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Understanding internal control environment in view of curbing fraud in public healthcare unit

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This study extends on the phenomena of control environment of Intensive Care Unit (ICU) in Brazil through narratives of physicians, nurses and auditors and also analyzes the results with interpretative discourse analysis. The structuration theory based on Giddens and discourse analysis toeing Laclau and Laclau and Mouffe were also used to reflexively discuss the data constructed. Based on one–on–one discussion held with the interviewee we infer that unawareness of control consciousness of the public servants in the healthcare units reflects on the behaviour that emanates unintended consequences of flaws in internal control procedures. The identity in the social structures makes them believe in what they do, which keeps them abreast of the awareness of the societal responsibility and this seems to drive the control environment. Finally, it is understandable that effective control environment cultivates certain dynamics in order to curb fraud. They are transparency on outreach and employee welfare, non-dogmatic management style upon succession, non-idolatry of corporate governance, and sense of continuous control awareness. Others are consistent process of active AIS, clear perception of risk of non-compliance, reward for dedication, holding to strategic alliances and positing sustainability.

Key words: Internal control, control environment, fraud, structuration theory, interpretative discourse analysis, ICU, healthcare, Brazil.

INTRODUCTION

Nowadays, in the realms of healthcare, barely the time of control consciousness on public resources and the importance of having an eye on the control environment of the healthcare units become very imperative. In as much as public management reforms required that clinicians become managers and control the costs of their processes (Hood, 1995); but are the physicians really up to the tasks?

The control environment is the mainstay of the operational support to control activities of any organisation, and the healthcare unit is not an exception. A conducive control environment considers the integrity, ethical values, and competence of the entire staff. Also, it includes management's philosophy and operating style.

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The way management assigns authority and responsibility, and organises and develops its employee management also count much. The attention and direction provided by those charged with governance and management dictates the tone. Also, the effectiveness of the internal controls stems from the efficient control environment that is tied to the better handling of the control activities.

Studies published concerning control environment of Intensive Care Units (ICU) naturally should attract professionals and those in academia firstly, because of the human lives being involved. The hospitals attached to the federal universities in Brazil have long ceased to focus on the training of new healthcare professionals. Social and economic constraints have diverted the focus of these institutions from training to welfare practices (Longaray et al., 2015). Second is because of the examples that could set pace for a more harmonious control environment worldwide which could be emulated. Last is the projecting of the ups and downs of control flaws that have to do with public resources allocated into these units.

One of the most important features of ICU internal control planning is uncertainty. A key issue of ICU management is how to model and predict these uncertainties. The modelling approaches differentiate between stochastic method; queueing methods and deterministic methods should be analysed, and lastly the applied solution method (heuristic and simulation) is a further aspect (Bai et al., 2018). Yet, similar studies presented by Imoniana and Nohara (2005) conclude for the correlation of the three main dimensions of COSO namely, Control Environment, Monitoring Procedures and Information Systems and Communication for a workable internal control system. Also, Gal et al. (2016) working on internal control effectiveness using a clustering approach concluded that the components of the internal control structure are associated with each one. However, especially, in healthcare, this type of study is yet to be explored, thus paving a room for the filling of such gap. Therefore, in order to guide this study, our research question lies on how is the dynamics of the control environment of typical public healthcare unit in view of curbing corporate frauds?

LITERATURE REVIEW

Comprehending the control environment

In order to comprehend the control environment, we draw on the dimensions of COSO (2016) that spans every harmonious business environment covering, among others: a) Risk Assessment: entailing the identification and analysis of relevant risks to achieve the objectives which form the basis to determine how risks and appetite should be managed. b) Control Activities: structured procedures which are enhanced by the policies that help ensure that management directives are carried out. They occur throughout the organisation at all levels in all functions. c) Information and Communication: addressing the need in the organisation to identify, capture, and communicate information to the right people to enable them to carry out their responsibilities. Information systems within the organisation are key element of internal control. d) Monitoring: The internal control system must be monitored by management and others in the organisation. These are the elements of framework that are associated with the internal audit function in the organisations.

In effect, control environment is the cornerstone of control activities. These said activities normally range from tasks such as transaction initialisation, internal checks, authorizations, verifications, reconciliations, correlations, review of operating performance, approvals, segregation of duties and safeguard of assets. As observed by MTU (2019), internal control activities can be found in the workplace. All employees fit into the organizational picture of internal control, whether or not their job responsibilities are directly related to these example activities. They are segregation of duties, authorisation and approval, reconciliation crosschecking and review, and physical count security.

