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INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

OFFICE OF INTERNAL OVERSIGHT SERVICES · BUREAU DES SERVICES DE CONTRÔLE INTERNE

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE

TO: Ms. Angela Kane, Under-Secretary-General
A: Department of Management

Mr. Gregory Starr, Under-Secretary-General
Department of Safety and Security

DATE: 15 November 2011

REFERENCE: IAD: 11- 00696

FROM: Fatoumata Ndiaye, Director
DE: Internal Audit Division, OIOS

SUBJECT: **Assignment No. AH2011/512/03 – Audit of medical services at Headquarters**
OBJET:

Overall results relating to delivery of medical services at Headquarters were satisfactory

1. Attached please find the report on the above-mentioned audit.

2. Based on your comments, we are pleased to inform you that there are no outstanding issues or recommendations for further follow up by OIOS.

3. We wish to express our appreciation to the Management and staff of OHRM for the assistance and cooperation extended to the auditors during this assignment.

cc: Ms. Catherine Pollard, Assistant Secretary-General, Office of Human Resources Management, DM
Mr. Brian Davey, Director, Medical Services Division, DM
Mr. Christian Saunders, Executive Officer, DSS
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Mr. Rohan Wijeratne, Board of Auditors
Ms. Susanne Frueh, Executive Secretary, Joint Inspection Unit
Mr. Moses Bamuwamye, Executive Secretary, IAAC
Mr. Zachary Ikiara, Chief, Oversight Support Unit, DM
Mr. Byung-Kun Min, Special Assistant to the USG-OIOS
Ms. Amy Wong, Programme Officer, Internal Audit Division, OIOS

AUDIT REPORT

Audit of medical services at Headquarters

BACKGROUND

Medical services at United Nations Headquarters are provided by the Medical Services Division (MSD), which is part of the Office of Human Resources Management (OHRM). The functions of MSD are to: (i) promote staff health while ensuring medical compatibility with job requirements; (ii) manage medical-related risks in the workplace; (iii) provide medical advice to United Nations medical facilities system-wide; and (iv) advise on medico-administrative issues, which include provision of medical clearances, approval of medical evacuations, sick leave administration and recommendations on medical benefits and compensation. In New York, MSD provides clinical and health-promotion services to approximately 10,000 staff members.

MSD operates with a budget of approximately $13.5 million. It has 44 posts including 14 posts from the peacekeeping support account and 11 from extrabudgetary funds in respect of UN funds and programmes.

This audit was included in the 2011 risk-based work plan of OIOS due to the increased emphasis placed by the General Assembly in its resolution 63/250 on the provision of better medical facilities to UN staff, with a view to promoting productivity and a better work environment.

OBJECTIVE AND SCOPE

This audit was conducted to assess the adequacy and effectiveness of the governance, risk management and control processes established by OHRM in providing reasonable assurance regarding the delivery of medical services at Headquarters. The key controls tested for the audit included: (a) risk management and strategic planning; (b) regulatory framework; and (c) coordinated management mechanisms.

The audit covered the provision by MSD of: (a) clinical and health-promotion services for New York-based staff; and (b) medico-administrative services for worldwide staff during the period from 1 January 2009 to 31 May 2011. The audit did not include issues covered in the recent Joint Inspection Unit report (JIU/REP/2011/1) such as health insurance, provision of medical services in the field, implementation of occupational safety and health policy and system-wide medical service coordination/cooperation. In addition, this audit excluded the data privacy issues associated with the implementation of the electronic records management system (EarthMed) as these issues were already covered by OIOS in its audit of data privacy (AT2008/510/01).

AUDIT RESULTS

In the opinion of OIOS, the governance, risk management and control processes examined were satisfactory to provide reasonable assurance regarding the delivery of medical services at Headquarters. MSD and United Nations Medical Directors Working Group have taken many strategic initiatives to improve healthcare to UN staff and overall management of healthcare services. Adequate policies and procedures to guide the operations of the Division were in place and operating effectively. MSD collaborated with departments and offices and host country health authorities to ensure efficient and effective delivery of medical services to achieve synergy and avoid potential overlaps.

