

PERFORMANCE AUDIT REPORT

Pennsylvania Department of Health

Emergency Medical Services Operating Fund

November 2025



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General

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TIMOTHY L. DEFOOR
AUDITOR GENERAL

October 29, 2025

The Honorable Dr. Debra L. Bogen
Secretary
Pennsylvania Department of Health
Health and Welfare Building
8th Floor West; 625 Forster Street
Harrisburg, PA 17120

Dear Secretary Bogen:

This report contains the results of the Department of the Auditor General's performance audit of the Pennsylvania Department of Health (DOH) focusing on DOH's oversight of the special Emergency Medical Services Operating Fund (EMSOF).

The audit was conducted under the authority of Section 8153(e) of the Emergency Medical Services System Act¹ and the department's primary audit authority under Sections 402 and 403 of The Fiscal Code (Code).² Our performance audit covered the period July 1, 2021, through June 30, 2024, and included the following audit objective:

- Determine whether DOH ensured that EMSOF collections and expenditures were adequately supported, properly accounted for, and used for the purpose(s) intended by law and regulations, including the collections and expenditures of the regional EMS councils.

We conducted this performance audit in accordance with generally accepted *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective.³ We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

¹ 35 Pa C.S. § 8153(a), (e).

² 72 P.S. §§ 402 and 403. The audit was also conducted in accordance with generally accepted *Government Auditing Standards* issued by the Comptroller General of the United States.

³ U.S. Government Accountability Office. *Government Auditing Standards*. 2018 Revision Technical Update April 2021.

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Our methodology to satisfy the audit objective, along with our evaluation of management's internal controls significant to the audit objective, is included in *Appendix A* of this report. This report presents **two findings** and **eighteen recommendations** for DOH.

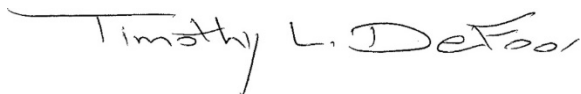
In ***Finding 1***, we found that DOH failed to adequately monitor the Emergency Services Operating Fund and failed to strengthen internal controls despite hiring new management and implementing a new invoicing process.

In ***Finding 2***, we found that DOH failed to ensure the EMS councils and the state advisory board complied with annual reporting and audit requirements intended to promote accountability and transparency.

We also conducted procedures to determine the status of DOH's actions taken to implement the recommendations we presented in our prior audit report dated April 26, 2023. We found that DOH did not adequately implement the majority of our recommendations from that report and do not consider the prior audit findings resolved.

In closing, we thank DOH for its cooperation and assistance during the audit. DOH management generally agreed with our findings and with 16 of our recommendations, while not specifically addressing two recommendations to update its *Review and Receipt of Council Annual Reports* policy, but instead stated that it would fully implement the current policy. We conclude on DOH's responses in the *Auditor's Conclusion to DOH's Response* section in this report. We reserve the right to follow up at an appropriate time to determine whether and to what extent our recommendations have been implemented.

Sincerely,

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General

A Performance Audit

**Pennsylvania Department of Health
Emergency Medical Services Operating Fund**

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Executive Summary

This report presents the results of our performance audit of the Pennsylvania Department of Health (DOH) regarding the Emergency Medical Services Operating Fund (EMSOF). Our **audit objective** was to determine whether DOH ensured that EMSOF collections and expenditures were adequately supported, properly accounted for, and used for the purposes(s) intended by law and regulations, including the collections and expenditures of the regional EMS councils. The audit period was July 1, 2021, through June 30, 2024. We also conducted procedures to determine whether DOH implemented recommendations from our prior EMSOF performance audit report dated April 26, 2023.

Our audit results are contained in **two findings** with **18 recommendations** specifically related to improving DOH oversight of 75 percent of the EMSOF that DOH allocated for EMS. We did not identify any weaknesses in regard to the remaining 25 percent DOH used to administer the Head Injury Program. DOH management generally agreed with our findings and with 16 of our recommendations, while not specifically addressing two recommendations to update its *Review and Receipt of Council Annual Reports* policy, but instead stated that it would fully implement the current policy. We have included our response in the *Auditor's Conclusion to DOH's Response* section of this audit report.

Finding 1 – The Department of Health failed to adequately monitor the Emergency Medical Services Operating Fund and failed to strengthen internal controls despite hiring new management and implementing a new invoicing process.

The Department of the Auditor General conducted four prior performance audits related to DOH's administration of EMSOF. Those audits related to periods beginning July 1, 2010, through June 30, 2021, and were released in February 2014, December 2015, July 2018, and May 2023. Each report contained significant internal control weaknesses that have remained **uncorrected** through our current audit period ending June 30, 2024. Based on our current review of documents and interviews conducted with DOH management, we found that DOH continued to lack adequate internal controls and oversight of EMSOF funds distributed to EMS councils and the state advisory board (Board). This created a significant risk for wasteful and abusive spending of state funds and the potential for fraud. Management stated that multiple leadership changes and staffing shortages hampered the implementation of a new invoicing process designed to improve its oversight of the EMSOF.

For the first two years of our three-year audit period ending on June 30, 2024, DOH lacked a standardized process for multi-county EMS councils to submit supporting documents, which weakened its ability to adequately monitor the EMSOF funds spent. DOH implemented a new invoicing process on July 1, 2023, but we found that it failed to effectively enforce the new invoicing procedures during the fiscal year ended (FYE) June 30, 2024. Consequently, we found

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that 42 payments DOH made during the three-year audit period totaling \$3.4 million, out of 60 payments reviewed totaling \$5.1 million, lacked the supporting documentation needed to verify the EMSOF funds were spent for allowable purposes. We also discovered that certain EMS councils failed to complete or submit properly completed invoice workbooks as required by the new invoicing process for 10 of 24 invoices that we reviewed during FYE 2024.

We also reviewed 18 payments for equipment purchases certain councils made for EMS pre-hospital providers, totaling nearly \$1.5 million. We found that 12 payments for more than \$727,000 lacked DOH pre-approval forms and/or supporting documentation, such as receipts. DOH cannot ensure the appropriateness of purchases without reviewing documentation of the councils' purchases and reconciling them to DOH's pre-approval forms.

Our audit also found that DOH failed to document its year-end reconciliation process used to ensure the allowability of EMSOF fund expenditures and the return of unspent funds. Consequently, we could not verify allowability or determine whether DOH ensured unspent funds were returned. Our review of 9 of 13 refund transactions posted to the commonwealth's accounting system during the audit period found that DOH could only provide supporting documentation for six refund transactions. However, the documentation for two of the six refunds did not accurately support the refunded amounts. These deficiencies identified the lack of a clearly defined and documented year-end reconciliation process and refund processing procedures, which weakened internal control over EMSOF expenditures and the return of unspent funds.

Additionally, DOH did not comply with certain regulations and policies or effectively implement procedures designed to achieve the objectives of the EMSOF. Specifically, DOH did not conduct contract monitoring site visits of any EMS council or the Board during the three-year audit period. DOH also did not complete attestation forms for the FYE 2024 allocations calculations and failed to review the forms according to the EMSOF allocations policy for the FYEs 2022 and 2023.

Finding 2 – The Department of Health failed to ensure the EMS councils and the state advisory board complied with annual reporting and audit requirements intended to promote accountability and transparency.

We found that DOH failed to adequately review EMS councils' and the Board's annual reports for completeness and accuracy. DOH could not locate annual report review worksheets for the 2022 and 2023 reports and performed inadequate reviews of the 2024 annual reports that failed to ensure the timely submission, completeness, and accuracy. Additionally, DOH did not receive audit reports for both the FYEs 2023 and 2024, from one council and did not consistently address the late submissions of 19 of 40 audit reports.

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Department of Health's Head Injury Program complied with law and regulations.

Twenty-five percent of the funds collected for the EMSOF is allocated to the Catastrophic Medical and Rehabilitation Fund to administer the Head Injury Program, which pays for medical, rehabilitation, and attendant care services for persons with a traumatic brain injury. Based on our audit procedures, we did not identify any weaknesses in the management controls that we tested, any misstatements of financial information, or noncompliance with applicable law and regulations.

Status of Prior Audit Findings

We conducted procedures to determine the status of the prior audit findings and recommendations presented in the audit report released in May 2023. Our prior performance audit of EMSOF covered the period of July 1, 2017, through June 30, 2021, and contained three findings with nine recommendations. We found that two prior findings were unresolved, and the other was partially resolved. The unresolved portions of those findings are addressed within our current findings included in this report.

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Introduction and Background

This report by the Department of the Auditor General presents the results of our performance audit of the special fund known as the Emergency Medical Services Operating Fund (EMSOF) administered by the Pennsylvania Department of Health (DOH).⁴ This audit was conducted under the authority of Sections 402 and 403 of The Fiscal Code and pursuant to Section 8153(e) of the Emergency Medical Services System Act.⁵ The performance audit was conducted in accordance with generally accepted *Government Auditing Standards* issued by the Comptroller General of the United States.⁶

This audit focused on DOH's duties and responsibilities with regard to EMSOF during the audit period of July 1, 2021, through June 30, 2024. The audit objective was to determine whether DOH ensured that EMSOF collections and expenditures were adequately supported, properly accounted for, and used for the purpose(s) intended by law and regulations, including the collections and expenditures of the regional EMS councils.

In the sections that follow, we present background information related to EMSOF, including how it was created, its purpose, its funding, and how its funds are allocated and disbursed.

EMSOF and its Purpose

The former Emergency Medical Services Act, enacted in 1985, created EMSOF.⁷ This act was later repealed and replaced by the Emergency Medical Services System Act (Act), enacted in 2009.⁸ The purpose of EMSOF is to assist with activities relating to the prevention and reduction of premature death and disability in the commonwealth; to provide assistance, coordination, and support for the development and maintenance of the comprehensive emergency medical services system; to determine qualifications, eligibility, and certification of emergency medical services personnel; and to fund ambulance services.⁹

⁴ 35 Pa.C.S. § 8153(a). The sources of funding for the operating fund include: 1) Emergency Medical Services costs and Accelerated Rehabilitative Disposition costs under the state Vehicle Code, 2) all DOH collected fees, fines and civil penalties, 3) appropriations, and 4) contributions. See 35 Pa.C.S. § 8153(b).

⁵ 72 P.S. §§ 402 and 403 and 35 Pa.C.S. § 8153(e).

⁶ U.S. Government Accountability Office. *Government Auditing Standards*. 2018 Revision Technical Update April 2021.

⁷ Act 45 of 1985 (repealed).

⁸ See <http://www.legis.state.pa.us/cfdocs/legis/li/uconsCheck.cfm?yr=2009&sessInd=0&act=37> (accessed February 6, 2025). Act 37 of 2009, effective February 16, 2010, provided for a recodification of the former act (Act 45 of 1985) and based on the historical notes pursuant to Section 5 of Act 37 is a "continuation of the former act" and that all activities under Act 45, unless otherwise provided for in Act 37, "shall continue and remain in full force and effect." See 35 Pa.C.S. § 8101 *et seq.* (Act 37).

⁹ 2023-2024 Governor's Executive Budget, p. H-36 (page 686).

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The Act designated DOH as the lead agency for the commonwealth's emergency medical services (EMS) system.¹⁰ DOH manages the EMS system through its Bureau of Emergency Medical Services (BEMS). BEMS is responsible for the statewide development and coordination of a comprehensive system to prevent and reduce premature death and disability.¹¹ It plans, coordinates, develops, implements, and evaluates the statewide EMS system, including emergency preparedness and response.¹² The state EMS system includes 13 regional EMS councils, the Statewide Advisory Board, and the Pennsylvania Trauma Systems Foundation.

BEMS executes contractual agreements with entities to serve as regional EMS councils responsible for developing, expanding, maintaining and improving regional EMS systems. DOH distributes EMSOF funds to regional EMS councils for the following:¹³

- Educational programs
- Ambulances or other medical equipment purchases
- EMS provider training and testing programs
- Inspections or investigations
- Communications equipment or services purchases
- EMS agency mergers assistance
- Regional councils' maintenance or operational costs
- Data collection and analysis costs for evaluating the effectiveness of EMS systems
- EMS agency assistance with recruiting and retaining EMS providers

In June 2023, BEMS developed an EMS Invoicing Process Improvement Plan to address the underlying causes of the issues presented in the prior audit reports and identify opportunities to improve DOH oversight of EMSOF. The new invoicing process for all regional EMS councils was designed to standardize the process resulting in increased effectiveness and efficiency.

In addition to BEMS, the DOH Bureau of Family Health administers the Head Injury Program¹⁴ (HIP) using a portion of EMSOF funding. HIP provides case management rehabilitation services to individuals with traumatic head injuries. DOH contracts with head injury rehabilitation service providers in Pennsylvania to assist eligible individuals.

¹⁰ 35 Pa.C.S. § 8105(b).

¹¹ See <https://www.health.pa.gov/topics/EMS/Pages/EMS.aspx> (accessed December 16, 2024).

¹² 2023-2024 Governor's Executive Budget, p. E-24-18.

¹³ 28 Pa. Code §§ 1021.1 – 1021.8.

¹⁴ 28 Pa. Code Chapter 4 (Head Injury Program), 28 Pa. Code §§ 4.1 to 4.15.

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EMSOF Funding Sources and Allocations

Act 93 of 2020 established criteria for the use of fines and fees to fund EMSOF and modified how the funds could be used. EMSOF is primarily funded from a \$20 fine imposed on moving traffic violations and a \$50 fee imposed on persons admitted to the Accelerated Rehabilitative Disposition (ARD) program.¹⁵ The table below shows the revenue for each fiscal year of our audit period.

Emergency Medical Services Operating Fund (EMSOF) Revenue by Fiscal Year	
Fiscal Year	Total Revenue
July 1, 2021 - June 30, 2022	\$14,534,150
July 1, 2022 - June 30, 2023	\$15,143,151
July 1, 2023 - June 30, 2024	\$15,574,718

Source: Created by Department of the Auditor General staff using the Commonwealth's Accounting System (SAP).

According to the Act, 75 percent of EMSOF funds shall be allocated to eligible EMS agencies, including the Statewide Advisory Council, for the performance of duties imposed under the Act; to regional EMS councils for the development, maintenance, and improvement of the EMS systems; and to other contractors and grantees. From this portion of EMSOF funding, 30 percent must be allocated for training to underserved rural areas, and no less than 10 percent shall be provided to EMS agencies to assist with medical equipment purchases for ambulances.¹⁶ The remaining 25 percent of EMSOF funding shall be allocated to the Catastrophic Medical and Rehabilitation Fund for victims of trauma through the HIP.¹⁷

¹⁵ 75 Pa.C.S. §§ 3121 (Act 37, as amended by Act 93 of 2020, effective February 26, 2021) and 3807(b)(ix) (Act 24 of 2003, last amended by Act 93 of 2020).

