The Office of NHFPC’s Notice on the Work Plan on Large Scale Hospital Inspections (2015-2017)
PRC National Health and Family Planning Commission

February 5, 2015

(Unofficial translation by the US-China Business Council)

In order to implement the important tasks and inspection requirements for deepening reforms of the medical and health systems, to improve the areas in the medical and health industry that need correcting, NHFPC has formulated the **Work Plan on Large Hospital Inspections (2015-2017)**. The Work Plan can be downloaded from NHFPC’s website. Please carefully organize implementation. Any major situations or problems that arise during its implementation should be reported to the NHFPC’s Medical Administrative Authority in a timely manner.

Office of the National Health and Family Planning Commission
January 29, 2015

**Work Plan on Large Hospital Inspections (2015-2017)**

This plan is specially formulated for inspection work of large hospitals during the years 2015-2017.

1. Inspection goals

   Thoroughly implement the deepening of health and medical system reforms. Further execution of the central government’s eight work provisions, including improving work style and staying close with the people. Promote the Party’s mass line education programs within medical institutions. Fully make use of oversight inspection functions, strengthen building industry work style, improve medical care service levels, strengthen operation and management of hospitals, and safeguard the health interests of the masses.

2. Inspection focus

   (1) To fight corruption and advocate probity

   I. Establish a sound system for punishing and preventing corruption. Strengthen the construction of mechanisms for governance and regulatory implementation of the unhealthy aspects of the industry. Promote Party organizations at all levels and the building of leading bodies. Implement the central government’s eight work provisions and the **Regulations on Party and Government Austerity and Anti-Waste**. Establish and improve a long-term mechanism that opposes the “four winds”. Implement improvement measures, launch specialized governance programs.

   II. Implement the central government’s **Work Plan for Establishing a Sound System for Punishing and Preventing Corruption 2013-2017**. Build a robust system of clean and honest government and job responsibility. Comprehensively launch work for independent risk controls.

   III. Promote opening public hospital affairs, and scientific, democratic decision-making. Comprehensively implement the “Three Major, One Big” system (*a Party governance ideal stemming back from 1996*). Regulate the exercising of power.
Create an environment with good living and learning conditions for staff to work in.

IV. Strict and impartial industry discipline. Deepen governance over commercial bribery in hospitals’ pharmaceutical procurement.

V. Regularly assess the establishment of fundamental-level Party groups at hospitals.

VI. Strengthen the creation of hospital culture and medical ethics. Implement Medical Practitioner Specifications. Create a long-term mechanism for encouraging medical ethics through incentives and constraints.

(2) Implement the building of the health industry’s “Nine Prohibitions”

I. Establish a scientific medical performance evaluation mechanism and a mechanism for allocation of internal incentives. Use integrated performance assessments to clearly define that individual income cannot be directly linked to service revenues generated. Sever the connection between a patient’s medical costs and a medical practitioner’s income interests.

II. Comprehensively implement a price notification system to increase the degree of transparency in billing. Improve the pharmaceutical fees review system. Ensure the accuracy of information of computer management systems related to price of pharmaceuticals.

III. Define an institution’s implementing measures in accordance with relevant national financial assistance management regulations for the acceptance of community donations. All donations and funding should be open and transparent, and be willing to be supervised by the entire hospital.

IV. All medical advertising should be truthful and reliable, and in accordance with relevant national regulations.

V. Strengthen institutions’ information system management of drugs and medical supply usage statistics. Have strict prescription privileges, approval processes, and registration management.

VI. Have a clear punishment system to directly target the practice of seeking illegitimate interests or accepting kickbacks, and strictly enforce this system.

VII. Establish relevant warning and protocol systems for managing “red envelopes” (cash payments). Have smooth reporting channels, and clear investigative procedure requirements.

(3) Hospital management

I. Adhere to public welfare principles of public hospitals. The first priority of hospitals should be safeguarding the health rights of the People.

