AUDIT REPORT
OF THE
NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM - PROGRAM 343
EXCELLENCE IN HEALTH CARE GRANTS

JULY 1, 2001 THROUGH JUNE 30, 2002

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NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS

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NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS

BACKGROUND

The Nebraska Health and Human Services System – Program 343 – Excellence in Health Care Grants (Program) awards grants for public health purposes. The Nebraska Health Care Council awards five million dollars of the Nebraska Health Care Cash Fund annually for the grants. Grants are awarded for the following areas: public health services which focus on health education, preventive health measures, and environmental health, assessment and assurance; for activities related to the design, maintenance, or enhancement of the statewide trauma system, support of emergency medical services programs, and support for the emergency medical services programs for children; for conversion of hospitals in rural areas of the state to critical access rural hospitals; for education, recruitment, and retention of primary care, behavioral health, and nurse professionals for medically under-served areas; for health infrastructure development which is supportive of telemedicine capability; and for the development and expansion of community-based aging services designed to promote the independent living status of and delay institutional care for elderly persons. At least $700,000 of the annual grants awarded shall be awarded to improve racial and ethnic minority health.

The Nebraska Health Care Council makes recommendations for grant awards to the Director of Health and Human Services System Finance and Support. The Council consists of a chairperson and eight members appointed by the Governor and approved by a majority of the Legislature. The members are appointed for staggered three-year terms. The Council includes at least one consumer, one health care provider, and one member of a racial or ethnic minority.

MISSION STATEMENT

"We help people live better lives through effective health and human services."

NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities and each major fund of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants (Program), as of and for the year ended June 30, 2002, which collectively comprise the Program's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Program's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

As discussed in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Also, as discussed in Note 1, the financial statements of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants, are intended to present the cash balances and changes in cash balances of only that portion of the governmental activities and each major fund of the

State that is attributable to the transactions of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants. They do not purport to, and do not, present fairly the cash balances of the governmental activities and each major fund of the State of Nebraska as of June 30, 2002, and its changes in cash balances for the year then ended in conformity with the cash receipts and disbursements basis of accounting.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash balances of the governmental activities and each major fund of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants, as of June 30, 2002, and the respective changes in cash balances thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2003, on our consideration of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Program's basic financial statements. The accompanying schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Pat Reding, CPA

March 18, 2003

Assistant Deputy Auditor

NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
STATEMENT OF NET ASSETS
ARISING FROM CASH TRANSACTIONS
June 30, 2002

	GOVERNMENTAL ACTIVITIES **TOTAL (Memorandum Only)**
Assets	
Cash in State Treasury	$ 1,498,591
Total Assets	$ 1,498,591
Net Assets	
Unrestricted	$ 1,498,591
Total Net Assets	$ 1,498,591

The accompanying notes are an integral part of the financial statements.

NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
STATEMENT OF ACTIVITIES - CASH BASIS
For the Fiscal Year Ended June 30, 2002

	TOTAL (Memorandum Only)
Disbursements:	
Health and Social Services Function	
Government Aid	$ 3,501,467
Program Receipts:	-
Net Program Receipts (Disbursements)	(3,501,467)
Other Financing Sources & Uses	(2,896,185)
Change in Net Assets	(6,397,652)
Net Assets July 1, 2001	7,896,243
Net Assets June 30, 2002	$ 1,498,591

The accompanying notes are an integral part of the financial statements.

NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
STATEMENT OF ASSETS AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUND
June 30, 2002

	Major Fund Fund 2264 NE Health Care Cash Fund
Assets	
Cash in State Treasury	$ 1,498,591
Total Assets	$ 1,498,591
Fund Balance	
Unreserved	$ 1,498,591
Total Fund Balance	$ 1,498,591

The accompanying notes are an integral part of the financial statements.

NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
For the Fiscal Year Ended June 30, 2002

	Major Fund Fund 2264 NE Health Care Cash Fund
RECEIPTS	$ -
DISBURSEMENTS BY FUNCTION:	
Health and Social Services	3,501,467
TOTAL DISBURSEMENTS	3,501,467
Excess (Deficiency) of Receipts Over (Under) Disbursements	(3,501,467)
OTHER FINANCING SOURCES (USES):	
Operating Transfers In	5,000,000
Operating Transfers Out	(7,896,185)
TOTAL OTHER FINANCING SOURCES (USES)	(2,896,185)
Net Change in Fund Balance	(6,397,652)
FUND BALANCE, JULY 1, 2001	7,896,243
FUND BALANCE, JUNE 30, 2002	$ 1,498,591

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2002

1. Summary of Significant Accounting Policies

The accounting policies of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants are on the basis of accounting as described in the Nebraska Accounting System Manual.

A. Reporting Entity

The Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants (Program) is a program within the Nebraska Department of Health and Human Services. The Nebraska Health and Human Services System (HHSS) consists of three State agencies established under and governed by the laws of the State of Nebraska. As such, the Program is exempt from State and Federal income taxes. The financial statements include all funds of the Program.

The Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants is part of the primary government for the State of Nebraska's reporting entity.