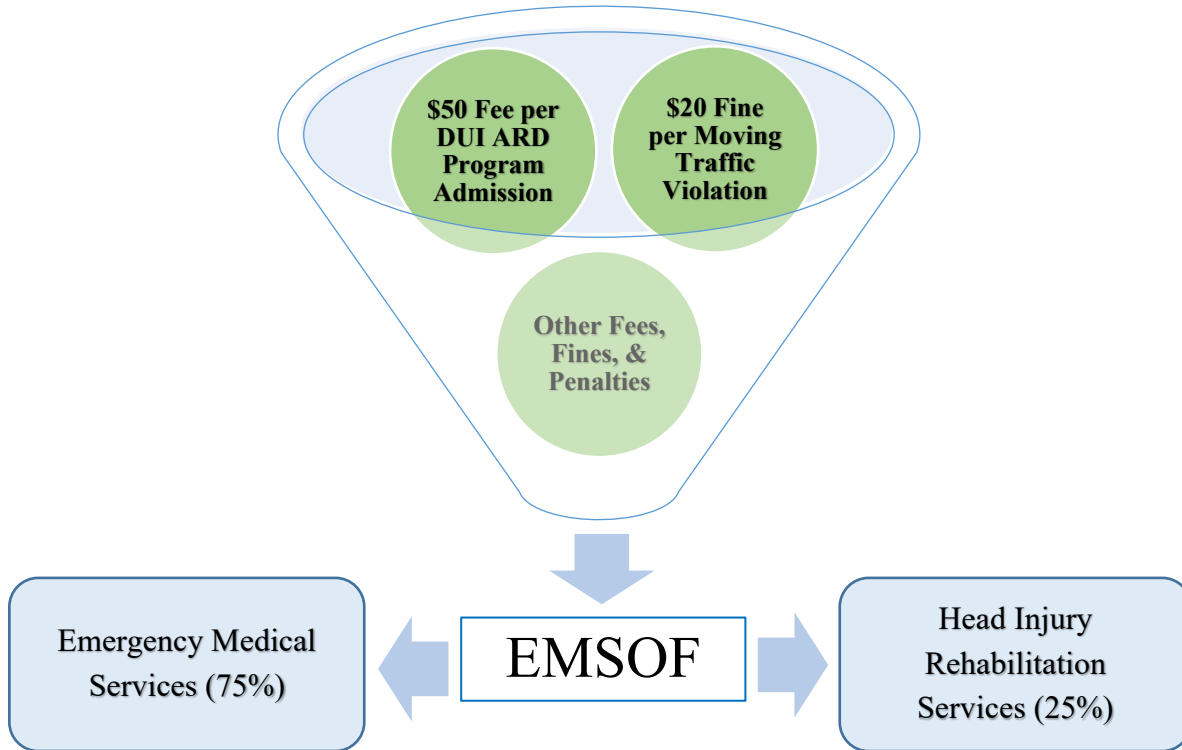
¹⁶ 35 Pa.C.S. § 8153(c)(1)-(4).

¹⁷ 35 Pa.C.S. § 8153(d).

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EMSOF Receipts and Disbursements



Source: Created by Department of the Auditor General staff.

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Finding 1 – The Department of Health failed to adequately monitor the Emergency Medical Services Operating Fund and failed to strengthen internal controls despite hiring new management and implementing a new invoicing process.

The Emergency Medical Services Operating Fund (EMSOF), created by the Emergency Medical Services System Act (Act), is administered by the Pennsylvania Department of Health’s (DOH’s) Bureau of Emergency Medical Services (BEMS).¹⁸ Seventy-five percent of the monies of EMSOF are to be allocated to eligible regional Emergency Medical Services (EMS) councils and the State Advisory Board (Board), as described in the *Introduction and Background* section of this report.¹⁹

For the fiscal years ended (FYE) June 30, 2022, 2023, and 2024, DOH granted EMSOF funds to 13 regional EMS councils and the Board.²⁰ Five of the 13 councils’ regions encompass only one county each, while the other eight councils cover multi-county regions.²¹ The Board serves as an independent advisory body to DOH and all other appropriate agencies on matters pertaining to emergency medical service duties imposed under the Act.²² Additionally, the Board assists the regional EMS councils, as well as other contractors, grantees, and local EMS agencies, in the development, maintenance, and improvement of the EMS systems.

DOH management is responsible for implementing an effective internal control system to manage risk, promote accountability, and prevent and detect instances of error, fraud, and/or abuse of EMSOF dollars. An internal control system includes policies, procedures, and oversight activities used to safeguard assets.²³ Internal controls ensure the reliability and integrity of

¹⁸ 35 Pa.C.S. § 8153(a). EMSOF was created by Act 37 of 2009, as amended, which was repealed and, with limited exception, continued the prior act – Act 45 of 1985, as amended.

¹⁹ 35 Pa.C.S. § 8153(c).

²⁰ See the total EMSOF revenue collected during the three-year audit period in the *Introduction and Background*. See the amounts DOH distributed to the EMS councils and Board with a map of the regions covered by each council during the FYEs 2022, 2023, and 2024, in *Appendix B*.

²¹ To receive payment of EMSOF funds, the councils and Board submit monthly invoices to DOH, for which the process is different for single-county and multi-county councils. The Board and the five single-county councils receive reimbursement payments for actual expenditures, while the eight multi-county councils submit invoices for 1/12th of their total annual grant providing a consistent and reliable flow of funds throughout the fiscal year.

²² Under the Act, the “Board” is defined as, “[t]he State Advisory Board, which is the Board of Directors of the Pennsylvania Emergency Health Services Council” composed of up to 30 volunteer, professional, and paraprofessional organizations. See 35 Pa.C.S. §§ 8103 and 8108(a). The Pennsylvania Emergency Health Services Council’s “Board of Directors were recognized as the official EMS advisory body to the Pennsylvania Department of Health through the Emergency Medical Services Act of 1985 [Act 45] and was reauthorized by Act 37 of 2009.” See https://pehsc.org/wp-content/uploads/2025/03/PEHSC-FY-23-24-Annual-Report_FINAL.pdf (accessed May 14, 2025).

²³ U.S. Government Accountability Office. *Standards for Internal Control in the Federal Government*. September 2014. The Green Book, Section OV1.06, states that management is responsible for an effective internal control

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financial information, compliance with the applicable laws and regulations, and promotion of efficient and effective operations. DOH management must communicate the expectations and duties to staff as part of a control environment and ensure ongoing compliance with that control environment.

The Department of the Auditor General conducted four prior mandated performance audits of DOH's administration of EMSOF covering periods beginning July 1, 2010, through June 30, 2021.²⁴ Each audit reported significant control weaknesses that have **remained uncorrected since the program's inception**. DOH has taken steps to improve its oversight of EMSOF, which included developing a new invoicing process and hiring its new and current BEMS director in December 2023 after a nationwide search. However, we found that substantial control weaknesses continued to exist during the current audit period of July 1, 2021, through June 30, 2024.

Based on the results of our current audit, we found that DOH implemented a new invoicing process and procedures and updated its EMSOF monitoring policies. However, BEMS management did not effectively administer the new processes and procedures developed to address the lack of adequate internal controls over EMSOF dollars distributed to EMS councils and the Board found during the prior audits. Our current audit procedures found the following deficiencies, which are described in detail in the subsequent sections:

- DOH failed to provide adequate oversight of EMSOF expenditures by the EMS councils and the Board.
- DOH did not comply with certain regulations and policies or effectively implement procedures designed to achieve the objectives of the EMSOF.
- DOH failed to adequately account for the return of unspent EMSOF funds by the councils.

According to DOH, prior to July 1, 2023, which includes the first two years of our audit period, it lacked a standardized process for the multi-county councils to submit supporting documentation with each invoice. Unlike the invoices submitted by the single-county councils to receive an actual reimbursement payment, the invoices submitted by the multi-county councils to receive a 1/12th payment were not expected to agree with the supporting receipts. DOH instead

system. This includes establishing the organization's objectives, implementing controls, and evaluating the internal control system. Section OV2.02 states that management is responsible for designing the policies and procedures to fit an entity's circumstances and building them in as an integral part of the entity's operations.

²⁴ The audit report dated February 27, 2014, covered the period July 1, 2010, through June 30, 2012. The audit report dated December 21, 2015, covered the period July 1, 2012, through June 30, 2014. The audit report dated July 2, 2018, covered the period July 1, 2015, through June 30, 2017. The audit report dated April 26, 2023, covered the period July 1, 2017, through June 30, 2021.

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relied on year-end reconciliations to properly account for the EMSOF funds but did not formally document the reconciliations. Therefore, without evidence of DOH's review and reconciliation to supporting expenditure documentation, we could not verify the allowability of such EMSOF expenditures or determine whether DOH effectively ensured the councils and Board returned all unspent funds.

In response to our prior audit dated April 26, 2023, DOH changed its process beginning on July 1, 2023. For FYE June 30, 2024, DOH developed a new EMS Invoicing Process Improvement Plan (new invoicing plan). The new invoicing plan requires each EMS council and the Board to submit an invoice workbook that lists each EMSOF-related expenditure made during the period covered by the invoice submitted to DOH, typically on a monthly basis. Single-county councils and the Board receive payments that match the invoices, invoice workbooks, and supporting documentation submitted, while multi-county councils receive a 1/12th payment regardless of the expenditure amounts recorded on the invoice workbooks. However, DOH requires each EMS council and the Board to submit documentation that supports the expenditures included on the invoice workbook. The same invoice workbook would be used by the EMS council or the Board throughout the fiscal year to accumulate and track total EMSOF-related expenditures. This process enables DOH to review cumulative activity on the workbooks throughout the fiscal year beginning with the invoices for July 2023.

DOH failed to provide adequate oversight of EMSOF expenditures by the EMS councils and the Board.

We judgmentally selected 60 DOH payments to the EMS councils and Board for monthly invoices submitted to BEMS between July 1, 2021, and June 30, 2024, totaling \$5.1 million of the \$29.3 million that DOH disbursed during that three-year period.²⁵ Our selection of 60 payments included nearly \$1.5 million for equipment the councils purchased for licensed EMS agencies, such as a local ambulance service, as shown on 18 of the 60 invoices.²⁶ The EMSOF funds used for these purchases are referred to as “pre-hospital provider” (PHP) funds and require DOH approval *before* the councils purchase the equipment.

We reviewed the invoice submitted for each payment to verify DOH's review and approval, ensured supporting receipts were maintained, verified mathematical accuracy, and determined whether the expenditures were allowable according to the contracts, and applicable laws and

²⁵ Using auditor's judgment, we selected 60 DOH payments to ensure coverage of the 13 EMS councils and Board based on a prorated calculation of total EMSOF dollars received over the three-year audit period ended June 30, 2024. We selected payments to ensure adequate coverage of each fiscal year.

²⁶ An EMS agency is an entity that engages in the business or service of providing emergency medical services to patients within the Commonwealth by operating an ambulance, advanced life support squad vehicle, basic life support squad vehicle, quick response service, special operations EMS service, or a vehicle or service which provides emergency medical services outside of a health care facility. *See* 35 Pa.C.S. § 8103.

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regulations. The following table shows the deficiencies we found during our review of the selected 1/12th payments to the eight multi-county region councils and reimbursement payments to the five single-county region councils and the Board:²⁷

Deficiencies Found During Testing					
Multi-county Council 1/12 th Payments Reviewed	FYE June 30,			Total	Amount
	2022	2023	2024		
Total 1/12 th Payments Tested	15	16	18	49	\$4,467,829
Deficiencies:					
Invoice/Invoice Workbook lacked supporting documents (non-PHP expenditures) ^{a/}	9	10	11	30	\$2,615,943
PHP purchase lacked DOH pre-approval form	---	1	---	1	---
PHP expenditures lacked supporting documents	2	5 ^{b/}	2 ^{c/}	9	\$524,471
Incomplete Invoice Workbook (FYE 2024 only) ^{d/}	N/A	N/A	9 ^{e/}	9	---
Total Payments tested with at least one deficiency	11	15^{g/}	11^{g/}	37^{g/}	\$3,140,414[^]
Single-county Council/Board Reimbursement Payments Reviewed					
Total Reimbursement Payments Tested	2	3	6	11	\$585,934
Deficiencies:					
Invoice/Invoice Workbook lacked supporting documents (non-PHP expenditures)	---	1	1	2	\$62,781
PHP purchase lacked DOH pre-approval form	1	1	---	2	---
PHP expenditures lacked supporting documents	1 ^{b/}	1 ^{b/}	1	3	\$203,482
Incomplete Invoice Workbook (FYE 2024 only) ^{d/}	N/A	N/A	1 ^{f/}	1	---
Total Payments tested with at least one deficiency	1^{g/}	2^{g/}	2^{g/}	5^{g/}	\$266,263[^]

²⁷ For a selected payment, we found that multiple deficiencies could exist as indicated in the *Deficiencies Found During Testing* table.

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^{a/} – Supporting documentation for these invoices could not be verified for the FYEs June 30, 2022, and 2023 because the supporting documents were not required to equal the 1/12th payment, year-end reconciliations were not formally documented, and invoice workbooks were not implemented until FYE 2024.

^{b/} – Includes one payment that also lacked PHP pre-approval form.

^{c/} – Invoices included PHP and non-PHP expenditures that lacked supporting documents and had incomplete invoice workbooks.

^{d/} – Invoice workbook did not list individual EMSOF expenditures as required to allow DOH to trace them to supporting documentation.

^{e/} – These nine payments also lacked supporting documentation.

^{f/} – Payment also lacked supporting documents for PHP expenditures.

^{g/} – To avoid double counting, total amounts do not calculate because some individual payments had multiple deficiencies.

^{h/} – Includes only EMSOF amounts that lacked supporting documentation.

N/A – Not applicable for FYE 2022 and 2023, because invoice workbooks were not implemented until FYE 2024.

Source: Prepared by Department of the Auditor General staff from the Commonwealth's Accounting System (SAP).

As noted in the above table, of the 60 payments we reviewed totaling \$5.1 million, we found 42 payments lacked supporting documentation totaling more than \$3.4 million (68 percent); therefore, we could not verify that the councils and the Board spent these EMSOF funds for allowable purposes. This amount included \$727,953 of the \$1.5 million for PHP expenditures we reviewed. Additionally, we found the councils failed to complete or submitted a partially completed invoice workbook for 10 of 24 FYE 2024 payments we reviewed. Our results indicate there is a high risk that unallowable or wasteful expenditures could go undetected by DOH.

DOH's new invoicing plan implemented for FYE 2024 was designed to improve its oversight by requiring the councils and Board to enter actual expenditures on invoice workbooks and submit the supporting expenditure documentation with every invoice. Therefore, while the 1/12th payment invoices may not agree with the actual receipts, DOH could trace the receipts to the invoice workbooks to track the councils' and Board's actual expenditures throughout the fiscal year. This would also improve the year-end reconciliation process. For FYE 2024, we attempted to verify that expenditures listed on the invoice workbooks agreed with the expenditure documentation provided by the councils and Board; however, we could not match the supporting receipts to the invoice workbooks for 13 of the 24 selected payments reviewed.