II. Build a comprehensive hospital management mechanism. Improve medical service action plans and implement their requirements from beginning to end. Optimize service processes. Create a perfect hospital medical service quality management and control system, hospital management information system, and hospital quality management system (HQMS) real-time automatic data reporting.
III. Participate in national, provincial, city, and local-level medical emergency treatment systems. Accept government directives to complete public emergency medical relief work, and other public health missions. Undertake cooperative efforts between public hospitals and basic-level medical institutions, and other government directives. Implement policy support work, support work responsibility, and protocol requirements. Conduct clinical medical services for rural areas and other forms of public welfare activities.

IV. Undertake discovery of, treatment of, reporting on, and precautions against communicable diseases, in accordance with relevant national laws and regulations. Strictly enforce a pre-triage system and reporting system.

V. Undertake discovery of, treatment on, reporting on, and precautions against food borne diseases, in accordance with relevant national laws and regulations. Strictly enforce a food borne disease surveillance and reporting system.

VI. Implement the Guiding Opinions on the Establishment of a Standardized Residency Training System. Standardize training of resident physicians to carry out the work. Undertake undergraduate and graduate student clinical education work. Guide and train lower-level hospital technicians to improve their diagnoses and treatment abilities. Organize all kinds of scientific research programs and obtain research results.

VII. Hospital settings, functions, and tasks should be in line with the regional health planning and medical institution planning and requirements. Determine and implement a talent development plan. Strengthen personnel training and team building. Establish an employment system and job management system. Strengthen hospital clinical focus specialization, and improve the hospital's core competitive strength.

VIII. Implement a job performance appraisal system. Improve internal allocation mechanisms, mobilize the enthusiasm of medical staff, and implement social security policies. Ensure the legal rights of employees.

IX. Actively communicate with health information platforms and provincial-level new rural medical cooperative systems (NRMCS). Actively cooperate with the development of new rural cooperative medical care and off-site instant summary reporting and cost verification. Proactively report NRMCS information on a regular basis.

X. Launch a treatment appointment service. Strengthen emergency green channel management. Optimize medical treatment service systems and processes. Minimize patient wait times and number of days for average patient stays in the hospital. Protect the legal rights of patients. Establish a patient communications system, building harmonious relationships with patients, and standardize hospital complaint management.

XI. Implement the national medical health system’s “Three goods, One Satisfied” activities.

XII. The hospital should be administered according to the law. In accordance with NHFPC administrative departments, approve medical subjects and medical technology practices. Hospital departments and medical wing naming conventions should be standardized, and medical practitioners practice in accordance with the law.
XIII. Establish and improve the quality of medical care, and strictly enforce medical care quality of medical care core safety systems. Strengthen clinical technology management. Fully implement Human Organ Transplant Regulations, Administrative Measures on the Clinical Application of Medical Technology, and Administrative Measures on Medical Institution Surgical Grades (Trial). Have reasonable inspections, proper treatment, and rational use of drugs.

XIV. Strengthen peaceful hospital construction. Ensure hospital security responsibilities. Promote close cooperation between hospitals and third party mediators. Jointly coordinate with relevant departments to establish an emergency medical malpractice platform. Have complete medical malpractice emergency response plans. Create a special department specifically dedicated to handling medical disputes and complaints. Strengthen medical institutions' construction of “three defenses” systems. Advance medical liability insurance, explore medical accident insurance, and improve medical risk sharing systems.

XV. Strengthen hospital logistics management. Prepare safety management measures such as fire prevention, security staff, water, electricity, gas, and heating facilities.

XVI. Proactively report negative medical safety incidents.

XVII. Strengthen the rational use of drugs and rational clinical use of blood monitoring. Improve the prescription drug rating system. Standardize management for clinical use of antibiotics. Ensure strict implementation of a special drug management system.

(4) Economic management

I. Strictly enforce national financial laws and regulations, and system regulations. Establish a healthy fiscal management system and define employee responsibilities.