B. Basis of Presentation

Program-wide Financial Statements. The Statement of Net Assets Arising from Cash Transactions and Statement of Activities - Cash Basis display information about the activities of the Program, and are in the format of government-wide statements as required by Governmental Accounting Standards Board (GASB) Statement Number 34. These statements include all the financial activities of the Program . Internal activities in these statements have not been eliminated. Governmental generally accepted accounting principles (GAAP) would require internal activity to be eliminated to minimize double counting. The Program reports governmental activities only. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities demonstrates the degree to which the direct disbursement of a given function or segment is offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts reduce the net cost of the function to be financed by general receipts. Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants receipts include general receipts. Receipts identified as program receipts include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that

1. Summary of Significant Accounting Policies (Continued)

are restricted to meeting the operational or capital requirements of a particular function or segment. General receipts include all other receipts properly not included as program receipts. The Program's general receipts are derived from operating transfers in.

Fund Financial Statements. The fund financial statements provide information about the Program's funds. GAAP requires separate statements by fund category - governmental, proprietary, and fiduciary. The Program uses only the governmental fund category. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Program reports the following major governmental fund:

Nebraska Health Care Cash Fund 2264. This fund records amounts transferred from the Nebraska Medicaid Intergovernmental Trust Fund and the Nebraska Tobacco Settlement Trust Fund. The Nebraska Health Care Council awards grants related to public health.

C. Measurement Focus, Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the Program are maintained and the Program-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Assets Arising From Cash Transactions and the Statement of Activities-Cash Basis. Revenues are recognized when received and expenditures are recognized when paid for all funds of the Program. This differs from governmental generally accepted accounting principles (GAAP), which require the Program-wide fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus and basis of accounting revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements were also reported on the cash receipt and disbursement basis of accounting. As such, the same measurement focus and basis of accounting were used as described above. This differs from governmental generally accepted accounting principles (GAAP), which require governmental fund financial

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (Concluded)

statements to be reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this measurement focus and basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the State of Nebraska considers revenues to be available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

D. Assets and Net Assets

Cash in State Treasury. Cash in the State Treasury represents the cash balance of a fund as reflected on the Nebraska Accounting System. Investment of all available cash is made by the State Investment Officer, on a daily basis, based on total bank balances. Investment income is distributed based on the average daily book cash balance of funds designated for investment. Determination of whether a fund is considered designated for investment is done on an individual fund basis. All of the funds of the Program were designated for investment during fiscal year 2002; however, investment earnings were deposited into another Health and Human Services System program that also utilizes the Nebraska Health Care Cash Fund.

Inventories. Disbursements for items of an inventory nature are considered expended at the time of purchase rather than at the time of consumption.

Capital Assets. Under the cash receipts and disbursements basis of accounting, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as disbursements in governmental funds. GAAP requires capital assets, which would include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) to be reported in the applicable governmental activities columns in the government-wide financial statements.

Depreciation expenses on capital assets was not recorded on the cash basis financial statements. Under GAAP, depreciation expenses would be recorded in the Statement of Activities. The cost of normal maintenance and repairs that does not add to the value of the asset or extend asset life is not capitalized.

NOTES TO FINANCIAL STATEMENTS
(Continued)

2. Totals

The Totals "Memorandum Only" column represents an aggregation of individual account balances. The column is presented for overview informational purposes and does not present consolidated financial information because interfund balances and transactions have not been eliminated.

3. Contingencies and Commitments

Risk Management. The Program is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, and natural disasters. The Program, as part of the primary government for the State, participates in the State's risk management program. The Nebraska Department of Administrative Services (DAS) Division of Risk Management is responsible for maintaining the insurance and self-insurance programs for the State. The State generally self-insures for general liability and workers' compensation. The State has chosen to purchase insurance for:

A. Motor vehicle liability, which is insured for the first $5 million of exposure per accident. Insurance is also purchased for medical payments, physical damage, and uninsured and underinsured motorists with various limits and deductibles. State agencies have the option to purchase coverage for physical damage to vehicles.

B. The DAS-Personnel Division maintains health care and life insurance for eligible employees.

C. Crime coverage, with a limit of $1 million for each loss, and a $10,000 retention per incident.

D. Real and personal property on a blanket basis for losses up to $250,000,000, with a self-insured retention of $200,000 per loss occurrence. Newly-acquired properties are covered up to $1,000,000 for 60 days or until the value of the property is reported to the insurance company. The perils of flood and earthquake are covered up to $10,000,000.

E. State agencies have the option to purchase building contents and inland marine coverage.

No settlements exceeded commercial insurance coverage in any of the past three fiscal years. Health care insurance is funded in the Compensation Insurance Trust Fund through a combination of employee and State contributions. Workers' compensation is

3. Contingencies and Commitments (Concluded)

funded in the Workers' Compensation Internal Service Fund through assessments on each agency based on total agency payroll and past experience. Tort claims, theft of, damage to, or destruction of assets, errors or omissions, and natural disasters would be funded through the State General Fund or by individual agency assessments as directed by the Legislature, unless covered by purchased insurance. No amounts for estimated claims have been reported in the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants' financial statements.