Thus, if we go by the premise that “corporate defence umbrella” in other words *going concern* is unnegotiable, it is also true that the governance, risk, compliance, intelligence, security, resilience, controls, and assurance should be part and parcel of control environment. What should prevail therefore is the sustenance of the business through a viable control culture. By this, one would concord for the cultivation of the three lines of defence suggested by IIA (2018). For the sake of governance, the lines of defence are first – functions that own and manage risk; the second line of defence – functions that oversee risk and compliance; and the last but not the least the third line of defence – functions that provide independent assurance notably internal audit.

Comprehending the ICU of a public healthcare unit

In normal circumstances, the patient arrives and he or she is conducted to and admitted into the emergency ward having gone through the bureaucratic aspects, at least for identification purposes whether he or she is conscious or not. Then he is examined to be considered for elective or truly emergency patient and later allocated for treatment.

As shown by Litvak et al. (2008) in Figure 1 as a typical structure of ICU, there is a greater similarity in the Brazilian health unit.

Structuration theory as alternative for institutional theory

Traditionally, while revenue allocation and management

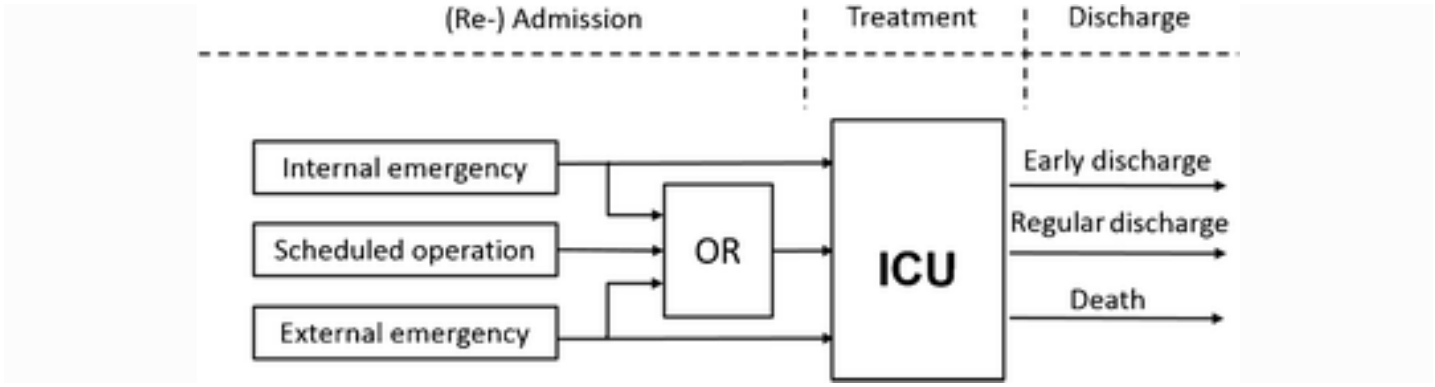

Figure 1. Typical structure of ICU.
Source Litvak et al. (2008)

of public ICU has been tied to resource dependence, in other words, borrowing on the institutional theory, the control environment lies on the structuration theory. Public accountability in emerging economies addresses the gap within resource dependence and non-resource dependence drawing on institutional theory (Gambari et al., 2018). Giddens (1991) observed that structure-agent divide is a false dichotomy; you cannot have one without the other social structures and agency are recursively and reflexively produced. Thus structuration theory is seen by Coad et al. (2016) "as a springboard for new social theory emerging from close observation of how accounting shapes societal relationships"; "we look at the status and adequacy of knowledge on which people act". "Rather than systems, we ask how people – the agents-in-focus-perspective and understand the constraints and possibilities that surround them."

Reflexively, institutional theory selects a predetermined practice as a means of legitimation. So to derive from norms and standards as they are evaluated in terms of the level of compliance. Thus, emerging the positioning for the alternative made for the discourse of this study. Structuration theory is attached to the concept of virtue (morally proper behaviour), social and political roles, rethinking our accountability to society (Brown and Dillard, 2013).

In the same vein, as the institutional theory thinks isomorphism and intends to understand and explain the phenomena in the organisation through the principles of corporate governance, its counterpart of structuration draws on the duality of the systems structure that empowers individual in a group. In effect, being recursive in nature, agents reproduce social practice across time and space, so that it would harmer on the development of identity; it emphasizes the interrelationships by compromising internal and external structures. This may hamper the control environment since it is periodically tuned in order to suit the styles of management. Noteworthy, the structures change with time which are influenced by human actions.

Fraud monitoring in control environment

There is a great concern about the efficiency in allocating and applying public funds in the public health units particularly today that scarce resources are monitored by government officials and also by the society at large through ICT.

