedness office's training unit, the tracking system now sends automatic emails to employees who are delinquent in taking a required training, which has helped increase staff participation.

In fiscal year 2012–13 the preparedness office began using new federal standards to assess the State's readiness on 23 different capabilities related to hospital and public health emergency preparedness.

In addition to its action plan and emergency preparedness training, the preparedness office began using new guidelines in assessments it prepares and submits to its federal oversight agency to help gauge the State's readiness for emergencies. Specifically, in fiscal year 2012–13 the preparedness office began using new federal standards established by the Centers for Disease Control and Prevention (CDC) to assess the State's readiness on 23 different capabilities related to hospital and public health emergency preparedness. These capabilities include health care system recovery and fatality management, which relates to the ability of health care organizations to address and coordinate the response to surges in the number of fatalities occurring during an emergency. The preparedness office submits its capability assessments to the CDC annually and includes a statewide assessment of emergency preparedness in addition to a more specific assessment of medical countermeasure readiness.¹ While the statewide assessment identifies the current status of a wide variety of functions and capabilities, the assessment of medical countermeasure readiness is designed to measure a jurisdiction's ability to plan and successfully execute a large-scale response requiring distribution and dispensing of medical countermeasures. In its response to the preparedness office's fiscal year 2014–15 medical countermeasure readiness assessment, the CDC stated

¹ Medical countermeasures are products, including drugs or devices, regulated by the Food and Drug Administration that may be used in the event of a public health emergency stemming from a terrorist attack, a naturally occurring emerging disease, or a natural disaster.

that it was impressed with the preparedness office staff's efforts in planning, coordinating, and conducting training and exercises for real-world emergencies.

Public Health further enhanced its emergency readiness by obtaining accreditation from the national Public Health Accreditation Board (board). The board is a nonprofit organization that seeks to advance quality and performance within public health departments through a voluntary accreditation program that defines performance expectations. Public Health's assistant director explained that Public Health submitted all accreditation-related documents to the board in February 2014. Public Health had to meet 105 measures of quality to obtain this accreditation, 30 of which related to emergency preparedness. We reviewed four of these measures and found that Public Health met the requirements of each. For example, Public Health, in accordance with the accreditation requirement, created after-action reports (reports) following exercises and emergencies that activate its emergency-response protocols. The reports allow Public Health to assess its ability to contain or mitigate health problems through the analysis of its performance during a real or practice emergency operation, and include any needed corrective actions. Public Health provided the board with an example of a completed report for the August 2012 Chevron Richmond Refinery fire, which caused Contra Costa County to issue a shelter-in-place order due to the smoke in areas near the refinery. Public Health's report identified several areas, including communications, where it could improve its response to similar incidents in the future. Public Health continues to complete such reports. For example, in June 2015 Public Health completed a report on the December 2014 measles outbreak, demonstrating its efforts to constantly improve its emergency preparedness.

Finally, Public Health's funding level, which comes primarily from federal sources, currently appears adequate to sustain Public Health's emergency preparedness capabilities and meet federal requirements. In our 2013 report we noted that Public Health had experienced deep budget cuts since fiscal year 2003-04. Public Health's base federal funding, which it receives annually from the CDC for emergency preparedness, dropped from \$110 million in fiscal year 2003-04 to \$71.6 million in fiscal year 2012-13. Since then, Public Health's base federal funding has dropped further, with funding ranging from \$66.7 million in fiscal year 2013-14 to \$65.8 million in fiscal year 2015-16. The drop in funding from the fiscal year 2012-13 level increased our concern about whether Public Health has sufficient resources to sustain its emergency readiness capabilities; however, the base federal funding has stabilized over the last three years. Additionally, Public Health can use carryover federal funding to help sustain its operations.

In June 2015 Public Health completed a report on the December 2014 measles outbreak, demonstrating its efforts to constantly improve its emergency preparedness.

For example, Public Health had \$16.6 million of carryover dollars available for fiscal year 2013–14 and \$11.4 million for fiscal year 2014–15. Finally, according to the assistant director, the current level of funding, given carryover funds, increased efficiencies and the redirection of some activities to other funding sources, is sufficient to sustain Public Health’s current capabilities and readiness for emergencies.

Since our last reassessment, Public Health has been able to keep up with federal requirements and sustain its current capabilities. At the time of our 2013 report, Public Health stated that reduced funding limited its ability to address the more stringent federal requirements prescribing how it was to meet emergency preparedness capabilities. Beginning in fiscal year 2012–13, the CDC required states to report on the 23 capabilities we discussed earlier. According to Public Health’s assistant director, based on verbal communication it received from the CDC, Public Health previously believed that the federal capabilities requirements were stringent, with little flexibility. However, in subsequent dialogue with the CDC, Public Health reached a clearer understanding that states do have the flexibility to focus on their priorities given their respective hazard and vulnerability analyses. This understanding comports with CDC’s written guidance, which states that no jurisdiction is expected to be able to address all issues, gaps, and needs across all capabilities in the immediate short term and, therefore, jurisdictions should choose the order of the capabilities they decide to pursue based upon their jurisdictional risk assessments. According to the assistant director, Public Health has met CDC requirements related to emergency preparedness for fiscal years 2013–14 and 2014–15.

