

Review of  
recommendations  
made following reports  
on dangerous drugs in  
hospitals in Western  
Australia

17 September 2020



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## TABLE OF CONTENTS

<b>CHAPTER ONE</b>	<b>1</b>
Overview	1
<b>CHAPTER TWO</b>	<b>3</b>
Background	3
Controlled drugs	3
WA Health	4
The Commission's review	5
<b>CHAPTER THREE</b>	<b>7</b>
Accountability	7
Knowledge sharing	7
<b>CHAPTER FOUR</b>	<b>9</b>
Policies, procedures and practices	9
Access	10
Supply and receipt	11
Separation of duties	12
Registers and record keeping	13
Patients' own medication	14
<b>CHAPTER FIVE</b>	<b>15</b>
Compliance and audit	15
<b>CHAPTER SIX</b>	<b>17</b>
Automation and modernisation of systems	17
Automated impresting	18
<b>CHAPTER SEVEN</b>	<b>19</b>
Drug discrepancy management	19
<b>CHAPTER EIGHT</b>	<b>21</b>
Education and training	21
<b>CHAPTER NINE</b>	<b>23</b>
Conclusion	23
<b>APPENDIX ONE</b>	
Schedule 1 - 2017 Report recommendations	26
<b>APPENDIX TWO</b>	
Schedule 2 - 2018 Report recommendations	39

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# CHAPTER ONE

## Overview

- [1] In 2017 and 2018 the Commission published two reports<sup>1</sup> about controlled drugs in public hospitals and the associated misconduct risks.
- [2] The Commission identified significant misconduct risks associated with the management of controlled drugs across WA Health.
- [3] The Commission's reports pointed to inadequate practices in reconciling stocks of controlled drugs, tracking movements of controlled drugs and a lack of staff compliance with processes. The reports made 19 recommendations for improvements in practices and procedures.
- [4] The purpose of this report is to review what actions have been taken in response to the Commission's recommendations.
- [5] The Commission's review shows that substantial progress has been made by WA Health to identify and respond to the risks associated with managing controlled drugs.
- [6] In particular, the Department of Health (DoH) is consolidating its controlled drug policies into a single 'medicines handling policy'. The Commission supports this initiative. When implemented, it is likely that the new policy will address many of the Commission's recommendations and, on this basis, 17 of the Commission's 19 recommendations can be closed.
- [7] However, the Commission's two general recommendations relating to policy and procedure improvements will remain open to allow time for WA Health to implement this policy.
- [8] An overview of the WA Health responses and the Commission's review against each of the recommendations are set out in the appendix to this report.
- [9] The Commission will conduct a further review of the two remaining recommendations in 12 months, enabling an assessment of the DoH medicines handling policy and its impact across WA Health.

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<sup>1</sup> Corruption and Crime Commission, *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*, 20 June 2017. Corruption and Crime Commission, *Report on serious misconduct risks around dangerous drugs in hospitals*, 25 May 2018.

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## CHAPTER TWO

### Background

- [10] In 2016, the Commission investigated the theft of drugs in two large metropolitan hospitals by a pharmacist, Mr Matthew Foster.
- [11] Mr Foster was addicted to opioids. He used his position as a hospital pharmacist to steal large quantities of controlled drugs. He exploited each hospital's processes to work unsupervised and to falsify records.
- [12] Mr Foster's conduct and the missing drugs went undetected for 14 months, in part due to the hospitals' inadequate practices in reconciling drug stocks, tracking drug movements and a lack of staff compliance with process.
- [13] The Commission's investigation exposed weaknesses in the supply and management of controlled drugs that Mr Foster exploited for his benefit. The Commission reported to Parliament on this matter on 20 June 2017.<sup>2</sup>
- [14] The Commission made 10 recommendations directed to WA Health and its poisons permit holders to improve the storage and management of controlled drugs.
- [15] On 25 May 2018, the Commission tabled a supplementary report in Parliament. That report looked beyond the conduct of Mr Foster to the broader issue of theft and misuse of dangerous drugs in the WA health system.<sup>3</sup> A further nine recommendations for improvements were made.

### Controlled drugs

- [16] The national Standard for the Uniform Scheduling of Medicine and Poisons classifies drugs and poisons into 10 schedules. In WA, the *Medicine and Poisons Act 2014* and the *Medicines and Poisons Regulations 2016* adopt those schedules.
- [17] Schedule 8 drugs, such as morphine, fentanyl, hydromorphone and oxycodone have a medical use but require controls over their manufacture, supply, distribution, possession and use, in order to reduce abuse, misuse, physical and psychological dependence.

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<sup>2</sup> Corruption and Crime Commission, *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*, 20 June 2017.

<sup>3</sup> Corruption and Crime Commission, *Report on serious misconduct risks around dangerous drugs in hospitals*, 25 May 2018.

- [18] Schedule 4 Restricted drugs are a group of drugs with known potential to cause dependence. The WA Health policy has mandated controls for Schedule 4 Restricted drugs, similar to the requirements for Schedule 8 drugs, to prevent theft and misuse of these drugs.
- [19] This report will focus on Schedule 8 and Schedule 4 Restricted drugs.

## **WA Health**

- [20] At the time of Mr Foster's offending, management of the health system in WA was centralised in the WA Health Department. Prior to the release of the Commission's first report in 2017, the *Health Services Act 2016* was introduced, devolving the previous centralised WA health system.
- [21] Independent Health Service Providers (HSPs) were created. The individual boards assumed responsibility for the actual provision of health services. Each HSP is ultimately responsible for managing the controlled drugs and the security of dangerous drugs held by it.
- [22] DoH assumed the role of system manager, responsible for the overall management, performance and strategic direction of WA Health.
- [23] Because the role of DoH, as system manager, differs significantly from that of HSPs and their boards, the Commission engaged directly with each HSP during this review:
- Department of Health

DoH, as the system manager, provides stewardship, guidance and support to the HSPs. DoH use mandatory policy frameworks to ensure the HSPs provide consistent, efficient and effective services across WA Health.
  - Child and Adolescent Health Service

The Child and Adolescent Health Service (CAHS) treats children and adolescents from around WA. CAHS includes the Perth Children's Hospital and other multiple services (neonatology, community health, child and adolescent mental health). The Perth Children's Hospital, which opened in 2018, is the newest hospital in the Perth metropolitan area and is equipped with state-of-the-art equipment and technology.
  - East Metropolitan Health Service

The East Metropolitan Health Service (EMHS) hospital and health service network includes Royal Perth Hospital, Bentley Health Service, Armadale Health Service and Kalamunda Hospital. In



addition, EMHS provides contract management for the St John of God Midland Public Hospital.

- South Metropolitan Health Service

The South Metropolitan Health Service (SMHS) hospital network includes Rockingham General Hospital, Fremantle Hospital, Murray District Hospital and the contemporary Fiona Stanley Hospital which opened in 2015. SMHS also manages the contract for the Peel Health Campus which is delivered as a public-private partnership with Ramsay Health Care.

- North Metropolitan Health Service

North Metropolitan Health Service (NMHS) is the largest health service in the metropolitan area. NMHS includes Sir Charles Gairdner Hospital, Osborne Park Hospital, Graylands Hospital, King Edward Memorial Hospital and Joondalup Health Campus (a public-private partnership).

- WA Country Health Service

WA Country Health Service (WACHS) is the largest country health service in Australia consisting of seven administrative regions supported by the central office located in Perth. They are the Kimberley, Pilbara, Midwest, Wheatbelt, Goldfields, South West and Great Southern. The WACHS portfolio includes 70 hospitals, a number of smaller health centres, nursing posts as well as Indigenous health, population health, mental health and aged care services.

[24] This report will refer to DoH and HSPs collectively as 'WA Health'.

[25] The Commission appreciates that while the misconduct risks in managing dangerous drugs may exist and be similar across WA Health, variance between HSPs in size, structure and technology capabilities, limits the effectiveness of direct comparison.

[26] The Commission considers there is a benefit to the whole of WA Health in sharing the initiatives and progress of each HSP in response to the Commission's recommendations.

### **The Commission's review**

[27] The Commission initiated this review on 19 June 2019. It sought to examine the actions being implemented, or proposed, to address each recommendation.

- [28] Commission officers attended nine regional and metropolitan hospitals and engaged directly with operational staff, observing the practices associated with access to, and management of, controlled drugs in those facilities.
- [29] The site visits undertaken assisted the Commission's appreciation of procedural differences in drug management that can occur due to individual site requirements.
- [30] Each HSP provided comprehensive written submissions outlining the initiatives being undertaken to address the Commission's recommendations.
- [31] The work undertaken by WA Health to improve its management of dangerous drugs has been summarised in this report across the following key themes:
- Accountability;
  - Policies, procedures and practices;
  - Compliance and audit;
  - Automation and modernisation of systems;
  - Drug discrepancy management; and
  - Education and training.

## CHAPTER THREE

### Accountability

- [32] At each hospital, the chief pharmacist, as the poisons permit holder, has overall responsibility for ensuring the handling of medicines is in accordance with the *Medicines and Poisons Act 2014*.<sup>4</sup> However, through its investigation, the Commission identified that the practical management of controlled drugs in hospitals goes far beyond the pharmacy itself. The Commission recommended clear accountability roles be established for the management of drugs.
- [33] DoH advised that all current overarching Schedule 8 and Schedule 4 Restricted drug policies are being consolidated into a single medicines handling policy which will include clear role and accountability statements, providing further guidance to HSPs.
- [34] The HSPs confirmed that local policies, procedures and practice standards set out drug management protocols for individual hospitals. The Commission made additional recommendations relating to the refinement of such a policy. These will be discussed later in this report.
- [35] The Commission's review identified that three of the five HSPs have implemented overarching governance frameworks to further define accountability. While one of the two remaining HSPs has proposed this initiative, the Commission strongly suggests both HSPs implement this type of increased governance.
- [36] The Commission acknowledges the steps being taken by WA Health in the review of policies to clarify roles and responsibilities. In particular, the development of a single policy remains a promising initiative to assist with consistent accountability for drug management across all public hospitals.

