



LOCSU

Operational Efficiency and Compliance Audits

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Version 1

Introduction

Saima Begum Naroo is a Dispensing Optician, ABDO Board Member and ABDO College Trustee. She shares that auditing can feel overwhelming at first, but the key is to keep it simple and structured. Start by focusing on high-priority areas, like **patient records**.

For demographics, just confirm that basic information (age, gender, and contact details) is accurate and complete for every patient file. Check if this information is up-to-date, and that it's securely stored according to privacy regulations. You can add or eliminate according to what information you are focussing on.

A good audit does not have to be complex. You could create a checklist based on the main categories provided—like patient care, compliance, and operational standards—and start with a few straightforward checks for each. Try to identify areas where standards may not be fully met and document any findings. Over time, it will get easier as you become familiar with what to look for. Also, there are plenty of audit checklist templates and resources online that can guide you through the process.

Saima Begum has developed an overall audit structure that helps when auditing practices, (may not work for all). This structure provides a comprehensive approach to ensure operational efficiency and compliance across most optical practices. It's a structured approach to the audit process, covering different compliance areas. Each area includes key items to audit for, ensuring thorough oversight and compliance. Following that, there's an **Audit Improvement Template** to address and monitor any identified deficiencies.



Saima's Audit Structure

1. Patient Care & Clinical Compliance

- **Patient Records:**

- Ensure patient records are complete, accurate, and up-to-date.
- Confirm that patient history, examination notes, and prescriptions are documented thoroughly according to guidelines.
- Verify compliance with data privacy laws, such as GDPR (in Europe).
- Check that patient records are accessible only to authorised personnel.
- Review retention and disposal policies for patient data.

- **Patient Consent Forms:**

- Confirm that patient consent forms are collected before any examination or treatment.
- Ensure informed consent is obtained for all procedures.
- Validate that minors have parental/guardian consent documented.
- Verify that forms are periodically updated in line with regulatory requirements.
- Check that patients understand their rights regarding their medical records.

- **Prescription Handling:**

- Audit the accuracy and completeness of prescriptions issued.
- Ensure prescriptions follow guidelines.
- Review process for re-issuing lost or expired prescriptions.
- Verify that prescription records are secure and accessible for authorised reviews.
- Confirm that optical prescriptions meet standard of care guidelines.

- **Equipment Use and Maintenance:**

- Check that all clinical equipment is in good working condition.
- Verify routine maintenance and calibration logs.
- Ensure staff are trained to operate clinical equipment safely.
- Review equipment cleaning protocols for compliance.
- Confirm that malfunctioning equipment is addressed promptly.

- **Infection Control and Sanitation:**

- Review sanitation procedures for examination rooms.
- Check the availability of PPE (Personal Protective Equipment) for staff and patients.
- Ensure hand hygiene protocols are strictly followed.
- Verify that shared equipment (e.g., trial frames) is sanitised after each use.
- Audit disposal practices for medical waste.

2. Financial Compliance

- **Billing & Invoicing Procedures:**
 - Review the accuracy of patient billing and invoicing.
 - Verify that discounts and adjustments are documented with valid reasons.
 - Ensure billing software is configured to minimise human error.
 - Check that outstanding balances are monitored and addressed timely.
- **Insurance Claims and Documentation:**
 - Audit insurance claims for completeness and accuracy.
 - Verify that each claim has the necessary documentation and patient authorisation.
 - Ensure denied claims are investigated and addressed properly.
 - Check that insurance reimbursements match the amounts billed.
 - Review the process for recording and reconciling insurance payments.
- **Revenue Recognition and Reporting:**
 - Ensure timely recording of revenue in compliance with relevant standards.
 - Review reconciliation of daily revenue with the cash register and bank statements.
 - Verify that deferred revenue (e.g., prepaid services) is properly recorded.
 - Confirm that financial reports accurately reflect practice performance.
 - Check that any revenue adjustments are documented and authorised.
- **Expense Management:**
 - Audit expense records for completeness and accuracy.
 - Verify that all expenses are properly categorised and recorded.
 - Ensure expense approvals follow established guidelines.
 - Review policies on reimbursement for employee expenses.
 - Check that operational expenses are reviewed for cost-effectiveness.
- **Inventory Management (Optical Products):**
 - Verify that optical product inventories (lenses, frames) match records.
 - Ensure that purchase orders are approved and documented.
 - Check the process for handling product returns or exchanges.
 - Confirm that inventory levels are tracked to minimise waste.
 - Review process for inventory audits and reconciliation.