ACKNOWLEDGEMENT

OIOS wishes to express its appreciation to the Management and staff of OHRM for the assistance and cooperation extended to the auditors during this assignment.

CONTENTS

I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of medical services at Headquarters in New York.

2. Comments by OHRM are incorporated in the audit results in *italics*.

II. AUDIT OBJECTIVE

3. This audit was conducted to assess the adequacy and effectiveness of the Office of Human Resources Management's (OHRM) governance, risk management and control processes in providing reasonable assurance regarding the delivery of medical services at Headquarters. The following controls were identified as key in mitigating the risks and were defined as follows:

(a) Risk management and strategic planning - those controls that are designed to provide reasonable assurance that the risks relating to the provision of health and medical care to UN staff including medical emergencies are identified and assessed and that action is taken to mitigate or anticipate them. These include development of the strategic framework, participation in forums engaged in the development of key initiatives relating to provision and coordination of medical services in the UN system (e.g. High Level Committee on Management [HLCM], United Nations Medical Directors Working Group [UNMDWG]) and establishment of teams to enhance the response to emergencies.

(b) Regulatory framework - those controls that are designed to provide reasonable assurance that policies and procedures exist to guide the operations of MSD and are operating effectively. These include various administrative issuances, standard operating procedures and guidelines relating to medico-administrative issues, inventory management, continuing professional education for UN system medical personnel, electronic medical records management system etc.

(c) Coordinated management - those controls that are designed to provide reasonable assurance that adequate arrangements are in place to ensure efficient and effective delivery of services to achieve synergy and to avoid potential overlaps. These include collaborative/joint activities with departments and offices and host country health authorities.

III. AUDIT SCOPE AND METHODOLOGY

4. OIOS conducted this audit from May to July 2011. The audit covered the provision by MSD of: (a) clinical and health-promotion services for New York-based staff; and (b) medico-administrative services for worldwide staff during the period from 1 January 2009 to 31 May 2011. The audit did not include issues covered in the recent Joint Inspection Unit report (JIU/REP/2011/1) such as health insurance, provision of medical services in the field, implementation of occupational safety and health policy and system-wide medical service coordination/cooperation. In addition, this audit excluded the data privacy issues associated with the implementation of the electronic records management system (EarthMed) as these issues were already covered by OIOS in its audit of data privacy (AT2008/510/01).

5. The audit was carried out through interviews with responsible officials, reviews of documents and operations including sample testing of inventory. OIOS assessed the existence and adequacy of written policies and procedures, and also whether they were implemented consistently. The audit team conducted an activity-level risk assessment to identify and evaluate specific risk exposures, and to confirm the relevance of the key controls in mitigating associated risks.

IV. OVERALL ASSESSMENT

6. In the opinion of OHRM, the governance, risk management and control processes examined were satisfactory to provide reasonable assurance regarding the delivery of medical services at Headquarters. MSD and UNMDWG have taken many strategic initiatives to promote staff health and an overarching UN-wide healthcare policy and structure. The regulatory framework was adequate to govern operations and coordination with departments and offices as well as host country health officials was effective. There are opportunities for improvement as discussed below.

V. AUDIT RESULTS

A. Risk management and strategic planning

Need for a comprehensive risk management process

7. The UNMDWG, chaired by MSD, identified several risks based on which it proposed strategic initiatives as shown in Table 1.

