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Subject: *Regulatory Review – Orthopedic Surgery, Perlman Medical Offices
Audit & Management Advisory Services Project 2013-17C*

Audit and Management Advisory Services (AMAS) has completed a planned review of four non-licensed clinics as part of the Fiscal Year 2012-13 audit plan. This report summarizes the results of our review of the Orthopedic Surgery Clinic located in the Perlman Medical Offices in La Jolla. The results of our reviews of the other clinics will be provided to management in separate reports.

Background

Currently, there are no federal or state regulations requiring that medical clinics be licensed. The UC San Diego Health System (UCSDHS) has established clinics in both hospital licensed space, and non-licensed space. Ambulatory Services personnel manage most UCSDHS clinics, which helps to ensure that the same operational standards are implemented in all locations. The Ambulatory Services Regulatory Affairs Office conducts periodic reviews and requested consultative services in both licensed and non-licensed clinics. Because clinics in licensed space must comply with licensure requirements, clinic activities are periodically monitored to ensure that they are meeting the standards. However, regulatory monitoring of non-licensed clinics is generally less frequent.

The Orthopedic Surgery Clinic, located in the Perlman Medical Offices (Orthopedic Surgery Perlman) operates in non-licensed space. Clinic management has adopted Ambulatory Services guidelines for Medical Group clinics to manage its operations. The Ambulatory Services Regulatory Office performs periodic site visits to evaluate clinic regulatory compliance. The latest review was completed in March 2012.

Orthopedic Surgery Perlman provides outpatient treatments for nine subspecialties. Most patients are sent to the laboratory for blood draws, but there have been occasions when this service was performed by a clinic physician or registered nurse (RN). There are no surgical procedures or rehabilitation services performed at the clinic; however, scheduling staff are available to assist patients with scheduling those services.

Orthopedic Surgery Perlman recently expanded its services to include oncology treatments for children and adults. Clinic management has been modifying practices and adding equipment needed to ensure compliance with policies associated with the care of pediatric patients. As Orthopedic patient volumes and sub-specialties expanded, clinic management and the Orthopedic Surgery Business Office worked together to address clinic scheduling and space issues.

The patient population also includes patients with conditions such as diabetes, hypertension and vertigo that place them at high risk for a fall. Clinic management works closely with Emergency Preparedness

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and Rapid Response teams, and Environment of Care (EOC) to ensure that patient safety issues are addressed.

Orthopedic Surgery Perlman operations are managed by a Practice Manager who reports to the Administrative Vice-Chair of the Department of Orthopedic Surgery and the Director of Ambulatory Services. Under the direction of the Practice Manager, one RN supervises eleven Medical Assistants (MAs). An Administrative Supervisor manages five Front Desk Clerks, ten Surgery Schedulers, and five Call Center specialists, and an Ortho Tech Lead supervises one Ortho Technician. Two other RNs rotate between the Hillcrest and Perlman clinics. Epic is implemented in the clinic to create and manage patient health records.

EOC and Infection Control (IC) offices, as well as Biomedical Equipment Services make period visits to the clinic to help management maintain compliance with patient and staff safety and medical equipment maintenance standards.

Audit Objective, Scope and Procedures

The objective of this review was to evaluate clinic operating standards and regulatory compliance with a focus on the following topics:

- Organizational Oversight and Monitoring
- Personnel File Review
- Medication Inventory Management
- Patient and Staff Safety
- Patient Health Records Management
- Medical Equipment Management

AMAS collaborated with the Ambulatory Services Regulatory Office, and utilized parts of their tracer tool in creating the audit methodology used to complete our review.

We performed the following audit procedures to achieve the project objective:

- Interviewed the Clinic Supervisor and key personnel;
- Contacted various UCSDHS regulatory offices, as needed;
- Examined selected records in staff personnel files;
- Verified staff licensure information on line; and
- Completed a tour of the facility and observed clinic practices.