Litigation. The potential amount of liability involved in litigation pending against the Program, if any, could not be determined at this time. However, it is the Program's opinion that final settlement of those matters should not have an adverse effect on the Program's ability to administer current programs. Any judgment against the Program would have to be processed through the State Claims Board and be approved by the Legislature.

4. Transfers

Operating Transfers In consist of $5 million to the Program in accordance with Neb. Rev. Stat. Section 71-7614, R.S.Supp., 2002. Operating Transfers Out consist of $7,896,185 to Program 348 in accordance with 2002 Neb. Laws 1309, Section 110.

5. Program Administration

Administrative costs for the Program are paid from the Health and Human Services System Administration Program and are not included in Program 343 financial statements.

6. GASB 34

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments. The State of Nebraska implemented the Statement for the fiscal year ending June 30, 2002.

The Program implemented GASB 34 by presenting its financial statements in a format as required by GASB 34. However, as explained in Note 1.C. the Program's financial statements are presented on the cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Previous period financial statements of the Program were also prepared on the cash basis of accounting; therefore, these

NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
SUPPLEMENTARY INFORMATION
MAJOR SPECIAL REVENUE FUNDS
BUDGETARY COMPARISON SCHEDULE OF DISBURSEMENTS BY PROGRAM
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2002

	Nebraska Health Care Cash Fund			
	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL AMOUNTS	
PROGRAM:				
343 - Excellence in Health Care Grants	$ 14,612,744	$ 14,612,744	$ 3,501,467	$ 11,111,277
TOTAL DISBURSEMENTS	$ 14,612,744	$ 14,612,744	$ 3,501,467	$ 11,111,277

See Notes to Supplementary Information

NOTES TO SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2002

BUDGETARY COMPARISON SCHEDULE

GAAP Requirements

Generally Accepted Accounting Principles (GAAP) requires budgetary comparison schedules for the general fund, and for each major special revenue fund that has a legally adopted annual budget. For each program, the Legislature appropriated the Program's legally adopted annual budget amount. The Program's budgetary comparison schedule includes the Nebraska Health Care Cash Fund.

GAAP also requires the budgetary comparison schedule to include the *original budget* and *final budget* amounts. The *original budget* is the first complete appropriated budget adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes *before* the beginning of the fiscal year. The original budget would also include actual appropriation amounts automatically carried over from prior years when required by law. The *final budget* is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year as signed into law or otherwise legally authorized.

Budgetary Process

The State's biennial budget cycle ends on June 30 of the odd-numbered years. By September 15, prior to a biennium, the Program and all other State agencies must submit their budget request for the biennium beginning the following July 1. The requests are submitted on forms that show estimated funding requirements by programs, sub-programs, and activities. The Executive Branch reviews the requests, establishes priorities, and balances the budget within the estimated resources available during the upcoming biennium.

The Governor's budget bill is submitted to the Legislature in January. The Legislature considers revisions to the bill and presents the appropriations bill to the Governor for signature. The Governor may: a) approve the appropriations bill in its entirety, b) veto the bill, or c) line item veto certain sections of the bill. Any vetoed bill or line item can be overridden by a three-fifths vote of the Legislature.

The approved appropriations will generally set spending limits for a particular program within the agency. Within the agency or program, the Legislature may provide funding from one to five budgetary fund types. Thus, the control is by fund type, within a program, within an agency. As a result, the budgetary comparison schedule only reports total disbursements *by program*.

Appropriations are usually made for each year of the biennium, with unexpended balances being reappropriated at the end of the first year of the biennium. For most appropriations, balances lapse at the end of the biennium.

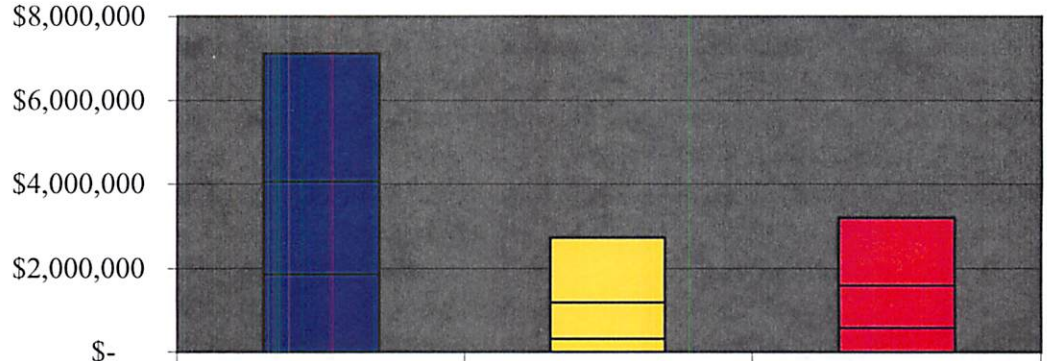
NOTES TO SUPPLEMENTARY INFORMATION
(Continued)

All State budgetary disbursements for the Program's Nebraska Health Care Cash Fund are made pursuant to the appropriations, which may be amended by the Legislature, upon approval by the Governor. State agencies may reallocate the appropriations between major object of expenditure accounts, except that the Legislature's approval is required to exceed the personal service limitations contained in the appropriations bill. Increases in total cash fund appropriations must also be approved by the Legislature as a deficit appropriations bill.