### Knowledge sharing

- [37] Mr Foster's theft and diversion of controlled drugs occurred across two hospitals over a 14-month period. Both hospitals were deficient in detecting the unauthorised supply of those drugs. They lacked the ability to effectively identify, track and audit drug movements. The Commission's 2017 report highlighted the presence of similar drug diversion risks across all WA Health public hospitals.

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<sup>4</sup> Department of Health, Medicines and Poisons Regulation Branch, *Guide to applying for a License or Permit*, March 2020.

- [38] In 2016, the chief pharmacists were not seen to be regularly communicating or sharing information about these risks or possible solutions, so the Commission recommended that WA Health implement a forum to facilitate knowledge sharing about drug diversion between the chief pharmacists.
- [39] In response, WA Health advised that the existing monthly meeting of the Chief Pharmacist Forum, which is attended by all chief pharmacists across WA Health, now includes discussion on risks and strategies associated with managing controlled drugs.
- [40] DoH stated that the Chief Pharmacist Forum routinely considers and makes decisions on matters of medicine handling and security. The majority of HSPs expressed concerns as to the effectiveness of the Chief Pharmacist Forum, beyond knowledge sharing, because it lacks decision making authority.
- [41] The Commission notes the disparity between DoH and the HSPs. The Commission is not in a position to resolve the differing views as to the effectiveness of the Chief Pharmacist Forum. This is a matter for WA Health.

## CHAPTER FOUR

### Policies, procedures and practices

- [42] The Commission's reports identified gaps in the compliance and enforcement of WA Health's policies regarding the management of controlled drugs. It was recognised that the risk of unauthorised access to those drugs would remain significant until these issues were addressed.
- [43] The Commission recommended:
- policies, procedures and practices be consolidated and updated to align with the current statutory regime; and
  - WA Health operational directives and hospital policies be reviewed to ensure that policies for drug management, recording and reporting discrepancies are consistent across WA Health.
- [44] DoH advised that in response to the Commission's recommendations and to align with statutory changes,<sup>5</sup> its' Reporting of Schedule 4 Restricted and Schedule 8 Medicines Discrepancies Policy has been revised, updated and implemented. DoH advised that this policy provides a consistent approach to the recording and reporting of controlled drug discrepancies across WA Health.
- [45] Additionally, DoH reinforced the proposed consolidation of Schedule 8 and Schedule 4 Restricted drug policies into a single medicines handling policy, to establish minimum standards for management of controlled drugs, outline DoH's responsibilities as the system manager and to provide further guidance to HSPs using a risk based approach.
- [46] The HSPs' responses demonstrated that while the majority of local hospital policies and procedures have been reviewed, the consolidation of policies across HSPs remains a work in progress.
- [47] During this review, Commission officers noted a lack of standardisation not only between, but within HSPs. This could be attributed to differing site practices. However, given the legislative requirements, a level of consistency in the management of controlled drugs should be achievable across WA Health.

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<sup>5</sup> *Medicines and Poisons Act 2014 (WA)*; *Medicines and Poisons Regulations 2016 (WA)*; and *Health Services Act 2016 (WA)*.

- [48] The Commission recognises that some HSPs have proposed initiatives to further revise and develop policies and procedures. It is likely these initiatives will gain momentum following the implementation of DoH's overarching medicines handling policy.
- [49] To appropriately measure the effectiveness of WA Health's response to the recommendations relating to improving policies and procedures, the Commission will undertake a further review in 12 months. This additional time should allow for the implementation of the new medicines handling policy and assessment of its impact.

### **Access**

- [50] The Commission's 2017 report identified a lack of systems and processes regulating after-hours access to the pharmacy and pharmacy safes storing Schedule 8 drugs. This led to an environment in which staff, including Mr Foster, were able to operate alone and without scrutiny.
- [51] The Commission recommended that the monitoring of after-hours access to both the pharmacy and the pharmacy safe be enhanced. The Medicines Poisons Regulatory Branch reached the same conclusion after its investigation into Mr Foster's misconduct.<sup>6</sup>
- [52] The Commission also noted in its 2018 report that 'Good security procedures not only decrease opportunities for theft, but if theft has taken place, it can enable early identification of the theft and increase the likelihood of establishing what was stolen, when, where, how and by whom ...'.<sup>7</sup>
- [53] WA Health advised that since the Commission's reports, positive changes have been made to the access and security of pharmacies and pharmacy safes, both within normal business hours and after-hours. Access is now commonly restricted by using swipe cards, unique identification numbers and/or pin codes, and is limited to certain roles.
- [54] DoH confirmed there has been an increase in hospitals reviewing their after-hours access records. Most HSPs were also able to provide evidence to the Commission of ongoing monitoring of after-hours access, although the type and frequency of audits vary between sites.
- [55] On the other hand, some smaller hospitals do not regularly monitor access to their controlled drugs. Auditing of access only occurs in response to a medication discrepancy.

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<sup>6</sup> Department of Health, Pharmaceutical Services Branch Internal Memorandum, 16 March 2016.

<sup>7</sup> Corruption and Crime Commission, *Report on serious misconduct risks around dangerous drugs in hospitals*, 25 May 2018, p 54.

- [56] WA Health's responses showed the variance in after-hours processes and security technology which exist between each HSP and its hospital sites. Many hospitals consider that the installation of CCTV cameras within pharmacy areas, particularly around the Schedule 8 drug safes, assists in monitoring access.
- [57] At sites where automation has been implemented, security measures such as biometric identification, CCTV cameras and system access reports enable closer monitoring of access to controlled drugs. However, automation is not available at all sites and comparisons are difficult between newer and older facilities, or smaller sites with no designated pharmacy.
- [58] The Commission considers that having appropriate minimum security and monitoring standards for controlled drug access across WA Health would be beneficial.

### **Supply and receipt**

- [59] The Commission's reports identified significant concerns with the processes associated with ordering, issuing, delivering and receiving drugs in hospitals. In particular, the lack of reconciliation by the pharmacy, wards or units ordering or receiving drugs was a major misconduct risk.
- [60] At the time of the Commission's reports, the predominant requisition system used was a somewhat archaic, manual and paper based process. Legibility of forms, record keeping and overall compliance with the process were common issues encountered during the Commission's investigation.
- [61] The Commission recommended the development and implementation of reconciliation practices for drugs supplied by the pharmacy and received by the wards and units, to assist in managing some of those risks.
- [62] The HSPs advised that supply and receipt processes were reviewed following publication of the Commission's reports. Where possible, most sites have enforced a minimum two person authorisation process and a contemporaneous review of the requisition form, to ensure it is legible, fully completed and stored appropriately.
- [63] In its response to this review, DoH noted an increase in hospitals applying reconciliation practices to their supply and receipt processes. However, the HSPs' responses showed significant variance in the audit type, frequency, sample size and reporting requirements.

- [64] Across WA Health, responsibility for those audits generally falls to the chief pharmacist or their delegate. The HSPs confirmed that the frequency and sample size of the audits conducted are often constrained by the resources required to audit a predominately manual process.
- [65] DoH emphasised that a minimum standard for the audit of internal supply practices will be included in the overarching medicines handling policy.
- [66] The Commission's review noted that the majority of HSPs still rely heavily on manual, paper based requisition and delivery log processes. Given the manual nature of these processes, reconciliation is often conducted retrospectively and for few transactions. While most HSPs evidenced reconciliation processes for parts of the supply and delivery chain, how these practices operate differs across WA Health.
- [67] The Commission acknowledges that sites with automation have (at least partially) introduced electronic requisition processes, increasing the ability to simultaneously reconcile and report drug variances.

#### **Separation of duties**

- [68] In the case of Mr Foster, the Commission's investigation revealed how he used supply and receipt processes to cover up the diversion of controlled drugs. Often the sole signatory on pharmacy registers and requisition forms, he pretended to receive, supply and deliver controlled drugs into the pharmacy and out to the wards or units. Most of those drugs never made it to their recorded destination.
- [69] The Commission recommended WA Health implement procedures that mandate and reinforce separation of duties during the ordering, issuing, delivery and receipt of controlled drugs in the supply process.
- [70] In its response to this review, DoH suggested that the requirement for counter signatures during the supply process has increased.
- [71] As part of their responses, HSPs evidenced a variety of audits being used to reconcile parts of the supply and receipt processes. Some HSPs identified increased audit activities, particularly when separation of duties is not possible due to staffing structures.
- [72] Additionally, HSPs confirmed that their site procedures reinforce the requirement for separation of duties within the supply and receipt processes.
- [73] Despite separation of duties being mandated in procedure, the Commission notes the inconsistent application of compliance audits and enforcement of those procedures across WA Health. DoH told the



Commission that separation of duties and minimum standards for auditing internal supply practices will be included within the new medicines handling policy.

