

UCLA AUDIT & ADVISORY SERVICES



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November 3, 2023

SENIOR VICE PRESIDENT/CHIEF COMPLIANCE & AUDIT OFFICER ALEX BUSTAMANTE
EXECUTIVE VICE CHANCELLOR AND PROVOST DARNELL M. HUNT:

Re: [UCLA Health Affiliations Interim Audit Report #23-1211](#)

The audit of UCLA's implementation of Regents Policy 4405, "Policy on Affiliations with Healthcare Organizations that have Adopted Policy-Based Restrictions on Care" has been completed, and our results are detailed below. This audit was conducted as part of the Health Sciences audit plan for fiscal year 2022-23. The audit fieldwork was conducted between March and June of 2023 and this report reflects processes in place during that time.

Background

In July 2021, the Board of Regents approved Regents Policy 4405, which governs affiliations between health care organizations that have policy-based restrictions on care and the University, including University of California Health's academic health centers and health professional schools. The Regents Policy requires that UC providers at affiliates with restrictive policies are able to offer patients a choice in reproductive and other types of care; expands and protects the options for UC providers and patients at covered affiliates; and gives UC providers and patients ways to address barriers to providing the full spectrum of evidence-based care. The Regents Policy and an accompanying systemwide policy providing more detailed implementation direction are intended to protect the ability of UC clinicians and trainees working at those organizations to provide evidence-based, appropriate care to all patients.

On September 22, 2021, the Office of the President issued the interim systemwide policy to implement the requirements of Regents Policy 4405. The purpose of this policy was to establish standards for affiliation with organizations with policy-based restrictions on care that protect and advance the University's values, as well as its commitment to inclusion, diversity, equity, and accountability, and ensure such affiliations do not compromise the University's commitment to evidence-based care for all patients.

To promote complete and consistent application of the policy requirements at each location, UC Health convened a working group comprised of representatives from each UC health center. This group coordinated with sub-groups, committees, leadership, and individuals at each location to implement and operationalize measures within the policy.

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Purpose and Scope

The purpose of the interim audit was to determine to what extent the Regents Policy and accompanying systemwide interim policy have been implemented.

The scope of the audit covered the following interim policy aspects:

- Due Diligence, Review & Approval, and Contract Language
- Communications to University Personnel, Trainees, and Patients
- Complaint Resolution Process
- Patient Transfer Process

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* and included interviews with key personnel, and a review of ten updated/new affiliation agreements with organizations that have policy-based restrictions.

Audit Results

Based on the results of the work performed within the scope of the audit, UCLA has started to implement the interim policy. At the time of the audit, implementation for some parts of the policy were pending finalization of templates by UCOP. Some opportunities for improvement are summarized below.

Due Diligence, Review & Approval and Contract Language

Audit review of ten updated/new affiliation agreements with organizations that have policy-based restrictions indicated that the agreements are in accordance with the interim policy. The standard UC Covered Organization Affiliation Agreement Checklist is completed and signed by the department that provides the service to the organization. The Checklist includes documentation of the rationale for the affiliation including any anticipated risks and benefits to UC's mission and the broader patient community, the consequences of not proceeding with the transaction, and a description of how restricted services will be maintained or improved as a result of the affiliation.

The contracts reviewed include all of the language requirements specified in the Checklist and were appropriately approved by the Chancellor. For one contract that required a deviation from the standard contract language, there was approval from the Vice Chancellor of Health Sciences.

An opportunity for improvement is detailed below.

Affiliation Agreement Documentation

The steps that departments need to follow for establishing an affiliation agreement with an organization that has policy-based restrictions are documented on the UCLA Health Office of Legal Affairs website. The documentation can be enhanced to also include the Office of Legal Affairs' process to provide guidance regarding covered affiliates to personnel supporting these affiliations.

Recommendation: The UCLA Health Office of Legal Affairs website should reference the guidance and frequency at which is provided.

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Communications to University Personnel, Trainees, and Patients

At the time of the audit, UCOP had not yet finalized formal communication templates to UC personnel and trainees who work at the affiliated organizations with policy-based restrictions. The communication will inform UC personnel and trainees about policy-based restrictions at the affiliated organization and the expectation that they adhere to evidence-based standards of care. Further, they will be informed that working at the affiliated organization is voluntary. Lastly, there will be information on how to raise a concern or file a complaint.

Patients who are transferred to organizations with policy-based restrictions receive information about the policy-based restrictions and alternative care options as described in the Patient Transfer Process section below.

The audit did not identify any concerns in this area.

Complaint Resolution Process

UCLA has identified interim contacts to address any complaints from UCLA personnel and patients relating to the affiliated organizations with policy-based restrictions. As of March 17, 2023, there have been no complaints reported by UCLA personnel or patients.

An opportunity for improvement is detailed below.

Procedure Documentation

A procedure has not been documented about how complaints are identified, escalated, and resolved. Without a documented procedure, complaints may not be handled consistently.

Recommendation: A procedure should be documented detailing the handling and resolution of complaints.

Patient Transfer Process

All inpatients who are transferred from UCLA to other facilities receive the standardized patient referral-transfer message, which provides alternative options for obtaining services that are restricted by organizations with policy-based restrictions. The discharge personnel also confirm that the facility to which a patient is transferring provides the services required by the patient. For all outpatient referrals, language has been added to the after visit summary stating that UCLA Health may refer patients to facilities with policy-based restrictions and that a list of locations with comprehensive services can be found on the UCLA website. (A link to the website is also provided.)

Patients who are transferred to UCLA from organizations with policy-based restrictions follow the same protocol as any patient who is transferred in. Restricted services are considered medically necessary. Upon approval, medical acceptance is documented in CareConnect and the transfer is initiated.

The audit did not identify any significant concerns in this area.

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Once the interim policy is finalized, there will be a follow up audit to assess the implementation of the policy. If you have any questions, please contact Audit Manager Hasitha Amarasekera at hamarasekera@iad.ucla.edu.

Respectfully,



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