As noted in the table above, we reviewed the PHP expenditures included on the selected invoices to verify the councils followed the specific procedures applicable to the PHP purchases and found that three did not include the proper pre-approval form. The councils must provide the details of the intended purchase using the DOH Provider Equipment Request form (pre-approval form). The form includes the name of the PHP, a description of the items to be purchased, the quantity, unit price, total cost, and amount of the EMSOF dollars needed. BEMS staff review the PHP purchase requests for allowability and accuracy and advise the director whether the request should be approved. If approved, the councils may proceed with the purchases and include the expenditures on the next invoice submitted to DOH with the supporting receipts.

Regarding all the deficiencies noted in the *Deficiencies Found During Testing* table above, DOH management explained that multiple changes in leadership at BEMS and other staffing shortages

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contributed to its inability to locate documents resulting in the noted deficiencies. Regardless of those issues, DOH must maintain a system that ensures documents obtained from the councils and Board are complete and retained so it can sufficiently demonstrate that EMSOF funds were spent in accordance with the applicable laws, regulations, and policies.

Additionally, DOH management indicated that it struggled to get certain EMS councils to submit supporting documentation after implementing the new invoicing plan in July 2023. We found that even though BEMS provided training for the councils and Board, it did not adequately enforce compliance with its new invoicing plan. DOH management chose to periodically send reminder letters instead of imposing the formal consequences built into the grant contract provisions. Specifically, the contracts authorize DOH to withhold 20 percent of the grant until it determines that all work and services have been performed to its satisfaction, disapprove any expenditure not made in accordance with contract terms, and withhold payment if required reports are not submitted on time without an approved extension. Additional information regarding the lack of cooperation from the councils is presented in the next section of this finding.

Complying with DOH's new invoicing procedures presented challenges for certain EMS councils, which hindered DOH's oversight of the councils' expenditures of EMSOF funds.

BEMS management stated that some councils questioned the adoption of the new procedural changes fearing they would jeopardize the stability and predictability of the councils' EMSOF funding. In response to the councils' concerns, DOH reassured them that the payment provisions would not change but completion of the invoicing workbook was necessary to ensure all supporting documentation is submitted.²⁸ Despite DOH's response and sending periodic letters to remind the councils and Board of the new invoicing requirements, DOH proceeded to informally grant a grace period for compliance to allow time for them to acclimate to the new procedures. Further, DOH did not utilize enforcement provisions in the grants to penalize the councils that failed to comply with the invoice workbook procedures for 13 of the 24 FYE 2024 payments reviewed, as listed in the deficiencies table above.

Management noted that in the past, some councils contacted state legislators with concerns about DOH oversight. In May 2023, a news report described a letter to Governor Shapiro from EMS agencies located in 44 counties that expressed concerns about the future of EMS in PA.²⁹ The reporter spoke with a president of one EMS council who warned how the *heavy-handed* management approach by the previous BEMS director to enforce regulations could adversely impact the EMS system. While an adversarial relationship with grantees may hinder the

²⁸ *EMS Invoicing Process Improvement Plan*, June 2023.

²⁹ See <https://www.wpxi.com/news/pennsylvania/ems-agencies-44-pennsylvania-counties-send-letter-gov-shapiro-expressing-concerns/UJABFWTEQBE6JBXL6PFZ4L6SKE/> (accessed July 3, 2025).

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administration of EMS policies, BEMS must enforce compliance to ensure EMSOF funds are properly expended according to the applicable laws, regulations, policies, and agreements.

We noted that the new invoicing plan emphasized the need for the councils and Board to organize the supporting documents according to the budget categories on the invoice workbook.³⁰ Despite the requirement, we found the councils and Board did not consistently organize or clearly mark the documentation submitted with the invoices. This inhibits DOH's ability to efficiently process the documents and reduce the time needed to review the support and raises concerns about the reliability and diligence of DOH's oversight and review process. Failing to complete comprehensive reviews of the council and Board expenditures increases the risk of waste and abuse of EMSOF funds and the potential for fraud.

BEMS management also explained that the challenges for the councils and Board to comply with DOH's new invoicing procedures hindered the year-end reconciliation process, which verifies the EMSOF expenditures reported throughout the fiscal year adhere to the councils' and Board's established budgets and unspent funds are returned. However, management stated that successfully completing the process requires the councils' and Board's cooperation to obtain the necessary supporting documentation and some councils are less cooperative, so the results have been inconsistent. We requested documentation of the reconciliation process, but management stated that the process is not formally documented. Staff review the line-item budgets to verify whether any were exceeded. For the FYE 2024 reconciliation, staff used the invoice workbooks, which are formatted to identify overages. BEMS only provided some correspondence emails between BEMS and the councils sent to resolve specific issues identified during the reconciliation process.

Management admitted that staff need additional training to properly complete year-end reconciliations using the invoice workbook and noted that an instruction sheet was being developed and would be incorporated into its new invoicing plan. The lack of procedures and documentation to ensure the year-end reconciliations are consistently and properly completed increases the risk that wasteful spending of EMSOF funds by the EMS councils or Board would go undetected.

DOH did not comply with certain regulations and policies or effectively implement procedures designed to achieve the objectives of the EMSOF.

The General Assembly defined the purpose of the EMSOF through the Act and charged DOH with planning, guiding, and coordinating programs that promote the effective and efficient

³⁰ The invoice workbook lists the use of EMSOF funds by major category/purpose (EMSO, Rural Training, PHP, etc.) and includes budget categories under each, such as Personnel Services, Consultant/Subcontract Services, Supplies and Equipment, Travel, and Other Costs.

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operation of the statewide and regional EMS systems. The applicable regulations, along with DOH policies and procedures, were developed to achieve this mandate. However, during the three-year audit period, we found instances when DOH management failed to comply with certain regulations and internal policies or effectively implement procedures designed to improve oversight of EMSOF funds and EMS council and Board activities beyond its inadequate monitoring of expenditures discussed in the previous section of this finding.

According to regulations, EMS councils and the Board may receive EMSOF funding from DOH for the purposes listed in the *Introduction and Background* section of this report. The regulations also state that on a yearly basis in a notice published in the *Pennsylvania Bulletin*, “[DOH] will set forth additional priorities for funding...”.³¹ We found, however, DOH did not update or publish EMSOF priorities for the FYEs 2023 or 2024. The most recent DOH notice from an October 2021 issue of the *Pennsylvania Bulletin* listed EMSOF funding priorities for the period July 1, 2021, through June 30, 2022.³² The current management was hired in December 2023, and therefore, could not explain the lack of published priorities. Management’s failure to comply with the regulation for two years indicates a lack of oversight, weakens control, and reduces public transparency surrounding DOH’s administration of the state’s EMS systems.

We also noted instances when BEMS did not adhere to established policies related to its oversight of EMSOF. These instances include the following:

BEMS did not conduct contract monitoring site visits of any EMS council or the Board during the three-year audit period.

According to a DOH policy initially issued in July 2019 and updated three years later, BEMS will conduct onsite contract monitoring of the EMS councils and Board no less than once every four years.³³ BEMS management was unable to find documentation of any onsite monitoring completed during the three FYEs June 30, 2022, 2023, and 2024. Additionally, we noted that the four prior audits found that no onsite monitoring had been performed since July 1, 2010. Therefore, the councils and Board have not received onsite monitoring visits for at least 14 years. DOH management has consistently responded that it lacked sufficient resources to conduct adequate monitoring activities as other duties were the priority. Similarly, management cited frequent leadership transitions within BEMS since July 2019, when the policy was initially implemented, to explain the lack of onsite monitoring visits during the current audit period. The current BEMS director, hired in December 2023, stated that BEMS has focused on implementing the new invoice workbook and will be able to comply with the monitoring policy after the new

³¹ Subsection (b) of Section 1021.24 (relating to Use of EMSOF funding by a regional EMS council of the EMS regulations, 28 Pa. Code § 1021.24(b).

³² *The Pennsylvania Bulletin*, Volume 51, Number 41, page 6484 pertaining to Funding Priorities (51 Pa.B. 6484), Saturday, October 9, 2021.

³³ DOH Policy Circular, PC 2022-BS-05, *Contract Monitoring Program for Regional EMS Councils and State Advisory Board*, Bureau of Emergency Services, July 12, 2022.

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BEMS financial manager starts in June 2025. DOH's failure to adhere to its policy increases the risk that EMSOF funds could be wasted, abused, or fraudulently spent. Conducting onsite monitoring visits can be an effective component of a comprehensive monitoring plan to prevent, deter, and detect the misappropriation of funds.

BEMS did not complete attestation forms for the FYE 2024 allocations calculations and failed to review the forms according to the EMSOF allocations policy for the FYEs 2022 and 2023.

BEMS did not complete attestation forms and review them as required by the EMSOF allocations policy. BEMS staff annually calculate the EMSOF amounts allocated to each EMS council and the Board according to the DOH allocation policy.³⁴ The policy outlines the process, which includes a multi-level review to ensure the accuracy of the calculations. For the FYEs 2022 and 2023, DOH provided signed attestation sheets and completed Allocation Policy Checklists. However, we noted that each sheet and checklist contained only two of the three signatures the policy required. The BEMS Director and Program Manager signed, while the Administrative Officer's signature was missing from each form. Therefore, it is unclear whether DOH completed the required reviews intended to ensure the accuracy of the allocation calculations. Additionally, DOH management admitted that the attestation sheet and checklist were not completed for the FYE 2024 due to multiple leadership changes at the beginning of that fiscal year. Despite missing one reviewer's signature on the FYEs 2022 and 2023 forms and failure to complete forms for the FYE 2024, we verified that DOH's allocation calculations for those years were accurate. However, DOH's failure to adhere to its policy increases the risk that an error would go undetected and result in an incorrect amount being allocated to the councils or Board.

DOH failed to adequately account for the return of unspent EMSOF funds by the councils.

The EMS councils that cover multiple counties receive 1/12th of their annual EMSOF allocation each month to ensure a steady flow of funding throughout the year.³⁵ Consequently, the councils may receive payments in advance of actual expenditures, which increases the risk that a council may not expend the entire amount received, necessitating the return of unspent funds. According to DOH management, staff would compare refund check amounts to audit reports and other documents as part of the year-end reconciliation process to ensure councils returned the proper amounts. However, as described above, we could not evaluate the effectiveness of this process because DOH failed to document its year-end reconciliation. Therefore, we reviewed the

³⁴ DOH Policy Circular, PC 2022-BS-02, *Emergency Medical Services Operating Fund Allocation Policy*, Bureau of Emergency Services, July 12, 2022.

³⁵ See a map of the EMS councils' regional coverage areas in *Appendix B*.

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commonwealth’s accounting system and identified a total of 13 refund transactions for the FYEs June 30, 2022, 2023, and 2024, as shown in the following table:

EMSOF Refund Transactions		
For the FYE:	Refunds	Total
2022	4	\$71,400
2023	4	\$54,609
2024	5	\$161,997
Total	13	\$288,006

Source: Prepared by Department of the Auditor General staff from the Commonwealth’s Accounting System (SAP).

We judgmentally selected 9 refund transactions to review totaling \$219,170 from the 13 refunds listed in the table above, which included 4 for FYE 2022 (\$71,400), 2 for FYE 2023 (\$9,633), and 3 for FYE 2024 (\$138,137).³⁶ However, DOH could only locate supporting documents for six of the nine refunds selected: four for FYE 2022; none for FYE 2023; and two for FYE 2024. Although we could not verify the accuracy of councils’ actual expenditures at year end due to lack of DOH documentation, we did determine that documentation provided for the four FYE 2022 refund amounts agreed to the refund transactions posted in the commonwealth’s accounting system. However, we found that the documents provided for both FYE 2024 refunds did not accurately support the amounts for either refund. The documents for one refund only supported approximately half of the total refund amount, while documentation for the other refund was not prepared and processed correctly. This documentation showed a total refund of \$39,796, but only \$8,712 were state EMSOF funds. The remaining \$31,084 was federal funds being returned. However, DOH staff erroneously prepared the refund of expenditures document returning the entire amount to the state EMSOF account. After we brought this error to DOH’s attention, management agreed and stated that it would process a correction to move the refund amount of \$31,084 to the proper federal funds account. DOH management explained that the error was not detected because its process lacked clearly defined review procedures for the staff-prepared refund of expenditures documents. Furthermore, we were unable to verify the accuracy of the FYE 2023 refunds due to lack of supporting documentation.

Additionally, during our review of EMSOF payment documents, we discovered a June 2024 invoice that indicated \$9,991 previously received by the council remained unspent. A check for that amount accompanied the invoice to return the funds. Both documents contained a Comptroller’s Office stamp with a date. After not being able to locate the refund of expenditures document or identify the return in the commonwealth’s accounting system, we questioned DOH management about the invoice and check. DOH agreed with our assessment of the documents

³⁶ From the population of 13 refund transactions identified in the commonwealth’s accounting system, we judgmentally selected 9 for our review based on our access to available documents on DOH’s shared drive and to ensure coverage for the entire audit period. Consequently, we reviewed four refunds for the FYE 2022, two for the FYE 2023, and three for the FYE 2024.

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but could not locate the refund transaction in the accounting system and provided no further information.

These deficiencies indicate weaknesses in DOH's internal controls, year-end reconciliation process, and refund processing procedures, which resulted in inadequate oversight of the unspent EMSOF funds returned by the councils. These situations highlight the importance of a clearly defined and documented year-end reconciliation process that BEMS staff should complete, along with a supervisory review, for each council and the Board. This process will assist DOH with ensuring the councils and Board spend EMSOF funds according to applicable regulations and properly accounting for the return of any unspent funds.

Overall Conclusion

DOH updated policies and created new procedures to improve its administration of the EMSOF but lacked adequate implementation, oversight, and enforcement efforts required to make them effective. Therefore, internal control weaknesses continued to exist at BEMS. Management repeatedly stated that multiple leadership changes at BEMS during the audit period hampered its implementation of procedural changes, but DOH indicated that it remains committed to make continued improvements. BEMS management explained that the approval to hire additional staff granted during our audit of DOH will ease the workload and enhance operational efficiencies in the future.

DOH's internal control weaknesses and lack of adequate monitoring of the EMS councils' and Board's EMSOF expenditures create a significant risk for the waste and abuse of state funds and the potential for fraud. For more than a decade, DOH has expressed a commitment to improving its oversight of EMSOF but has continually failed to dedicate the resources necessary to strengthen controls and conduct sufficient monitoring activities to safeguard the limited funds earmarked to enhance EMS services. By considering the following recommendations and prioritizing its efforts to strengthen internal controls, DOH can better ensure continuity, accountability, and program integrity regardless of changes in leadership or staffing levels.

