



Crowe healthcare strategic audit worksheet

Connecting your internal audits to the strategic and business objectives of your healthcare organization

Aligning your internal audits with the strategic and business objectives of your hospital or health system has never been more important than in today's rapidly changing healthcare environment. Internal audits that are aligned with your strategic and business objectives will make it much more likely that your organization will achieve those objectives.

In that spirit, Crowe has developed the exclusive Crowe healthcare strategic audit worksheet to help facilitate the reporting of your internal audit plan to your executive leadership and governance committees.

We realize that each healthcare organization might have different strategic and business objectives and priorities, and each might express its objectives using different language. Yet most of the objectives generally fall under one or more of the five tenets of the Quintuple Aim, originated as the Triple Aim¹ by the Institute for Healthcare Improvement and expanded upon by recognized industry leaders. The five aims, or strategic initiatives, are:

- Improving the patient experience (quality and satisfaction)
- Improving the health of populations
- Reducing the per capita cost of healthcare
- Improving the work life of healthcare providers²
- Advancing health equity³

We took the liberty of adding a sixth aim – **advancing technologies and innovation** – to fully capture and reflect the work on internal audit in those expanding areas.

In this worksheet, we've organized proposed fiscal year 2023 internal audits under one of the six aims, or strategic initiatives. You can move those internal audits around or add new internal audits of your own. We've also added the top clinical, financial, and operational risks for 2022 (as identified by the Crowe healthcare risk consulting team and its work with hundreds of hospitals and health systems across the country) that those internal audits are designed to mitigate. You can move those risks around or add new risks of your own. You will see how internal audits of specific processes align with the key risks faced by your organization that, in turn, align with the most important strategic and business objectives of your healthcare organization.

Your task is to check off those risks your internal audit team is tackling and to add internal audits to your work plans under each strategic and business objective. If you're performing an audit of something that's not on the list or doesn't fall under one of your strategic and business objectives, you may consider redirecting those audit resources to something else. The Crowe healthcare strategic audit worksheet can serve as an important tool as you prepare your audit budget and work plan for the next fiscal year, and it can help you effectively communicate your internal audit work to your executive leadership and governance committees.



Crowe healthcare strategic audit worksheet

Strategic initiative: Improving the patient experience (quality and satisfaction)

Top risks

- Noncompliance with regulatory and industry guidelines and evidence-based practices for patient safety
- Processes not functioning as designed within a physician practice, leading to clinical, legal, regulatory, reputational, medical malpractice, and patient safety exposure
- Noncompliance with Medicare conditions of participation (CoP), incorrect admission status, inadequate discharge planning, and weak transitions of care
- Treatment delivered to patients at home that does not meet standards of care and might affect care quality and patient safety
- Lack of layered security controls for biomedical devices

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

Internal audits

- Acute Hospital Care at Home documentation and billing
- Acute Hospital Care at Home program admission and qualification process
- Acute Hospital Care at Home program oversight for standards of care, quality, and patient safety and experience
- Ambulatory site device disinfection assessment
- Biomedical device governance and procurement
- Biomedical device maintenance and third-party service-level agreement compliance
- Biomedical device security
- Compliance with Medicare CoPs
- Device sterilization and disinfection
- Discharge planning and transitions of care
- Hospital-acquired conditions, including but not limited to hospital-acquired infections, falls, and pressure injuries
- Physician practice (or ambulatory site) clinical assessment
- Physician practice results management assessment
- Status assignment (inpatient versus observation)
- Surgical safety and surgical suite disinfection

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)



Strategic initiative: Improving the health of populations

Top risks

- Shortage of clinicians to serve patient population
- Insufficient access to acute care, primary care, and specialty care services
- Noncompliance with government regulations and payer contract requirements related to clinical documentation and billing for services performed by both advanced practice providers (APPs) and physicians
- Missed or incomplete suicide risk screening and mental health assessment
- Unsafe environment that is not ligature-resistant
- Untimely access or limited availability to behavioral health services
- Noncompliance with Centers for Medicare & Medicaid Services (CMS) vaccine mandate regulations resulting in civil monetary penalties to the facility, denial of payment, and/or termination from the Medicare and Medicaid program
- Opioids prescribed in excess of Centers for Disease Control and Prevention (CDC) guidelines
- Noncompliance with government and payer requirements for documentation and billing of telehealth services resulting in denied claims and lost reimbursement
- Telemedicine technology failures or cyberattacks on telemedicine technology resulting in system failure or disruption, ineffective quality of care, poor patient experience, and a lack of HIPAA compliance

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

Internal audits

- Access to mental health services
- APP services documentation and billing compliance
- Compliance with documentation and billing requirements for telehealth services
- Compliance with APP supervision requirements
- Cybersecurity assessment of network and unified communications supporting telehealth
- Environmental and ligature risk assessment
- IT assessment of telehealth platform and devices
- Mental health assessment and suicide risk screening
- Opioid prescribing analysis and monitoring assessment
- Physician payments
- Physician contract compliance
- Regulatory audit preparedness
- Scope-of-practice alignment with state-specific practice authority
- Vaccine process assessment

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)



Strategic initiative: Reducing the per capita cost of healthcare

Top risks

Limited joint venture management and oversight resulting in legal, compliance, reputational, and financial risks

Civil monetary penalties for violation of the *No Surprises Act*

Noncompliance with the *No Surprises Act* resulting in damaged reputation and lost revenue for facilities and providers