### **Registers and record keeping**

- [74] The *Medicines and Poisons Regulations 2016*<sup>8</sup> and WA Health Operational Directives mandate the requirements for maintenance of Schedule 8 drug registers.
- [75] The Commission's reports highlighted significant deficiencies in the Schedule 8 drug registers. Missing registers and incomplete entries made it difficult to account for procurement, storage and usage of each controlled drug. Apart from statutory non-compliance, these shortcomings hindered reconciliation and investigative processes.
- [76] The Commission's 2017 report recommended hospitals heighten the overall security of registers and have processes to track, audit and manage register movement. In 2018, the Commission further recommended that hospitals ensure the records kept in registers be accurate and audited frequently.
- [77] The HSPs advised that since the Commission's reports, they have implemented and mandated the use of a master register at each hospital to record, manage and track individual drug registers.
- [78] Additionally, WA Health outlined pharmacy improvements to ensure secure access to both the master register and individual registers, including limitations on access, better archiving processes, improved record keeping and closer monitoring of register movements.
- [79] The Commission's review identified that, when a register is in use, the responsibility for management and storage of that register falls to the clinical area where it is located. The usage, tracking, monitoring and auditing of registers within clinical areas, varies across the HSP and their sites.
- [80] Each HSP identified the policies and processes in place for the mandatory obligations for transaction recording and inventory count of controlled drugs.
- [81] The Commission notes the difficulty in assessing compliance with such processes in the absence of regular audits. While a number of hospitals have started auditing its registers' records and movements, there remains no consistent approach or tool used across WA Health.

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<sup>8</sup> *Medicines and Poisons Regulations 2016* (WA), Part 12.

- [82] During the review, the HSPs' chief pharmacists noted improvements in security and legislative compliance in hospitals where electronic register systems have been implemented. In the absence of technology improvements that enable real time auditing, DoH advised that minimum audit requirements will be included in the consolidated medicines handling policy.
- [83] The Commission recognises it is a matter for each HSP to ensure that controlled drugs are managed in accordance with their legislative obligations.

#### **Patients' own medication**

- [84] In 2018, the Commission recommended that policies be developed and implemented to improve security during storage and transport of patients' own medication. Medications brought into the hospital were subject to lower security controls and an increased risk of theft.
- [85] DoH advised that, in response to the Commission's concerns, all hospitals have developed policies for the management of patients' own medication. It is intended that the new medicines handling policy will provide more guidance in this area.
- [86] The HSPs detailed the reviews conducted and improvements made to patients' own medication policies.
- [87] The Commission notes that a significant portion of hospitals have implemented a designated register for patients' own medication (which contains controlled drugs) and use of tamper proof bags for transport and storage. These changes aim to bring patients' own controlled drugs in line with Schedule 8 and Schedule 4 Restricted drug storage and recording requirements.

## CHAPTER FIVE

### Compliance and audit

- [88] The Commission's investigation into Mr Foster demonstrated the dire consequences that can arise when checks and balances, reconciliation processes and audit procedures are inadequate, and warning signs are not heeded.
- [89] The Commission recommended that regular auditing of compliance with policy, procedures and practice may assist the early detection of misconduct risks. Furthermore, the Commission's reports highlighted that independence in the audit process (where possible) may mitigate complacency and risks associated with self-assessment.
- [90] During this review, WA Health provided evidence to the Commission on the checks and audits that are completed within the pharmacy and clinical areas. At a minimum, all hospitals carry out stock counts of controlled drugs. DoH also advised that reconciliation processes to test staff compliance with policy and procedures have increased within hospitals.
- [91] During the Commission's review, the diversity of audits across and within HSPs was very evident. The Commission recognises that some HSPs have undertaken comprehensive reviews (including external audits and gap analysis) to identify sustainable initiatives that can address ongoing risks. Three of the five HSPs have introduced frameworks or governance structures to facilitate monitoring and trending of risks.
- [92] At most sites visited by the Commission, auditing processes are manual, resource intensive and sometimes duplicated for differing purposes. Some audits were reliant on an individual person, rather than a documented process or schedule.
- [93] With sustainability a concern, the Commission encourages WA Health to develop audit processes that achieve compliance monitoring and mitigate complacency without leading to audit fatigue.
- [94] DoH has advised that the new medicines handling policy will set minimum standards for auditing internal supply practices. The Commission will consider the resulting impact of this policy on HSPs' audit schedules and how data is monitored for trends and risks, in its further review in 12 months.

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## CHAPTER SIX

### Automation and modernisation of systems

- [95] Automated drug management systems can be an effective tool to increase drug security, using technology to restrict access and enhance auditing capability and accountability. In 2017, the Commission recommended that WA Health consider the introduction of:
- an auditable electronic requisition process;
  - auditable electronic registers; and
  - automated Electronic Storage and Supply Unit systems progressively across hospitals.
- [96] DoH advised that addressing this recommendation would involve the development of a major IT system for the whole of WA Health. It pointed out that this carries fiscal and other associated barriers affecting implementation.
- [97] DoH highlighted that Perth Children's Hospital and Fiona Stanley Hospital are the only two hospitals that currently have automated drug dispensing and electronic register and requisition processes. While there is no collective WA Health plan for automation, DoH advised that electronic medication management systems are a key priority in the WA Health Information Management Strategy 2017-2021.<sup>9</sup>
- [98] DoH confirmed that legislation, standards and necessary approval processes with the Medicines Poisons Regulatory Branch are now in place to facilitate automated systems within WA Health. However, the implementation of automated systems remains the responsibility of HSPs having regard to their risk and cost implications.
- [99] WA Health provided evidence of initiatives to improve security and auditability of access to controlled drugs. The HSPs' responses to the Commission's review clearly recognised the benefits associated with electronic systems.
- [100] While most HSPs are considering some initiatives, they advised there are significant challenges impeding implementation. The HSPs noted that in addition to fiscal barriers, there are often complexities associated with retrofitting new systems to existing buildings or technology structures.

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<sup>9</sup> Department of Health, *WA Health Information Management Strategy 2017-2021*, November 2016.

Additionally, one HSP advised that with current staffing structures, fully automated systems would be impractical and create more risk.

- [101] During the Commission's visits, all HSP chief pharmacists saw implementation of an electronic register as a top priority.
- [102] DoH advised that a commercial register system has been reviewed and considered suitable for use within a hospital setting. The system is currently under consideration by the HSPs. However, most HSPs noted concerns in progressing this initiative due to WA Health's purchasing processes.
- [103] The Commission acknowledges the barriers associated with modernising systems and introducing automation. However, in the absence of improved technology, it is important there are minimum security, access, recording and audit requirements in every WA Health public hospital. It remains a matter for WA Health to determine the best way to use technology to improve its security and auditing capabilities.

#### **Automated impresting**

- [104] For hospitals that have automation, the Commission recommended that consideration be given to maximising automated impresting of controlled drugs and reducing or inhibiting the manual supply of controlled drugs by pharmacists.
- [105] Automated imprest systems automatically re-order and supply imprest items at predetermined stock levels. The automated technology allows for real time reconciliation which improves auditing and reporting capabilities.
- [106] The Commission's earlier investigations identified that Mr Foster targeted non-imprest controlled drugs. These were stored and supplied manually by the pharmacy. He took advantage of a manual system that enabled him to operate alone, with no auditing or reconciliation processes to uncover his actions.
- [107] The Commission recognises that the majority of hospitals do not have automation. However, in response to the Commission's review, the Chief Pharmacist Forum has reviewed the use of standard imprest practices for Schedule 8 drugs. DoH confirmed that imprest lists and clinical drug usage requirements remains a matter for individual HSPs.

## CHAPTER SEVEN

### Drug discrepancy management

- [108] Drug discrepancies occur when medicinal drugs are found to be either missing or are replaced with another substance for no obvious reason. In 2018, the Commission's report raised concerns about the level and nature of unexplained drug discrepancies in hospitals, the way in which drug discrepancies were investigated by WA Health and the reported reasons for some of these discrepancies.
- [109] In response to the Commission's observations, WA Health's responses highlighted that key initiatives have been implemented system-wide to improve drug discrepancy management. These have included updating the mandatory Reporting of Schedule 4 Restricted and Schedule 8 Medicines Discrepancies Policy to reinforce notification obligations and best practices for investigating a medication discrepancy.
- [110] The HSPs have confirmed that drug discrepancies are reported to the Integrity and Ethics Units which facilitate management of discrepancy data and reporting obligations for the HSP. The system-wide case management system has been revised and, while data remains centrally reported to the Medicines Poisons Regulatory Branch, the analysis and monitoring of data has been transferred back to HSPs.
- [111] All HSPs highlighted DoH's development and implementation of medicine discrepancy investigation training as pivotal in upskilling relevant employees involved in these investigations. DoH has facilitated a central training course with approximately 100 staff across WA Health having attended. Training resources have since been provided to HSPs for consideration of their future training requirements.
- [112] All responses provided to the Commission show a more consistent approach to managing drug discrepancies than previously. Notably, some HSPs have, or are in the process of, developing a framework that supports the updated policy and are comprehensively monitoring discrepancy data.
- [113] DoH is also exploring intelligence software options to enhance analytics, exception detection and reporting of discrepancies at a system-wide level.

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## CHAPTER EIGHT

### Education and training

- [114] The Commission's 2018 report identified that consideration should be given to delivering ongoing education and training for staff in drug management, record keeping, reporting and investigating medicine discrepancies. This was based upon the Commission's observations of a lack of staff awareness and, at times, complacency about their responsibilities when managing controlled drugs.
- [115] As highlighted in chapter seven, a key education initiative has been the DoH medicine discrepancy investigation training. In response to the Commission's recommendations, this training was specifically designed for WA Health staff to improve their investigative skills. While initially conducted centrally, this training has now been devolved to HSPs.
- [116] During this review, DoH advised that staff education in local policies is a matter for individual HSPs. The HSPs confirmed that staff complete relevant orientation training and ongoing role specific training that addresses managing controlled drugs.
- [117] The Commission recognises that orientation and mandatory role training exists across WA Health. During the review, the Commission noted some sites have developed targeted education initiatives to address issues identified in managing controlled drugs. Given that some risks are likely to be common across the HSPs, sharing these initiatives more widely within the HSP, and where relevant across WA Health, could be beneficial.