Recommendations for Finding 1

We recommend that the Pennsylvania Department of Health (DOH) implement the following improvements to strengthen its internal control environment and ensure the continuity and effectiveness of EMSOF compliance functions and monitoring:

1. Require EMS council and Board compliance with established DOH policies and procedures *prior* to providing payment of EMSOF monies *or* withhold funds from

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subsequent payment requests until the required documentation is provided, including but not limited to the:

- a. Completed invoice workbook.
 - b. Submission of orderly, itemized documentation (i.e., receipts) that support the EMSOF expenditures.
 - c. Submission of any additional schedules with information necessary to adequately support certain types of expenditures, such as travel and fuel costs.
2. Obtain all supporting documents for the councils' and Board's EMSOF expenditures for the FYEs 2022, 2023, and 2024, and perform reconciliations to ensure allowability, accuracy, and the return of any unspent funds.
 3. Strengthen controls to effectively enforce the invoice submission requirements using a graduated process that provides opportunities for compliance through counseling and training prior to assessing penalties and possible termination of an EMSOF contract.
 4. Foster cooperative relationships with EMS councils and the Board to promulgate a comprehensive statewide EMS plan that addresses the needs of Pennsylvania residents while effectively overseeing the proper application of EMSOF funding.
 5. Document the year-end reconciliation process and adequately train BEMS staff to ensure procedures are timely, effectively and consistently applied to properly account for all EMSOF dollars and ensure funds are only used for intended purposes.
 6. Annually update and publish the DOH EMS priorities in the *Pennsylvania Bulletin* to comply with state regulations.
 7. Devote sufficient resources to ensure properly trained staff conduct and document onsite contract monitoring procedures at the EMS councils' and Board's offices according to established DOH policy.
 8. Comply with DOH policy regarding the EMSOF allocations review and attestation procedures designed to ensure that allocations are accurately calculated.
 9. Ensure DOH identifies all unspent EMSOF funds during the year-end reconciliation process and verify that the funds are returned by the councils and accurately processed and accounted for in the commonwealth's accounting system by strengthening controls, such as adopting formal review procedures that ensure the accuracy for the processing of returned EMSOF funds.

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10. Locate the missing \$9,991 of returned EMSOF funds DOH could not account for in the commonwealth's accounting system, identify the circumstances that permitted these funds to go missing, and develop controls to ensure all refunds are properly processed and returned to the EMSOF.

11. Develop procedures that ensure the continuity of BEMS' operations when leadership changes occur, specifically regarding EMSOF contract oversight procedures that ensure compliance with regulations and policies, and guarantee documentation is maintained by embedding strengthened internal controls into day-to-day operations.

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Finding 2 – The Department of Health failed to ensure the EMS councils and the state advisory board complied with annual reporting and audit requirements intended to promote accountability and transparency.

Pennsylvania’s Emergency Medical Services (EMS) system includes 13 regional EMS councils (councils) that assist the Pennsylvania Department of Health (DOH) in assuring, among others, the availability of training programs for EMS providers, collecting standardized patient care data, and performing other activities that contribute to the achievement of system goals.³⁷ Additionally, the state advisory board, Pennsylvania Emergency Health Services Council (Board), advises DOH on issues concerning staffing, training, communications, EMS agencies, and the content of regulations, standards, policies, and the Statewide EMS system plan issued by DOH.³⁸ To accomplish its EMS goals, DOH provides grant funding from the Emergency Medical Services Operating Fund (EMSOF) to regional EMS councils and the Board through annual contracts that align with the state fiscal year (July 1 – June 30).³⁹

The contracts outline the services the EMS councils and Board will provide and identify reporting requirements to ensure the accountability of the EMSOF funding and transparency of the activities performed.⁴⁰ DOH created policies for the receipt and review of comprehensive annual reports (annual reports) and annual program-specific financial audit reports (audit reports) that must be submitted within specific timeframes following the end of the state fiscal year.⁴¹

For the fiscal years ended (FYE) June 30, 2022, 2023, and 2024, we assessed whether: (1) DOH obtained, tracked the submission, and adequately reviewed the annual reports and audit reports; and (2) the annual reports contained the required information.

We determined that DOH did not adequately oversee and manage the contract reporting requirements to ensure the accountability and transparency of the councils’ and Board’s EMS activities. Based on our procedures, we found:

- DOH failed to adequately review annual reports for completeness and accuracy, as similarly reported in our prior audit dated April 26, 2023.
- DOH did not receive 2 audit reports and did not consistently address the late submissions of 19 audit reports.

We reported similar issues in the four prior mandated performance audits of EMSOF covering periods from July 1, 2010, through June 30, 2021, regarding DOH’s failure to adequately

³⁷ 35 Pa.C.S. § 8109(c).

³⁸ 35 Pa.C.S. § 8108(b)(2)-(3).

³⁹ 35 Pa.C.S. § 8107.3.

⁴⁰ 28 Pa. Code § 1021.103(c)(5).

⁴¹ 28 Pa. Code § 1021.103(d).

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monitor the councils' and Board's compliance with the annual reporting requirements and/or the audit reporting requirements.

DOH failed to adequately review annual reports for completeness and accuracy, as similarly reported in our prior audit dated April 26, 2023.

The DOH EMSOF annual reporting policies outline procedures for obtaining the annual reports, as well as a process for reviewing the reports designed to ensure compliance with the applicable regulations and contract requirements.⁴² These reports promote accountability and transparency of the councils' and Board's use of EMSOF funding and their activities in support of the regional and statewide EMS systems.

We requested the annual reports DOH received for the FYEs June 30, 2022, 2023, and 2024, the submission emails to verify the reports were submitted timely, and the Regional Council Annual Report Review Worksheets (worksheets) completed by the Bureau of Emergency Medical Services (BEMS) program managers. Based on our procedures, we found:

- DOH could not provide evidence that it reviewed the 2022 and 2023 annual reports for compliance with contract requirements.
- DOH performed inadequate reviews that failed to ensure the timely submission, completeness, and accuracy of the 2024 annual reports.

These issues caused a lack of transparency and accountability of the councils' and Board's activities on the basis of compliance with the applicable statutory provisions, regulations, and DOH guidance documents. We describe the issues in detail in the sections that follow.

DOH could not provide evidence that it reviewed the 2022 and 2023 annual reports for compliance with contract requirements.

After requesting the annual report review documents, DOH management informed us that it could not locate the annual report review worksheets completed for the 2022 and 2023 annual reports. Therefore, we could not evaluate BEMS monitoring activities for FYEs June 30, 2022, and 2023, and only assessed the report review activities DOH conducted for the 2024 annual reports which we address in the next section. Additionally, although management provided the 2022 and 2023 annual reports, it stated that it did not maintain the annual report submission emails, which were sent to the previous BEMS director who was no longer affiliated with DOH. Therefore, we also could not determine if the councils and Board complied with the report submission deadline for those years.

⁴² DOH Policy Circular, PC-2022-BS-01, *Receipt and Review of Council Annual Reports*, Bureau of Emergency Medical Services, July 12, 2022.

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Maintaining adequate documentation to support its monitoring activities is a critical management control for an organization to enforce accountability, ensure compliance with applicable laws and regulations, and assess its effectiveness to improve operations.

DOH performed inadequate reviews that failed to ensure the timely submission, completeness, and accuracy of the 2024 annual reports.

For the FYE June 30, 2024, we found that eight councils and the Board submitted the annual reports between 1 and 57 days late, which included consideration of up to 30-day extensions DOH granted via DOH email to four of these eight councils. The BEMS director recalled having phone conversations with other council management but did not maintain any documentation of any other extensions granted.

Our evaluation of the 2024 annual report review worksheets found that the BEMS director completed all 14 annual report reviews⁴³ contrary to the DOH policy, which instructs the director to assign program managers to complete the reviews. DOH designed the procedures so the staff most familiar with the councils' and Board's activities perform the annual report reviews to ensure a high quality and efficient process.

DOH management explained that the individual previously responsible for completing the reviews was no longer with BEMS, and the position was vacant. Consequently, the director, who had been appointed approximately eight months prior, decided to review the reports. He admitted that he did not understand the complexity of the task and failed to devote the time needed to properly review the reports. This was evident based on our review of the 2024 annual report review worksheets, as described in the following paragraphs. According to BEMS management, DOH recently approved hiring a financial manager, which will allow BEMS to dedicate other staff to the report reviews and improve accountability for the review process.

Based on our evaluation of the annual report review worksheets for the 2024 reports, we found that the BEMS director performed inadequate reviews that did not ensure the reports were complete and accurate, as evidenced by the following errors we found on the worksheets:

- Two worksheets were incomplete, as one lacked the council's name, and another had one unanswered review question.
- Two worksheets contained inaccurate information.

We found inconsistencies with the answers on the review worksheets compared to the content of certain annual reports. The annual report reviewer must answer five yes/no questions to complete the review of the annual reports. DOH developed the questions to ensure compliance with the annual report requirements. These questions included:

⁴³ 13 councils and the Board.

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- Were any deficiencies noted in this review?
- Were the following items present in the annual report:
 - Activities and accomplishments of the preceding year?
 - A financial statement of income and expenses?
 - A statement disclosing the names of officers and directors?
- Is the annual report available to the public? (Review of appropriate website if available)

Two councils did not post their annual reports on their websites, even though that question was marked ‘yes’ on each review worksheet. One of the two councils posted a different report that did not contain all the information required to be included in its annual report. The other council added its 2024 annual report after we informed DOH that it was not available. Additionally, that council’s annual report did not include a financial statement of income and expenses, despite the indication on the review worksheet that it was present. DOH requires the financial statement to be included in the annual reports for public viewing, because the councils and Board do not publish their audit reports.

Prior to the audit period, DOH developed an annual report template to assist with the annual report preparation to ensure the required reporting elements are included, and the reports are consistent for public viewing. The annual report review worksheets were designed to ensure the councils and Board include the required information. If DOH identifies any deficiencies, it requests a corrected report. While the review worksheet addresses the elements required to be included in the annual reports and documents whether deficiencies were found, it lacks specific items to ensure the reviewer verified the accuracy of the information presented in the reports. This increases the risk that the annual report reviews may not be consistently or thoroughly performed.

Because DOH has consistently failed to complete adequate annual report reviews during the periods covered by our current and prior audits, we compared the annual report contents included within the required report elements and found significant differences in the level of detail provided by the councils and Board. For instance, the largest EMS council in terms of EMSOF funding received during each year of our audit period and the geographic region covered did not complete certain sections of its report for the FYE June 30, 2022, and omitted those sections entirely from its 2023 and 2024 annual reports. Those sections included:

1. Board of Director/Health Council Meetings
2. Medical Advisory Committee Meetings
3. Quality Improvement Committee Meetings
4. Regional Accomplishments

Despite missing the sections noted above, the BEMS review worksheet for the 2024 annual report indicated no deficiencies were identified. DOH designed the report template so the public

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can view and assess the use of EMSOF funding to further the regional and statewide EMS plans and to increase accountability and transparency. The report review process should be comprehensive and consistent to ensure this intended purpose is achieved.

In response to our inquiries concerning DOH's monitoring activities for the annual report requirements and the deficiencies we discovered, DOH management reiterated that multiple leadership transitions within BEMS impacted its operations and hampered the comprehensive review of the annual reports. DOH claimed that a checklist had been created to improve the review process but admitted it had only been used as a guide but not formally implemented to date. Although DOH provided a copy, the checklist was merely a list of 20 items applicable to the content of the work statement included with the contracts. Only three items applied to the annual reports, and none specified the required report content. Consequently, the checklist is wholly deficient in ensuring that the annual reports are complete and accurate.

DOH did not receive 2 audit reports and did not consistently address the late submissions of 19 audit reports.

The DOH EMSOF contracts require the councils and Board to annually submit an EMSOF program-specific financial audit. The audit reports provide DOH with a level of assurance that EMSOF funds were properly spent. DOH should have received, reviewed, and approved 14 audit reports for each of the three years of our audit period, for a total of 42 audit reports. However, we found that DOH never received audit reports for the FYEs June 30, 2023, and 2024, from one council. After our inquiry, DOH contacted the council and obtained the audit report for the FYE June 30, 2024. However, the audit report was not an EMSOF program-specific audit but rather an audit of the county, which DOH did not accept. Failing to ensure compliance with the audit reporting requirements weakens DOH's monitoring activities and oversight over the expenditure of EMSOF funds.

The EMSOF audit reporting policy defines a process to ensure the timely receipt of the audit reports through the coordination of DOH's BEMS and Audit Resolution Section (ARS).⁴⁴ The policy states that the councils and Board must submit an audit report no later than 120 days after the end of the fiscal year. BEMS personnel are responsible for maintaining a tracking document to record when the audits are received and coordinating with ARS to ensure reports are reviewed and accepted. After ARS completes its review, ARS issues an acceptance email to the respective council or the Board, the firm that performed the audit, and to BEMS.

We reviewed the tracking documents to determine whether DOH adequately monitored compliance with the EMSOF contract audit report requirements. Regarding the two audit reports

⁴⁴ DOH Policy Circular, PC-2022-BS-03, *Processing of Audit Reports from Regional Councils and State Advisory Board*, Bureau of Emergency Medical Services, July 12, 2022.

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not received, we found the tracking documents were not structured to easily identify which councils or if the Board had not submitted an audit report. We additionally found that the tracking documents showed 19 audit reports were submitted between 1 and 333 days late, with an average of 66 days late. Further, one report that DOH documented as submitted 187 days late could not actually be located. DOH informs the councils and Board in the acceptance emails of any issues uncovered during its reviews. We noted that DOH failed to address the report submission timeliness for 14 of the 19 audit reports submitted late.

Overall Conclusion

By failing to adequately review the councils' and Board's annual reports and not effectively ensuring compliance with the audit reporting requirements in the EMSOF contracts, DOH diminished the accountability of the councils' and Board's activities, as well as the transparency of their use of EMSOF funds. Our prior audit report released April 26, 2023, identified similar weaknesses with BEMS review of the annual reports.⁴⁵ DOH implemented some procedures to improve its oversight of the contract reporting requirements but it needs to strengthen its internal controls to ensure its policies are properly followed and periodically evaluated for effectiveness.

Recommendations for Finding 2

We recommend that the Pennsylvania Department of Health (DOH):

1. Maintain all documents that support its EMSOF compliance monitoring activities and routinely evaluate those activities to ensure its procedures are effectively achieving the intended purpose.
2. Implement robust procedures to ensure BEMS follows the policies developed to ensure the councils and Board comply with the reporting requirements included in the EMSOF contracts.
3. Ensure BEMS has sufficient staff and resources to perform comprehensive annual report reviews designed to provide accountability for the councils' and Board's use of EMSOF funds and transparency of their activities for the public.
4. Update the annual report receipt and review process policy to ensure DOH properly accounts for the annual report submissions, including a requirement for maintaining a tracking document to monitor the council and Board compliance with the reporting

⁴⁵ Pennsylvania Department of the Auditor General audit report dated April 26, 2023, covered the period July 1, 2017, through June 30, 2021.