Because of Public Health’s measurable action plans to guide its emergency preparedness activities, its completion of various assessments and obtaining accreditation from the board, and its ability to sustain its current capabilities, we no longer consider its emergency preparedness status to be a high-risk issue. However, due to lower base federal funding and Public Health’s reliance on carryover funds, both of which could continue to decrease and thus jeopardize Public Health’s ability to sustain its emergency readiness capabilities, we will continue to monitor this issue. If we determine that Public Health’s emergency preparedness status should be designated as high risk in the future, we will place it back on our high-risk list.

Due to lower base federal funding and Public Health’s reliance on carryover funds, both of which could continue to decrease and thus jeopardize Public Health’s ability to sustain its emergency readiness capabilities, we will continue to monitor this issue.

THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES

In our September 2013 update on high risk, the California Governor's Office of Emergency Services (Emergency Services) was still in the process of developing performance measures and planned to update its strategic plan and create a performance evaluation system. Our current reassessment found that Emergency Services has updated its strategic plan, developed related performance measures, and begun to report on them. Because of these improvements, we will no longer designate Emergency Services' level of emergency preparedness as a statewide high risk issue.

Emergency Services Has Developed Measures to Continually Improve the State's Preparedness Status

Emergency Services has developed goals and measures to advance its mission to protect California against hazards and threats. Emergency Services has an updated strategic plan containing six goals, three of which involve preventing, mitigating, and responding to threats, emergencies, and disasters throughout the State, while the other three address enhancing the administration of state and federal funding, developing the Emergency Services workforce, and strengthening capabilities in public safety communications and technology. These goals are in line with Emergency Services' mission.

Emergency Services has developed detailed objectives to gauge its progress toward achieving these goals. Each objective is linked to a goal, and Emergency Services intends for the status of objectives to be reported and summarized quarterly so that upper management can track its progress. During fiscal year 2014-15, Emergency Services reported on the status of its objectives for the first time, detailing the progress made on 371 objectives. In our reassessment we reviewed 13 of those objectives and found that Emergency Services accurately reported their status and that it filled in the required reporting fields for all 371 objectives. We also found that the objectives demonstrate Emergency Services' ability to measure performance related to meeting its goals. For instance, during fiscal year 2014-15, Emergency Services' Response Branch had the objective of providing updates to the Coastal Region operational areas by scheduling presentations at events within the region. The Response Branch met its target of holding three earthquake and tsunami update meetings during that fiscal year to update partners on its actions and plans. Completion of this Response Branch objective brought Emergency Services closer to achieving its strategic goal of anticipating and enhancing prevention and detection capabilities of hazards and threats.

In September 2015 Emergency Services reported that 73 percent of the Response Branch's 123 objectives and 78 percent of the Recovery Branch's nine objectives were on time or completed.

Emergency Services also began using high-level key performance indicators to track its progress annually. Emergency Services developed key performance indicators (indicators) that align with its six strategic goals, as we show in the Table. Emergency Services' program objectives described previously can help drive improvement on indicators as well as accomplish goals, but objectives and indicators are not necessarily linked. For example, Emergency Services has the strategic goal to effectively respond to and recover from both human-caused and natural disasters. For this goal, Emergency Services established an indicator measuring its Response and Recovery Branches' overall success in completing branch objectives. In September 2015 it reported that 73 percent of the Response Branch's 123 objectives and 78 percent of the Recovery Branch's nine objectives were on time or completed. One of the Response Branch's objectives was to conduct the earthquake and tsunami update meetings discussed previously. Thus, both Emergency Services' objectives and indicators help measure Emergency Services' progress toward meeting its goals. As of September 2015 Emergency Services reported on six of its indicators and plans to use these results as a baseline for future comparison. Further, it expects to report on most of the remaining indicators by August 2016.

Based on Emergency Services' updated strategic plan and its reporting on program objectives and indicators related to emergency preparedness, we conclude that Emergency Services has sufficiently improved its emergency planning efforts. Consequently, we no longer consider Emergency Services' emergency preparedness planning to be a statewide high-risk issue; however, we will continue to monitor this issue.

