

The logo for UCI Irvine, featuring the text "UCI" in a large, bold, serif font, followed by "IRVINE" in a smaller, all-caps, serif font. A vertical line separates the text from the "INTERNAL AUDIT SERVICES" text to its right.

INTERNAL  
AUDIT SERVICES

# UCI Health Policies & Procedures

*Internal Audit Report No. I2023-108B*

May 4, 2023

***Prepared By***

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***Reviewed By***

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***Approved By***

Mike Bathke, Director

May 4, 2023

**JULIE SCHNEIDER  
DIRECTOR OF RISK & REGULATORY AFFAIRS  
UCI HEALTH SYSTEM – RISK MANAGEMENT**

**RE: Policies & Procedures – UCI Health Audit  
Report No. I2023-108B**

Internal Audit Services performed an audit of the UCI Health Policies & Procedures, and the final report is attached.

We extend our gratitude and appreciation to all personnel with whom we had contact while conducting our review. If you have any questions, please do not hesitate to contact me.

Sincerely,



Mike Bathke  
Director

Attachment

C: Audit Committee  
Donna Grochow, Director – Nursing Quality, Research & Education  
Jennifer Lazaro, Senior Risk Analyst – Risk Management  
Peter Schneider, Chief Health Sciences Counsel – Office of Campus Counsel

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## I. MANAGEMENT SUMMARY

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In accordance with the fiscal year (FY) 2022-2023 audit plan, Internal Audit Services (IAS) reviewed the UCI Health (UCIH) policies and procedures (P&Ps) to determine if they are up to date and reflect existing practices in key areas, were properly and timely reviewed/approved, and all superseded policies and procedures were archived and available for review upon request.

In general, controls and processes appear to be functioning as intended. Based on the audit work performed, appropriate business processes should be established and implemented to minimize business risks, ensure compliance with University policies and procedures, and/or promote best business practices. Specifically, IAS noted the following concerns.

**Policies and Procedures** – UCIH P&Ps were not properly monitored and tracked to ensure timely policy reviews and/or revisions as required by policy. These observations are discussed in section V.1.

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## II. BACKGROUND

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In approximately 2006, UCIH Risk Management and Regulatory Affairs (RM) implemented PolicyStat, a document management software application for managing, monitoring, and tracking enterprise-wide and departmental P&Ps and other important documentation. PolicyStat is a web-based tool, providing on-demand access to these files from any device that uses an internet connection. PolicyStat also allows online collaboration and workflows that aid in efficiently and promptly drafting, editing, reviewing, and approving policy documents. It also automatically sends email notifications to policyholders, area managers, and site administrators for any policies up for review within the next 90 days that have not yet been started through an Approval Workflow. In addition, reminder emails are sent at 60 days, and 30 days. At UCI, PolicyStat provides UCIH clinicians, staff, and affiliates with UCIH intranet access the ability to view current and active P&Ps.

IAS notes that there was “policy amnesty” during the COVID pandemic and almost all regulations were waived for hospitals in order to focus on safely caring for patients. During this period, RM did not press policyholders to review and/or revise their policies. However, RM made a tremendous effort to have policies reviewed before The Joint Commission survey on July 2, 2022.

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## III. PURPOSE, SCOPE, AND OBJECTIVES

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The purpose of this audit was to perform a review of current practices and processes as well as assess the internal controls in the administration, monitoring, and tracking of UCIH enterprise wide and departmental P&Ps. The scope included the review and sample testing of current and archived superseded P&Ps managed in PolicyStat.

For testing purposes, IAS included the following objectives:

1. Ascertain if UCIH policies and procedures were reviewed and revised in a timely manner as required by policy; and
2. Determine if superseded policies and procedures were properly and securely archived and available for review.

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#### **IV. CONCLUSION**

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In general, the current processes for monitoring and tracking timely reviews of UCIH policies and procedures appear to be functioning as intended. However, appropriate internal controls should be established and implemented to guarantee efficient and timely reviews of UCIH policies and procedures.

IAS discussed observation details with management, who formulated action plans to address the issues. The details are presented below.