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requirements in the applicable law, regulations, contracts/grant agreements, and internal policies.

5. Revise the annual report review worksheet to include additional detailed procedures that would assist the reviewer in verifying the reports' completeness and accuracy and providing for more comprehensive and consistent reviews.
6. Improve the audit report tracking documentation process through coordinated efforts between BEMS and ARS staff to ensure the councils and Board submit audit reports timely.
7. Ensure BEMS consistently communicates with the councils and Board when required reports are not submitted timely or required information is not properly included in the reports.

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Audit Procedures and Results – EMSOF revenue collections were properly accounted for and expenditures for the Department of Health’s Head Injury Program complied with the applicable laws and regulations.

The Pennsylvania Department of Health (DOH) receives Emergency Medical Services Operating Fund (EMSOF) monies appropriated by the Pennsylvania General Assembly to oversee the emergency medical services (EMS) system and related activities, and to support victims of trauma through the Head Injury Program (HIP).⁴⁶ The Emergency Medical Services System Act (Act 37 of 2009) established the EMSOF with revenue generated from fines, fees, and civil penalties, as described in the *Introduction and Background*. Act 37 obligates 75 percent of the EMSOF revenue to DOH for EMS and 25 percent for the Catastrophic Medical and Rehabilitation Fund (fund).⁴⁷ This fund was created for purchasing medical, rehabilitation, and attendant care services for trauma victims who have limited financial resources. DOH prioritized this funding for HIP. The services may also include supportive services such as respite care and counseling for family or household members of trauma victims.

We conducted procedures to verify EMSOF revenue collections were properly accounted for and distributed between DOH’s EMS operations and HIP. We judgmentally selected 10 monthly revenue postings totaling \$7.5 million out of the \$47.9 million posted to EMSOF on the commonwealth’s accounting system (SAP) for the three fiscal years ended June 30, 2022, 2023, and 2024, to ensure the revenue was accounted for properly.⁴⁸ We also obtained Pennsylvania Department of Revenue reports to ensure the distribution of the EMSOF complied with the requirements of Act 37.

⁴⁶ 28 Pa. Code Chapter 4 (Head Injury Program), 28 Pa. Code §§ 4.1 to 4.15.

⁴⁷ See 35 Pa.C.S. § 8153(d) (relating to Allocation to Catastrophic Medical and Rehabilitation Fund).

⁴⁸ Using auditor’s judgment, we selected the ten largest monthly revenue postings from the commonwealth’s accounting system (SAP) ensuring that we selected at least one from each of the fiscal years ended June 30, 2022, 2023, and 2024. We then judgmentally selected either three Summary of Collections Reports of Fines and Costs from County Magisterial District Judge Offices or two from County Clerk of Courts from different counties for each revenue posting.

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DOH administers HIP through its Bureau of Family Health. The following table lists each fiscal year appropriation and the total HIP revenues and expenditures that were subject to audit:

Catastrophic Medical and Rehabilitation Fund			
Fiscal Year Ended June 30			
	2022	2023	2024
Total Appropriation ⁴⁹	\$4,300,000	\$4,200,000	\$4,100,000
Revenues ⁵⁰	\$3,633,537	\$3,785,788	\$3,893,680
Expenditures	\$2,450,502	\$2,985,373	\$3,154,324

Source: Created by Department of the Auditor General staff using the Commonwealth's Accounting System (SAP).

To determine whether DOH ensured that EMSOF collections and expenditures were adequately supported, properly accounted for, and used for the purpose(s) intended by applicable law and regulations, we performed audit procedures on the HIP revenues and expenditures for the fiscal years ended June 30, 2022, 2023, and 2024.

Our audit included analytical procedures to review fund activity, evaluation and testing of management internal controls, verification of the 25 percent transfer of EMSOF revenue to the fund, and detailed substantive procedures on a selection of items to evaluate HIP expenditure transactions.⁵¹ We judgmentally selected 25 HIP expenditures totaling \$1.4 million from a total of 581 transactions for \$8.6 million processed during the audit period.⁵² We reviewed transaction documents to determine whether the HIP expenditure was appropriate, accurate, and properly authorized according to DOH policy and regulations.

Based on the results of our procedures, we verified that EMSOF revenue collections were properly accounted for and distributed between EMS operations and HIP in compliance with Act 37, and we did not identify any weaknesses in the management internal controls, misstatements of financial information, or noncompliance with applicable law and regulations regarding DOH's HIP expenditures.

⁴⁹ An appropriation is an authorization by the Governor and legislature that represents the prescribed limit on spending within a specified time frame.

⁵⁰ Total revenues for each fiscal year represent 25 percent of the EMSOF revenue allocated for the HIP.

⁵¹ We present a detailed description of our audit procedures in *Appendix A*.

⁵² We judgmentally selected HIP expenditure transactions to ensure coverage of each fiscal year of the audit period and different HIP vendors.

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Status of Prior Audit Findings

Our prior performance audit of the Emergency Medical Services Operating Fund (EMSOF) administered by the Pennsylvania Department of Health (DOH) dated April 26, 2023, covered the period July 1, 2017, through June 30, 2021, and contained three findings with nine recommendations. Our current performance audit included procedures designed to conclude on the status of the prior audit findings and recommendations, which we present in the sections that follow.

Prior Finding 1 – The Department of Health continued to ineffectively administer the Emergency Medical Services Operating Fund and failed to correct past significant weaknesses in its internal controls. (Unresolved)

In our prior audit, we found that DOH implemented some corrective actions to address the significant control weaknesses identified in multiple audits released by the Department of the Auditor General (DAG) on February 27, 2014, December 21, 2015, and July 2, 2018.⁵³ Other significant weaknesses, however, continued during the prior audit period.⁵⁴ Those weaknesses included DOH failing to: designate sufficient resources to effectively monitor EMSOF activities; adequately monitor and question potential misuse of EMSOF expenditures; and adequately review annual reports for completeness and accuracy. Management acknowledged that staffing shortages and inexperience hampered its efforts to adequately monitor EMSOF and agreed with the following recommendations for improvement.

We recommended that DOH: (1) Develop a monitoring tool to adequately monitor the EMS program to ensure it is effectively overseeing EMSOF and its purpose; (2) Train Bureau of Emergency Medical Services staff annually on its responsibility to ensure that an effective internal control system is in place, is operating effectively, and is updated as needed; (3) Consider working with staff in the Bureau of Family Health or a third party to assess and implement an effective internal control system; and (4) Evaluate whether additional staff are needed and, if necessary, request an increase in the Bureau's complement.

⁵³ The audit report dated February 27, 2014, covered the period July 1, 2010, through June 30, 2012. The audit report dated December 21, 2015, covered the period July 1, 2012, through June 30, 2014. The audit report dated July 2, 2018, covered the period July 1, 2015, through June 30, 2017.

⁵⁴ The prior audit report dated April 26, 2023, covered the period July 1, 2017, through June 30, 2021.

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Status as of this audit for Prior Finding 1

We gained an understanding of DOH's efforts to improve its process for monitoring EMS operating fund expenditures by EMS councils and determined whether DOH implemented the prior audit recommendations.

Based on our procedures, we found that DOH developed the EMS Invoicing Process Improvement Plan (new invoicing plan) and EMSOF Invoice Dashboard as monitoring tools during the fiscal year ended June 30, 2024, to improve its oversight of EMSOF. The Bureau of Emergency Medical Services (BEMS) coordinated with another DOH bureau to develop the new invoicing process. However, we found that certain EMS councils did not consistently follow the new process, and DOH management did not effectively enforce the new procedures. DOH provided a training schedule showing dates of the initial training meetings held between September 28 and October 10, 2023, for the EMS council staff to implement the new process. Management stated it used the plan document as a guide for the training. Lastly, DOH explained that it received funding to hire a new financial manager, who was scheduled to start on June 30, 2025.

In conclusion, while DOH took process improvement steps in response to our prior audit recommendations, it failed to effectively administer the new process through EMSOF oversight activities, as described in *Finding 1* of this report. Based on the results of our review, we consider our prior audit finding **unresolved**.

Prior Finding 2 – The Department of Health failed to adequately monitor and question potential misuse of EMS operating fund expenditures. (Partially Resolved)

In our prior audit, we found that DOH oversight and monitoring of the EMS councils' expenditures of EMSOF grant funds were inadequate to ensure the councils spent the funds appropriately and in accordance with the purposes allowed by the Emergency Medical Services System Act (Act) and associated regulations. We found a lack of supporting documentation for 9 of 12 invoices DOH reviewed during the audit period, which included expenditures we questioned as allowable. We also selected 60 other invoices and determined 49 lacked sufficient documentation to support the funds expended. Additionally, 9 of the 60 invoices included pre-hospital provider expenditures, of which 2 lacked the required pre-approval forms and 2 lacked sufficient supporting documentation. DOH stated that it placed reliance on the councils' annual audits conducted by external firms. The results of our procedures, however, indicate that relying on those audits was not adequate to ensure council expenditures were appropriate.

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DOH agreed with our recommendations to develop and implement formal procedures to adequately review and document the appropriateness of regional EMS council expenditures. This included DOH verification and review of EMS council receipt and invoice reconciliations, and assurance that all pre-hospital provider requests are pre-approved and accompanied by corresponding invoices and other associated documentation. DOH agreed that it should require EMS councils to submit monthly lists of expenditures with amounts, descriptions, and justifications, as well as clarification that the costs were eligible according to DOH regulations.

DOH also agreed with our recommendations to develop a detailed policy and conduct training for the regional EMS councils on uses and restrictions of EMSOF dollars, and to develop and implement detailed procedures to adequately monitor regional EMS councils' invoices and receipts to ensure EMSOF dollars are spent in accordance with the purposes of the Act.

Status as of this audit for Prior Finding 2

We gained an understanding of DOH's efforts to improve its process to monitor EMS operating fund expenditures and determined whether DOH implemented the prior audit recommendations.

Based on our procedures, we determined that DOH developed and implemented new procedures to review the allowability of EMS council expenditures. DOH implemented the EMS Invoicing Improvement Plan, which provides a new process for BEMS staff to review all council invoices and associated expenditure documents and complete an invoice workbook showing the cumulative expenditures to monitor the councils' activity throughout the year. However, we determined that, although BEMS implemented the invoice workbook for the 2023-24 fiscal year, some councils did not comply with the new process and did not complete the invoice workbooks. We also found that BEMS did not always receive adequate support, such as receipts, for many of the expenditures during the audit period July 1, 2021, through June 30, 2024.

BEMS provided a schedule of training meetings for DOH staff and EMS councils on using the new invoice workbook. DOH amended the work statements included in the council contracts and developed a Frequently Asked Questions document to reinforce the appropriate use of EMSOF funds.

Although DOH addressed some of our prior audit recommendations, we concluded that it failed to adequately enforce compliance with the new invoice workbook procedures, as described in this report within *Finding 1*. Based on the results of our review, we consider our prior audit finding **partially resolved**.

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Prior Finding 3 – The Department of Health failed to adequately review annual reports for completeness and accuracy. (Unresolved)

In the prior audit, we found that DOH had updated its policy and templates for the annual reports required to be filed by the 13 regional EMS councils and the state advisory board, Pennsylvania Emergency Health Services Council. DOH also implemented a tracking and review process to ensure compliance with the annual report requirement. However, regardless of these changes, we found that DOH's review of the annual reports needed to be strengthened to ensure the reports are accurate.

We recommended that DOH: (1) Improve its process for review of the annual reports to ensure the information is complete, accurate, and in compliance with regulations, contract/agreements, and DOH internal policies; and (2) Follow-up on deficiencies found in the annual reports to ensure information made available to the public is complete and accurate.

Status as of this audit for Prior Finding 3

We gained an understanding of DOH's efforts to improve its annual report review process and determined whether it implemented the prior audit recommendations to ensure the completeness and accuracy of the annual reports.

Based on our procedures, we found that DOH updated its policy regarding its review of the regional EMS councils' and state advisory board's annual reports. Additionally, DOH management stated that it developed a checklist to ensure completeness, accuracy, and compliance with regulations, contracts/agreements, and DOH internal policies. However, we determined that DOH did not comply with its policy and had not formally implemented the new checklist. The Bureau of Emergency Medical Services (BEMS) staff only used the checklist as a guide during the audit period. Management explained that multiple leadership transitions within BEMS hampered its annual report review process and resolution of identified deficiencies.

*See additional details regarding DOH's failure to adequately review the annual reports in Finding 2. Based on the results of our review, we consider our prior audit finding **unresolved**.*

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Pennsylvania Department of Health's Response and Auditor's Conclusion

We provided copies of our draft audit findings and status of prior findings and related recommendations to the Pennsylvania Department of Health (DOH) for its review. On the pages that follow, we included DOH's response in its entirety. Following the agency's response is our auditor's conclusion.

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Audit Response from the Pennsylvania Department of Health



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE SECRETARY

October 17, 2025

Scott D. King, CPA
Director, Bureau of Performance Audits
Department of the Auditor General
302 Finance Building
Harrisburg, Pennsylvania 17120-0018
sking@paauditor.gov

Dear Mr. King:

On behalf of the Pennsylvania Department of Health (DOH), thank you for the opportunity to review and respond to the recent audit of the Emergency Medical Services Operating Fund (EMSOF) for the period of July 1, 2021, through June 30, 2024. We again thank the Department of the Auditor General for their conscientious work.

Overall Response to Findings

We are committed to accountability and transparency in ensuring that state resources and specifically the Emergency Medical Services Operating Fund (EMSOF) are managed responsibly and in a manner that best supports Pennsylvania's Emergency Medical Services (EMS) system.

Although the DOH Bureau of Emergency Medical Services (BEMS) has undergone multiple leadership transitions between 2022 and 2024, the DOH and BEMS leadership have striven to implement recommendations from the 2021 audit. The audit process provided valuable insight into both our progress and the areas where improvements are still needed. We acknowledge the challenges identified and appreciate the thoroughness of the review. During this audit period, BEMS took significant steps to strengthen internal controls, improve financial monitoring, increase communication with Regional Councils, and provide clearer documentation of processes and responsibilities. Many of these changes are already showing positive results, and we are committed to building on this progress.

The attached response outlines our specific actions related to each finding. In several cases, corrective measures were already implemented, while in others, we have established plans with a clear framework to address deficiencies. Across all findings, our focus remains on improving accountability, maintaining compliance with policy, and supporting EMS Regional Councils and providers in a way that ensures reliable, sustainable services for communities throughout the Commonwealth.

We take seriously the responsibility entrusted to us in managing the EMSOF, and we view this process as an opportunity to strengthen our systems for the benefit of those who depend on them. Thank you for your partnership in this important work.

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Specific Responses to Findings

Finding 1: The Department of Health failed to adequately monitor the Emergency Medical Services Operating Fund and failed to strengthen internal controls despite hiring new management and implementing a new invoicing process.