Receipts are not budgeted. Therefore, there are no budgeted amounts shown on the Budgetary Comparison Schedule.

NEBRASKA HEALTH AND HUMANS SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
SCHEDULES OF GRANTS BY YEAR AND COMMITMENT
Fiscal Years June 30, 2000 through 2002
UNAUDITED

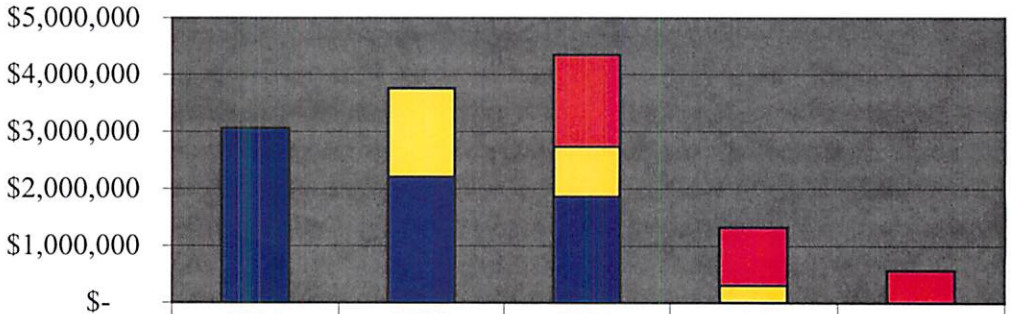
Grant Funding



	Grant Year 2000	Grant Year 2001	Grant Year 2002
Year One Commitment	$3,053,554	$1,555,667	$1,617,245
Year Two Commitment	$2,202,704	$876,567	$1,018,140
Year Three Commitment	$1,856,743	$304,164	$568,730

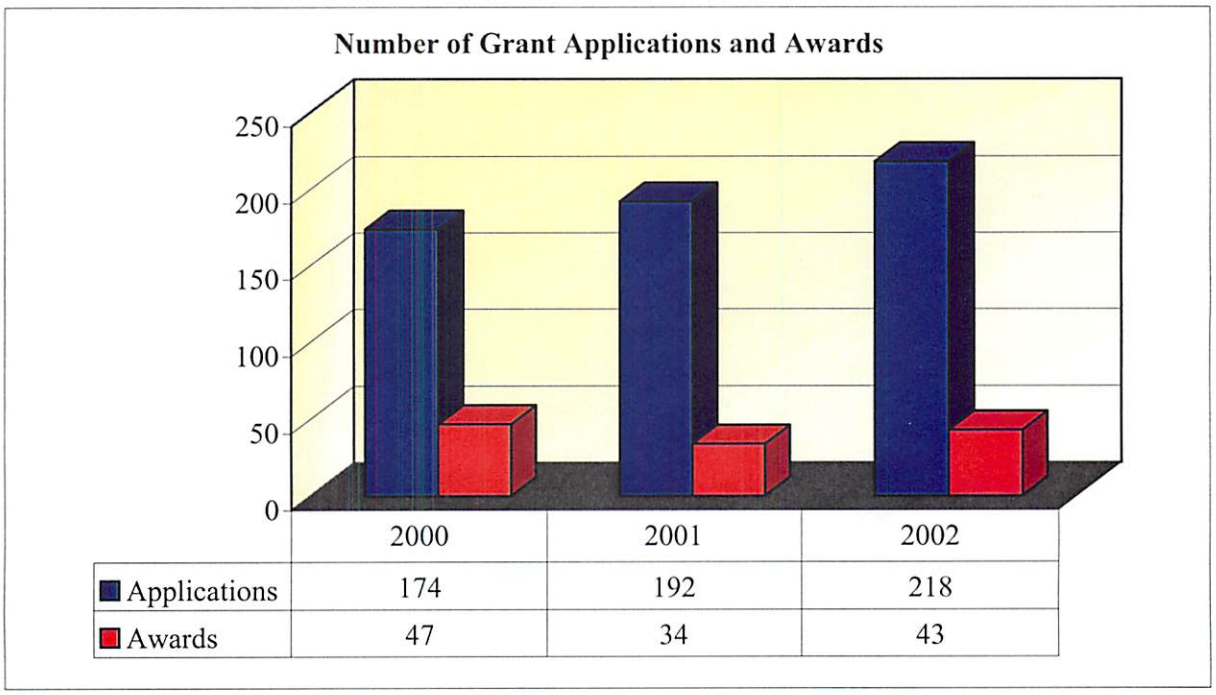
The above chart represents funding obligations for multi-year grant awards. For example, grants awarded in 2000, $3,053,554 was awarded for the first year; $2,202,704 was committed for the second year's funding; and $1,856,743 was committed for the final year.