Table 1: Areas of concern (potential risks) and strategic initiatives of UNMDWG

Potential risks/concerns	Recommendations and strategic initiatives
Lack of overall guiding healthcare policy in the UN system and absence of clear managerial lines of responsibility for healthcare.	Currently scattered healthcare resources should be harnessed, coordinated, and managed under one umbrella of authority and according to a cohesive and comprehensive organizational health and safety policy. A system-wide study should be conducted, with a view to defining the management structure and associated resources that are required to implement, manage, monitor, and support a widespread extra-national healthcare system, including emergency medical preparedness.
No clear guiding principles for the standards of healthcare services that should be available to staff in the UN system, irrespective of where they are situated.	Revised guidelines and terms of reference for UN dispensaries and medical clinics in peacekeeping missions have been prepared by MSD and submitted to the United Nations Development Programme (UNDP) for review.
No official mechanism for evaluating and adjudicating medical disputes (where claims of negligence or malpractice may be made against UN system physicians) such as would normally be handled by the Medical Control authorities of a national healthcare system.	These items are on the agenda for the UNMDWG annual meeting in October, 2011.

Potential risks/concerns	Recommendations and strategic initiatives
No managed system of career development for UN system medical staff. Promotion opportunities are extremely limited.	
There is a need to review financing options for UN medical facilities, including the concept of cost recovery for certain services from health insurance schemes, and making provision for regular budget funding of core service.	MSD has made proposals to UNDP and the UN Insurance Unit in this regard, but lacks the mandate and authority to determine a system-wide financial policy.

Extracted from CEB/2009/HLCM/32

8. Reacting to the above concerns and proposals, HLCM recommended that the UNMDWG "continue its work in benchmarking and identifying risks and to develop and prioritize specific proposals that would update and enhance the provision of healthcare in the United Nations system". MSD did not have a comprehensive risk management process to identify, assess and mitigate the risks in healthcare in the UN System. According to MSD, it did not have the internal capacity to implement a formal risk assessment process. A formal identification and analysis of risks and existing controls should form the basis/driving force for the various strategic initiatives taken by UNMDWG. This process would address the concerns expressed by UNMDWG mentioned in Table 1 and provide assurance to HLCM that all possible scenarios have been considered.

MSD could benefit from regular self-evaluations

9. Rule 107.2 of Secretary-General's bulletin ST/SGB/2000/8 envisages that all programmes shall be evaluated on a regular, periodic basis to determine as systematically and objectively as possible the relevance, efficiency, effectiveness and impact of a programme in relation to its objectives. Alternatively, self-evaluation shall be conducted by programme managers in compliance with guidelines established by the Central Evaluation Unit in the Department of Management. However, no internal or self-evaluation of the medical services subprogramme has been conducted for the last three years, except for the evaluation of OHRM by OIOS (A/63/221) in September 2008, which had a limited focus on the medical services function. Consequently, MSD could not benefit from a systematic review of its activities to ensure it is achieving its objectives.

10. **OHRM could benefit from strengthening the risk management and self-evaluation processes in MSD to improve programme delivery.**

11. *MSD stated that it has completed an in-depth evaluation of the sick leave management process, utilizing Lean Six Sigma methodology.*

Formulation of outcome-oriented internal performance indicators could improve medical services programme effectiveness

12. According to ST/SGB/2000/8, expected accomplishments (also known as "outcomes") are positive changes in institutions or behaviours outside the Secretariat (MSD in the present context) which are influenced by but not under the control of the Secretariat (MSD). The strategic framework of the

medical services subprogramme has the outcomes and indicators of achievement as shown in the Table 2 below:

Table 2: Strategic framework for medical services subprogramme

Expected accomplishments (outcomes)	Indicators of achievement
1. Improved staff healthcare services, including rapid and effective medical response to workplace accidents and illness	(i) Increased percentage of clients expressing satisfaction with services rendered (ii) Maintenance of average waiting time for clients visiting the walk-in clinics of 10 minutes or less
2. Increased awareness of staff regarding health issues	Increased number of staff participating in health promotion activities Performance measures: Actual 2006-2007: 18,400 participants Estimate 2008-2009: 19,000 participants Target 2010-2011: 20,000 participants

13. The first expected accomplishment is output-oriented rather than outcome-oriented. Accordingly, the indicators of achievement are formulated to measure the impact of the output rather than outcome. Ideally, the expected accomplishments should focus on the positive changes expected in the UN staff members' health consequent to the provision of healthcare/medical services. The Director, MSD stated that the strategic framework was approved by the General Assembly and the process of making changes involves many other parties, in particular the Committee on Programme Coordination. While acknowledging the fact that MSD has no authority to revise the strategic framework approved by the General Assembly, OIOS is of the view that more targeted performance measures could be developed internally to enable MSD to fully assess its effectiveness and take corrective actions where necessary. These performance indicators could include decreased number of clinical consultations, reduction in the health insurance costs etc. Without outcome-oriented performance indicators, the medical services programme may not have adequate tools to evaluate its performance.