DOH Response: The audit notes that the process began on April 26, 2023, and that BEMS implemented changes to the invoicing process starting July 1, 2023; however, discussions around a new invoicing process actually began in March 2023 with development efforts starting in late April. The rollout occurred in July 2023, while improvements and corrections were still actively being made. Expecting the new process to be fully operational and free of issues within a two-month timeframe was overly ambitious.

The implementation presented challenges, particularly related to the learning curve and the increased workload associated with the new invoicing workbook for the Regional Councils and the advisory board, referred to hereafter as Pennsylvania Emergency Health Services Council (PEHSC). BEMS worked collaboratively with the Regional Councils throughout the fiscal year to support adoption of the new process. Additionally, funding allotments to Regional Councils were increased to support the hiring of Regional Council staff dedicated to reviewing and submitting appropriate fiscal documentation to BEMS. However, due to recruitment timelines, these positions could not be filled until fiscal year (FY) 2024-2025.

Recommendations from the prior audit (2018-2021) were not received until early 2023, halfway through this audit period. Thus, it is not surprising that the recommendations and solutions were implemented two thirds of the way through this current evaluation period, limiting the ability to observe their full benefits during that time.

Supporting Finding: DOH failed to provide adequate oversight of EMSOF expenditures by the EMS councils and the Board.

Detail: Referencing the chart capturing the deficiencies found during testing.

DOH Response: The overall percentage of deficiencies related to the 1/12 payments decreased by 30% in FY 2023-2024 compared to FY 2022-2023. We anticipate this downward trend will continue across both the 1/12 and county-specific regions as the oversight process continues to improve and stabilize.

For the rows referencing deficiencies related to missing supporting documentation, the rollout of the documentation upload requirement did not proceed as intended. Contributing factors included a learning curve faced by the Regional Councils regarding the new requirements, BEMS staffing challenges, and access issues with the Commonwealth SharePoint system, all of which delayed timely uploads.

In response to the challenges and serious concerns expressed by the Regional Councils, the Secretary of Health, Executive Deputy Secretary, and Deputy Secretary for Health Preparedness and Community Protection conducted listening sessions with each Regional Council and PEHSC during the summer and early fall of calendar year 2023. Beginning in January 2024, to further

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improve communication, collaboration, and cooperative relationships, the new BEMS Bureau Director began holding monthly one-on-one meetings with each Regional Council Director, in addition to monthly group meetings with all Regional Council directors and PEHSC. The Secretary, Executive Deputy and Deputy Secretaries also attend some of the group meetings and remain engaged. These efforts have led to continual improvements in the working relationships between BEMS and the Regional Councils.

Detail: Audit states BEMS has the ability to withhold 20% of the grant and withhold payments if all criteria are not met.

DOH Response: BEMS continues to work collaboratively with the Regional Councils to address and resolve challenges related to the invoicing and documentation process. As a result, a decision was made not to withhold funds for FY 2024-2025. However, withholding funds for FY 2025-2026 will be considered if necessary to ensure compliance.

It is important to note that a significant portion of the funding allocated to the Regional Councils is distributed directly to EMS agencies and providers within their regions. These funds support essential services such as equipment purchases, tuition assistance, and other critical operational needs. As such, withholding EMSOF funds could have a direct and potentially adverse impact on the delivery of EMS across the Commonwealth and should only be considered in extraordinary circumstances.

DOH Action Taken: A clear and structured framework will be communicated to the Regional Councils, providing sufficient notice and advance warning prior to any decision to withhold funds. This approach will help ensure transparency and allow adequate time for corrective action.

Detail: Audit states that they could not match backup documentation to the invoicing workbook for 13 of 24 payment that they reviewed.

DOH Action Taken: BEMS will re-examine the payments identified in the audit to verify and evaluate the cause of the discrepancies.

The specific examples provided will be reviewed to identify gaps in the current process, and appropriate improvements will be implemented to strengthen documentation and ensure clearer alignment with invoicing records moving forward.

Detail: Audit states BEMS was unable to locate documents.

DOH Action Taken: BEMS implemented a centralized library system within SharePoint, which has been consistently used to collect and organize data over the past two years. This system ensures that all documents are properly stored and maintained in accordance with the Commonwealth's records retention policy.

A standardized naming convention was established for all files. Each month's documents, including the invoice cover sheet, backup documentation, and related correspondence, are compiled into a single, consolidated file. This process is completed, once a quarter at minimum,

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by the assigned BEMS administrative team members and verified by the Public Health Program Associate 2 (PHPA2), who serves as the BEMS fiscal manager, to ensure accuracy and completeness.

Detail: *Audit states that the reconciliation process is not formally documented.*

DOH Action Taken: Previously, informal budget revisions were communicated verbally or via email and required manual changes to the budget, increasing the chance of clerical errors. BEMS developed and implemented an “Informal Budget Revision” tab for the FY 25-26 workbook, which is functioning very well. This tab captures the name of the reviewer and the date of completion. This tab automatically updates categorical totals on the expenditures tab, which will ensure draw down and available balances remain accurate over the course of the fiscal year.

Additionally, a “Reconciliation” tab was created and is currently being tested in one of the workbooks for broader implementation. This tab evaluates the difference between actual expenditures and the total amount paid per category to confirm whether the difference needs to be refunded to BEMS. This reconciliation will occur across all funding streams to calculate the appropriate refund amount for state and federal appropriations. This tab documents the reviewer’s name and the date of review to ensure accountability and transparency.

Detail: *Audit states that staff need additional training to complete year end reconciliations using the workbook.*

DOH Action Taken: BEMS is in the process of finalizing a detailed instruction sheet for the reconciliation tab. Once completed, this resource will support staff in accurately and consistently completing year-end reconciliations using the workbook. BEMS also hired a PHPA2 who is the dedicated fiscal manager to oversee the process. The initial version of this will be completed by the end of the first quarter of calendar year 2026 and ready for full implementation to reconcile FY25-26.

Supporting Finding: *DOH did not comply with certain regulations and policies or effectively implement procedures designed to achieve the objectives of the EMSOF.*

DOH Action Taken: There is a need to publish updated EMSOF funding priorities in the *Pennsylvania Bulletin*, as they have not been revised since FY 2021-2022. BEMS has continued to work with the Regional Councils to evaluate the importance of EMSOF funding priorities within their respective regions.

An in-depth stakeholder engagement process is being developed to inform the identification and publication of future annual EMSOF funding priorities; this process will be distributed to stakeholders by November 30, 2026 and will continue over several months with the intent to resume publishing statewide priorities for FY26-27.

BEMS will organize responsibilities into core capability areas. At the start of each grant cycle, Regional Councils will conduct a self-assessment to identify any gaps or deficiencies. These findings will then be used to develop a targeted work plan. We anticipate that three to five focus areas will be identified as the BEMS’ key priorities for the Regional Councils.

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Supporting Finding: BEMS did not conduct contract monitoring site visits of any EMS council or the Board during the three-year audit period.

DOH Response: This policy was initially introduced in 2019; however, site visits were not conducted during the COVID-19 pandemic. Following the pandemic, BEMS experienced multiple leadership transitions and significant staffing shortages, which further delayed implementation. Site visits were not feasible during that time; BEMS staff prioritized overseeing contract renewals and execution, processing monthly invoices, and completing all other administrative responsibilities for the bureau.

Current staffing within BEMS will allow for site visits to be conducted in accordance with the policy over the next four years. These site visits will include both finance and operations staff to ensure a comprehensive review of fiscal accountability and contract performance.

DOH Action Taken: Implement policy PC-2022-BS-05 Contract Monitoring Program for Regional Councils and PEHSC.

Supporting Finding: BEMS did not complete attestation forms for the FYE 2024 allocations calculations and failed to review the forms according to the EMSOF allocations policy for the FYEs 2022 and 2023

DOH Response: In January 2024, it was identified that a scheduled increase in allocations for FY 2023-2024 had not been implemented, resulting in a significant budget shortfall for the Regional Councils. As a result, efforts focused on reestablishing the correct funding stream, and the attestation forms for the FY 2023-2024 allocations were not completed. Moving forward, attestation will be completed annually in full compliance with policy requirements.

DOH Action Taken: A comprehensive checklist is being developed to document all steps taken throughout the budget year—from initiation to completion. This will ensure the attestation forms are completed in compliance with the EMSOF allocation policy. This process has begun now and will be fully implemented by the first quarter of calendar year 2026.

Finding 2 – The Department of Health failed to ensure the EMS councils and the state advisory board complied with annual reporting and audit requirements intended to promote accountability and transparency.

DOH Response: BEMS, in collaboration with the Audit Resolution Section within the PA DOH Office of Procurement, as of July 1, 2025, implemented a plan to issue reminder letters regarding the annual audit deadline. These reminders will be sent at the end of each fiscal year to ensure timely compliance.

BEMS confirmed that all required annual reports were uploaded to the designated SharePoint site and posted on each Regional Council's public-facing website. While some deadline extensions were previously communicated via phone, all future communications regarding annual reports and audits will be conducted in writing to ensure proper documentation.

For FY 2024-2025, BEMS followed all aspects of the applicable policy for annual report submissions. However, due to staffing shortages during FY 2023-2024, the BEMS Bureau Director completed the

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Regional Council Annual Report Worksheet rather than delegating it to program managers, as outlined in Policy PC-2022-BS-01.

DOH Action Taken: Fully implement policy PC-2022-BS-01 Receipt and Review of Council Annual Reports to ensure consistent compliance and accountability.

Thank you for the opportunity to offer our comments and clarifications on this report. If you have any questions, please feel free to contact Mr. Steve Marsden, Audit Specialist, Audit Resolution Section, Procurement Office, at (717) 547-3476 or stemarsden@pa.gov.

Sincerely,



Debra L. Bogen, M.D., FAAP
Secretary, Pennsylvania Department of Health

cc: Steven Marsden, Audit Specialist, Department of Health
Danielle Pierre, Deputy Secretary of Administration, Department of Health
Kristen Rodack, Executive Deputy Secretary, Department of Health
Anna Hewit, Budget Director, Department of Health

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Auditor's Conclusion to the Pennsylvania Department of Health's Response

The Pennsylvania Department of Health's (DOH) management generally agreed with our findings and 16 of 18 recommendations. DOH did not, however, address two recommendations in its response as discussed below. DOH understands its responsibility to ensure proper stewardship of the Emergency Medical Services Operating Fund (EMSOF) and recognizes the need to strengthen internal controls and improve its financial monitoring efforts. We are pleased that DOH agreed with the majority of our recommendations and we are encouraged by its commitment to accountability and transparency and to improve its administration and oversight of the EMSOF.

DOH management did not address two of our recommendations in its response (*See Finding 2 – Recommendations 4 and 5*). Those recommendations involved: 1) revising its *Review and Receipt of Council Annual Reports* policy to require that DOH staff maintain an annual report submission tracking document for monitoring the regional EMS councils' and State Advisory Board's annual report submissions, and 2) updating the annual report review worksheet with additional detailed procedures that would ensure DOH staff perform more comprehensive and consistent reviews. DOH instead stated that it would fully implement the current policy. We believe these recommended revisions to its policy are necessary to ensure that the regional EMS councils and State Advisory Board comply with the reporting requirements, which are designed to provide transparency and accountability for their EMSOF-funded activities. We encourage DOH to further consider implementing these recommended revisions to its policy.

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Appendix A

Objective, Scope, Methodology, and Data Reliability

The Department of the Auditor General (DAG) conducted this performance audit of the Pennsylvania Department of Health’s (DOH) oversight of the special Emergency Medical Services Operating Fund (EMSOF) collections and expenditures pursuant to Section 8153(e) of the Emergency Medical Services System Act and Sections 402 and 403 of The Fiscal Code.⁵⁵

The audit was also performed in accordance with generally accepted *Government Auditing Standards* issued by the Comptroller General of the United States.⁵⁶ Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Objective

Our audit objective was to determine whether DOH ensured that EMSOF collections and expenditures were adequately supported, properly accounted for, and used for the purpose(s) intended by law and regulations, including the collections and expenditures of the regional EMS councils.

We also conducted procedures to determine whether DOH implemented our prior EMSOF performance audit’s recommendations from the report issued in May 2023 (*See Status of Prior Audit Findings*).

Scope

Our EMSOF performance audit covered the period July 1, 2021, through June 30, 2024.

DOH management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance of compliance with applicable laws, regulations, contracts,

⁵⁵ See 35 Pa.C.S. § 8153(e) “Audit--The Auditor General shall review collections and expenditures made under this section and report its findings to the General Assembly annually. The audit shall include a review of the collections and expenditures of the regional EMS councils.” See also 72 P.S. §§ 402 and 403.

⁵⁶ U.S. Government Accountability Office. *Government Auditing Standards*. 2024 Revision. Technical Update February 2024.

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grant agreements, and administrative policies and procedures related to its operations. In conducting our audit, we obtained an understanding of DOH’s internal controls, including information systems controls.

Standards for Internal Control in the Federal Government (also known as and hereafter referred to as the Green Book), issued by the Comptroller General of the United States, provides a framework for management to establish and maintain an effective internal control system.⁵⁷ We used the framework included in the Green Book when assessing DOH’s internal control system.

The Green Book’s standards are organized into five components of internal control. In an effective system of internal control, these five components work together in an integrated manner to help an entity achieve its objectives. The five components contain 17 related principles, listed in the table below, which are the requirements an entity should follow in establishing an effective system of internal control.

We determined all the internal control components were significant to the audit objective. The table below represents a summary of the level of the internal control assessment for effectiveness of design (D); implementation (I); or operating effectiveness (OE) that we performed for each principle as it related to our audit objective for both the DOH Bureau of Emergency Medical Services (BEMS) and the DOH Bureau of Family Health (BFH).⁵⁸ It also includes our conclusions that either no issues were found or notes the finding(s) where we present the issues discovered.⁵⁹

Component	Principle	Bureau of Emergency Medical Services		Bureau of Family Health	
		Level of Assessment	Conclusion	Level of Assessment	Conclusion
Control Environment	1 The oversight body and management should demonstrate a commitment to	D	No issues noted	D	No issues noted

⁵⁷ Even though the Green Book was written for the federal government, it explicitly states that it may also be adopted by state, local, and quasi-government entities, as well as not-for-profit organizations, as a framework for establishing and maintaining an effective internal control system.

⁵⁸ BEMS oversees EMSOF funding disbursed for emergency medical services and BFH oversees EMSOF funds allocated for the Head Injury Program (HIP).

⁵⁹ U.S. Government Accountability Office. *Standards for Internal Control in the Federal Government*. September 2014. The Green Book, Sections OV3.05 and 3.06, states the following regarding the level of assessment of internal controls. Evaluating the design of internal controls includes determining if controls individually and in combination with other controls are capable of achieving an objective and addressing related risks. Evaluating implementation includes determining if the control exists and if the entity has placed the control into operation. Evaluating operating effectiveness includes determining if controls were applied at relevant times during the audit period, the consistency with which they were applied, and by whom or by what means they were applied.