Projected Grant Commitments by Fiscal Year

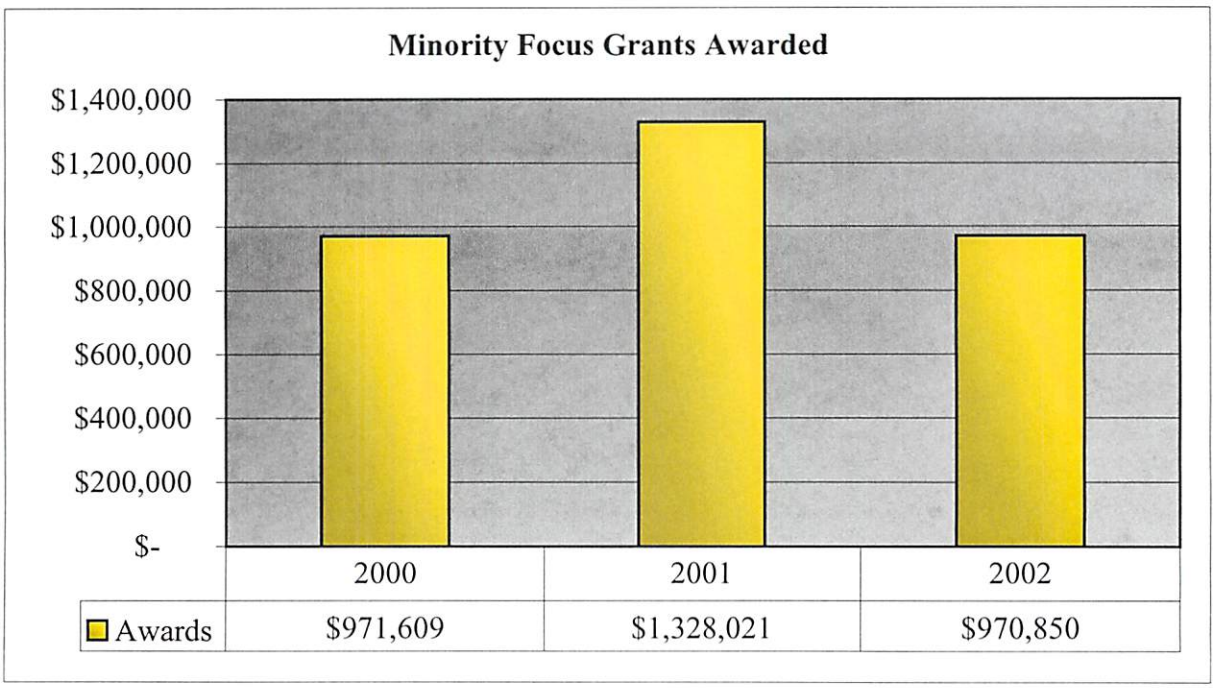


	2001	2002	2003	2004	2005
2002 grant year awards			$1,617,245	$1,018,140	$568,730
2001 grant year awards		$1,555,667	$876,567	$304,164	
2000 grant year awards	$3,053,554	$2,202,704	$1,856,743		

NEBRASKA HEALTH AND HUMANS SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
SCHEDULES OF GRANT APPLICATIONS AND AWARDS
Grant Years 2000 through 2002
UNAUDITED