II. Level 3 hospitals must employ a chief accountant.

III. Adhere to a “unified leadership, centralized management” fiscal management principle. Implement comprehensive budgeting management. All fiscal expenditure activities should be included under the unified fiscal management. Strictly prohibit departments outside of the hospital's finance department from setting up extra accounts and small treasuries.

IV. Establish a healthy financial accounting system with internal controls and effectively implement the controls.

V. Establish a healthy hospital internal audit system and effectively implement these audits.

VI. Establish a hospital cost review and control system and effectively implement these controls.

VII. Strictly enforce national drug price policies and medical treatment service price policies. Standardize billing management.

VIII. Strictly enforce asset management, and ensure the safety and completeness of state-owned assets.
IX. Establish an evaluation system for the procurement of large equipment, which includes equipment/project demonstrations, and equipment procurement benefit assessments. Strictly adhere to the Government Procurement Law, and the Bidding Law.

X. Conduct a preliminary economic evaluation of the hospital’s economic operating performance.

3. Scope and planning of inspections

(1) Scope of inspections. NHFPC has organized implementation of inspections of hospitals under the jurisdiction of NHFPC (see attachment 1). All provinces, autonomous regions, and municipal NHFPC administrative departments will be responsible for organizing and implementing investigations of level 3 hospitals within their jurisdictions (this includes level 3 comprehensive hospitals, and level 3 specialty hospitals).

(2) Inspection planning. There are plans to carry out inspections in batches on an annual basis. Each hospitals’ inspection period in principle will not be less than five days. This round of inspections will be completed by the end of 2017. All provincial-level NHFPC administrative offices will report the results of their previous years’ inspections to central-level NHFPC’s Medical Administrative Authority and NFHPC’s Inspection and Supervision Bureau by the end of February each year.

4. Ways and means of inspections

(1) Hospital self-inspections. Summarize the work taken to establish anti-corruption efforts, to implement medical care and health industry’s “nine prohibitions”, and measures taken to build hospital management and economic administration systems. Just reporting key findings is not adequate. In accordance with requirements, prepare ahead and submit related materials (see attachment 2: self-inspection table).

(2) On-site inspections. In accordance with the annual inspection work plan, listen to reporting, read materials, attend meetings, hold forums, have on-site visits, use inspection questionnaires, use democratic evaluation, have public commenting, use financial and statistical data analysis, and other measures. Combine healthcare information systems analysis results to launch the on-site inspection.

(3) Feedback and rectification. Hospitals should initiate efforts to rectify feedback and problems discovered during early inspections, and submit rectification reports. NHFPC will selectively carry out spot checks on the follow-up status of reported rectifications.

5. Organization and implementation

(1) Work arrangements

I. NHFPC will distribute documents and hold a large hospital inspection work plan deployment kickoff meeting.

II. Provincial-level NHFPC administrative departments will, in accordance with this work plan, formulate their own implementation plans for their respective jurisdictions. Their plans will clearly define the focus of their work, organizational division of labor, planning of events, and large hospital inspection activities for those hospitals within their jurisdiction.
III. Hospitals being inspected will, in accordance with the large hospital inspection plan and requirements, combine their work, and formulate their own self-inspection plan and implementation regulations.

(2) Organization and implementation

I. Information dissemination and mobilization. NHFPC is responsible for information dissemination and mobilization work related to hospitals under its jurisdiction. Provincial-level NHFPC administrative departments should handle information dissemination and mobilization work for hospitals that fall within their jurisdiction. Hospitals that are being inspected should handle information dissemination and mobilization work for their hospital staff internally.

II. Self-inspection, self-correction. Hospitals that are being inspected should base the inspection on this work plan. The focus of the self-inspection should be establishing anti-corruption efforts, implementing the medical and healthcare industry’s “nine prohibitions”, and taking measures to build hospital management and economic administration systems. Problems discovered during self-inspections should be corrected immediately. Incidents that severely violate relevant provisions, or people that create problems for health safety or security should be handled extremely seriously.