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		Bureau of Emergency Medical Services		Bureau of Family Health	
Component	Principle	Level of Assessment	Conclusion	Level of Assessment	Conclusion
	integrity and ethical values.				
	2 The oversight body should oversee the entity's internal control system.	D	No issues noted	D	No issues noted
	3 Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity's objectives.	D	No issues noted	D	No issues noted
	4 Management should demonstrate a commitment to recruit, develop, and retain competent individuals.	D	No issues noted	D	No issues noted
	5 Management should evaluate performance and hold individuals accountable for their internal control responsibilities.	D	No issues noted	D	No issues noted
Risk Assessment	6 Management should define objectives clearly to enable the identification of risks and define risk tolerances.	D	No issues noted	D	No issues noted
	7 Management should identify, analyze,	D	No issues noted	D	No issues noted

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		Bureau of Emergency Medical Services			Bureau of Family Health	
Component	Principle	Level of Assessment	Conclusion	Level of Assessment	Conclusion	
	and respond to risks related to achieving the defined objectives.					
	8 Management should consider the potential for fraud when identifying, analyzing, and responding to risks.	D	No issues noted	D	No issues noted	
	9 Management should identify, analyze, and respond to significant changes that could impact the internal control system.	D	No issues noted	D	No issues noted	
Control Activities	10 Management should design control activities to achieve objectives and respond to risks.	D, I, OE	Findings 1 and 2	D, I, OE	No issues noted	
	11 Management should design the entity’s information system and related control activities to achieve objectives and respond to risks.	D	No issues noted ⁶⁰	D	No issues noted	
	12 Management should implement control	D, I, OE	Findings 1 and 2	D, I, OE	No issues noted	

⁶⁰ For purposes of this audit, deficiencies noted during the GAAP/Single Audit for the three fiscal years ended June 30, 2022, 2023, and 2024 of the Pennsylvania Department of Revenue’s (DOR’s) information technology environment are not significant to this engagement since we reconciled the DOR’s County Collections Database data to the Commonwealth’s SAP system and traced selection of revenue transactions to source documents obtained from the county Clerk of Courts and Magisterial District offices as documented in the Data Reliability section below.

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		Bureau of Emergency Medical Services			Bureau of Family Health	
Component	Principle	Level of Assessment	Conclusion	Level of Assessment	Conclusion	
	activities through policies.					
Information and Communications	13 Management should use quality information to achieve the entity's objectives.	D, I, OE	Findings 1 and 2	D, I, OE	No issues noted	
	14 Management should internally communicate the necessary quality information to achieve the entity's objectives.	D	No issues noted	D	No issues noted	
	15 Management should externally communicate the necessary quality information to achieve the entity's objectives.	D	No issues noted	D	No issues noted	
Monitoring	16 Management should establish and operate monitoring activities to monitor the internal control system and evaluate results.	D, I, OE	Findings 1 and 2	D	No issues noted	
	17 Management should remediate identified internal control deficiencies on a timely basis.	D, I, OE	Findings 1 and 2	D	No issues noted	

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Government Auditing Standards require that we consider information system controls “...to obtain sufficient, appropriate evidence to support the audit findings and conclusions.”⁶¹ This process further involves determining whether the data that supports the audit objectives is reliable. In addition, Publication GAO-20-283G, *Assessing Data Reliability*, provides guidance for evaluating data using various tests of sufficiency and appropriateness when the data is integral to the audit objective(s).⁶² See our assessment in the *Data Reliability* section that follows.

Our procedures to assess the design, implementation, and/or operating effectiveness are discussed in the *Methodology* section that follows. Deficiencies in internal controls we identified during the conduct of our audit and determined to be significant within the context of our audit objective are summarized in the conclusion section below and described in detail within the respective audit findings in this report. See the table above for a description of each of the principle numbers included in the conclusions below.

Conclusion on DOH Internal Controls at BEMS and BFH:

Our assessment of management’s internal controls did not find any issues related to Principles 1 through 9, 11, 12, 14, and 15, with respect to BEMS, and related to Principles 1 through 17 with respect to BFH. We found, however, issues regarding Principles 10, 13, 16, and 17 with respect to BEMS. Specifically, DOH continued to ineffectively administer the EMSOF and failed to correct prior significant internal control weaknesses. DOH failed to adequately monitor EMSOF expenditures by regional EMS councils and the State Advisory Board (Board). It also failed to adequately ensure compliance with reporting requirements and performed inadequate reviews of annual reports for completeness and accuracy. See further details in the *Executive Summary* and *Findings 1 and 2* of this report.

Methodology

The following procedures were performed to address our audit objective as well as our prior audit follow-up. Items selected for testing within this audit were based on auditor’s professional judgement and not on a random or statistical selection process. The results of our testing, therefore, cannot be projected to, and are not representative of, the corresponding populations.

⁶¹ U.S. Government Accountability Office. *Government Auditing Standards*. 2024 Revision. Technical Update February 2024. Paragraph 8.59 through 8.67.

⁶² U.S. Government Accountability Office. *Assessing Data Reliability*. December 2019.

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To satisfy our objective, we performed the following procedures:

- Reviewed the DOH Enterprise Risk Management (ERM) reports applicable for fiscal years ended June 30, 2022, 2023, and 2024. These assessments assisted in determining what controls DOH had in place regarding each of the 17 principles within the five components of internal control in order to establish an effective system of internal control. [All Principles]
- Reviewed the following laws, regulations, guidance, and written policies and procedures applicable to the EMSOF:
 - The Emergency Medical Services Act pursuant to Act 45 of 1985. This act created the EMSOF and was later repealed and continued by the Emergency Medical Services System Act, or Act 37 of 2009, effective August 18, 2009 (Act).⁶³
 - Act 93 of 2020 which increased the fines and fees that fund the EMSOF and modified how its funds are used.⁶⁴
 - Title 35 of the PA Consolidated Statutes, Sections 8101 to 8158, relating to the administration of the EMS system and the allocation to the Head and Injury Program.⁶⁵
 - Title 28 of the Pa. Code Chapters 4 and 1021, relating to the Head Injury Program and EMS system respectively.⁶⁶
 - *PA Bulletin Notice* 51 Pa.B. 6484 (October 9, 2021) which lists the EMSOF funding priorities for the fiscal year 2021-2022. [Principle 15]
 - DOH Memos, *RC Memo 2021-05* (March 22, 2021) and *2022-03* (February 10, 2022): *Expense Rate for Administration of Pre-Hospital Provider Fund Program*
 - *EMS Invoicing Process Improvement Plan*. [Principles 10, 12, and 13]
 - Various policies and procedures for the EMS Program and Head Injury Program. [Principle 12]
- Interviewed staff and management from BEMS BFH, and DOH Audit Resolution Section (ARS) to assess the design of controls and gain an understanding of policies and procedures related to the EMS Program and Head Injury Program. [Principles 10, 11, 12, 13, 14, 15, 16, and 17]

⁶³ <http://www.legis.state.pa.us/cfdocs/legis/li/uconsCheck.cfm?yr=2009&sessInd=0&act=37> (accessed May 7, 2025). Act 37 provided for a recodification of the former act (Act 45) and based on the historical notes pursuant to Section 5 of Act 37 is a “continuation of the former act” and that all activities under Act 45, unless otherwise provided for in Act 37, “shall continue and remain in full force and effect.” See 35 Pa.C.S. § 8101 note (Act 37).

⁶⁴ 75 Pa.C.S. §§ 3121 and 3807(b)(1)(ix). Act 93 of 2020 was enacted on October 29, 2020, and effective 120 days after enactment.

⁶⁵ 35 Pa.C.S. §§ 8101-8158.

⁶⁶ 28 Pa. Code §§ 4.1 - 4.15, 1021.3 - 1021.141.

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- Surveyed key personnel at BEMS and BFH regarding their understanding and/or knowledge of fraud, significant internal control weaknesses, potential fraud, or noncompliance. [Principles 1, 3, 6, 7, 8, 9, 10, and 12]
- Documented an understanding of information technology (IT) general controls for Microsoft SharePoint, which included reviewing a System and Organization Control (SOC) report and the most recent Peer Review Acceptance Letter for the company that conducted the review and provided the opinion. [Principle 11]
- Documented an understanding of IT general controls for the Pennsylvania Department of Revenue (DOR) Monthly Revenue County Collections Database assessed by the DAG Bureau of IT Audits. [Principle 11]
- Documented an understanding of IT general controls for the commonwealth's accounting system (SAP) for payments of EMSOF funds to the EMS councils and the Board recorded as DOH expenditures assessed by the DAG Bureau of IT Audits. [Principle 11]
- Verified that the revenue collected from the County Clerk of Courts and Magisterial District Judge offices for traffic violations and Accelerated Rehabilitative Disposition fees agreed to the revenue deposited into the EMSOF as indicated on the DOR Report of Revenue and Receipts and SAP, and that the revenue was properly allocated to Emergency Medical Services and Catastrophic Medical Rehabilitation Services as prescribed by law and regulations.
- For the 94 EMSOF revenue postings in the SAP accounting system for the fiscal years ended June 30, 2022, 2023, and 2024, we judgmentally selected ten postings (five County Clerk of Courts and five Magisterial District Judge offices) ensuring at least one posting date from each fiscal year. For each posting, we obtained the SAP Adjustment Memo, Fines and Cost Summary Reports, and Collections Summary Report from the Department of Revenue and traced amounts to the applicable Clerk of Courts/Magisterial District Judge offices detail collections report. Collections at the county level are audited by the DAG Bureau of County Audits. [Principle 10]
- To address the Status of Prior Audit Findings related to the audit objective, we performed the following procedures: [Principle 17]
 - a. Reviewed our audit report and findings issued in May 2023 to determine any impact related to our current audit objective.
 - b. Inquired about the status of the prior audit report recommendations.
 - c. Reviewed supporting documentation to determine if corrective action was taken and sufficient.

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Emergency Medical Services Program:

- Obtained the grant agreements between DOH and the 13 regional EMS councils and the contract between DOH and the Board, also referred to as the Pennsylvania Emergency Health Services Council, for fiscal years ended June 30, 2022, 2023, and 2024. [Principle 15]
- Recalculated the amounts DOH allocated to each regional EMS council and the Board for each fiscal year during our audit period using DOH’s allocation formula to verify the accuracy of the allocations from the agreements and subsequently available funding added throughout the fiscal years.
- Obtained a data file of DOH expenditures of EMSOF funds from SAP and reconciled it to the Status of Appropriations Report – Special Funds published by the Pennsylvania Office of the Budget for the three fiscal years ended June 30, 2022, 2023, and 2024.
- Judgmentally selected 60 EMSOF payments totaling \$5.1 million of \$29.3 million DOH disbursed to the EMS councils and the Board during the period July 1, 2021, through June 30, 2024. Our selection included payments to different EMS councils and the Board during different fiscal years to ensure adequate coverage of the population. We prorated the number of test items from each council and the Board based on the total expenditures over the audit period. We obtained the related invoices and supporting documentation to verify whether the expenditures were properly accounted for and adequately supported with mathematically accurate documents, and allowable according to contracts, and applicable laws and regulations. We also verified whether DOH reviewed and documented approval of invoices to ensure adequate management oversight controls. [Principles 8, 10, 12, 13, 15, 16, and 17]
- Verified whether the councils and Board complied with DOH’s new invoicing procedures by reviewing the invoice workbooks submitted with the fiscal year ended June 30, 2024, invoices, which totaled 24 of the 60 payments selected. We traced invoice workbook entries to the supporting receipts. [Principles 10, 12, 13, 15, 16, and 17]
- Reviewed the 60 payments selected as described above and determined 18 included pre-hospital provider expenditures. For these 18 payments, we verified whether all items purchased were requested and approved by the appropriate DOH individuals prior to payment. We obtained invoices, approval forms and receipts to verify whether the items purchased were reasonable and allowable pursuant to law and regulations. [Principles 8, 10, 12, 13, 15, 16, and 17]
- Inquired about the BEMS year-end reconciliation process to assess how DOH verifies the allowability of the councils’ and Board’s expenditures and ensures any unspent funds are

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returned. However, we could not evaluate this process because DOH staff did not document this process. [Principles 10, 12, 13, 15, 16, and 17]

- Judgmentally selected 9 of 13 refund transactions from the SAP accounting system to ensure coverage of the fiscal years ended June 30, 2022, 2023, and 2024, and traced the refunds to supporting documents maintained at DOH. [Principles 10, 12, 13, 15, 16, and 17]
- Reviewed BEMS expenditure adjustments for the fiscal years ended June 30, 2022, 2023, and 2024, and determined that four adjustments were greater than 2.5 percent of total EMS expenditures. For these four transactions, we verified the EMS expenditure adjustments were accurate, justified, properly authorized, and agreed with the details from the data file.
- Obtained the Comprehensive Annual Reports (annual reports) submitted by the 13 EMS councils and the Board for the fiscal years ended June 30, 2022, 2023, and 2024, to assess compliance with EMSOF contract reporting requirements.
- Obtained EMS councils' and the Board's annual report submission emails and any DOH emails granting extensions to submit the 2024 annual reports to assess whether DOH received the reports timely according to policy. DOH did not maintain the submission emails for the 2022 and 2023 annual reports.
- Verified whether DOH adequately tracked the annual report submissions and reviewed the reports according to DOH policy. [Principles 10, 12, 13, 16, and 17]
- Reviewed the Regional Council Annual Report Review Worksheets that DOH completed for the 2024 annual reports to determine whether the reviews were adequately performed. DOH could not locate the review worksheets completed for the 2022 and 2023 annual reports. [Principles 10, 12, 13, 16, and 17]
- Determined whether the annual reports contained the contents and information required by the regulations, the EMSOF grant agreements/contracts, and the BEMS report template.
- Viewed EMS council websites to ensure the 2024 annual reports were available for public review.
- Interviewed ARS management to gain an understanding of its process for tracking and reviewing the annual program-specific financial audits. [Principles 10, 12, 13, 16, and 17]

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- Requested the annual financial audits submitted to DOH for each of the fiscal years ended June 30, 2022, 2023, and 2024, for the 13 regional EMS councils and the Board and performed the following procedures:
 - Verified the annual financial audits were submitted timely (i.e., within 120 days of the end of the state’s fiscal year) as per DOH policy and requirements.
 - Reviewed the DOH audit report tracking documents to ensure DOH tracked the submission and review of each audit report. [Principles 10, 12, 13, 15, 16, and 17]
 - Ensured the audit reports included an unqualified opinion. [Principles 10, 12, 13, 15, 16, and 17]
 - Judgmentally selected 11 audit report review checklists from different councils and the Board to ensure coverage of the fiscal years ended June 30, 2022, 2023, and 2024, and verified they were completed and had evidence of supervisory review. [Principles 10, 12, 13, 15, 16, and 17]
 - Verified DOH accepted the EMS councils’ and Board’s audit reports and addressed any identified concerns in the acceptance emails sent to the councils. [Principles 10, 12, 13, 15, 16, and 17]
 - Verified the total budget amounts reported in the audited financial statements were less than or equal to the final grant agreement/contract amounts.
 - Verified all EMS councils’ and the Board’s financial statement audits were conducted by a licensed CPA firm.
 - Determined whether DOH addressed the audit report submission timeliness with EMS councils that submitted audits late. [Principles 10, 12, 13, 15, 16, and 17]

Head Injury Program:

- Evaluated the contracts between DOH and the Head Injury Program (HIP) service providers and the grant agreement between DOH and the Brain Injury Association of Pennsylvania for our audit period to determine whether the contracts/grant agreement were in accordance with regulations and properly approved by DOH officials. [Principle 10]
- Reviewed each provider’s accreditation from the Commission on Accreditation of Rehabilitation Facilities to determine whether the provider was eligible to participate in the program during the audit period.
- From the SAP data file of EMSOF expenditures noted above, judgmentally selected 25 expenditures totaling \$1.4 million of the \$8.6 million DOH disbursed for HIP during the period July 1, 2021, through June 30, 2024. Expenditures were judgmentally selected to include different HIP service providers and the Brain Injury Association of Pennsylvania and ensure coverage of each fiscal year of the audit period.