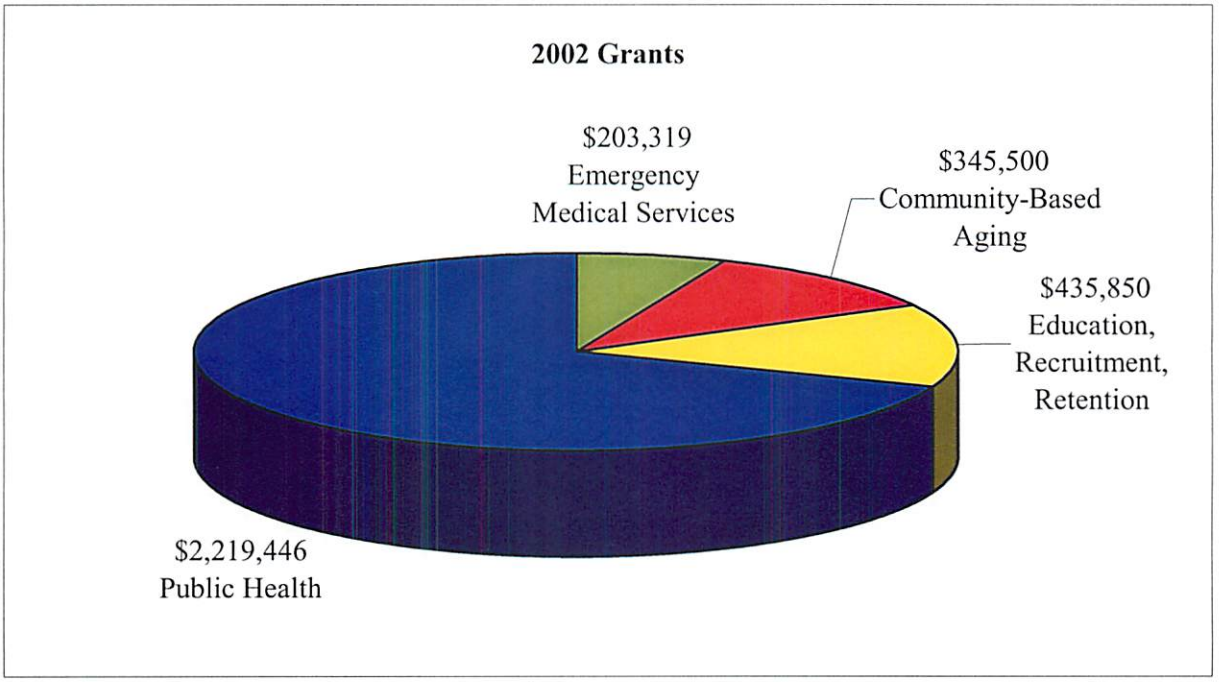


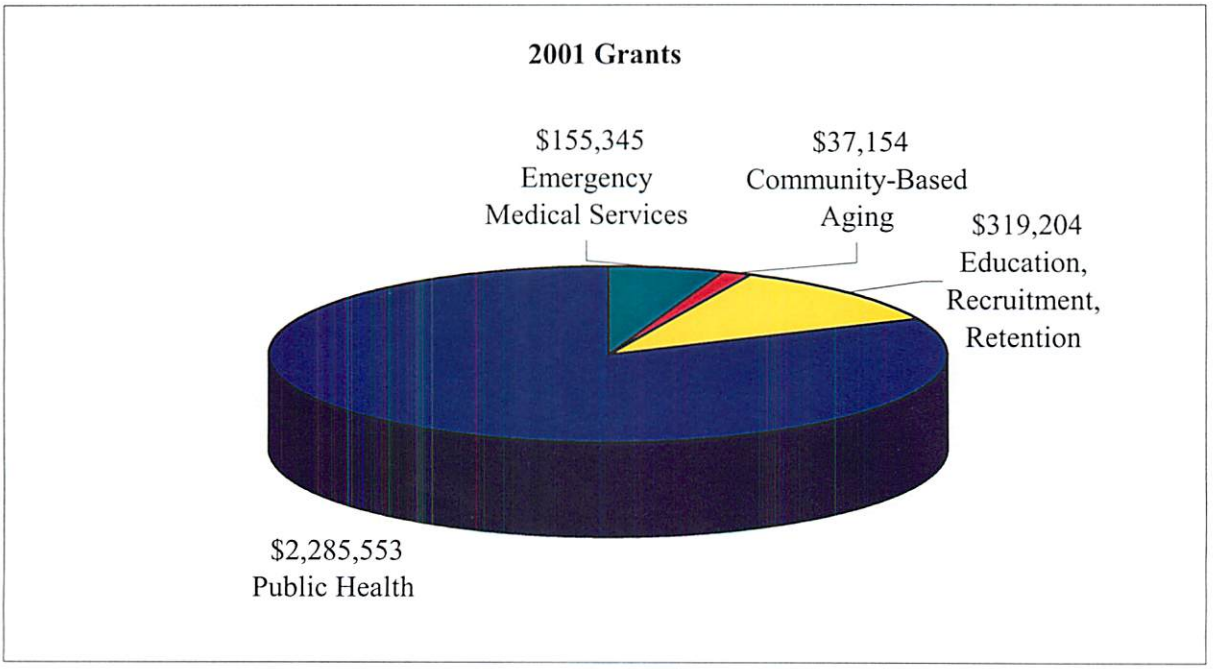
	2000	2001	2002
Applications	174	192	218
Awards	47	34	43



	2000	2001	2002
Awards	$971,609	$1,328,021	$970,850

NEBRASKA HEALTH AND HUMANS SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS
SCHEDULES OF GRANTS BY CATEGORY
Grant Years 2001 and 2002
UNAUDITED





NEBRASKA HEALTH AND HUMAN SERVICES SYSTEM
PROGRAM 343 - EXCELLENCE IN HEALTH CARE GRANTS

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited the financial statements of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants as of and for the year ended June 30, 2002, and have issued our report thereon dated March 18, 2003. The report notes the financial statements were prepared on the basis of cash receipts and disbursements and was modified to emphasize that the financial statements present only the funds of the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Nebraska Health and Human Services System - Program 343 - Excellence in Health Care Grants' internal control over financial reporting in order to determine our auditing

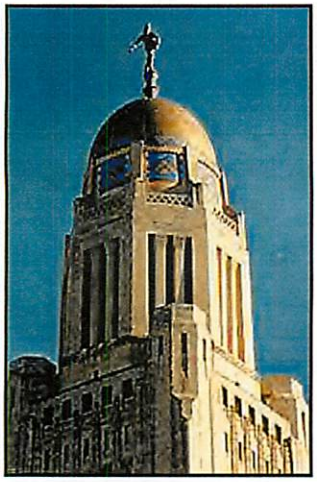
procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Program, the appropriate Federal and regulatory agencies, and citizens of the State of Nebraska, and is not intended to be and should not be used by anyone other than these specified parties.