Reduced revenues due to pandemic-related delayed surgeries

Lack of a well-designed and well-executed denials management process

Inability to negotiate favorable vendor agreements and prices

Clinical and nonclinical worker turnover leading to higher costs for recruiting and employee retention incentive programs

Increased costs due to expanded use of travel nurse programs

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

Internal audits

Clinical documentation improvement

Expected reimbursement

Joint venture (JV) contract compliance

JV management and oversight processes assessment

No Surprises Act compliance

No Surprises Act process effectiveness

Recruiting and retention effectiveness

Revenue cycle process effectiveness

Vendor selection, contract negotiation, and monitoring

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)



Strategic initiative: Improving the work life of healthcare providers

Top risks

- Failure to monitor physician contract and recruitment arrangement terms
- Mental or physical harm to workers
- Financial losses due to workers' compensation claims
- Potential litigation and increased overtime and turnover due to worker injuries and exposure to COVID-19
- Nonformalized succession planning

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

Internal audits

- Assessment of pandemic reporting
- Critical department staffing levels
- Office of Inspector General audit preparedness
- Physical security
- Physician contract compliance
- Physician payments
- Recruiting and retention effectiveness
- Special project: Preparation of pandemic fund submission(s)
- Staff protection – personal protective equipment safety and environmental safety
- Succession planning
- Workplace violence and management of aggressive behavior

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)



Strategic initiative: Advancing health equity

Top risks

- Insufficient access to acute care, primary care, and specialty care services
- Underrepresented and misunderstood patients and communities
- A workplace culture that lacks focus on environmental issues, governance matters, and inclusivity
- Failure to attract and retain talent due to lack of diversity and inclusivity
- Noncompliance with federal and state transparency regulations resulting in monetary fines and reputational risk stemming from public criticism
- Inadequate compliance with *Emergency Medical Treatment and Labor Act (EMTALA)* regulations

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

Internal audits

- Assessment of current environmental, social, and governance efforts and diversity, equity, and inclusion programs (determination of social and financial materiality, goal and metric setting, quantification and reporting of metrics and results, and board oversight)
- Assessment of pricing accuracy
- Compliance with CMS and state price transparency regulations
- Compliance with EMTALA guidelines for patients presenting outside the emergency department
- Compliance with EMTALA guidelines within the emergency department
- EMTALA transfer and receiving processes (anti-dumping)
- Executive and employee pay analysis

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)



Strategic initiative: Advancing technologies and innovation

Top risks

- Lack of mature controls governing cybersecurity
- Ransomware attack causing IT downtime throughout the organization
- Cyberattacks originating from third parties (such as trusted vendors or providers of software patches)
- Unauthorized employee and vendor access to systems and data
- Patient data residing on personal devices, unmanaged network shares, clinical devices, and a myriad of third-party sites
- Lack of layered security controls for biomedical devices
- Technology failures or cyberattacks on telemedicine technology
- Inaccurate or incomplete data processed by robotic process automation (RPA) bots
- Inappropriate access controls to prevent unauthorized and untested changes to the RPA programming

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

(Add your own top risk here)

Internal audits

- Ransomware preparedness and response
- Business continuity management
- Data governance program
- Cybersecurity assessment
- Biomedical device governance and procurement
- Biomedical device security
- Biomedical device maintenance and third-party service-level agreement compliance
- IT assessment of telehealth platform and devices
- Cybersecurity assessment of network and unified communications supporting telehealth
- Review of overall RPA governance process
- Assessment of RPA security controls and disaster recovery
- Assessment of RPA change management

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)

(Add your own internal audit here)

Learn more

Sarah Cole
Partner
+1 314 802 2049
sarah.cole@crowehrc.com

Scott Gerard
Partner
+1 818 325 8457
scott.gerard@crowehrc.com

Eric Jolly
Partner
+1 415 230 4956
eric.jolly@crowehrc.com

Shameka Smith
Principal
+1 314 802 2026
shameka.smith@crowehrc.com

Dan Yunker
Principal
+1 312 899 1514
dan.yunker@crowe.com

Rebecca Welker
Managing Director
+1 314 802 2055
rebecca.welker@crowehrc.com

So, how well did you do? Are your internal audits aligned with the strategic and business objectives of your healthcare organization and optimized to mitigate the targeted top risks? If not, please download our new report, "[Top Management Risks in Healthcare for 2022](#)," or contact the Crowe healthcare risk consulting team.

¹ "The Triple Aim: Care, Health, and Cost," Health Affairs, May/June 2008, <https://www.healthaffairs.org/doi/10.1377/hlthaff.27.3.759>

² "From Triple to Quadruple Aim: Care of the Patient Requires Care of the Provider." Annals of Family Medicine, November 2014, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4226781>

³ "The Quintuple Aim for Health Care Improvement: A New Imperative to Advance Health Equity," Journal of the American Medical Association, Jan. 21, 2022, <https://jamanetwork.com/journals/jama/article-abstract/2788483>

crowe.com

"Crowe" is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. "Crowe" may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and our affiliate in Grand Cayman are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S. member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit www.crowe.com/disclosure for more information about Crowe LLP, its subsidiaries, and Crowe Global.

The information in this document is not – and is not intended to be – audit, tax, accounting, advisory, risk, performance, consulting, business, financial, investment, legal, or other professional advice. Some firm services may not be available to attest clients. The information is general in nature, based on existing authorities, and is subject to change. The information is not a substitute for professional advice or services, and you should consult a qualified professional adviser before taking any action based on the information. Crowe is not responsible for any loss incurred by any person who relies on the information discussed in this document. © 2022 Crowe LLP.