

# Clinical audit and the Audit Commission

---

## **Clinical audit and the Audit Commission**

Although the work of the Audit Commission is different to the work carried out by clinical audit teams, the two are related. This document explains the relationship and highlights recent publications by the Audit Commission which have a bearing on clinical audit.

## **Background**

Although clinical audit is a quality improvement process generally carried out by, or under the leadership of, clinicians, a typical dictionary definition of audit is 'an official scrutiny of financial accounts to see that they are in order'<sup>1</sup>. It is this definition which explains the work and aims of the Audit Commission.

According to its website, it is 'an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone'<sup>2</sup>. The Audit Commission works across local government, health, housing, community safety and fire and rescue services, promoting value for money for taxpayers and auditing the £200 billion spent by 11,000 local public bodies. Although the Commission's main focus is on financial audit, they also scrutinise data quality, carry out research and conduct performance assessments across all the public services.

## **The Audit Commission and health**

The activities of the Audit Commission's health section include the audit of NHS trusts, PCTs and strategic health authorities to review the quality of their financial systems. The Auditors' Local Evaluation and Use of Resources summary report for 2008/09 was published in October 2009<sup>3</sup>, and results for all non-foundation trusts are available at: <http://www.audit-commission.gov.uk/health>.

They also provide services to foundation trusts (FTs) and those aspiring to become FTs through their Trust Practice teams. They publish independent reports highlighting risks and good practice to improve the quality of financial management in the health service and encourage continual improvement in public services including public health and health inequalities.

In July they published 'A guide to finance for hospital doctors'<sup>4</sup>, developed with the Academy of Medical Royal Colleges to help hospital doctors to get to grips with the way the money works in the health service – a subject which is also of interest to anyone who has had to prepare a business case to obtain funding for the implementation of a clinical audit action plan.

## **The Audit Commission and clinical audit**

In April 2009, the Audit Commission published the results of research undertaken into how the boards of NHS and foundation trusts in England assure themselves that internal controls are in place and operating effectively<sup>5</sup>. The research partly stemmed from concerns raised by Monitor regarding:

- the quality and accuracy of the Standards for Better Health declarations made by some FTs
- discrepancies identified by the Healthcare Commission between trusts' declarations of compliance and the evidence found on inspection

- a series of well publicised failures in patient care including the *C. difficile* outbreak at Maidstone and Tunbridge Wells NHS Trust and the events at Mid Staffordshire NHS Foundation Trust.

The report includes the following issues:

- board assurance processes are generally in place to guard against risks but must be rigorously applied
- board members are not always challenging enough
- the data received by boards is not always relevant, timely or fit for purpose.

The report includes recommendations for the Department of Health, Monitor and the NHS Appointments Commission, as well as NHS and foundation trusts.

They concluded that in the worst cases, ‘the assurance process had become a paper chase rather than a critical examination of the effectiveness of the trust’s internal controls and risk management arrangements’<sup>5</sup>. The report identified significant weaknesses in the use of clinical audit as part of the Board Assurance Framework, stating that few trusts could set out how clinical audit was being used in a systematic way to address risks.

The report recommends that trusts should better align clinical audit programmes to key strategic and operational risks to maximise the assurance provided by the clinical audit function. It lists a series of questions which trust board members should ask, including the following key questions on clinical audit:

- To what extent do we use the clinical audit function appropriately?
- Is it systematic and focussed on our own risks as well as on nationally identified issues?
- Are the results regularly reported to the board through the assurance framework?
- Does it give us a comprehensive view of the quality of clinical services across the trust’s portfolio?

Resources produced by HQIP (available for download from the website, [www.hqip.org.uk](http://www.hqip.org.uk)) include a template clinical audit policy and a guide to developing a clinical audit programme which will aid trusts in addressing these issues.

### **Data quality in the NHS**

Clinical audit depends on access to good quality data, and data quality is also a key issue for the Audit Commission. In March 2009, they published a briefing on data quality in the NHS<sup>6</sup>. The Commission carries out a data quality assurance programme for Payment by Results (PbR), which includes an audit of the accuracy of clinical coding. In 2007/8 this had shown an error rate of 9.4% (range 0.3% to 52 percent across trusts) affecting which healthcare resource group (HRG) patients were allocated to.

The briefing lists 6 dimensions of data quality (accuracy, validity, reliability, timeliness, relevance and completeness) and highlights how each of these dimensions can impact on the uses made of the data. It also includes brief case studies of trusts which have taken action to improve data quality. It concludes that action is required in 5 areas:

- Leadership – there needs to be a clear and sustained commitment from NHS leaders (the Department of Health, senior managers and clinicians and regulators) that improvement needs to be made and that the necessary actions should be taken.

