



REPUBLIC OF SLOVENIA
COURT OF AUDIT

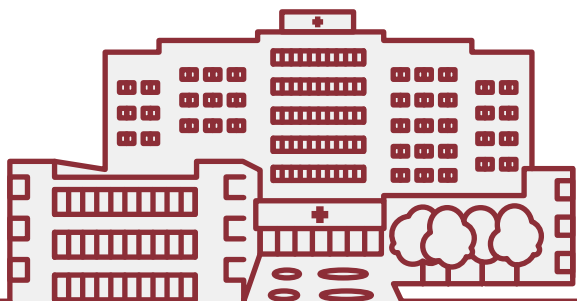
AUDIT REPORT

Regularity of medical equipment and material purchases and efficiency of acquiring and managing equipment at the University Medical Centre Ljubljana

Regularity and Performance Audit

Audited period: 1 January 2014 to 31 December 2015

University Medical Centre Ljubljana is the largest healthcare institution in Slovenia.



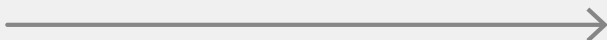
WHAT WAS AUDITED?

Regularity of medical equipment and material **purchases** excluding medicines

and **efficiency** of the UMCL in acquiring and managing medical equipment.



332 suppliers
of medical material
and equipment



16,776
different item types
of medical material



2,728
items of
medical equipment

of medical equipment and material purchases in the years 2014 and 2015



− 54%

of material purchased
without the application of
the Public Procurement Act

€ 69,443,786

€ 129 million

spent for medical material
excluding medicines

€ 226 million

spent for medical material
including medicines

€ 910 million

total expenditure
in 2014 and 2015

of which a maximum of

€ 23.7 million for disposable
medical material

€ 13.9 million for products
for surgical implantation

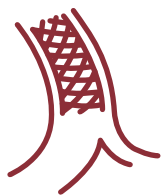
€ 12,5 million for material needed
for x-ray imaging system

and for all dental material

mainly purchased from

1. Johnson & Johnson
2. Salus
3. Mark Medical

of medical equipment and material purchases in the years 2014 and 2015



Documentation related to the public procurement procedure for the award of vascular stent purchase contract was not included in the audit since it was discussed by the investigation commission at the National Assembly.



Difficulties in obtaining credible documentation on medical equipment purchases from UMCL substantially **prolonged the audit implementation period.**

Other irregularities



– € 318,497

Four public procurement procedures showed **infringement of provisions of Public Procurement Act.**



– € 10,598

Weaknesses of internal controls were identified when **material was paid at a higher price** than agreed in contracts.

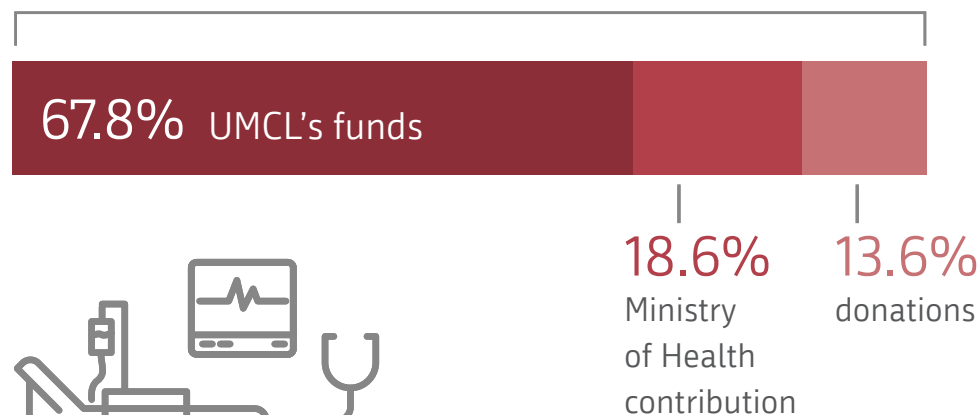


– 114 days

Most invoices were **paid beyond** prescribed 30-day **time limit.**

€ 12 million

for medical equipment in the years 2014 and 2015



€?

+

about 1,000 items of external equipment in use

UMCL in the years 2014 and 2015



failed to identify needs for equipment for a longer period of time



failed to establish appropriate monitoring system of medical equipment utilisation in order to efficiently plan purchases



equipment usage monitoring included **only few types** of apparatus/appliances



failed to provide technical requirements for equipment appropriate for use



about **1,000**
items of external
equipment in use

€ 1,4 mio €
of donated equipment

most donators are
anonymous



process of acquiring
donated and external
medical equipment
was not defined



it **accepted the equipment also**
without written agreements,
therefore it lacked an overview
of the equipment and its costs



before donated and external
medical equipment was received
it **failed to determine whether**
the equipment is needed and
failed to assess costs of the
equipment obtained



receiving, labelling and recording
of donated and external medical
equipment in use was not appropriate
and did thus **not allow for an overview**
of the scope of equipment



UMCL failed to determine the motif of the owners
who were willing to donate or hand over the equipment.

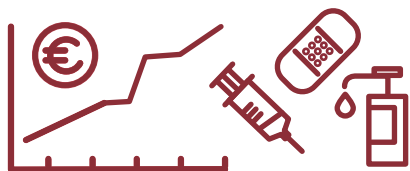


The **Court of Audit** expressed an **ADVERSE OPINION** on the regularity of medical equipment and material purchases excluding medicines at the **University Medical Centre Ljubljana**.



University Medical Centre Ljubljana **WAS INEFFICIENT** in acquiring and managing medical equipment in the years 2014 and 2015.

University Medical Centre Ljubljana is expected to:



analyse medical material purchases with regard to already implemented public procurement procedures and **to undertake** necessary further steps of **public procurement procedures**



set up records of external medical equipment and appropriately **amend internal legal acts** concerning inventory and records keeping



appropriately **amend and supplement internal legal acts** concerning receiving, labelling and recording of **medical equipment**



set up unified technical standards for medical equipment



analyse needs for medical equipment with regard to medical equipment utilisation and the scope of external equipment in use



introduce monitoring of all costs related to usage of each piece of medical equipment



develop measures as the basis for deciding on priorities when purchasing medical equipment