Pat Redig, CPA

March 18, 2003

Assistant Deputy Auditor



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Audit Report of the Nebraska Health and Human Services System (HHSS) Program 343 Excellence in Health Care Grants For the Period July 1, 2001 through June 30, 2002

Report Highlights

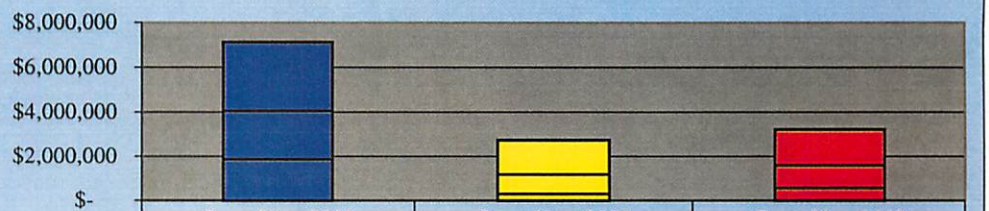
Issued April 2003

The Nebraska Health and Human Services System – Program 343 – Excellence in Health Care Grants awards grants for public health purposes. The Nebraska Health Care Council awards five million dollars of the Nebraska Health Care Cash Fund annually for the grants. Grants are awarded for the following areas: public health services which focus on health education, preventive health measures, and environmental health, assessment and assurance; for activities related to the design, maintenance, or enhancement of the statewide trauma system, support of emergency medical services programs, and support for the emergency medical services programs for children; for conversion of hospitals in rural areas of the state to critical access rural hospitals; for education, recruitment, and retention of primary care, behavioral health, and nurse professionals for medically under-served areas; for health infrastructure development which is supportive of telemedicine capability; and for the development and expansion of community-based aging services designed to promote the independent living status of and delay institutional care for elderly persons. At least $700,000 of the annual grants awarded shall be awarded to improve racial and ethnic minority health.

The Nebraska Health Care Council makes recommendations for grant awards to the Director of Health and Human Services System Finance and Support. The Council consists of a chairperson and eight members appointed by the Governor and approved by a majority of the Legislature. The members are appointed for staggered three-year terms. The Council includes at least one consumer, one health care provider, and one member of a racial or ethnic minority.

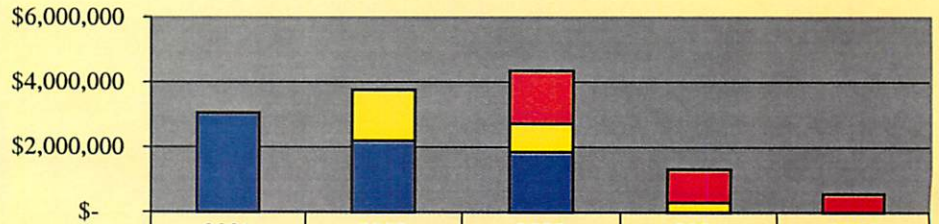
See the audit report at our website at www.auditors.state.ne.us.

Grant Funding (Unaudited)



	Grant Year 2000	Grant Year 2001	Grant Year 2002
Year One Commitment	$3,053,554	$1,555,667	$1,617,245
Year Two Commitment	$2,202,704	$876,567	$1,018,140
Year Three Commitment	$1,856,743	$304,164	$568,730

Projected Grant Commitments by Fiscal Year (Unaudited)



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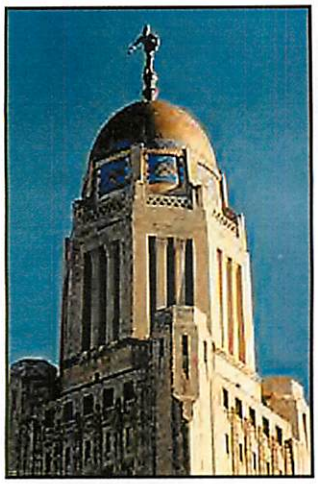

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Audit Report of the Nebraska Health and Human Services System (HHSS) Program 343 Excellence in Health Care Grants For the Period July 1, 2001 through June 30, 2002

Report Highlights

Issued April 2003

The Nebraska Health and Human Services System – Program 343 – Excellence in Health Care Grants awards grants for public health purposes. The Nebraska Health Care Council awards five million dollars of the Nebraska Health Care Cash Fund annually for the grants. Grants are awarded for the following areas: public health services which focus on health education, preventive health measures, and environmental health, assessment and assurance; for activities related to the design, maintenance, or enhancement of the statewide trauma system, support of emergency medical services programs, and support for the emergency medical services programs for children; for conversion of hospitals in rural areas of the state to critical access rural hospitals; for education, recruitment, and retention of primary care, behavioral health, and nurse professionals for medically under-served areas; for health infrastructure development which is supportive of telemedicine capability; and for the development and expansion of community-based aging services designed to promote the independent living status of and delay institutional care for elderly persons. At least $700,000 of the annual grants awarded shall be awarded to improve racial and ethnic minority health.