Audit fieldwork focused on compliance with regulatory requirements and did not include an assessment of charge capture processes or financial management practices.

Conclusion

Based on our review procedures, we concluded that Orthopedic Surgery Perlman operations are managed in accordance with UCSDHS policies and applicable regulations.

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We noted the following best practices at Orthopedic Surgery Perlman during our site visit:

- Management utilizes a form and checklist from The Joint Commission (TJC) and adheres to Ambulatory Services standards for monitoring and maintaining personnel files. In addition, the Clinic Supervisor maintains an excel file to track required licenses, certifications, and competencies. The clinic also utilizes the Ambulatory Services Competency Evaluation form for reviewing patient care staff competency.
- The Safety Coordinator ensures that staff members complete required safety and infection control training. The clinic staff members are apprised of new protocols, policies and procedures during regular monthly meetings. Copies of new announcements, protocols, applicable policies and procedures are kept in a binder at the Perlman clinic for reference.
- Maintenance and inspection of medical equipment is routinely performed by Biomedical Equipment Services and was current at the time of our review.
- The Medication Room was equipped with a keypad lock. The Room remains locked at all times and is only accessible by authorized personnel.
- Signs on patient examination rooms are color-coded to indicate when a room is occupied by pediatric and adult fall risk patients; or out-of-order for maintenance.

We also identified opportunities for improvement related to fire prevention and safety requirements for non-medical equipment, and documentation in one personnel file. These issues are discussed in more detail in the remainder of this report.

Observations and Management Corrective Actions

1. High Amperage Devices on Power Strip

The refrigerator and microwave oven in the Clinic Supervisor’s office were plugged into a power strip and not directly into a wall outlet as required by policy.

Orthopedic Surgery Perlman did not have a staff break room on site. However, because the Perlman Medical Offices are connected to the Thornton Hospital, employees are able to use the staff lounge at the hospital. As an alternative, staff may also use the refrigerator and a microwave oven available in the Clinic Supervisor’s office located directly across from, but outside of the patient care area. AMAS noted that both devices were plugged into a power strip.

Refrigerators and microwave ovens are considered high-amperage devices, and must be plugged directly into a wall socket per MCP 802.1 *Fire Prevention Plan*.

Management Corrective Action:

Orthopedic Surgery Perlman management has coordinated with EOC to reconfigure the electrical outlets to comply with policy requirements.

2. Incomplete Personnel File

The personnel files for one of the eleven selected clinic staff reviewed did not include a current performance evaluation.

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Annual performance evaluations must be completed timely and a copy maintained in UCSDHS Human Resources (HR) employee personnel files (UC PPSM 23 *Performance Appraisal*). Performance evaluations for UCSDHS employees are prepared and processed using the Lawson on-line personnel management system, which sends reminders to Managers when evaluations are due or in some cases, past due.

We selected a sample of eleven personnel files for focused review. One of the staff files included in the review did not include a 2013 annual performance evaluation. HR confirmed that the performance evaluation was due in April 2013, and the Lawson system indicated that a reminder was sent to the cognizant Manager.

Management Corrective Action:

AMAS was advised by the Manager that the pending performance evaluation has been discussed with, and signed by the employee. A signed copy has been included in the employee's personnel file.

AMAS appreciates the cooperation and assistance provided by the Orthopedic Surgery Perlman personnel who were very well prepared and organized during the review. Because we were able to reach an agreement regarding the management corrective actions to be taken in response to the audit recommendations, a formal response to the report is not requested.

UC policy requires that all draft audit reports, both printed and electronic, be destroyed after the final report is issued. Because draft reports can contain sensitive information, please either return these documents to AMAS personnel or destroy them at this time.

The findings included in this report will be added to our follow-up system. We will contact you at the appropriate time to evaluate the status of the corrective actions. At that time, we may need to perform additional audit procedures to validate that actions have been taken prior to closing the audit findings.

If you have any questions regarding this report, please call me at (858) 534-1334.

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