3. Regulatory Compliance

- **Health & Safety :**
 - Check for compliance with standards for optical practices.
 - Ensure proper storage and labeling of hazardous materials.
 - Verify staff training in safety and emergency procedures.
 - Review documentation of safety incidents and corrective actions.
 - Audit practice's evacuation plan and emergency exits.
- **Data Privacy (GDPR Compliance):**
 - Confirm policies for data access, sharing, and storage.
 - Ensure data encryption is in place for electronic health records.
 - Check that data sharing with third parties follows privacy laws.
 - Review audit logs for unauthorised access to patient data.
 - Verify staff training on data privacy and protection protocols.
- **Licensing/Insurance and Registration:**
 - Confirm that the practice holds valid licenses/Insurance for all operations.
 - Ensure optometrists and professional staff are registered.
 - Review the process for tracking renewal dates.
 - Check for any updated requirements by regulatory authorities.
- **Staff Training and Compliance Programs:**
 - Audit records for mandatory training and compliance courses.
 - Verify that staff training is up-to-date on patient care and safety.
 - Check documentation of periodic compliance and refresher sessions.
 - Ensure compliance policies are clearly communicated to staff.
 - Review the process for updating training materials.
- **Patient Grievances and Incident Reports:**
 - Verify that there's a clear procedure for logging patient grievances.
 - Ensure timely response to complaints and incident reports.
 - Check that records of grievances are retained and reviewed.
 - Audit corrective action plans for recurring issues.
 - Review reports for adherence to policies and protocols.



4. Operational Compliance

- **Appointment Scheduling and Patient Flow:**
 - Audit the efficiency of appointment scheduling.
 - Verify the process for cancellations and rescheduling.
 - Check for potential patient wait times and improve processes.
 - Review appointment reminders and communication protocols.
 - Ensure that patient flow minimises bottlenecks and delays.
- **Supplier and Vendor Contracts:**
 - Review vendor agreements for compliance with service terms.
 - Ensure competitive pricing is obtained for products/services.
 - Check that vendor payments are timely and accurate.
 - Verify that suppliers meet quality standards for products.
 - Audit records for contracts and service level agreements.
- **Customer Service Standards:**
 - Check for adherence to standard operating procedures for customer service.
 - Verify training and competence in customer service roles.
 - Audit patient feedback and surveys on customer satisfaction.
 - Review follow-up process for unsatisfied patients.
 - Confirm that customer service aligns with practice mission and values.
- **IT Systems and Cybersecurity:**
 - Audit access controls on practice management and EHR (Electronic health records)systems.
 - Check that antivirus and anti-malware software are up-to-date.
 - Ensure that data backups are performed regularly.
 - Review the process for updating software and patches.
 - Verify that cybersecurity policies are communicated to all staff.
- **Compliance with Optical Product Standards:**
 - Ensure lenses, frames, and other products meet regulatory standards.
 - Verify labeling and marketing of products comply with standards.
 - Audit handling and storage conditions for optical products.
 - Check warranties and quality guarantees on optical products.
 - Review processes for addressing product recalls and defects.

Audit Improvement Template

Use this template to monitor and improve areas identified as weak during the audit.

Audit Area	
Finding	Document the specific compliance issue found.
Root Cause	Identify why the issue occurred.
Impact	Describe the potential effects on the practice, patients, or finances.
Corrective Action(s) Needed	List actions to correct and prevent recurrence.
Responsible Party	Assign accountability.
Target Date for Completion	Set a deadline for resolution.
Resources Required	Identify any additional resources needed.
Monitoring Plan	Specify how progress will be monitored.
Follow Up Review Date	Set a date for reevaluation.
Comments	Add any additional relevant notes.

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