Situational awareness is a basic function of the human visual system, which is attracting a lot of research attention in research related communities (Popoola and Ma, 2012). This is in line with one of the dimensions of COSO (2016) aimed at tracking any anomaly in the internal control procedures of any organisation. Also it coincides with the thought of Imoniana (2019) observing that fraud monitoring becomes a task in which the auditor is beginning to be more active inasmuch as it is expected to abridge the auditing expectation gap.

Fraud drains the purses of the government units earmarked with essential functions such as provision for healthcare.

METHODOLOGY

Following the approach in Imoniana et al. (2018), we emphasize that this study takes a relativist standpoint which epistemologically is backed up with a constructivist perspective. Van der Weijden et al. (2013) conducted a qualitative key-informant study with group discussions and semi-structured interviews to explore how clinical decision processes can be constructed to facilitate shared decision making. Thus, the approach of this study is centred on discourse analysis toeing structuration theory. This fits well inasmuch as it allows one to dialogue the essentials in the social, economic and political perspectives aiming at drawing on what exactly is going wrong in the relationships of the individuals and the entire stakeholders.

This case which extends on the phenomena of control environment of Intensive Care Unit (ICU) in Brazil through narratives of physicians, nurses and auditors consists of 7 interview respondents, 2 physicians from different hospitals, 4 nurses each from different hospitals and internal auditor from one of the public hospitals in the region of São Paulo. The two physicians are psychiatrists with responsibilities for general clinic. They are in their

mid-50s with practically more than 20 years of experience each. The nurses are aged between 35 and 55 years with average experience between 10 and 15. The ICU chosen for the study were the psychiatric units where the criticality of the emergency depends on the mental disturbance of the patient which is determined upon admission.

These respondents were consulted independently and their interviews ranged between 50 to 90 min recording. This was later transcribed in order to assist extraction of significances that nurtured the discourse analysis. Noteworthy, the analysis was enhanced by the use of NVivo software for qualitative analysis.

The case study research approach is useful where the researcher is investigating: complex and dynamic phenomena where many variables including variables that are not quantifiable are involved (Cooper and Morgan, 2008). According to Yin (1989), the case studies are suited to answer "how" and "why" questions. This is such as the one posed in the question statement.

In effect, we draw on the propositions based on Laclau (1999) and Laclau and Mouffe (2001) in order to expatiate on the data constructed. This also borrows on the sociological thinking of Giddens (1991) of structuration theory.

In the same vein, following a protocol required by case study according to Yin (2001), the development of this case study follows: (i) planning, producing and sending email on invitation to the selected respondent, development of case study design, structure of interview; (ii) data collection (environmental observation of the control environment (organisation), documentary evidence, semi-structured with interview; (iii) data analysis, cross-reference (triangulation), discourse analysis; (iv) analysis and conclusions.

RESULTS AND DISCUSSION

The categorical analysis through Table 1 enables one to match the attributes suggested by COSO (2016) with the semantic categories in order to present the reflexivity in association with the control environment. In effect, data gathered from the responding specialists generated some food for thought described as follows. Worthy of observation that saturation is maintained while analysing the narratives particularly when there has been repetition of data from the interviewee.

Transparency on outreach and employees' welfare

The clear communication among collaborators with the aim of eliminating information asymmetry enables employees to perceive transparency. Also, this could transmit a sense of belonging to the employees thereby enabling them to elevate their level of welfare.
As put forth by (Physician 1),

Welfare of those that are in-charge of control environment is important. I do recognise welfare when we assess the control environment. The idea of the control objectives should be performed by people on a win-win basis in the environment. Recognised and rewarded. What do I give in return for the work as a collaborator? For example, fraud occurs because people in-charge of a control do not feel adequately rewarded; this could stimulate fraud. If they do not feel compatibly compensated there could be a rationale for fraud.

In other words, the management ought to be transparent about their communicating concerns to the collaborators. This gives the employees more confidence and motivation to carry on the tasks given them. However, if this appears to be contrary, this will give a doubtful picture for the tone at the top.

The management of the hospital is a political post; after 4 years the management is normally replaced. The employee is seen as a factor for generation of value and not cost. However, the management is less worried about the welfare of the employees. For instance, because of social and financial crisis, a lot of homes lost their private healthcare services and had to run to the public services. Thus, the unpreparedness of the public services gives an excessive job load to many staffs. So, to better give the services that the populace deserves, we need more nurses duly trained to match the demands (Nurse 1).

The migration of the masses to the public free healthcare services seems to be a trend and this is being publicised, particularly as a political instrument. The B class citizens being driven to the C classes as a result of unemployment cannot foot their healthcare bills. The problem that surfaces is the units are not prepared to receive a higher number of people.