14. **OHRM could benefit from developing internal performance indicators for medical services to assess its effectiveness and take corrective actions where necessary.**

15. *MSD noted that the development of standardized, more specific and outcome-oriented performance indicators is currently an identified focus area of the UNMDWG of relevance to all medical services in the UN system.*

MSD implemented health promotion activities to New York based staff but coordinated extension of such activities to staff in the field offices may be more relevant

16. MSD has implemented health promotion programmes, some of them in collaboration with the health authorities of New York City. The level of participation of staff in these activities for the last three years is shown in the Table 3 below:

Table 3: Participation of staff[1] in health promotion activities

Health promotion programme	2008		2009		2010	
	Number	Percentage	Number	Percentage	Number	Percentage
Blood pressure check	2,689	27	2,209	22	1,703	17
Influenza vaccination	2,492	25	2,412	24	1,648	16
Smoking Cessation Programme enrollment	34	0	38	0	17	0
Smoking Cessation Programme follow up	4	0	16	0	32	0
Lipid Profile Campaign	Not started	Not applicable	Not started	Not applicable	239	2

17. The indicator of achievement for successful implementation of health promotion programmes envisaged in the strategic framework was "increased number of staff participating in the health promotion activities". The review of various health promotion activities undertaken by MSD identified the following issues:

a) The percentage of New York based staff members who participated in health promotion activities conducted by MSD during the period from 2008-2010 was quite low and generally decreased over the period. This could be attributable to good medical facilities in New York and dispersal of staff during the Capital Master Plan renovation of UN headquarters making it less convenient for staff to visit MSD for routine procedures.

(b) Health promotion activities were mainly focused on the staff stationed in New York. A systematic attempt to implement similar health promotion activities in the field offices has not been made. The various health promotion initiatives taken by the medical offices in the field remained sporadic/fragmented and were not coordinated centrally by MSD, reflecting resource constraints reported by the Director of MSD. In the context of increased field presence of the UN staff, efforts should be made to implement and coordinate health promotion programmes in the field especially in the locations where the medical facilities are inadequate.

18. Considering the above, OIOS is of the view that MSD should review the relevance and impact of its health promotion activities targeted to New York-based staff.

19. **OHRM could review the relevance and impact of the Medical Services Division's health promotion activities and institute a mechanism/structure to implement and coordinate health promotion activities in field locations.**

20. *MSD noted that the current resources limit capacity to conduct and monitor health promotion activities in the large and increasing number of field duty stations.*

B. Regulatory framework

21. Procedures for medical evacuation and repatriation of staff located in peacekeeping missions were documented and implemented. The inventory management procedures were adequate and effective. MSD requires that all its staff read and sign a document entitled "Undertaking to protect the

[1] Based on estimated staff of 10,000 in New York

confidentiality of medical information", detailing privacy standards and procedures of the Division. MSD has put in place documented guidelines on the provision of medical advice on Appendix D claims (compensation claims for service-related death, injury, illness or disability of UN personnel) to the Advisory Body on Compensation Claims (ABCC). The guidelines for continuing professional development for medical staff were in the process of development. In addition, efforts were being made to implement electronic medical records management system in all the duty stations. However, the following opportunities for improvement were identified:

Medical clearance for staff members traveling on official business require effective implementation

22. According to administrative instruction ST/AI/2011/03 dated 14 April 2011 (previously ST/AI/2005/12), medical clearance is required when a staff member is to travel on official business or is assigned to a duty station classified by the International Civil Service Commission in categories A, B, C, D and E. Once the staff member is medically cleared following the medical evaluation/examination for the travel, that clearance will be valid for the next two years. However, only the Department of Economic and Social Affairs and the United Nations Children's Fund complied with this requirement.