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#### **V. OBSERVATIONS AND MANAGEMENT ACTION PLANS**

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##### **1. Policies and Procedures**

###### **Background**

UCI Health’s Policy Development and Processing, PolicyStat ID 7617364, Section I. states, "UCI Health’s Policy Manual is published to provide Medical Center and Ambulatory staff with a reference for administrative and patient care policies which have application throughout the hospital and ambulatory sites. The Policy Manual provides a standardized methodology for the development and/or revision of all policies included in the UCI Health Policy Manual. Department (or Service) specific policies are published to provide department or service staff with a reference for policies which have application specific to that department or service only."

Section II. A. states "Policies will be developed utilizing the organization’s electronic policy development/tracking system PolicyStat. PolicyStat will track changes to any policy during the ‘edit’ phase and will archive versions of all revised policies; and all retired policies."

Section II. E. states "Policies will be reviewed every three years or unless required more frequently per accreditation or regulatory standards."

Section II. F. states "The hospital’s Policy & Communications Committee (PCC), which meets monthly, will have oversight responsibility to ensure hospital

policies are not in conflict with each other, are readily understandable by staff, and meet the intent of regulatory bodies. The PCC will ensure information regarding policy revisions or development of new policies are appropriately communicated to staff."

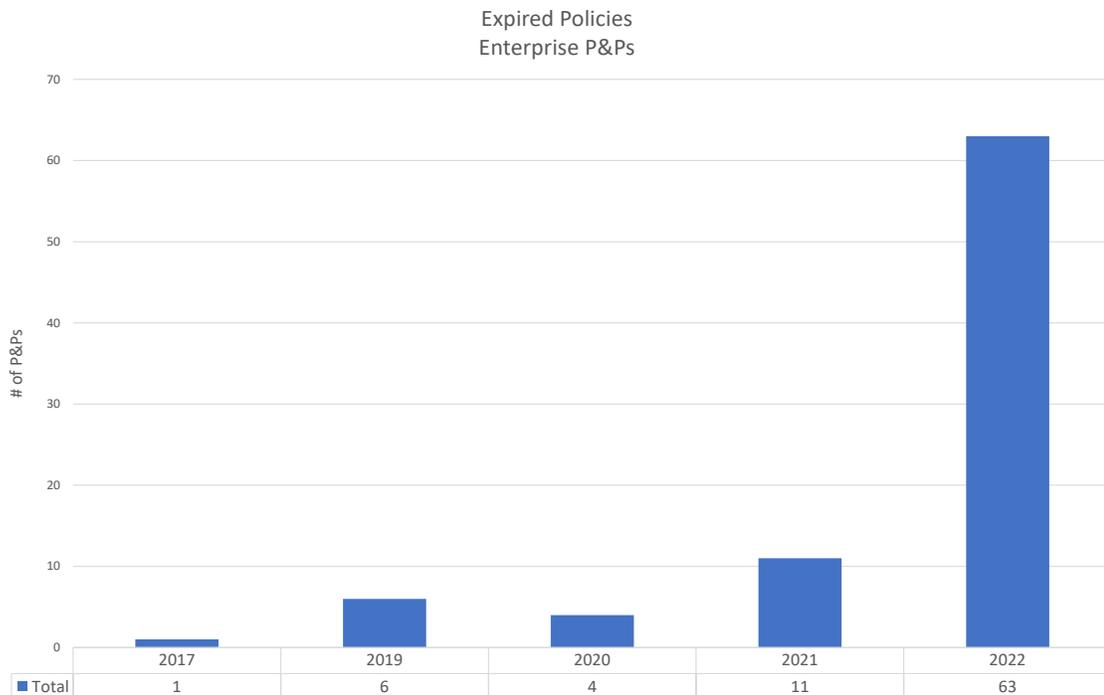
In PolicyStat, each policy is set to expire three years after its approval. The expiration date is set to trigger the review for renewal for edits, without edits, or to retire the policy.

**Observation**

IAS reviewed 665 enterprise-wide or administrative and patient care policies which have application throughout the hospital and ambulatory sites, as well as 287 department P&Ps monitored and tracked in PolicyStat as of January 1, 2023 to determine if proper procedures and processes were established and implemented to ensure timely policy reviews and/or revisions as required. The following is a summary of the observations.