Non dogmatic management style upon succession

In the line of succession of management, it should not necessarily pressurise for a rigid managerial style blindly but rather rely on going-concern.

Notwithstanding, in general at the management level, they are political positions. Soldier goes, soldier comes with his troops. In other words, the mayor puts his cronies in the strategic positions. Noteworthy, that the current management does not have a control culture as compared with the former one and the hospital is being run based on its normal tasks which are already known to the staff (Nurse 2).

For Auditor 1:

"There is a perturbation about nominations to the majority of executive posts by the government which are done by convenience without single competence for the function".

"For instance, I as an internal auditor, I am asked to withdraw review points inasmuch as it batters the image of one of the executives. In this regard, I am suffering so much from identity crisis as a result of ethical conduct which I built from my former Big-four firm".

Non idolatry of corporate governance

In the words of Auditor 1,

Table 1. Attributes of Control environment and semantic categories.

Attributes as per COSO	Semantic categories
Communication	Transparency on outreach and Employee Welfare
Integrity	Non dogmatic management style
Ethics	Non idolatry of corporate governance
Management presence	Sense of Continuous awareness
Competence	Non sacrifice of employees
Governance presence	Consistent Process of active AIS
Management philosophy	Clear choice for noncompliance
Organisational structure	Reward for dedication
Segregation of duties	Accountability, Strategic alliances and networking
Employee policies	Positing sustainability

We kind of have a very strong belief in Latin environment; we tend to have personal styles but as historically we have the culture of our colonial masters. So, there could be this issue of trying to associate our act in an existing control environment with baseline culture. In effect, I would think that we "avoid the idea of saying that someone will lead us to the promise land"; one can be well intentioned is being worthwhile sceptically.

So, if we cannot work as a team and depend less on people, then we have problems. Probably, rather than heroes it is good to have long term plans to be proactive in our decision-making.

The question to the management does go; do you have the employee to hold the banners upright? "Each organisation is required to focus on bringing the dollar in through the front door (offense) while also focusing on preventing the dollar from leaving through the back door (defense)" (Lyons, 2016).

In fact, in a bureaucratic control environment the medical profession calls for a lot of idolatry of the corporate governance in order to gain nomination from the politicians.

The employees at the bottom level follow non idolatry of the corporate governance. However, the middle and top management idolatrised all over in their functions. Particularly, the physicians who have been nominated by their cronies to their special posts bow to the corporate governance self-interest rules (Nurse 3).

Sense of continuous control awareness:

The act of compliance with control culture practically does not exist among the management staff. This enables the management to perform a series of overriding control activities (Auditor 1).

However, there is a healthy sense of control consciousness by succession. What one management starts the other tends to continue with it.

The management is aware of what should be done but implements what suits their aim. *Continuous education and awareness is very faulty. A lot is said and placed in the training programs but not much is done (Nurse 4).*

There seems to be a clever way to hide control flaws. When management perceives control problems in regard to a top management normally, this management is transferred to another section (Auditor 1).

Non sacrifice of the employees

In some circumstances employees do not have the psychological brought up to withstand the pressure which the sacrifice brings.

There is no welfare in the employees' finances. The employees are generally sacrificed.

To the point that the employees become sick and some obtain sick leave for mental problems. "Be careful not to compare our rhythm to the ones you see in the films, if not, we will all get crazy if we work at that pace". "I do not like to work in the ICU, nor psychiatric and emergency unit " (Nurse 2).

Consistent process of active AIS

As a health providing institution we take a very good care of the relocation of the patient right from the point of entry, provision of treatments and the discharging point. So, for information flow so as to eliminate operational deadlocks we register the patient's data immediately he or she enters the building and this record is consulted every time transfer is needed (Nurse1).

Notwithstanding all the problems narrated, there seems to be some certain compensating controls that bring peace into the control environment. At least, not to

compromise all the accounting information systems as a whole, the monitoring procedures match the styles of the management.

Clear choice for noncompliance

Our control procedures are not as good. We have tentatively tried to obtain the ISO standard certification but we later dropped the idea because we could not comply with all the requirements (Nurse1).

As a public unit, this does not look strange in terms of control of weaknesses that impedes the obtaining of certification.

Adair and Nolan (2019) observed that Irish Data Protection Commission (DPC) has published a statement regarding its investigation into certain aspects of the Public Services Card (PSC) scheme run by the Department of Employment Affairs and Social Protection (Department). The statement levies heavy criticism at the Department and the PSC scheme regarding how it dealt with the personal data of millions of citizens in Ireland.