23. The executive offices in the UN system enforce the requirement to have a security clearance prior to travel on official business but medical clearance for travel is not enforced. The onus is on the staff members to seek medical clearance. Considering the overall goal/objective of the medical services "to ensure that staff members are fit to carry out their duties", it is essential that a mechanism is put in place to ensure this. OIOS is of the view that it is more practicable for the executive offices to ensure that staff members are medically cleared before they travel.

24. In this connection, a self-service portal on EarthMed for medical clearances for travel, along the lines of the security clearance system, could be developed. Staff members who are going on travel status can submit a request for medical clearance on-line through the self service portal; MSD can verify their medical status and either provide the clearance or request the staff member to undergo medical evaluation/examination.

25. Without the medical clearances for travel, staff members with pre-existing medical conditions, who travel to duty stations where there are poor medical and health facilities run the risk of not being able to carry out their assigned duties should they fall ill.

26. **OHRM could introduce suitable mechanisms to help departments ensure staff members going on travel status are medically cleared in accordance with ST/AI/2011/03.**

27. *MSD agrees that the requirement for medical clearance before travel should be built into the travel authorization process.*

Mandatory annual medical clearance procedures for security officers require effective implementation

28. According to paragraph 9.2 of ST/AI/2011/03 (previously ST/AI/2005/12), a medical evaluation (including medical examination) should be conducted every year for security officers, manual workers and drivers. However, a mechanism to comply with this requirement has not yet been put in place. Annual medical examinations for security officers are particularly relevant because their fitness is essential for performance of their duties. About 350 uniformed security officers employed in the UN Secretariat are managed by the Executive Office of the Department of Safety and Security (DSS). Although the

ST/AI/2011/03 on medical clearance is not clear on who is responsible to enforce/execute the provisions, it is practicable to expect that executive offices that are responsible for administering these security officers institute mechanisms to ensure that medical evaluations/examinations for security officers are conducted annually.

29. **OHRM could assist the Department of Safety and Security in ensuring that medical evaluations of security officers stationed at New York are conducted every year to have the assurance that security officers are fit to carry out their duties.**

30. *MSD stated that to be value added the current periodic medical evaluations need to be changed to focus on individual risk assessments, which has significant resource implications.*

The utility of maintaining the list of United Nations Examining Physicians needs to be reviewed

31. United Nations Examining Physicians (UNEPS) are screened and approved by MSD in collaboration with UNDP to conduct medical examinations on candidates on their initial appointment into the UN system. There are about 800 UNEPS in the MSD database. OIOS noted that this database was neither updated at regular intervals nor did it appear complete. In addition, while the offer of appointment letter sent to the candidates at the time of the initial appointment includes a list of UNEPS, it is not mandatory for the candidates to use them. The candidates have the option to undergo medical examinations by any medical officers who are connected with a medical school. MSD stated that it did not have resources to effectively monitor the UNEPS. In view of the above, OIOS does not see much value in investing resources in selecting and maintaining a list of UNEPS. The Director, MSD acknowledged this and stated that the review of the utility of maintaining UNEPS will be considered.

Benefits of the Lean Six Sigma project to improve sick leave administration still not realized

32. MSD implemented a Medical Sick Leave Case Management Lean Six Sigma Improvement Project in August 2009 to reduce unnecessary reviews/escalations of requests for sick leave to physicians by 50 per cent and to improve efficiency and effectiveness of the process. Consequent to the implementation of this project, MSD updated the sick leave form with additional fields/instructions for easier/faster processing and incorporated sick leave approval criteria (number of sick leave days authorized for each medical condition) in EarthMed. Once the data from the sick leave form is entered into EarthMed, if the absence is within the set criteria, the EarthMed system automatically generates a sick leave certificate. Although this project has simplified the sick leave management process, an attempt to understand efficiency gains derived from this project was not made. For example, the number of staff members involved in the sick leave management in MSD before and after the implementation of this project remained the same. Without an objective review/assessment of this project, there is no assurance that the objectives of this project have been achieved. MSD has agreed to conduct a review of this project to determine whether its objectives have been achieved.