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## CHAPTER NINE

### Conclusion

- [118] Significant variations in drug management processes and practices were evident during the Commission's review, not only across WA Health but also within the individual HSPs.
- [119] While the actions taken by WA Health to address the Commission's recommendations were diverse, they were all driven by a common commitment to better manage the risks associated with controlled drugs. The Commission's review noted that all but one HSP have conducted comprehensive reviews to identify gaps in practices and implement targeted initiatives to address them.
- [120] The Commission recognises that two HSPs have new hospitals with modern automated systems, which allow for greater oversight of drug and register management, auditable reports and increased security measures. Other sites are yet to experience the same technological advances. The Commission strongly suggests they take advantage of ongoing technology developments when able.
- [121] WA Health has considered and taken satisfactory action to address 17 of the 19 recommendations.
- [122] The two remaining recommendations relate to improvement of policy and procedure. In response to this review, DoH relied heavily on their proposed consolidated medicines handling policy to address remaining drug management issues. The impact of the policy spans many of the Commission's 19 recommendations. While the Commission is supportive of this initiative, its effectiveness in practice is largely untested.
- [123] After preparation of the initial draft of this report and as part of the process under the *Corruption, Crime and Misconduct Act 2003* s 86, DoH informed the Commission that the consolidated medicines handling policy and all associated risk and guidance documents were published on 15 July 2020. The implementation date is scheduled for 1 December 2020.
- [124] The Commission will undertake a further review of the two outstanding recommendations in 12 months to allow for the implementation of the new policy and assessment of its impact across WA Health, including observing outcomes across the key themes noted in this report.

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## **APPENDIX ONE**

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 1 - After-hours access to pharmacy and safe**

Enhance monitoring of after-hours access to the pharmacy and the pharmacy safe. Give consideration to:

- a) mandatory audits for all after-hours supply or dispensation from the pharmacy safe;
- b) prohibiting after-hours solitary access to the pharmacy safe; and
- c) increasing security and monitoring through technology.

COMMISSION REVIEW	STATUS
The Commission is satisfied that WA Health has given consideration to enhancing the monitoring of after-hours access to the pharmacy and the pharmacy safe. Notwithstanding the closure of this recommendation, the Commission considers that having minimum security and monitoring standards for controlled drug access across WA Health would be beneficial. Noting that after-hours access will be included in the DoH medicines handling policy, consideration of its impact on after-hours access will be one of the key themes included in the Commission's further review.	CLOSED

DOH	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>After-hours access to the pharmacy and pharmacy safe practices across the HSPs has been surveyed by the Medicines and Poisons Regulation Branch in 2017 and 2019. DoH confirmed that after-hours access to pharmacies and Schedule 8 safes is restricted to senior pharmacists in metropolitan sites and accesses are now reviewed by most hospitals. DoH advised that minimum standards for audit of internal supply practices (including after-hours access) will be included in the consolidated system-wide mandatory medicines handling policy.</p>
CAHS	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>After-hours access to the pharmacy and pharmacy safe at Perth Children's Hospital is restricted via security technology and automation. After-hours access is frequently audited and monitored by staff with designated accountability roles.</p>
EMHS	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>After-hours access to the pharmacy and pharmacy safe is restricted and monitored by each site across EMHS. Variance in security measures, technology and monitoring activities is evident through different site procedures.</p>
NMHS	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>After-hours access to the pharmacy and pharmacy safe is restricted and monitored by each site across NMHS. Variance in security measures, technology and monitoring activities is evident through different site procedures. The NMHS diversion prevention project aims to streamline processes where possible.</p>
SMHS	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>After-hours access to the pharmacy and pharmacy safe is restricted and monitored by each site across SMHS. Variance in security measures, technology and monitoring activities is evident through different site procedures. Automation at Fiona Stanley Hospital enables further access restrictions with security technology and increased audit capabilities.</p>
WACHS	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>WACHS confirmed there are no specific policies which relate to after-hours access to the pharmacy and pharmacy safe. After-hours access is restricted by relevant WACHS sites. However, due to site variances WACHS advised that prohibiting solitary access is not always possible. WACHS noted that monitoring or auditing of access is predominantly undertaken in response to a reported discrepancy. The response indicated that an audit report is in development to identify after-hours distribution of recordable medications. Variance in security measures, technology and monitoring activities is evident through different site procedures.</p>

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 2 - Reconcile supply and receipt**

Develop and implement a practice to reconcile drugs supplied by a public hospital's pharmacy with receipt by wards and units.

COMMISSION REVIEW	STATUS
The Commission is satisfied that WA Health has given consideration to developing and implementing practices to reconcile drugs supplied by the pharmacy with receipt by wards and units. Notwithstanding the closure of this recommendation, the Commission's review noted a significant variance in the current reconciliation practices across WA Health. Noting that the audit of internal supply practices will be included in the DoH medicines handling policy, the Commission will consider its impact on reconciliation practices as a key theme in its further review.	<b>CLOSED</b>

<b>DOH</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH informed the Commission that the 2019 Medicines and Poisons Regulation Branch survey results suggested improvements in hospitals to require the completion of requisition forms and increased application of reconciliation practices to their processes. DoH confirmed that a template audit schedule has been provided for HSP consideration. In addition, DoH advised that the consolidated medicines handling policy will include the minimum standards for audit of internal supply practices.
<b>CAHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> The Perth Children's Hospital's automation systems have sophisticated methods to reconcile drugs supplied by the pharmacy to wards and units. If a process is incomplete, it is automatically flagged to enable prompt identification and correction.
<b>EMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> EMHS has developed and implemented various practices to reconcile drugs supplied by the pharmacy with the use of receipts by wards and units. In lieu of automation, this manual process is resource intensive and has resulted in smaller sample sizes being audited for compliance.
<b>NMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> NMHS has developed and implemented various practices to reconcile drugs supplied by the pharmacy with the use of receipts by wards and units. In lieu of automation, this manual process is resource intensive and has resulted in smaller sample sizes being audited for compliance.
<b>SMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> SMHS has one site with automated systems that provides sophisticated methods to reconcile drugs supplied by the pharmacy to wards and units. If a process is incomplete, it is automatically flagged to enable prompt identification and correction. The remaining SMHS sites have developed and implemented various practices to reconcile drugs supplied by the pharmacy with the use of receipts by wards and units. In lieu of automation, these manual processes are completed retrospectively with audit types and frequency varying between sites.
<b>WACHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS' policy for the requisition and supply of recordable medications has reconciliation processes for requisition/delivery receipts and quarterly audits of registers. A WACHS audit conducted in 2019 discovered weaknesses within the reconciliation processes. WACHS noted the medication discrepancy and accountability policy will be expanded to include audit and reconciliation requirements for recordable medicines in pharmacy and clinical areas. This policy will be implemented after the DoH medicines handling policy. In lieu of automation, all assurance processes remain manual and are completed retrospectively. WACHS noted that audit types and frequency are impacted by staffing structures and physical distances between sites.

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 3 - Separation of duties**

Implement procedures that mandate and reinforce the 'separation of duties' in relation to each act required in the supply process.

COMMISSION REVIEW		STATUS
The Commission is satisfied that WA Health has given consideration to implementing procedures that mandate and reinforce the 'separation of duties' within the supply process. Notwithstanding the closure of this recommendation, as a key theme of the further review, the Commission will consider how the medicines handling policy addresses separation of duties and impacts HSP procedures and practices.		CLOSED
DOH	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH confirmed that separation of duties has been, and will be, addressed in mandatory policy updates, including the proposed mandatory medicines handling policy. DoH noted that the 2019 Medicines and Poisons Regulation Branch survey which suggested a change in hospital practices to require counter signatures and/or retrospective audits of activities during times of reduced staffing.	
CAHS	<b>The response demonstrates this recommendation has been addressed.</b> CAHS governance procedures mandate and reinforce separation of duties within the supply process. At Perth Children's Hospital, separation of duties is aided by sophisticated automation which mandates and verifies the number of authorised staff involved throughout the process.	
EMHS	<b>The response demonstrates this recommendation has been addressed.</b> EMHS site based procedures reinforce the separation of duties for each part of the supply process. Due to variances in site processes, the separation of duties is managed differently at each site.	
NMHS	<b>The response demonstrates this recommendation has been addressed.</b> NMHS site based procedures reinforce the separation of duties for each part of the supply process. Due to variances in site processes, the separation of duties is managed differently at each site.	
SMHS	<b>The response demonstrates this recommendation has been addressed.</b> SMHS site based procedures reinforce the separation of duties for each part of the supply process. Due to variances in site processes, the separation of duties is managed differently at each site. At Fiona Stanley Hospital, the separation of duties has been aided by automation which mandates and verifies the number of authorised staff involved throughout the process.	
WACHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS advised that at some sites, the separation of duties is not always possible due to staffing structures. From the Commission's observations, some WACHS sites have procedures in place to countersign, audit and/or monitor parts of the supply process, where separation was difficult. These varied within the sites visited and were reliant on region, site or staff initiatives. An internal 2019 WACHS audit reviewed the separation of duties within the supply and delivery processes within two regions. The audit identified a need for further clarity on the processes for ordering and receiving medicines.	



## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 4 - Regular compliance checks**

- a) Conduct regular checks on randomly selected staff, wards and units in order to ascertain the extent of compliance with policies, procedures and practices; and
- b) Conduct independent audits from time to time that measure compliance with policies, procedures and practices.