Hospitals being inspected by NHFPC shall, in accordance with the inspection plan, prepare ahead of time. Hospitals should mail or email the “large hospital self-inspection table” and other relevant materials to the NHFPC Medical Administrative Authority ahead of time. Other hospitals being inspected by provincial-level NHFPC administrative departments should send their self-inspection tables to the inspector of their jurisdiction, in accordance with their requirements.

III. On-site inspections. NHFPC will dispatch work groups in accordance with this work plan to undertake inspection work for hospitals under its jurisdiction. Each inspection work group should coordinate well with staff of the hospital they will be inspecting. The inspection teams will conduct comprehensive, in-depth, and detailed inspections and evaluations of the hospitals’ overall working situation. The inspection teams will raise improvement recommendations and opinions for problems discovered during their inspections. After completing on-site inspections, inspection teams are responsible for writing an inspection report. The report will be summarized and compiled into an annual inspection report by NHFPC Medical Administrative Authorities. The annual inspection report, after reviewed by NHFPC leadership, will be given as feedback to the inspected hospitals. Hospitals that were inspected should make rectifications in accordance with the feedback and opinions. Within 30 days of receiving NHFPC feedback, the inspected hospitals should report a rectification plan back to NHFPC. Within 3 months, the hospital should send a rectification status update to NHFPC.

Provincial-level NHFPC administrative departments should conduct large hospital inspections for hospitals within their jurisdiction in accordance with their jurisdictional implementation plan. NHFPC will, from time-to-time, supervise provincial-level NHFPC large hospital inspections. Provincial-level NHFPC administrative departments will provide the previous year’s inspection reports to NHFPC’s Medical Administrative Authority and NHFPC’s Supervision and Inspection Bureau by the end of February each year.
(3) Summary and discussion

NHFPC will, from time-to-time, hold a national large hospital inspection conference to discuss different regions’ large hospital inspection situations. NHFPC will summarize inspection work experiences, and improve the inspection system. NHFPC will also discuss the successful experiences. In accordance with its duties and powers, NHFPC will actively promote the resolution of problems discovered during inspections, and handle major violators of laws and regulations. NHFPC will consolidate and archive work and materials related to inspections.

Provincial-level NHFPC administrative departments are responsible for summarizing results from inspections of large hospitals within their jurisdictions. They will then organize their own feedback and discussion, and assist hospitals in actively rectifying their problems.

6. Work requirements

(1) Strengthen leadership, raise awareness. Large hospital inspection work is a part of the new times and trends for changing government functions. Inspections are part of promoting the creation of a system that punishes corruption and protects against it. Inspections are a part of strengthening NHFPC administrative departments’ healthcare services regulatory capabilities, and they are a part of the exploratory effort at improving the healthcare services supervision system. Inspections strengthen the monitoring of public hospitals, safeguard the interests of public hospitals, promote the healthy development of hospitals, and protect the health rights of the People. Provincial-level NHFPC administrative departments and hospitals should pay strong attention to this. A unified way of thinking with clear objectives. Clearly defined individuals (staff) at hospitals are the first party responsible for ensuring hospital inspections are conducted smoothly and efficiently.

(2) Full deployment, earnestly implement. Provincial-level NHFPC administrative departments, in accordance with work requirements, should fully deploy and earnestly implement. They should have a plan, a focus, and measures to improve the lead agency, to implement staff responsibilities, and strengthen organizational leadership. Hospitals should pay strong attention to developing talent, technology, and management and combining that with training, education, and testing to improve the implementation of rules and regulations. Continuously improve the hospital’s systematization, and standardization of management abilities.

(3) Actively explore, continuously improve. Strengthen the establishment of institutionalizing large hospital inspections. Build long-term mechanisms that improve the content, format, and standard procedures of hospital inspection work. Strengthen inspection team training, and explore the scientific mechanisms for inspection work. Diligently practice and earnestly summarize. Continually improve the inspection work system.

Attachments:
1: List of hospitals under NHFPC inspection jurisdiction
2: Large hospital self-inspection table