Business case for implementation of EarthMed in all duty stations needs to be developed

33. The Secretary-General in his report on the overview of human resources management reform (A/65/305) indicated that MSD was coordinating an effort to introduce a harmonized electronic medical records management system to all duty stations in the global Secretariat, including headquarters locations, regional commissions, United Nations dispensaries and peacekeeping medical clinics. Once implemented, the system will allow seamless and confidential medical recordkeeping, irrespective of staff mobility and

field deployment, as well as improved capacity to monitor and report on trends and statistics regarding healthcare issues, further integrating and ensuring access to the same information, systems and tools across the Organization. However, a comprehensive business case indicating the cost-benefit analysis and strategy for implementing EarthMed has not been developed. As a result, MSD was not able to effectively demonstrate the need for implementation of EarthMed and to have buy-in from all stakeholders. The Director, MSD stated that a five-year implementation plan was developed internally but was not formalized and shared with other stakeholders and acknowledged the need for developing a comprehensive business case for the implementation of EarthMed.

C. Coordinated management

Coordination with the Medical Support Section in the Department of Field Support was effective

34. Professional and technical oversight of all medical services system-wide is expected to be provided by MSD while logistic support to medical clinics in peacekeeping missions is provided by the Medical Support Section (MSS) in the Department of Field Support (DFS). OIOS noted improved collaboration between MSD and MSS over the last three years in the form of initiatives such as: (a) joint missions to peacekeeping operations; (b) joint holding of Chief Medical Officers (CMOs) conferences; (c) revision of job descriptions of CMOs with mutual consultation and collaboration; and (d) mutual involvement in the recruitment of CMOs and medical officers. MSD indicated that it is making efforts to formalize its on-going activities to clarify the coordination management mechanisms.

Coordination with the Training and Development Section in DSS needs improvement

35. One of the training officers (P-4) in Training and Development Section (TDS) is a medical doctor responsible for delivering first aid training to all professional security officers worldwide in his capacity as the Chief of Mobile Training Team. The training officer undertakes missions to peacekeeping missions to train the local security officers in first aid procedures. As per the vacancy announcement for the post, this training officer is under the administrative supervision of Chief, TDS and the technical supervision of the Director, MSD. However, the technical supervision by the Director, MSD has not been formalized and was not exercised in practice. The training officer's visits were not coordinated with MSD or the respective CMOs of the missions.

36. **OHRM could formalize the Medical Director's technical supervision over the training officer in the Department of Safety and Security to coordinate the delivery of first aid training to professional security officers.**

37. *MSD noted that effective supervision can only occur when the supervisor is in a line management chain for a supervised post. Medical training posts should therefore be located in MSD as a home office, with secondment to the duty stations where services are needed.*

ANNEX I
OPPORTUNITIES FOR IMPROVEMENT
Audit of medical services at Headquarters

No.	Opportunities for improvement
10	OHRM could benefit from strengthening the risk management and self-evaluation processes in MSD to improve programme delivery.
14	OHRM could benefit from developing internal performance indicators for medical services to assess its effectiveness and take corrective actions where necessary.
19	OHRM could review the relevance and impact of the Medical Services Division's health promotion activities and institute a mechanism/structure to implement and coordinate health promotion activities in field locations.
26	OHRM could introduce suitable mechanisms to help departments ensure staff members going on travel status are medically cleared in accordance with ST/AI/2011/03.
29	OHRM could assist the Department of Safety and Security in ensuring that medical evaluations of security officers stationed at New York are conducted every year to have the assurance that security officers are fit to carry out their duties.
36	OHRM could formalize the Medical Director's technical supervision over the training officer in the Department of Safety and Security to coordinate the delivery of first aid training to professional security officers.