As of January 1, 2023, 85 P&Ps, or 12.78% of enterprise-wide policies, had not been reviewed and/or revised in three years or more. The following is a detailed summary:

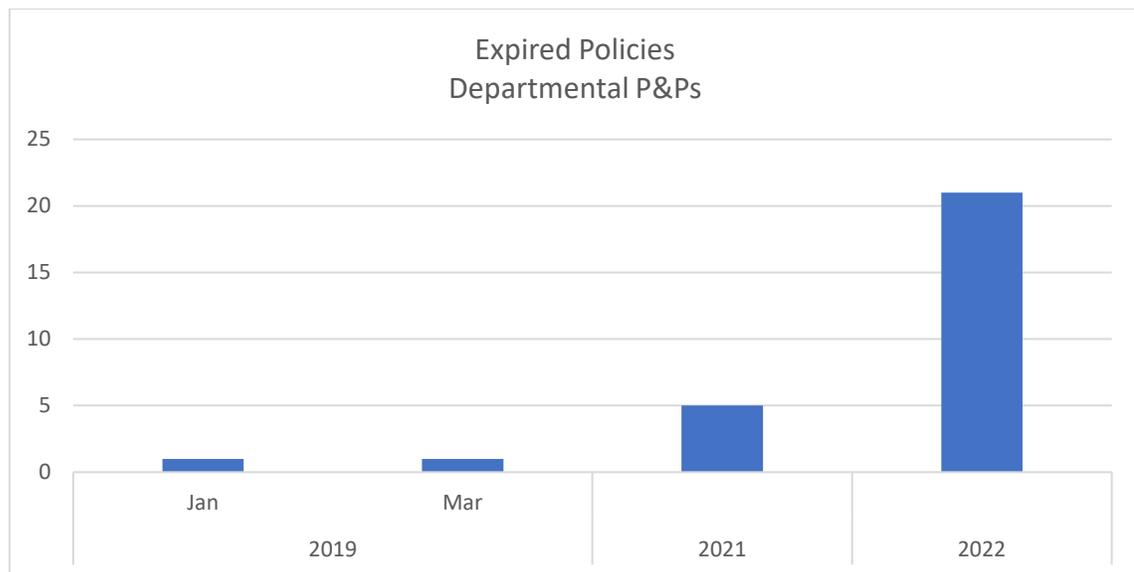
- One P&P expired 68 months ago in April 2017 and was last revised in 2014.
- Six P&Ps expired 37 to 46 months ago in 2019 and were last revised in 2016.
- Four P&Ps expired in 2020 and were last revised in 2017.
- 11 P&Ps expired in 2021 and were last revised in 2018.
- 63 P&Ps expired in 2022 and were last revised between 2015 through 2021.



IAS also noted that not all enterprise-wide P&Ps were published in PolicyStat and made available to staff. These include P&Ps owned by Radiation Oncology, Radiology Services, and potentially others.

As of January 1, 2023, 28 P&Ps, or 9.76% of department policies, had not been reviewed/revise in three years or more. The following is a detailed summary:

- Two department policies expired in January and March 2019 and were last revised in 2016.
- Five policies expired in 2021 and were last revised in 2018.
- 21 policies expired in 2022 but were last revised in 2019.



Establishing and implementing proper internal controls ensure timely, effective, and efficient policy reviews and/or revisions when required.

### Management Action Plan

The UCIH policy, Policy Development and Processing, has already been updated to include the following provisions identified in the audit:

- All policies must be owned by a person and not a department (which was one of the identified root causes in the policy that expired in 2017 that was not reviewed for retirement or renewal).
- All policies that are set to expire within 30 days that are not already in the re-approval process will be placed on the Policy and Procedure Committee Agenda for the committee to take action on in either renewing or retiring them. In addition, monthly reviews will be performed to identify policies that have exceeded their expiration date by running reports out of PolicyStat.

- c. The policy was also updated to add definitions for: active, draft, expired, pending, retired, and superseded, which were supplemental opportunities highlighted by this audit.

Departmental level policies and procedures (radiation oncology, radiology, etc.) are not subject to oversight by the Department of Risk Management and Regulatory Affairs or the Policy and Procedure Committee. Their use of Policy Stat is encouraged, but not required. The requirement to review policies every three years, including department level policies, will be addressed in the policy. We will also discuss this at the leadership huddle and e-mail this notice to all department directors.

Note: UCIH RM completed their management action plans prior to the issuance of this report.

**Due date:** Completed