COMMISSION REVIEW	STATUS
<p>The Commission acknowledges that WA Health has made progress toward conducting regular compliance checks, with evidence of reconciliation processes and audits being completed within clinical and pharmacy areas. However, the Commission's review noted a significant variance in the types of audits, sample sizes and frequency of auditing.</p> <p>Notwithstanding the closure of this recommendation, DoH has advised that the proposed medicines handling policy will outline the minimum standards for auditing internal supply practices. The Commission will consider the resulting impact of this policy on the HSPs' audit schedules and how compliance data is monitored for trends and risks in its further review.</p>	<b>CLOSED</b>

<b>DOH</b>	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>DoH noted that the 2019 Medicines and Poisons Regulation Branch survey suggested hospitals' increased supply reconciliation checks. DoH advised that the minimum standards for auditing of internal supply practices will be included in the consolidated mandatory medicines handling policy. Given its draft form, the role of DoH in auditing HSP compliance with the new policy remains unclear.</p>
<b>CAHS</b>	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>CAHS has implemented various audits to conduct regular compliance checks. CAHS continues to develop processes and utilise technology to enable random and independent auditing that measures compliance with policies, procedures and practices.</p>
<b>EMHS</b>	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>EMHS conducted an external audit of its controlled drug processes and controls in line with the Commission's recommendations. The audit resulted in the development of a management action plan and the formation of an ongoing EMHS centralised committee structure to help progress initiatives. All EMHS sites have regular compliance checks conducted within the pharmacy and clinical areas. However, the audit type, frequency and sample sizes vary across sites.</p>
<b>NMHS</b>	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>All NMHS sites have implemented compliance checks within the pharmacy and some clinical areas. The audit type, frequency and sample sizes differ across NMHS sites. All assurance processes are manual and conducted retrospectively. NMHS has commenced a diversion prevention project. A comprehensive gap analysis created five key work packages and includes a future focus on compliance checks, to help determine the minimum standards required across NMHS sites.</p>
<b>SMHS</b>	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>SMHS conducted an external audit of its controlled drug processes and controls in line with the Commission's recommendations. A key initiative by SMHS was the implementation of a Medicine Discrepancy Management Framework which included guidelines as to the auditing requirements across SMHS sites. Additionally, most SMHS sites have compliance checks within the pharmacy and clinical areas. However, the audit type, frequency and sample sizes vary across sites.</p>
<b>WACHS</b>	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>WACHS confirmed that, as a minimum, stock control audits are conducted at regular intervals in all locations, as required by legislation. It is unclear how WACHS sites have implemented compliance checks. Supplementary documentation provided to the Commission provided some evidence of regional or local site audits conducted to reconcile parts of controlled drug management practices. The consistency of audit requirements and tools used across the sites varied. The WACHS internal audit in 2019 reflected these variances. WACHS has proposed that a medicine discrepancy and accountability policy will be developed, including specific compliance and audit requirements.</p>

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

#### **Recommendation 5 - Registers**

Develop and implement practices in relation to registers that:

- a) enable registers to be produced, without delay, in response to a request by an investigator or compulsory processes;
- b) provide heightened security to the registers; and
- c) audit the movement of registers.

COMMISSION REVIEW	STATUS
The Commission is satisfied that WA Health has developed and implemented practices that improve the security of registers and enable them to be produced when requested. Notwithstanding the closure of this recommendation, as a key theme for its further review, the Commission will consider how implementation of the medicines handling policy has impacted the HSPs' register management.	<b>CLOSED</b>

<b>DOH</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH noted that the 2019 Medicines and Poisons Regulation Branch survey suggested an increase in the number of auditing registers, records and movements. DoH confirmed that the medicines handling policy will include record keeping and management of registers.
<b>CAHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> CAHS advised that the Perth Children's Hospital's automation has minimised the use of paper registers and created an added layer of security and audit capability. The small amount of paper registers used are managed by the pharmacy. Security measures, tracking and auditing of paper register movement is evident.
<b>EMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> EMHS sites have implemented recording systems to enable registers to be produced in a timely manner. Security measures and auditing of register movements are evident but differ from site to site.
<b>NMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> NMHS sites have implemented recording systems to enable registers to be produced in a timely manner. Security measures and auditing of register movement differs from site to site. NMHS advised future projects will aim to strengthen controls associated with managing physical registers. NMHS confirmed that some technological improvements to clinical areas and the pharmacy are being considered.
<b>SMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> SMHS sites have implemented recording systems to enable registers to be produced in a timely manner. Security measures and storage of registers differ from site to site. Auditing of register movements are evident with all SMHS sites moving towards a six-monthly audit schedule.
<b>WACHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS sites have implemented recording systems to enable registers to be produced in a timely manner. WACHS regions and sites have variances in practices relating to register storage, record keeping and security. Auditing of the movement of registers is yet to commence at some sites. WACHS are considering electronic registers, recognising that this will improve accountability, security and auditing/reporting capabilities.

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 6** - Update and consolidate policies, procedures and practices

Update and consolidate procedures and practices to align with the current statutory regime.

COMMISSION REVIEW	STATUS
The Commission recognises that while the HSPs have reviewed local hospital policy and procedures, the consolidation of policies within and across HSPs remains a work in progress. Given the proposed implementation of the new medicines handling policy, the Commission will undertake a further review in 12 months. This additional time should allow for the implementation of the new policy across WA Health and assessment of its impact.	<b>OPEN</b>

<b>DOH</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH has revised, updated and implemented the Reporting of Schedule 4 Restricted and Schedule 8 Medicines Discrepancies Policy to align with both the <i>Medicines and Poisons Act 2014</i> and <i>Health Services Act 2016</i> . DoH confirmed that all other Schedule 8 and Schedule 4 Restricted drug policies will be consolidated into one single medicines handling mandatory policy, to align with both the <i>Medicines and Poisons Act 2014</i> and <i>Health Services Act 2016</i> .
<b>CAHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> CAHS has updated and consolidated procedures and practices to align with the current statutory regime as part of the commissioning of the Perth Children's Hospital. This process will continue to enable CAHS to align with the new DoH initiatives. The impact of the DoH system-wide medicines handling policy, is not yet known.
<b>EMHS</b>	<b>The response demonstrates consideration of, or progression towards, addressing this recommendation.</b> EMHS has updated procedures and practices at a group or site level to align with legislation and overarching policies. The impact of the DoH system-wide medicines handling policy on enabling EMHS to further consolidate their policies across the HSP, is not yet known.
<b>NMHS</b>	<b>The response demonstrates consideration of, or progression towards, addressing this recommendation.</b> NMHS has updated procedures and practices at a site level to align with legislation and overarching policies. The impact of the DoH system-wide medicines handling policy on enabling NMHS to further consolidate their policies across the HSP, is not yet known.
<b>SMHS</b>	<b>The response demonstrates consideration of, or progression towards, addressing this recommendation.</b> SMHS has reviewed and updated policies, procedures and practices at a group or site level to align with legislation and overarching policies. The impact of the DoH system-wide medicines handling policy on enabling SMHS to further consolidate their policies across the HSP, is not yet known.
<b>WACHS</b>	<b>The response demonstrates consideration of, or progression towards, addressing this recommendation.</b> The WACHS Medication Administration Policy covers the handling of recordable drugs and sites have additional procedures relevant to the needs of the individual regions. The 2019 WACHS audit results found issues in the currency and consistency of multiple policies and procedures that manage controlled drugs. WACHS advised that all policies and procedures relating to the handling of medication will be revised and consolidated. The impact of the DoH system-wide medicines handling policy on enabling WACHS to further consolidate their policies across the HSP, is not yet known.

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 7 - Knowledge sharing**

Implement a forum for Chief Pharmacists of public hospitals to share knowledge about drug diversion risks and solutions.

COMMISSION REVIEW	STATUS
The Commission is satisfied that WA Health has a forum for chief pharmacists of public hospitals which provides for the discussion of risks and strategies associated with managing controlled drugs. While the Commission notes the disparity of views provided between DoH and the HSPs, the differing views as to the effectiveness of the forum is a matter for WA Health.	<b>CLOSED</b>

<b>DOH</b>	<b>The response demonstrates this recommendation has been addressed.</b> DoH confirmed that the WA Health Chief Pharmacist Forum has been in place for some time and aids knowledge sharing about drug diversions risks and solutions.
<b>CAHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> CAHS confirmed that the WA Health Chief Pharmacist Forum has been in place for some time and aids knowledge sharing about drug diversions risks and solutions.
<b>EMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> EMHS confirmed that the WA Health Chief Pharmacist Forum has been in place for some time and aids knowledge sharing about drug diversions risks and solutions.
<b>NMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> NMHS confirmed that the WA Health Chief Pharmacist Forum has been in place for some time and aids knowledge sharing about drug diversions risks and solutions.
<b>SMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> SMHS confirmed that the WA Health Chief Pharmacist Forum has been in place for some time and aids knowledge sharing about drug diversions risks and solutions.
<b>WACHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> WACHS confirmed that the WA Health Chief Pharmacist Forum has been in place for some time and aids knowledge sharing about drug diversions risks and solutions. In addition, WACHS has introduced a regional forum for their chief pharmacists to aid sharing of information across the HSP.

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 8 - Modernise requisition and register system**

- a) Consider the introduction of an auditable electronic requisition process; and
- b) Consider the introduction of auditable electronic registers.