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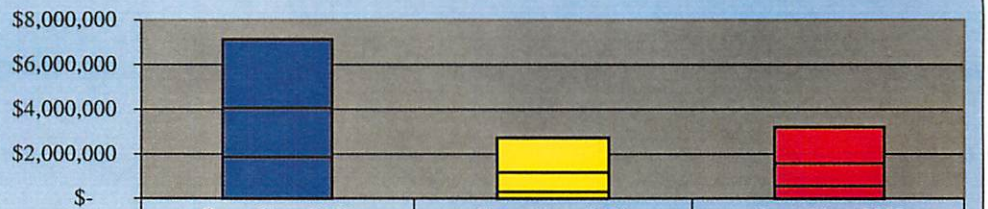

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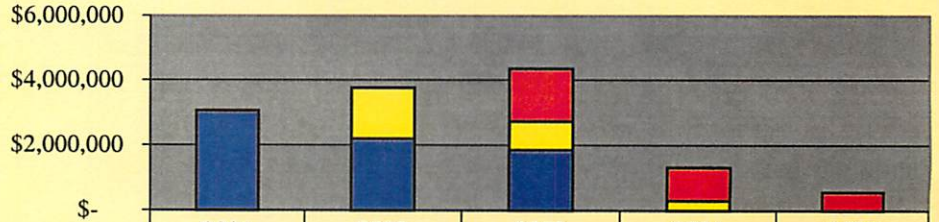

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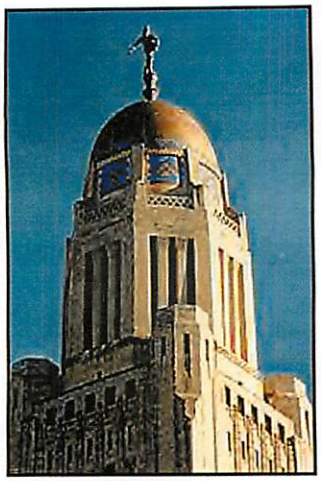

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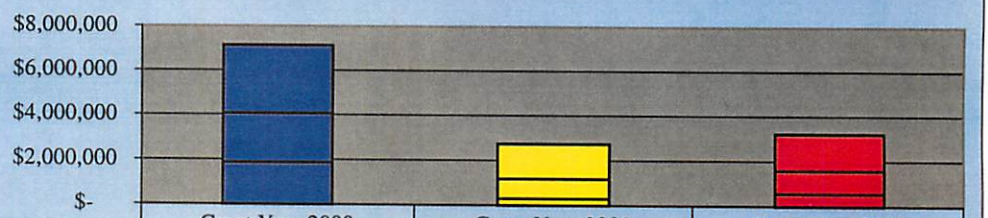

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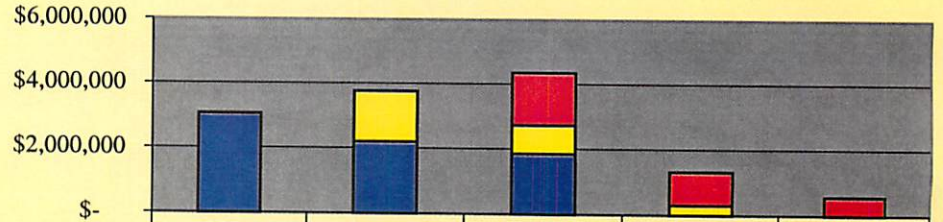

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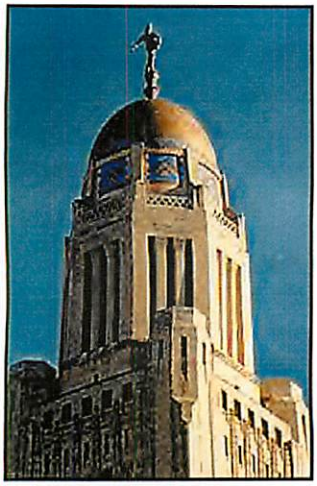

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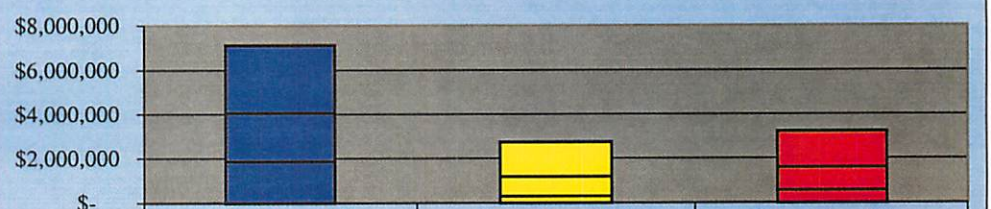

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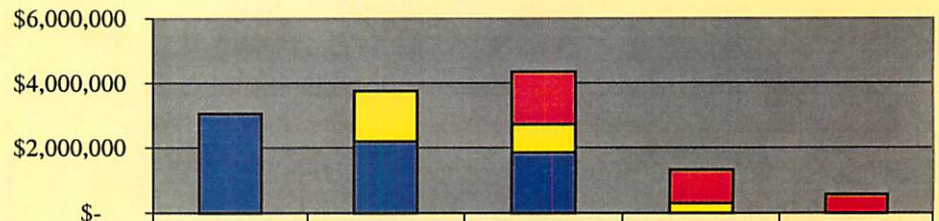

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