Table
California Governor’s Office of Emergency Services’ Strategic Plan Goals and Key Performance Indicators

GOAL DESCRIPTION	KEY PERFORMANCE INDICATOR
Anticipate and enhance prevention and detection capabilities to protect our State from all hazards and threats.	<ul style="list-style-type: none"> • Percentage increase in training and participation in statewide exercise program.* • Percentage increase in intelligence and information sharing involving the whole community.
Strengthen California’s ability to plan, prepare for, and provide resources to mitigate the impacts of disasters, emergencies, crimes, and terrorist events.	<ul style="list-style-type: none"> • Compliance with Emergency Management Accreditation Program accreditation standards. • Percentage of plan, guidance, and report objectives completed or on time.† • Percentage of participation in the <i>Threat and Hazard Identification and Risk Assessment</i> report and the <i>State Preparedness Report</i>. • Percentage of California communities surveyed to determine potential gaps in services and identify potential grant funding opportunities.
Effectively respond to and recover from both human-caused and natural disasters.	<ul style="list-style-type: none"> • Percentage of key response and recovery projects and initiatives completed/implemented on time.‡ • Decrease in repeat negative after-action report findings of critical California Office of Emergency Services’ (Emergency Services) tasks and increase in corrective actions implemented.
Enhance the administration and delivery of all state and federal funding, and maintain fiscal and program integrity.	<ul style="list-style-type: none"> • Percentage of funding and/or fiscal objectives met. • Decrease in repeat findings from outside entities. • Percentage of internal audit recommendations implemented and number of internal audits completed. • Percentage of completion of annual scheduled monitoring reviews. • Increase in customer satisfaction scores.
Develop a united and innovative workforce that is trained, experienced, knowledgeable, and ready to adapt and respond.	<ul style="list-style-type: none"> • Percentage increase in Employee Work Satisfaction Survey scores. • Percentage increase in Individual Development Plan and Individual Training Plan completion. • Percentage of employees who meet the mandated 16 hours a month training requirement.
Strengthen capabilities in public safety communication services and technology enhancements.	<ul style="list-style-type: none"> • Percentage of on-time delivery of scheduled projects, products, and services. • Customer satisfaction scores. • Percentage increase in the number of public safety agencies having access to the National Public Safety Broadband Network.

Source: Emergency Services’ Key Performance Indicator status report as of September 4, 2015.

Note: As of September 4, 2015, Emergency Services has reported on the key performance indicators shaded in blue.

* Emergency Services is reporting the percentage increase in class attendance.

† Emergency Services is using the status of its objectives related to planning, guidance, and reporting as a measure of this indicator.

‡ Emergency Services is using the status of the objectives for its Response and Recovery Branches as a measure of completion/implementation of key projects and initiatives.

We prepared this report under the authority vested in the California State Auditor by Section 8546.5 of the California Government Code.

Respectfully submitted,



ELAINE M. HOWLE, CPA
State Auditor

Date: October 15, 2015

Staff: Jim Sandberg-Larsen, CPA, CPFO, Audit Principal
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For questions regarding the contents of this report, please contact Margarita Fernández, Chief of Public Affairs, at 916.445.0255.



KAREN L. SMITH, MD, MPH
Director and State Health Officer

State of California—Health and Human Services Agency
California Department of Public Health



EDMUND G. BROWN JR.
Governor

September 30, 2015

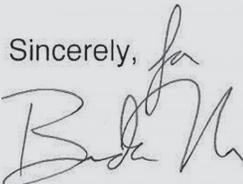
Elaine M. Howle
State Auditor
California State Auditor
621 Capitol Mall, Suite 1200
Sacramento, CA 95814

Dear Ms. Howle:

The California Department of Public Health (CDPH) has reviewed the California State Auditor (CSA) draft report titled "High Risk Update – California Has Improved Its Emergency Preparedness" Report 2015-612 dated October 2015. The CDPH concurs with the findings.

CDPH appreciates your recognition of the improvements we have made in preparing the State for emergencies. We understand the importance of our ability to effectively respond to emergencies and protect the health of our communities.

We thank the CSA staff for their professionalism and expertise during this audit. If you have questions please contact Monica Vazquez, Chief, Office of Compliance at (916) 440-7387.

Sincerely,


Karen L. Smith, MD, MPH
Director & State Public Health Officer

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EDMUND G. BROWN, JR.
GOVERNOR

MARK S. GHILARDUCCI
DIRECTOR



September 30, 2015

Elaine M. Howle, CPA
California State Auditor
621 Capitol Mall, Suite 1200
Sacramento, CA 95814

Dear Ms. Howle:

The California Governor's Office of Emergency Services appreciates the State Auditor's thorough review of our organizational performance management system and is pleased with the outcomes of High Risk Update draft report. The California State Auditor's continued follow-up underscores the importance of strategic planning and the use of effective performance measures to assess progress against stated goals. These processes will remain a high priority for our department, and we look forward to sharing information on our status as we continue to develop and refine our objectives and metrics.

On behalf of Cal OES, we appreciate the work performed by the California State Auditor and the opportunity to continuously improve our practices. If you have additional questions or concerns, please contact my Audit Chief, Anne Marie Nielsen at (916) 845-8437 or at Anne.Marie.Nielsen@caloes.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark S. Ghilarducci". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

MARK S. GHILARDUCCI
Director