

July 08, 2013

WILLIAM HUGHSON, M.D.
Medical Director
Center for Occupational and Environmental Medicine
8800

PATRICIA FOSTER, N.P.
Clinic Manager
Center for Occupational and Environmental Medicine
8799

JULIE JOHNSON-CASTAN
Administrative Director
Center for Occupational and Environmental Medicine
8800

***Subject: Regulatory Review – Center for Occupational and Environmental Medicine – La Jolla
Audit & Management Advisory Services Project 2013-17A***

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 for the Center for Occupational and Environmental Medicine La Jolla clinic. 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 Care personnel manage most UCSDHS clinics, which helps to ensure that the same operational standards are implemented in all locations. The Ambulatory Care 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 Center for Occupational Health and Environmental (COEM) clinic in La Jolla operates in non-licensed space. Three distinct services are provided to UCSDHS employees and outside customers, including: employee health services; occupational services for both UCSDHS and campus employees, as well as outside community employers; and UCSDHS enterprise Worker's Compensation case management and coordination. For each of these service lines, COEM physicians and staff perform physical examinations, evaluations, diagnostic tests, vaccinations, consultations, coordination of care services; as well as patient education and training. Selected services are subject to oversight by certain state and federal agencies such as the Department of Transportation (DOT) and the US Department of Labor (DOL), Occupational Safety and Health Administration (OSHA).

*Regulatory Review – Center for Occupational and Environment Medicine – La Jolla Clinic
Audit & Management Advisory Services Project 2013-17A*

COEM La Jolla clinic operations are managed by a Nurse Practitioner; and the COEM Administrative Director provides oversight of the Business Office. The Clinic Manager and the Administrative Director report to the COEM Medical Director. Patient care and administrative staff are cross-trained and rotate between the Hillcrest and La Jolla locations.

COEM La Jolla utilizes the Systoc system to document Worker's Compensation patient health records. All other patient records are on paper; however, Epic¹ was used on a limited basis. At the time of this review, the time-frame for full conversion to Epic had not been determined.

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 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 objectives:

- Interviewed clinic manager and key personnel;
- Contacted various UCSDHS regulatory offices, as needed;
- Communicated with COEM Business Office personnel to request documents for review;
- 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 and Supporting Comments

Based on our review procedures, we concluded that COEM La Jolla clinic operations are managed in accordance with UCSDHS policies and applicable regulations.

We noted the following best practices at COEM La Jolla:

¹ Epic is the electronic health record system implemented by UCSDHS.

*Regulatory Review – Center for Occupational and Environment Medicine – La Jolla Clinic
Audit & Management Advisory Services Project 2013-17A*

- The Business Office ensures that all files maintained at the clinic or department offices are complete, and copies of current staff licenses and required competencies are on file. Staff performance evaluations were up-to-date, and a signed copy was on file for each staff member.
- COEM La Jolla is visited regularly by the Environmental of Care (EOC) and Infection Control (IC) offices, as well as Biomedical Equipment Services to ensure compliance with safety and equipment maintenance standards. COEM management has implemented EOC/IC recommended corrective actions.
- The COEM Safety Coordinator ensures that staff members complete required safety and infection control training. The clinic staff are apprised of new protocols, policies and procedures during regular monthly meetings. Copies of new announcements, protocols, applicable policies and procedures, as well as training attendance are kept in a binder at the La Jolla clinic for reference.
- Maintenance on clinic equipment at COEM La Jolla is current. One piece of audio examination equipment installed in one of the patient examination rooms is also calibrated regularly by the vendor in accordance with OSHA Standards.
- COEM La Jolla computer applications are managed in compliance with UC San Diego minimum network connection standards. Its third-party application Systoc is maintained by UCSDHS Information Services on a remote server.

We also noted an opportunity to improve medication inventory management processes to ensure compliance with UCSDHS Policy (MCP) 320.4.g: *Medication Preparation, Labeling, and Administration* and to provide an accurate accounting of all medications and vaccines administered or disposed, which is discussed in the remainder of this report.

Observation and Management Corrective Action

Medication and Vaccine Inventory Records

The clinic does not maintain an inventory log to document the disposition of medications and vaccines.

COEM La Jolla purchases a monthly supply of medications and vaccines from the UCSDHS Pharmacy at an average cost between \$2,000 and \$9,000 per month. The Business Office reconciled inventory receiving documents to the operating ledger to ensure that accurate costs were recharged to the appropriate cost center. Although medication and vaccine administration was documented in the patient's health record, a log was not maintained to account for the medications and vaccines administered, disposed of, returned or expired; and a physical inventory was not performed. An inventory log would be a useful tool to verify that all medication and vaccines are accounted for and charged, as appropriate, to patient or customer accounts.

Management Corrective Action:

COEM La Jolla management will implement a vaccines/medications log to include additions and reductions to inventory. The log will include the date, patient name or MRN, date, time and dosage, and initialed by staff member who removed the drug from inventory.

*Regulatory Review – Center for Occupational and Environment Medicine – La Jolla Clinic
Audit & Management Advisory Services Project 2013-17A*

Audit and Management Advisory Services appreciates the cooperation and assistance provided by COEM personnel during the review. Because we were able to reach agreement regarding corrective actions to be taken in response to the audit recommendations, a formal response to the report is not requested.

The finding included in this report will be added to our follow-up system. While management corrective action has been included in the audit report, we may determine that additional audit procedures to validate the action agreed to or implemented are warranted. We will contact you to schedule a review of the corrective action, and will advise you when the finding is closed.

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.

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

David Meier
Assistant Vice Chancellor
Audit & Management Advisory Services

cc: M. Baggett
M. Baroff
D. Brenner
K. Brewster
L. Friedman
G. Matthews
T. McAfee
P. Olsen
M. Rubin
B. Smith
S. Vacca
D. Winter