- Clinical engagement – lack of clinician involvement in coding, poor quality source data (including illegible or poorly structured case notes), lack of awareness by frontline staff of the implications of poor data quality and the inadequacies of many current electronic patient administration systems were all identified as issues requiring action, and where clinical leadership and clinical engagement are key to making improvements.
- Board assurance – the briefing is particularly critical of the approaches taken by trust boards, stating that data quality was often not recognised by boards as core to their overall business, and that there was little evidence of board level discussion or challenge of data quality. The briefing sets out steps which boards should take to improve the quality of the data they receive and that their organisations publish.
- External monitoring and review – The Commission’s PbR data assurance framework is to be rolled out to include CQUIN (Commissioning for Quality and Innovation) payments, and the briefing suggests that from 2010, trusts quality accounts should also be subject to external audit.
- Support – the briefing applauds the NHS Information Centre’s data quality programme, but states that it needs to be recognised as a sustainable and rolling programme with high level support and engagement and appropriate resources if it is to succeed where other initiatives have failed.

In August, the Commission reported on key messages from Year 2 of the national clinical coding audit programme<sup>7</sup>. There was a small improvement in the HRG error rate to 8.1% (range 1% – 40%), but interestingly the financial impact of these errors was close to zero. The Commission concluded that there was little evidence to suggest systematic or deliberate up-coding or indeed under-coding of activity.

The report expresses serious concerns about the quality of healthcare records. 80% of the audit reports, from individual trusts, recorded problems relating to the quality of healthcare records. The report lists actions to be taken by the Department of Health, NHS Connecting for Health, and by all NHS trusts with specific actions for Primary Care Trusts, to improve data quality.

### **The Audit Commission and the Royal College of Physicians**

In 2008, in a project funded by NHS Connecting for Health, the Royal College of Physicians’ Health Informatics Unit (HIU) launched generic medical record keeping standards and standards for the structure and content of admission, handover and discharge records of patients admitted to hospital. The standards were approved by the Academy of Medical Royal Colleges as being fit for use in all medical and surgical specialties. In the light of their concerns over data quality, the Audit Commission asked the HIU to undertake a joint project as part of the PbR Assurance Framework programme of further research in areas identified as contributing to poor coding. The aim of this joint project was to determine whether implementation of the record keeping standards could result in an improvement in the accuracy of clinical coding.

The report on this project<sup>8</sup> describes an observational study undertaken in an acute trust. The report concludes that full implementation of the standards would improve data quality, and makes detailed recommendations, including some which make specific reference to clinical audit:

- Hospitals and trusts should establish regular meetings between the clinical coding team, the audit (or clinical governance) team and clinicians. This would:
  - raise awareness of clinicians about the nature of the work that the coders and clinical auditors undertake using clinical information recorded in the medical notes
  - make clinicians aware of how what they write in the medical notes impacts on the work of the coders and auditors.

- Senior management teams, clinical leads, clinicians, medical records staff, clinical auditors and coders should be involved throughout the implementation stages of record keeping standards and pro-formas. They should:
  - put in place structures and procedures to disseminate and inform members of their teams
  - ensure adequate involvement of clinicians in the design and streamlining of the clinical (and administrative) medical note documentation
  - include junior clinicians in the design of pro-formas as they are the routine users of these
  - ensure that any new documentation is piloted over a sufficient period
  - ensure senior clinicians provide adequate support and guidance for junior clinicians
  - clinical auditors and coders should be invited to medical education sessions to share their work and findings with the hospital doctors. They should provide examples of where poor documentation has resulted in difficulties in coding or inaccurate coding
  - if training of clinicians in the use of the documentation is required, this should be built into implementation timelines

#### **Key messages for clinical audit**

- Successful clinical audit depends on access to good quality data
- The Audit Commission's work highlights the need for trust board leadership and clinical engagement in ensuring good data quality
- Where clinical audits reveal problems with data quality, they must be reported as part of the findings and actions must be put in place to address them.

#### **References**

- <sup>1</sup> *Oxford Students Dictionary*, OUP 2002
- <sup>2</sup> <http://www.audit-commission.gov.uk/aboutus/Pages/default.aspx>
- <sup>3</sup> *Auditors' Local Evaluation and Use of Resources 2008/09 - Summary results for NHS trusts and primary care trusts*, Audit Commission, October 2009
- <sup>4</sup> *A guide to finance for hospital doctors*, Audit Commission, July 2009
- <sup>5</sup> *Taking it on trust – A review of how boards of NHS trusts and foundation trusts get their assurance*, Audit Commission, April 2009
- <sup>6</sup> *Figures you can trust – A briefing on data quality in the NHS*, Audit Commission, March 2009
- <sup>7</sup> *PbR data assurance framework 2008/09 - Key messages from Year 2 of the national clinical coding audit programme*, Audit Commission, August 2009
- <sup>8</sup> *Improving clinical records and clinical coding together - A project with the Audit Commission*, Royal College of Physicians, August 2009