

North Western Health Board
Report of the Comptroller and Auditor General

This report has been prepared pursuant to Section 6(4) of the Comptroller and Auditor General (Amendment) Act, 1993.

1. Patients' Property Accounts

The Board administers the funds held on behalf of patients in its hospitals. The total of such funds held by the Board amounted to £1.96m at 31 December 1995, being

- £1.06m in balances due on patients' accounts
- £0.9m accumulated interest earned on the investment of patients' funds.

In response to my inquiries the Chief Executive Officer (CEO) stated that the Board has formal regulations for the administration of these accounts which are maintained in 23 of the Board's institutions. Provision is made within these regulations to cover the following

- custody of patients' property
- officers authorised to receive patients' money
- receipt of money
- custody of patients' money
- patients' property bank accounts and bank reconciliations
- procedures on discharge of patients
- procedures to be followed on the death of a patient.

The CEO also stated that a total of £416,768 was held by the Board at 31 December 1995 in respect of discharged or deceased patients. The Board experiences difficulties in disposing of some deceased patients' balances because there may be no next of kin. Whenever possible, balances held on behalf of deceased patients are paid to a patient's next of kin following burial arrangements.

The Board levies an annual administration charge on the patients' property accounts. The charge in 1995 was £105,000. It was computed to cover the Board's total costs in administering them.

2. Review of Road Traffic Accident Accounts in Sligo General Hospital

The Health (Amendment) Act, 1986 empowers the Boards to make charges for services provided to patients for the treatment of injuries suffered as a result of road traffic accidents (RTA). An amount of £1.8m was outstanding in respect of these charges at 31 December 1995. Procedures for the review of road traffic accident accounts were inadequate. For example, of nineteen accounts examined, nine appeared not to have been reviewed for at least four years. In response to my inquiries the CEO stated that this was a particularly difficult area to monitor, since as little as 12% of the debts originally raised for RTA cases are actually collectable by the Board. It is

only in the event of a successful insurance claim that payment is due. It is difficult to establish whether a claim is successful or not unless there is a decree granted by the courts. The majority of cases do not end up in court. Most cases can take up to five years to reach a conclusion.

The CEO also stated that since the audit all procedures have been reexamined and have been tightened where possible. Arrangements have been made to ensure that in future evidence of review by the Board's staff will be recorded.

3. Pharmacy Stock Control in Sligo General Hospital

Because of the value and nature of drugs and medicines held in stock, a reliable stock control system is vital in the pharmacy of a large hospital like Sligo General Hospital. A physical count of 59 high value items was compared with the stock figures listed in the computerised stock records. This review identified significant differences on 50% of the items checked. An examination of the stock printout revealed many negative balances in stock items.

The CEO informed me that most of the discrepancies found at audit related to the fact that the system was not being updated at the time the physical transfer of stock took place due to pressure of work. Since the audit a complete review of the pharmacy stock system has taken place. Staff have been instructed to operate the system on an ongoing basis to ensure that book stocks as recorded on the system agree with the physical stock.

4. Donegal Community Care Office

4.1 *Supplementary Welfare Allowance (SWA)*

Supplementary welfare allowances are paid to persons who have little or no means. The allowances can be in cash or in kind. Provision is also made under this scheme for the granting of urgent or exceptional needs payments. SWA payments by their nature are often a payment of last resort. It is essential that the authenticity of these payments be properly documented and approved.

SWA files reviewed during audit did not contain the following relevant information

- the basis of the determination of rent allowances awarded
- proof that applicants had applied for the relevant Social Welfare payment.

In response to my inquiries the CEO informed me that with effect from the beginning of February 1996 uniform guidelines have been put in place throughout Donegal relating to the payment of rent supplements. Full information on the determination and calculation of these payments are to be maintained on file. The CEO also stated that it is only possible to place proof of application to the Department of Social Welfare on files where the Department is willing to give the Board confirmation in writing that applications have been made. This is not the case in all parts of Donegal and some Social Welfare offices have stated that they are unable to give written confirmation relating to all applications because of their own resource constraints.

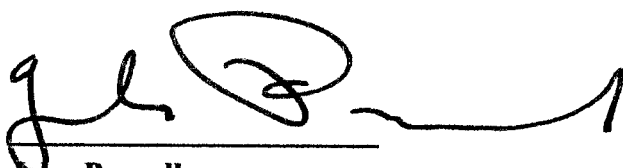
4.2 Medical Cards

Eligibility for medical cards is determined by the Chief Executive Officer of the Health Board under Section 45 of the Health Act, 1970. An eligible person is defined as an "adult person (or dependant of such a person) who without undue hardship is unable to arrange general practitioner, medical and surgical services". Some of the services available without charge to a medical card holder are GP services, prescribed drugs and medicines and hospital in-patient and out-patient services.

The following matters were noted from a review by my staff in December 1995 of the procedures relating to the processing and issuing of medical cards

- there was a backlog of 7,400 medical cards to be reviewed, of which, 2,076 were due for review before 1995
- there was no stock control over medical card stationery.

In response to my inquiries the CEO informed me that the backlog of 7,400 medical cards reviews arose mainly in a small number of districts because of an unusually high demand for supplementary welfare allowance (SWA) payments in those areas due to seasonal factors. A plan was put into operation in 1995 to reduce the backlog in the years 1995 and 1996 by finding alternative ways of dealing with the high SWA demands, e.g. the processing of some SWA payments on a monthly rather than a weekly basis. The CEO stated that this programme is on target and all medical card reviews in Donegal will be up to date before the end of 1996. The issue of stock control over medical card stationery is also being addressed. Subject to these comments the CEO is satisfied that medical cards were only issued to eligible applicants.



John Purcell
Comptroller and Auditor General

13 March 1997