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- Determined whether the expenditures were properly accounted for, approved prior to payment, adequately supported, and used for their intended purposes per law and regulations. [Principles 10, 12, and 13]
- Verified the HIP participants were eligible for the program and that the expenditures per individual did not exceed the maximum of \$100,000 for the applicable year.

Data Reliability

Government Auditing Standards require us to assess the sufficiency and appropriateness of computer-processed information that we used to support our findings, conclusions, and recommendations. The assessment of the sufficiency and appropriateness of computer-processed information includes the considerations regarding the completeness and accuracy of the data for the intended purposes.⁶⁷

In performing this audit, we used EMSOF revenue data from the County Collections Database at the Pennsylvania Department of Revenue (DOR), expenditure data from the SAP accounting system, and other data maintained on DOH's Microsoft SharePoint database in support of the EMS councils' and the Board's EMSOF expenditures.

In addition to the procedures described in the remainder of this section, as part of our overall process in obtaining assurance of the reliability of computer-processed information and data files, we obtained a management representation letter from DOH. This letter, signed by DOH management, included a confirmation statement indicating the information and data provided to us had not been altered and was a complete and accurate duplication of the data from its original source.

To assess the completeness and accuracy of the revenue data, we conducted audit procedures as follows:

- Obtained an understanding of IT general controls for the Pennsylvania Department of Revenue Monthly Revenue County Collections Database assessed by the DAG Bureau of IT Audits. [Principle 11]
- Reconciled the total EMSOF revenues within the data file from the DOR's County Collections Database to the DOR Report of Revenue and Receipts and the SAP accounting system. Data from SAP is subject to financial audit standard-related tests of sufficiency and appropriateness of evidence as part of the audits of the commonwealth's

⁶⁷ U.S. Government Accountability Office. *Government Auditing Standards*. 2024 Revision. Technical Update February 2024. Paragraph 8.98.

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Annual Comprehensive Financial Reports and the Single Audits of the commonwealth for the three fiscal years ended June 30, 2022, 2023, and 2024.⁶⁸

- From the DOR County Collections Database and SAP, we selected ten revenue transactions and traced the revenue data to the SAP Adjustment Memo and the DOR Collections Summary Report. We also traced the revenue data to the applicable Summary of Collections Report – Fines and Costs submitted to the DOR by the county Clerk of Courts and Magisterial District Judge offices.

Based on the above procedures, we found no limitations to using the data for our intended purposes. In accordance with *Government Auditing Standards*, we concluded the EMSOF revenue data for the period July 1, 2021, through June 30, 2024, to be sufficiently reliable regarding completeness and accuracy for the purposes of this engagement.

To assess the completeness and accuracy of the expenditure data, we conducted audit procedures as follows:

- Obtained an understanding of IT general controls for the commonwealth’s SAP accounting system for payments of EMSOF funds to the EMS councils and the Board recorded as DOH expenditures assessed by the DAG Bureau of IT Audits. [Principle 11]
- Reconciled the total EMSOF expenditures within the data file to the commonwealth’s Status of Appropriations Report – Special Funds published by the Pennsylvania Office of the Budget. Data from the SAP accounting system is subject to financial audit standard-related tests of sufficiency and appropriateness of evidence as part of the audits of the Commonwealth’s Annual Comprehensive Financial Reports and the Single Audits of the Commonwealth for the three fiscal years ended June 30, 2022, 2023, and 2024.
- For the 60 EMS program expenditures tested, we traced the expenditure data to the respective council’s invoices and receipts.
- For the 25 HIP expenditures tested, we traced the expenditure data to the provider invoices and patient records.

Based on the above procedures, we found no limitations to using the data for our intended purposes. In accordance with *Government Auditing Standards*, we concluded the EMSOF expenditure data for the period July 1, 2021, through June 30, 2024, to be sufficiently reliable regarding completeness and accuracy for the purposes of this engagement.

⁶⁸ The Department of the Auditor General annually conducts an audit of the Commonwealth of Pennsylvania’s Annual Comprehensive Financial Report and Single Audit jointly with a CPA firm.

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To assess the completeness and accuracy of the councils' and Board's EMSOF expenditure data included on the DOH Microsoft SharePoint database, we conducted audit procedures as follows:

- Obtained an understanding of IT general controls for Microsoft SharePoint, which included reviewing a SOC report and the most recent Peer Review Acceptance Letter for the company that conducted the review and provided the opinion. [Principle 11]
- For the 60 EMS program expenditures tested, we traced the expenditure data to the respective council's invoices and receipts retrieved from DOH Microsoft SharePoint files.

Based on the above procedures, we found no limitations to using the data for our intended purposes. In accordance with *Government Auditing Standards*, we concluded the councils' and Board's EMSOF expenditure data included on the DOH Microsoft SharePoint database for the period July 1, 2021, through June 30, 2024, to be sufficiently reliable regarding completeness and accuracy for the purposes of this engagement.

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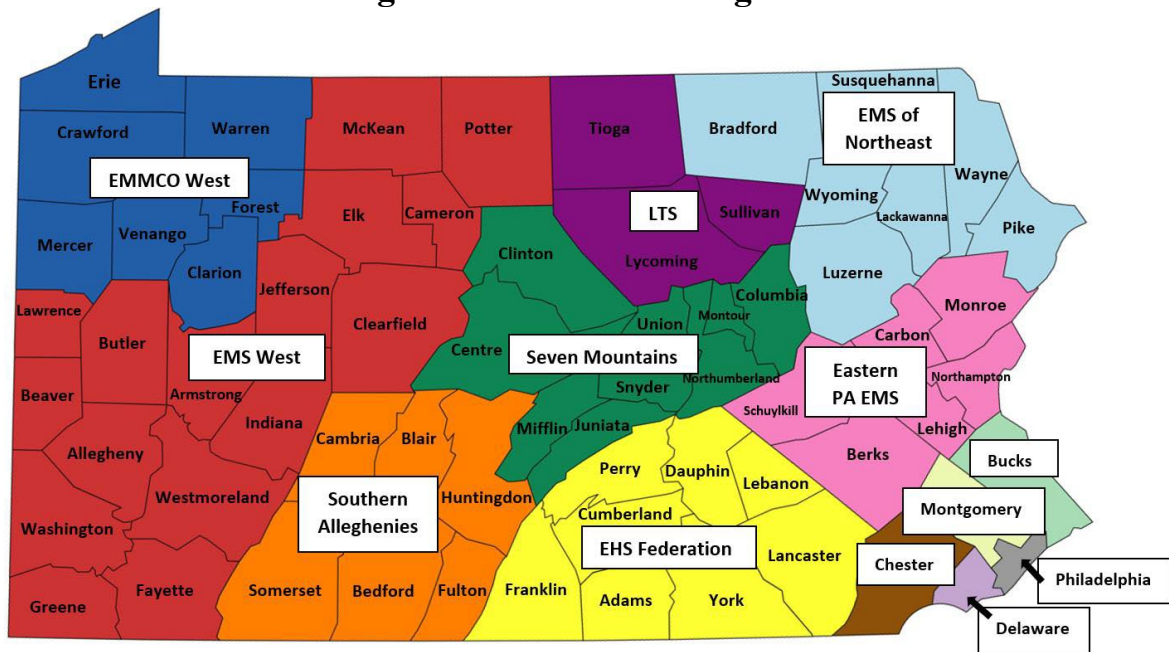
Appendix B

EMS Regional Council Map and Annual Allocations

As described in the *Introduction and Background* of this audit report, the Emergency Medical Services Operating Fund (EMSOF) is administered by the Pennsylvania Department of Health (DOH). Seventy-five percent of the monies of EMSOF are to be allocated to eligible regional Emergency Medical Services (EMS) councils and to the Pennsylvania Emergency Health Services Council (PEHSC) acting as the State Advisory Board.⁶⁹

For the fiscal years ended (FYE) June 30, 2022, 2023, and 2024, DOH granted EMSOF funds to 13 regional EMS councils and to the Board. The map below shows the coverage area for each of the 13 EMS councils. The councils provide services for local EMS agencies and coordinate activities to maintain and improve regional EMS systems. The Board assists and advises DOH in carrying out the Statewide EMS System Plan.⁷⁰

EMS Regional Council Coverage Areas



- | | | | |
|---|---|--|---|
| ■ Bucks County
Emergency Health
Services | ■ Eastern PA EMS
Council | ■ EMS of
Northeastern PA | ■ Philadelphia EMS
Council |
| ■ Chester County EMS
Council | ■ EHS Federation | ■ EMS West | ■ Seven Mountains |
| ■ Delaware County
EMS Council | ■ EMMCO West | ■ LTS EMS Council | ■ Southern
Alleghenies |
| | | ■ Montgomery County
EMS Council | |

Source: *The Pennsylvania Department of Health, Bureau of Emergency Medical Services.*

⁶⁹ 35 Pa.C.S. § 8153(c) (relating to Purpose of fund).

⁷⁰ 35 Pa.C.S. § 8108 (relating to State Advisory Board).

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The following table lists the DOH allocations of EMSOF monies to the EMS councils and Board for the FYE June 30, 2022, 2023, and 2024. DOH annually determines the allocation amounts using a formula to ensure compliance with DOH policy, statutes, and regulations.⁷¹ DOH includes the amounts in the executed grant agreements/contracts with the councils and Board at the beginning of each fiscal year. The amounts may be adjusted as additional funds become available during the year.

EMS Regional Council	EMSOF Allocations* (FYE June 30)		
	2022	2023	2024
Bucks County EHS ^{a/}	\$259,437	\$286,513	\$301,812
Chester County EMS	\$247,113	\$272,979	\$287,277
Delaware County EMS	\$139,953	\$173,461	\$173,461
Eastern PA EMS	\$920,390	\$1,017,098	\$1,069,017
EHS Federation	\$1,347,696	\$1,489,521	\$1,564,775
EMS West	\$2,132,309	\$2,356,071	\$2,477,406
EMMCO West ^{b/}	\$813,205	\$895,282	\$835,654
EMS of Northeastern PA	\$798,456	\$917,461	\$962,109
LTS EMS ^{c/}	\$281,997	\$311,576	\$327,675
Montgomery County EMS	\$259,808	\$286,743	\$302,705
Philadelphia EMS	\$403,171	\$444,764	\$470,267
Seven Mountains EMS	\$631,754	\$723,201	\$808,593
Southern Alleghenies EMS	\$607,438	\$671,329	\$705,355
Subtotal	\$8,842,727	\$9,845,999	\$10,286,106
State Advisory Board			
PEHSC	\$320,000	\$353,940	\$353,940
Total	\$9,162,727	\$10,199,939	\$10,640,046

* – The EMSOF allocation amounts include subsequently available funds DOH added during the respective fiscal years to the initial amounts calculated and included in the executed grant agreements/contracts.

^{a/} – EHS – Emergency Health Services.

^{b/} – EMMCO – Emergency Medical Management Cooperative.

^{c/} – LTS – Lycoming/Tioga/Sullivan.

Source: Created by Department of the Auditor General staff using DOH grant agreements/contracts and other documents.

⁷¹ DOH Policy Circular, PC-2022-BS-02, *Emergency Medical Services Operating Fund Allocation Policy*, Bureau of Emergency Medical Services, July 12, 2022.

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Appendix C

Distribution List

This audit report was distributed to the following individuals:

The Honorable Josh Shapiro
Governor

The Honorable Dr. Debra L. Bogen
Secretary
Pennsylvania Department of Health

Mr. Anthony Martin
Director
Bureau of Emergency Medical Services
Pennsylvania Department of Health

The Honorable Scott Martin
Senate Majority Appropriations Chairman
Pennsylvania Senate

The Honorable Vincent Hughes
Senate Minority Appropriations Chairman
Pennsylvania Senate

The Honorable Jordan Harris
House Majority Appropriations Chairman
Pennsylvania House of Representatives

The Honorable James Struzzi
House Minority Appropriations Chair
Pennsylvania House of Representatives

The Honorable Kim Ward
President Pro-Tempore
Pennsylvania Senate

The Honorable Joanna McClinton
Speaker of the House
Pennsylvania House of Representatives

The Honorable Matt Bradford
House Majority Leader
Pennsylvania House of Representatives

The Honorable Jesse Topper
House Minority Leader
Pennsylvania House of Representatives

The Honorable Joe Pittman
Senate Majority Leader
Pennsylvania Senate

The Honorable Jay Costa
Senate Minority Leader
Pennsylvania Senate

The Honorable Dan Frankel
House Health Majority Chair
Pennsylvania House of Representatives

The Honorable Kathy L. Rapp
House Health Minority Chair
Pennsylvania House of Representatives

The Honorable Dan Williams
House Health Human Services Majority
Chair
Pennsylvania House of Representatives

The Honorable Doyle Heffley
House Human Services Minority Chair
Pennsylvania House of Representatives

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The Honorable Michele Brooks
Senate Health & Human Services Majority
Chair
Pennsylvania Senate

The Honorable Arthur L. Haywood
Senate Health & Human Services Minority
Chair
Pennsylvania Senate

The Honorable Uri Monson
Secretary of the Budget
Office of the Budget

The Honorable Stacy Garrity
State Treasurer
Pennsylvania Treasury Department

The Honorable Dave Sunday
Attorney General
Office of the Attorney General

The Honorable Neil Weaver
Secretary of Administration
Office of Administration

Mr. William Canfield
Director
Bureau of Audits
Office of Comptroller Operations

Mr. Patrick Frownfelter
Library Technician
State Library of Pennsylvania

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