COMMISSION REVIEW	STATUS
The Commission acknowledges that while WA Health has considered this recommendation, its response highlighted the fiscal and environmental barriers affecting implementation of modernised requisition and register systems. It remains a matter for WA Health to determine the best way to utilise technology to improve its security and auditing capabilities of these controlled drug processes.	<b>CLOSED</b>

<b>DOH</b>	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>DoH noted that this recommendation requires a complex, expensive and major IT system for the whole of WA Health and carries associated barriers in respect of its implementation. DoH acknowledged that integrated registers are in use at Fiona Stanley Hospital and Perth Children's Hospital, and an automated devices project is underway at Sir Charles Gairdner Hospital. DoH confirmed that Medicines and Poisons Regulation Branch has assessed and approved a commercial register system under the provisions of the <i>Medicines and Poisons Act 2014</i>. The electronic register will provide a secure and direct electronic requisition function. The system is understood to be currently under procurement consideration by the HSPs according to IT and purchasing policy guidelines.</p>
<b>CAHS</b>	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>Perth Children's Hospital has modernised its requisition and register systems by primarily adopting electronic medication management processes for controlled drugs. The implementation of electronic registers has enabled use of an electronic requisition process. Both have improved security and auditability of processes associated with managing controlled drugs.</p>
<b>EMHS</b>	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>EMHS has established and resourced a working group that has mapped the operational requirements for an electronic medication management solution to be implemented across the HSP. It will comprise of electronic drug safes in pharmacies, automated dispensing machines in high-risk clinical areas and electronic registers throughout the remaining clinical areas. EMHS has committed to funding an electronic solution and are currently preparing for procurement processes.</p>
<b>NMHS</b>	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>NMHS has considered the introduction of systems based on cost and risk. NMHS has advised that at this point in time, it will not be proceeding with such a system. NMHS has commenced a project for the implementation of automated safes in each of its four NMHS pharmacy departments. In addition, the chief pharmacists at NMHS are attempting to coordinate a state-wide procurement option for electronic registers, noting the broad interest at the Chief Pharmacist Forum. NMHS advised that significant barriers are impacting the progression of this initiative.</p>
<b>SMHS</b>	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>Varying technology exists across SMHS sites. Fiona Stanley Hospital, which already had automated systems, has confirmed it has transitioned to a completely electronic requisition process. The other sites are reliant on manual paper based processes. SMHS advised that a proposal is underway for the purchase of an electronic register system for Fremantle Hospital. If approved, consideration will be given to implementing this system at all SMHS sites.</p>
<b>WACHS</b>	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>WACHS acknowledged that the introduction of an electronic register system would reduce paper based requests and allow automation of ordering processes. Electronic registers would improve security, enforce register compliance and increase auditing capabilities, a huge benefit given distance barriers for the WACHS environment. However, WACHS noted significant fiscal considerations. WACHS advised it is waiting on information from a pilot study in Victoria before giving further consideration to this initiative.</p>

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 9 - Enhance automated systems**

- a) Take action to maximise Schedule 8 drugs on the imprest list; and
- b) Take action to inhibit automated systems allowing a pharmacist to supply imprest drugs manually.

COMMISSION REVIEW	STATUS
The Commission is satisfied that sites with automation have considered the recommendation. In addition, DoH has actioned a workshop regarding the use of standard imprest practices for Schedule 8 drugs across WA Health.	CLOSED

DOH	<b>The response demonstrates this recommendation has been addressed.</b> DoH acknowledged that not all sites have automation. DoH noted that while imprest lists are a matter for the HSPs, the 2019 Medicines and Poisons Regulation Branch survey suggested that the majority of hospitals conduct regular imprest list reviews. DoH's chief pharmacist has sponsored a Schedule 8 management workshop for the Chief Pharmacist Forum regarding the use of standard imprest practices for Schedule 8 medicines.
CAHS	<b>The response demonstrates this recommendation has been addressed.</b> Perth Children's Hospital's automated systems have been enhanced to maintain imprest stock levels and reduce the need for non-imprest ordering. CAHS advised that embedded security controls will prevent a pharmacist from manually supplying controlled imprest drugs.
EMHS	<b>The response demonstrates this recommendation has been addressed.</b> EMHS do not currently have automated systems.
NMHS	<b>The response demonstrates this recommendation has been addressed.</b> NMHS do not currently have automated systems.
SMHS	<b>The response demonstrates this recommendation has been addressed.</b> Fiona Stanley Hospital has automated systems that maintain imprest stock levels and reduce the need for non-imprest ordering. The chief pharmacist explained there are various principles considered when managing imprest supply. SMHS confirmed that automated systems cannot inhibit manual supply by a pharmacist. However, the introduction of enhanced controls and reporting will reduce the risks associated with this function.
WACHS	<b>The response demonstrates this recommendation has been addressed.</b> WACHS do not currently have automated systems.

## Schedule 1 - 2017 Report recommendations

### *Report on the Supply and Management of Schedule 8 Controlled Drugs at Certain Public Hospitals in Western Australia*

The Commission recommends WA Health and its poison permit holders consider action with respect to:

**Recommendation 10** - Progressively introduce automation to public hospitals

Progressively introduce automated Electronic Storage and Supply Unit systems to public hospitals to enhance efficiencies and security.

COMMISSION REVIEW		STATUS
The Commission acknowledges that WA Health has given consideration to this recommendation. However, they advised there are associated barriers affecting its implementation. It remains a matter for WA Health to determine the best way to utilise technology to improve security and auditing capabilities for the management of controlled drugs. The Commission strongly suggests they continue to take advantage of ongoing technology developments when they are able.		CLOSED
DOH	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>DoH advised this recommendation relates to a complex, expensive and major IT system for the whole of WA Health's use, and carries associated barriers to its implementation. DoH confirmed that Electronic Medication Management Systems have been included as a key priority in the WA Health Information Management Strategy 2017-2021. DoH has created standards for the installation, use and security of automated dispensing, including the independent inspection and approval of systems in use at Fiona Stanley Hospital and Perth Children's Hospital.</p>	
CAHS	<p><b>The response demonstrates this recommendation has been addressed.</b></p> <p>The commissioning of Perth Children's Hospital enabled CAHS to introduce automation. CAHS advised that work will continue for the vision of closed loop medication management.</p>	
EMHS	<p><b>The response indicates consideration of, or progression towards, addressing these recommendations.</b></p> <p>EMHS has considered, trialled and continues to actively research options for improving security and auditing using technology. EMHS advised that implementation of automation is being impacted by financial and other resourcing considerations, such as existing hospital structures.</p>	
NMHS	<p><b>The response indicates consideration of, or progression towards, addressing these recommendations.</b></p> <p>NMHS confirmed that automated systems remain a consideration based upon HSP funding priorities, determined by cost and risk. A project for the implementation of automated safes in all NMHS pharmacies has commenced, but at this point NMHS will not be proceeding with other automated systems.</p>	
SMHS	<p><b>The response indicates consideration of, or progression towards, addressing this recommendation.</b></p> <p>SMHS has considered and continues to research options to improve security and auditing technology. An electronic register and automated safe has been proposed for Fremantle Hospital. SMHS advised that while Fiona Stanley Hospital has an automated pharmacy system, there are no plans for similar automated systems to be introduced in other SMHS hospital sites.</p>	
WACHS	<p><b>The responses indicates consideration of, or progression towards, addressing these recommendations.</b></p> <p>WACHS advised that no automated systems have been implemented. Having reviewed other health services' systems, WACHS advised of the limitations in the application of automation due to the technical input required to maintain some systems. Automation is not considered to be cost efficient across WACHS at present. WACHS has committed to continue to review available systems for suitability and improvements to medication security and safety.</p>	

## **APPENDIX TWO**



## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 1**

WA Health's Operational Directives and hospital policies be reviewed to ensure that policies for drug management, recording and reporting discrepancies are consistent across WA Health.

COMMISSION REVIEW		STATUS
The Commission acknowledges the work undertaken to date, particularly with the recording and reporting of medicine discrepancies. However, given the proposed implementation of the new medicines handling policy, the Commission will undertake a further review of this recommendation in 12 months. This additional time should allow for the implementation of the new policy and assessment of its impact across WA Health.		OPEN
DOH	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH has revised, updated and implemented the mandatory Reporting of Schedule 4 Restricted and Schedule 8 Medicines Discrepancies Policy. DoH has advised that all Schedule 8 and Schedule 4 Restricted drug policies will be consolidated into one single medicines handling policy to align with both the <i>Medicines and Poisons Act 2014</i> and <i>Health Services Act 2016</i> , and will assist with consistency across WA Health.	
CAHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> The Commission proposes to further review this recommendation in 12 months, allowing for implementation of the new medicines handling policy and assessment of its impact for CAHS.	
EMHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> The Commission proposes to further review this recommendation in 12 months, allowing for implementation of the new medicines handling policy and assessment of its impact for EMHS.	
NMHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> The Commission proposes to further review this recommendation in 12 months, allowing for implementation of the new medicines handling policy and assessment of its impact for NMHS.	
SMHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> The Commission proposes to further review this recommendation in 12 months, allowing for implementation of the new medicines handling policy and assessment of its impact for SMHS.	
WACHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> The Commission proposes to further review this recommendation in 12 months, allowing for implementation of the new medicines handling policy and assessment of its impact for WACHS.	

## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 2**

Clear accountability roles be established for the management of drugs.

