

Overview

Summary

Health Services have a strong focus on internal audit however the focus is on key risks, financial and compliance issues. The gap identified is the lack of clinical audit included in this framework. This concept proposes to develop an integrated internal audit framework that includes all elements of audit including clinical to reduce risk. Currently the audit program for health services is fragmented and requires pulling together into one framework.

The project proposed addresses a gap in healthcare to integrate and equitably audit all key processes and risks for an organisation.

Background

Under the Minister of Finance Standing Directions 2.5, Internal Audit a direction is given that;

“Each Public Sector Agency must, unless exemption has been obtained, establish and maintain an adequately resourced independent internal audit function appropriate to the needs of the Public Sector Agency.” *Standing Directions of the Minister for Finance under the Financial Management Act 1994, P 29 Department of Treasury and Finance updated 2010.*

Currently EGHS has an internal audit program that focuses on key financial compliance requirements and occasionally other operational activities (i.e. not primarily associated with core financial functions such as budgeting, payroll, accounts, purchasing and financial accounting) that provide exposure to high risk to the organisation. This mandate is embedded in organisational function and addresses the standard for internal auditing. It is proposed that high risk clinical functions be exposed to the same discipline of internal audit to enable assessment of adherence, compliance and outcomes with standards for those identified high risk clinical specialties.

There has been a struggle nationally and internationally in achieving consistent application of clinical auditing. Current processes for clinical auditing available to rural and regional hospitals include the Limited Adverse Occurrence Screening, Morbidity and Mortality committees, case review and peer review. These processes are fragmented. There has been a focus on reacting to adverse events in a peer review setting rather than proactive auditing of clinical care controls which enable review of the whole patient journey from pre-admission to discharge or review of specific patient conditions or treatments. A proactive process of auditing may identify gaps in the care process before a patient has been harmed thus has the potential to reduce adverse events and resultant medical indemnity claims.

High claim medical indemnity cases are derived from five key operational areas within a health service these being:

- Obstetrics
- Emergency Department
- General Surgery
- General Medicine
- Orthopaedic Surgery

A process of robust internal auditing of clinical care will proactively assist in identifying gaps in systems, processes and outcomes. Reporting in a risk format will provide clear guidance for organisations where risk exists and where opportunities can be maximised. Internal auditing of clinical care will be conducted in an environment conducive to continuous improvement principles with outcomes expected to improve safety and quality in health care and minimise risk.

An auditing framework for clinical care will be based on the globally accepted definition of internal audit as follows, is the underpinning of this project.

“Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes”. Institute of Internal Auditors –IIA

Using an internal clinical audit framework based on the international standard will provide sound governance practice from the Board through the Executive to the clinical areas. Execution of actions from recommendations will drive behaviour and culture change. Particularly in an environment where an engaged Board will ask questions related to the outcomes of the audit and the actions taken to remedy exposure to risk or the significant opportunities to improve.

Objective(s):

This project will develop a framework, tools and operational guidelines to inform the implementation of internal audit processes in the clinical domain. The advantage of adapting internal audit processes in the clinical domain is to allow robust, independent review of care either by speciality area or by care outcomes.

The implementation of the Internal Audit framework, tools and guidelines (following pilot and evaluation milestones) will contribute to:

- reduced risk of preventable adverse events for patients and subsequent reduction in medical indemnity claims
- improved knowledge and application of best practice processes & procedures within speciality areas
- enhanced understanding and governance by hospital boards for the clinical risks
- optimal utilisation and prioritisation of resources to strategically improve clinical risk performance
- systemic improvement through information sharing about potential risks, mitigation / improvement strategies and better practices between health services

Outcomes from this project will be tested and evaluated in a subsequent phase as identified in the approved concept paper for this project. Milestone 4 and 5 will be the subject of a separate application for partnership funding following successful completion of milestone 1-3 of the project.

Deliverable(s):

The development of the Internal Audit framework , tools and operational guidelines involves five milestones:

Milestone 1: Literature review

Milestone 2: Development of framework

Milestone 3: Development of tool(s) and guideline(s)

Milestone 4: Pilot of tools and guideline, (Emergency Department care in partner organisations)

Milestone 5: Project evaluation

This project submission specifically details the first three milestones ; project deliverables from milestone 1 – 3 are:

Milestone 1 Literature Review: The literature review will examine factors that contribute to effective clinical audit. Furthermore, the literature review will seek to identify existing frameworks, tools, or guidelines where internal audit principles and processes have been developed. It is anticipated from a brief literature review, that there is no existing framework, tools or guidelines in the literature which meet the requirements of this project. Once completed, the literature review will inform the development of a more strategic approach to auditing clinical care and processes. The report will therefore be useful for executive teams, hospital governance & management bodies and risk advisors. Publication of literature review will be in a peer review journal.

The successful completion of the literature review will inform the funding of milestone 2 & 3.

Milestone 2 Framework: The Internal Audit framework will be informed by the findings of the literature review. The framework will provide principles for the practice of Internal Audit in the clinical domain. The framework will describe the requirements for the conduct of Internal Auditing in the clinical domain. External stakeholder engagement will be sought to contribute to the development of the framework. It is envisaged that the framework, will be used to guide the subsequent pilot milestone. Peer review publication will be sought following the development of the framework along with a discussion paper for external stakeholders.

Milestone 3 Goals & Guidelines: The Internal Audit for clinical domains tools & guidelines will be developed after identification of best practice for the area of audit, that is, tools & guidelines will be specific to the area subject to internal audit. The focus for the development of the internal audit tools will be speciality areas that have been identified as high risk for medical indemnity claims: Emergency Department care, Obstetric & Midwifery care and Operating Theatre care. It is anticipated that the tools and guidelines will be part of the package which will be available for piloting in milestone 4 & 5.