COMMISSION REVIEW	STATUS
The Commission recognises the progress made by WA Health in establishing clear accountability roles for the management of drugs within the poison permits and HSPs local policies, procedures and practice standards. The Commission acknowledges that while HSPs have drug management protocols for individual hospitals, the implementation of overarching governance frameworks helps to further define accountability within each HSP. The Commission's review identified that three of the five HSPs have implemented such frameworks and strongly suggest the two remaining HSPs consider implementing this type of increased governance. Notwithstanding the closure of this recommendation, DoH has advised that the proposed medicines handling policy will provide further clarity on responsibilities associated with drug management across all public hospitals. The Commission will consider the resulting impact of this policy in its subsequent review in 12 months.	<b>CLOSED</b>

<b>DOH</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH advised that role and accountability statements will be included in the consolidated system-wide mandatory medicines handling policy. The conditions and wording of public hospital poisons permits has been revised and now includes accountability for systems and policies to manage drugs.
<b>CAHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> CAHS has developed their Controlled Medicines Discrepancy Governance Framework to guide further assurance actions. Key roles and responsibilities in relation to medication management processes are reflected in CAHS policies and procedures.
<b>EMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> EMHS has developed a medication discrepancy framework and strategy to establish clear accountability roles for the management of drugs. Key roles and responsibilities in relation to medication management processes are reflected in EMHS site policies and procedures.
<b>NMHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> NMHS has proposed that as part of their diversion prevention project, a governance framework will be developed to define roles and accountabilities specific to controlled substance management across all accountable officers, and not only poisons permit holders.
<b>SMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> SMHS has developed a medication discrepancy management framework to establish clear accountability roles for the management of drugs. Key roles and responsibilities in relation to medication management processes are reflected in SMHS site policies and procedures.
<b>WACHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS advised that the creation and recruitment of a WACHS chief pharmacist has been a key initiative in assisting with accountability with the management of drugs. While regional and site policies/procedures document the accountability for drug management processes, WACHS has proposed policy revisions that will further outline the responsibilities for medication handling and management of discrepancies.

## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 3**

Records of drugs received, drug transactions and audits of drugs on hand be accurate, frequent, enforced and audited.

COMMISSION REVIEW	STATUS
The Commission acknowledges that WA Health's record keeping for controlled drugs is legislated or outlined within policy and that some compliance audits are occurring. The Commission's review notes that in the absence of technology, compliance with record keeping practices and accuracy relies heavily on manual retrospective audits. As a result, the auditing tools, frequency and sample sizes remain varied across WA Health. The Commission recognises the challenges associated with ensuring record accuracy when using manual compliance audits. Notwithstanding the closure of this recommendation, DoH has advised that the proposed medicines handling policy is intended to include minimum audit requirements for the HSPs. Therefore, the Commission will consider the resulting impact of this policy in its subsequent review in 12 months.	<b>CLOSED</b>

<b>DOH</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH stated that transaction recording and inventory of controlled drugs are legislated obligations for HSPs. DoH advised that the consolidated medicines handling policy is intended to include minimum audit requirements for HSPs.
<b>CAHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> Perth Children's Hospital's procedures enable the recording of any transaction involving controlled drugs. Automation has strengthened the audit capability at Perth Children's Hospital. Record keeping and registers are accurate and audited frequently and in real time.
<b>EMHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> EMHS sites have policy and practices in place to record the stock count and movement of controlled drugs. Staff compliance with these practices relies on auditing. Across EMHS, varied audit types, frequency and sample sizes were noted, with some limitations attributed to the manual nature of audit processes.
<b>NMHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> NMHS sites have policy and practices in place to record the stock count and movement of controlled drugs. Staff compliance with these practices relies on auditing. Across NMHS, varied audit types, frequency and sample sizes were noted, with some limitations attributed to the manual nature of audit processes. NMHS advised that implementation of more robust, frequent and effective audits is contingent on their diversion prevention project. The date of the project completion is unknown.
<b>SMHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> SMHS sites have policy and practices in place to record the stock count and movement of controlled drugs. Auditing compliance is conducted at site level. The introduction of auditing requirements in the SMHS Medication Discrepancy Management Framework and internal audit program, will help to streamline auditing across SMHS. SMHS recognised that sites with automation will have increased record management and audit capabilities, compared to sites who rely on manual processes.
<b>WACHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS sites have policy and practices in place to record the stock count and movement of controlled drugs. Staff compliance with these practices relies on auditing. Across WACHS, varied audit types, frequency and sample sizes were noted, with some limitations being attributed to the manual nature of processes. WACHS advised that a 2019 audit noted weaknesses in audit, register and key transfer processes. WACHS advised that audit requirements will be included in their medication handling policy which is currently in review.

## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

**Recommendation 4**

Policies be developed and implemented to improve security for patients' own drugs, including transport and storage of those drugs.

COMMISSION REVIEW		STATUS
The Commission is satisfied that WA Health has developed and implemented policies to improve the security for patients' own drugs. The Commission notes that the new medicines handling policy will provide further guidance in this area.		CLOSED
DOH	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH confirmed that hospitals have written policies relating to the management of patients' own controlled drugs. The management of patients' own drugs will also form part of the medicines handling policy.	
CAHS	<b>The response demonstrates this recommendation has been addressed.</b> Perth Children's Hospital has utilised automation systems to improve the security of patients' own drugs. Policies and procedures have also been developed to reflect the changes in managing these drugs from Princess Margaret Hospital to Perth Children's Hospital.	
EMHS	<b>The response demonstrates this recommendation has been addressed.</b> EMHS has group or site-based policies in place to improve the security of patients' own controlled drugs. In addition, the use of lockable or tamper proof bags for transport has been implemented across EMHS.	
NMHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> NMHS sites have reviewed their policies for the management of patients' own controlled drugs. However, to ensure that the policies adequately address diversion risks and compliance, NMHS has advised that a further review will be prioritised for the second year of the NMHS diversion prevention project.	
SMHS	<b>The response demonstrates this recommendation has been addressed.</b> SMHS has group or site based policies in place to improve the security of patients' own controlled drugs. In addition, the use of tamper proof bags for transport has been implemented across SMHS.	
WACHS	<b>The response demonstrates this recommendation has been addressed.</b> WACHS regions and sites have policies for the management of patients' own controlled drugs. WACHS advised that a further review will be included in their new policy development. In addition, the use of tamper proof bags for transport has been implemented across WACHS.	

## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 5**

Drug discrepancies, whether the cause is known or not, be reported immediately (subject to patient needs) and investigated, and when appropriate, be notified to the Commission as soon as possible.

COMMISSION REVIEW		STATUS
The Commission is satisfied that WA Health has addressed this recommendation and demonstrated a more consistent approach to managing drug discrepancies.		CLOSED
DOH	<b>The response demonstrates this recommendation has been addressed.</b> DoH has revised, updated and implemented the Reporting of Schedule 4 Restricted and Schedule 8 Medicines Discrepancies Policy which is a mandatory system-wide policy that includes reporting obligations.	
CAHS	<b>The response demonstrates this recommendation has been addressed.</b> Automated systems at Perth Children's Hospital have enabled drug discrepancies to be identified immediately. Additional inbuilt reporting capabilities are activated should discrepancies not be reconciled appropriately. CAHS has aligned their policies and procedures to DoH's medication discrepancy and misconduct reporting requirements.	
EMHS	<b>The response demonstrates this recommendation has been addressed.</b> To improve governance and accountability, EMHS has developed a framework and strategy for medication discrepancy management. EMHS has aligned its policies and procedures to DoH's medication discrepancy and misconduct reporting requirements.	
NMHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> NMHS advised that the development of an overarching area-wide investigations policy and procedure will form part of the diversion prevention project to strengthen the management and reporting of drug discrepancies. NMHS advised that while disparity still exists across NMHS sites in relation to roles, responsibilities and organisational oversight, all sites adhere to DoH's medication discrepancy and misconduct reporting requirements.	
SMHS	<b>The response demonstrates this recommendation has been addressed.</b> To improve governance, accountability and responsibility, SMHS has developed a framework for medication discrepancy management that aligns to DoH's medication discrepancy and misconduct reporting requirements.	
WACHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS advised that the processes for managing drug discrepancies has been reviewed to include input from the WACHS chief pharmacist and integrity unit, and aligns with the system manager's policy regarding drug discrepancy management and reporting. The Commission observed varying levels of knowledge regarding medication discrepancy and misconduct reporting requirements and raised questions as to the effectiveness of these policies and a possible disparity across WACHS' regions and sites. The Commission noted that the revised WACHS policy is proposed to include clear accountability for the management of medication discrepancies.	

## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 6**

Drug discrepancies which may be the result of theft be investigated by officers with investigative skills as possible serious misconduct.

COMMISSION REVIEW		STATUS
The Commission considers that WA Health has addressed the recommendation, with most HSPs confirming that disciplinary investigations are undertaken by officers with investigative skills. WA Health has further implemented medicine discrepancy investigation training to assist with upskilling staff involved in preliminary inquiries and investigations for drug discrepancies.		CLOSED
DOH	<b>The response demonstrates this recommendation has been addressed.</b> DoH revised the Reporting of Schedule 4 Restricted and Schedule 8 Medicines Discrepancies Policy to include best practices for appointing investigative officers and the investigative process. In addition, DoH has designed and implemented a medicine discrepancy investigation course to enhance the processes associated with conducting medicine discrepancy inquiries. The course has been delivered to numerous staff across WA Health, with further training scheduled.	
CAHS	<b>The response demonstrates this recommendation has been addressed.</b> CAHS arranged the attendance of key staff to the DoH medicine discrepancy investigation training. This upskilling program has provided education on investigative skills that is contextualised to the WA Health policies for managing and reporting medication discrepancies. To address ongoing training needs, CAHS plans to further develop and implement this training.	
EMHS	<b>The response demonstrates this recommendation has been addressed.</b> EMHS arranged the attendance of key staff to the DoH medicine discrepancy investigation training. This upskilling program has provided education on investigative skills that is contextualised to the WA Health policies for managing and reporting medication discrepancies. To address ongoing training needs, EMHS is finalising an internal medication discrepancy investigation training course.	
NMHS	<b>The response demonstrates this recommendation has been addressed.</b> NMHS confirmed that investigations are undertaken by formally trained integrity and ethics investigators only. NMHS arranged the attendance of relevant staff to the DoH medicine discrepancy investigation training. The training on investigative skills was contextualised to the WA Health policies for managing and reporting medication discrepancies. The NMHS diversion prevention project is intended to develop policies and procedures, with ongoing training to all relevant clinical staff in the area of preliminary inquiries.	
SMHS	<b>The response demonstrates this recommendation has been addressed.</b> SMHS confirmed that disciplinary investigations are carried out by formally trained internal or external investigators. To assist with preliminary inquiries for a medication discrepancy, SMHS arranged for key staff to attend the DoH medicine discrepancy investigation training. The program has provided education on investigative skills contextualised to the WA Health policies for managing and reporting medication discrepancies. To address ongoing training needs, SMHS has implemented this training within the HSP.	
WACHS	<b>The response demonstrates this recommendation has been addressed.</b> WACHS advised that both the WACHS chief pharmacist and integrity unit work in collaboration to review all reported medication discrepancies. These roles all have investigative skills training. WACHS advised that it was impractical to train investigators within the regions or sites and therefore, attendance at the DoH medicine discrepancy investigation training was limited to the chief pharmacist. WACHS advised that the identification and notification of discrepancies is reported by the regions. The centralised investigation model provides support to the unit managers when conducting medication discrepancy inquiries. If misconduct is suspected, the matter is referred to human resources and WACHS' integrity unit for further investigation and action.	

## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 7**

Ongoing education and training be given to relevant staff in drug management, record keeping, reporting discrepancies and investigating discrepancies.

COMMISSION REVIEW		STATUS
The Commission is satisfied that WA Health has addressed the recommendation and notes the future consideration of further training needs, given the proposed implementation of the new medicines handling policy.		CLOSED
DOH	<b>The response indicates consideration of, or progression towards addressing this recommendation.</b> DoH advised that staff education on local policies is considered a matter for individual HSPs. DoH has disseminated the medicine discrepancy investigation course materials to all HSPs for further use and refresher training as needed.	
CAHS	<b>The response demonstrates this recommendation has been addressed.</b> CAHS has provided evidence of various training tools and initiatives that educate staff on the responsibilities involved in managing controlled drugs, reporting and investigating discrepancies. At a minimum, orientation and induction programs included specific requirements for relevant staff. Ongoing education and training requirements varied dependent on identified needs or changes in policy, procedure and practices.	
EMHS	<b>The response demonstrates this recommendation has been addressed.</b> EMHS provided evidence of various training tools and initiatives used to educate staff on the responsibilities involved in managing controlled drugs, reporting and investigating discrepancies. At a minimum, orientation and induction programs included specific requirements for relevant staff. Ongoing education and training requirements varied dependent on identified needs or changes in policy, procedure and practices.	
NMHS	<b>The response demonstrates this recommendation has been addressed.</b> NMHS advised that ongoing education and training packages will be created, embedded and delivered as part of their diversion prevention project. NMHS conducted presentations to various staff to increase awareness of the potential risks of diversion and how solutions are being developed via the project. NMHS has facilitated attendance of key staff at the medicine investigation training to assist with reporting and investigating discrepancies. At a minimum, orientation and induction programs included specific requirements for relevant staff on the management of controlled drugs.	
SMHS	<b>The response demonstrates this recommendation has been addressed.</b> SMHS provided evidence of various training tools and initiatives that educate staff on the responsibilities involved in managing controlled drugs, reporting and investigating discrepancies. At a minimum, orientation and induction programs included specific requirements for relevant staff. Ongoing education and training requirements varied dependent on identified needs or changes in policy, procedure and practices.	
WACHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS advised that ongoing education and training will be considered in the medicine accountability and handling policy review. WACHS confirmed the chief pharmacist's role in guiding local managers in the processes for initial investigation of drug discrepancies. WACHS advised that delivery of drug discrepancy investigation training to regions/sites is not currently being considered due to the low rate of discrepancies. WACHS advised that an education session will be developed and rolled out to upskill staff members who handle medicines regarding the correct initial processes and reporting requirements for discrepancies.	

## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 8**

Consideration be given to implementing systems which could improve security and better recording of access to drugs. This could include swipe key access, biometric identification or, where feasible, systems where identifications of two people are required to authorise drug transactions.

COMMISSION REVIEW	STATUS
The Commission acknowledges that while WA Health has considered the recommendation, their response highlights the fiscal and environmental barriers affecting implementation of modernised systems. It remains a matter for WA Health to determine the best way to utilise technology to improve their security and auditing capabilities of access to controlled drugs.	<b>CLOSED</b>

<b>DOH</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH advised that this recommendation relates to a complex, expensive and major IT system for the whole of WA Health's use and carries associated barriers to implementation. To facilitate implementation, DoH has created standards for the installation, use and security of automated dispensing units.
<b>CAHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> Commissioning of the Perth Children's Hospital has enabled the implementation of automated systems with biometric identification which has increased security and enabled the better recording of access to drugs.
<b>EMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> EMHS are actively considering systems to improve security and better recording of access to drugs. As an example, Royal Perth Hospital is currently trialling a dual swipe key access that requires two people to access the cupboard, to improve security and auditing capabilities for access to controlled drugs. EMHS has advised that these initiatives have financial and other resource considerations, yet establishment of an EMHS working group shows continued commitment for improvements.
<b>NMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> NMHS advised that sites have reviewed their current safe infrastructures and are progressing upgrades to improve security, including the implementation of automated safes to each of the four NMHS pharmacy departments. NMHS noted there are no state-wide strategies to systematically introduce electronic controls across WA Health, and fiscal and environmental barriers exist that limit their ability to take further action.
<b>SMHS</b>	<b>The response demonstrates this recommendation has been addressed.</b> SMHS are actively considering systems to improve security and better recording of access to drugs in accordance with financial and other resource considerations. One initiative being progressed is the Fremantle Hospital electronic register proposal and automated safe. At Fiona Stanley Hospital, SMHS is utilising its reporting capabilities to inform compliance. The development of controlled drug compliance check dashboards for nurse managers, will help to ensure weekly and monthly checks are completed. For sites without automation, technology upgrades including CCTV cameras and swipe key access have been considered.
<b>WACHS</b>	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS advised that the minimum standards for security of medications will be defined in the policy (in development) and will guide regions who are redeveloping sites to ensure contemporary drug security systems are introduced at these times. WACHS advised that while the internal audit in 2019 considered the security of medications, a further comprehensive audit of the security systems available in WACHS will be undertaken.



## Schedule 2 - 2018 Report recommendations

### *Report on serious misconduct risks around dangerous drugs in hospitals*

To improve the security and management of Schedule 8 and Schedule 4 Restricted drugs, the Commission makes the following recommendation:

#### **Recommendation 9**

Strategies be developed and implemented for detecting and dealing with drug related misconduct. These could include intelligence analysis of discrepancies and reported behaviour to detect patterns, and risk assessments of WA Health sites which deal with Schedule 8 and Schedule 4 Restricted drugs.

COMMISSION REVIEW		STATUS
The Commission acknowledges that WA Health has given consideration and implemented some strategies to address this recommendation. The Commission recognises that modernised and automated systems allow for greater oversight of drug management, auditable reporting and therefore, timely analysis and detection of possible risks. The Commission strongly suggests WA Health continues to develop and implement technological advancements where possible.		CLOSED
DOH	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> DoH stated that the policy for reporting controlled medicines requires all discrepancies to be reported directly to the relevant HSP integrity units. While monthly reporting capabilities have transferred to HSPs, the Medicines and Poisons Regulation Branch still receive and review the data. DoH confirmed that the system-wide case management system is being revised to include the development of reporting templates to facilitate relevant discrepancy data reporting and analytics. A system-manager led case management system intelligence reporting project is underway to develop automated live discrepancy analytics. Other intelligence software options are being explored to enhance analytics, exception detection and reporting.	
CAHS	<b>The response demonstrates this recommendation has been addressed.</b> Strategies for detecting and dealing with drug related misconduct are incorporated into the CAHS integrity and ethics framework, program and work plans. A medicine discrepancy reporting tool will be implemented against the CAHS framework and will contain information including trends and incident summaries. Having identified limitations in the current reporting, CAHS will continue to enhance its intelligence capability.	
EMHS	<b>The response demonstrates this recommendation has been addressed.</b> EMHS has developed and implemented an overarching strategy and framework for medication discrepancy management. In addition, EMHS has developed a Schedule 8 and Schedule 4 Restricted drug discrepancy dashboard which allows EMHS sites to view trends pertaining to all medication discrepancies that are reported.	
NMHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> NMHS advised that while the detection of drug related misconduct remains difficult with a manual system, dashboards are being created to support the analysis of reported discrepancies. NMHS advised that currently, comprehensive and timely analysis is limited and electronic systems are required for sophisticated trending of all transactions. The feasibility of an electronic medication discrepancy reporting form is being considered by NMHS.	
SMHS	<b>The response demonstrates this recommendation has been addressed.</b> SMHS has developed and implemented an overarching framework for medication discrepancy management. SMHS confirmed that quarterly reporting in relation to all unexplained medicine discrepancies provided to the SMHS board, SMHS area executive group and other key staff. These reports are reviewed to determine whether any risk or trends can be identified.	
WACHS	<b>The response indicates consideration of, or progression towards, addressing this recommendation.</b> WACHS confirmed that policy redevelopment will provide improved governance and clearer requirements for the handling of medications. WACHS advised that consistent auditing and use of standardised tools will enable WACHS to assess, monitor and trend the risk of drug related misconduct.	