Reward for dedication of employees:

Dedication is total and shows the love the employees have on what they are doing. The environment being caretaking draws for a more humanistic attitude of the employees.

Among the employees, there is a clear dedication even though the compensation is not commensurate; to the fact that we bring family members to our place of work so that they would be treated (Nurse1)

There does not seem to be any methods for the acknowledgement of the dedication or employees' efforts.

I did a walkthrough of a certain control procedure that identified significant control flaws; however, my boss did not see any relevance in it (Auditor 1).

Accountability, strategic alliances and networking:

There are good number of agreements with partners with whom the healthcare units have established some operational networking and alliances. The trading floor exists where the suppliers launch their delivery schemes. However, the most beneficial scheme and the payment terms are chosen haphazardly.

In addition, some suppliers bring their supplies as consignment for surgical operations and we are invoiced based on usage (Nurse 3).

Obviously, the cronies are favoured when the suppliers bring in some consignment without being requested for and would later be invoiced upon usage. Thus, to maintain the rule of control, activities should be segregated and also assure accountability.

Positing sustainability

The contribution to maintaining conducive infrastructure and adherence to the sustainability rules is beginning to be part of the culture of the employees.

"Some 10 years ago we used to have the cases of reuse of disposable medical appliances in another public hospital that I worked. Today, staffs seem to adhere to the concept of sustainability and nothing like that exists in our midst any more thank God (Nurse4).

Description of control environment and activities in the investigated health care unit

One of the Health Care Units (HCU) is a major public hospital in Brazil and its exemplary health care facilities have named it as one of the benchmarking for others. Ranking institutions also put its statistics at the top of the ladder as aspirations for others in Latin America countries.

Normally, HCUs in the federal levels are budgetary units for the appropriation of costs and also allocation of resources from the federal and state governments. Their importance to the nation earns them this prerogative to be considered as a Budgetary Unit with the Law of Budgetary Directives biding their operations, taking into account the Responsibility Act that allows distribution of resources from the federal government and accountability also done in the same manner.

A control activity in the Psychiatric Unit of this HCU is considered in this narrative. This is made possible, thanks to unstructured interview given by a psychiatrist that reports to the Head of the Psychiatric Units who we hereinafter referred to as Physician1 and Physician 2. As Physician 1 puts it:

"Model of our unit is just like any other medical treatment unit that follows standards".

The first place of call of the patient is the emergency room. And this is the ward that also has contact with the physicians outside who are always in contact with the nurses in the unit.

Upon admission, the nurse obtains the blood pressure and certifies the ailment undermining whether it is or not apparent severely affected person. After this, the registration is done and will be identified if he or she will go through a free care treatment or a paid for privately

Table 2. Material request control objective and control activity.

Nº	Accounting process and control objective	Control activity
MR-1	Employee verifies the stock level and solicits the replenishment periodically.	*Assurance* for segregation of incompatible duties as one permits undue Material Requisition. *Confirms* accesses to Material Requisition records, Requisition Volumes, Lists, Account r*econciliation*
MR-2	The automatic material requisition issues the material requisition as the stock level attains certain level.	Reconcile Material Requisition, eRequisition, Stock Levels and remits explanation to Accounts Manager. Manager approves corrective measures
MR-3	As the HU has no autonomy to replenish stock the Stock employee verifies that the Supplier Receives the alert for replenishment of the stock.	Monthly, the Controller reviews the Stock *reconciliation* statement matching it with receiving. The pending issues or items in suspense are explained
MR-4	Daily, the system generates the list of replenishment pending supply and employee enters in contact with the supplier to seek for negotiation in view of supply.	Finance manager *Monitors* monthly summary of Material Requisitions *approved* sent to accounts department for revision of provisions
MR-5	Accounts employee issues Material Requisition reports and matches it with supplies.	Monthly, the controller of the Unit reviews the Material Requisition report and *validates* the Receiving, in Suspense, Pending Supplies, Balances, Supplies and signs

through health insurance. Thereafter, the clinical doctor then obtains the clinical history and if identified as a psychiatric patient he or she will be directed to the psychiatrist for psychiatric treatment.

Coming to the psychiatrist, the pathology is analysed to know whether he presents some benignant or malignant symptoms. If the doctor sees that it does not pose any sheer threat or danger to the public as well as to the pairs in the place of work, depending on the diagnosis the doctor administers drugs accordingly to the treatment in order to minimise the impact on the patient and also avert catastrophes in the vicinity and retains the patient for a reasonable time. Generally, according to the Brazilian Law, this patient can stay up to 15 days in the Unit before being discharged with the cost covered by the government.

As put forth by Physician *2:*

Notwithstanding the mode of payment, the State Government sustains the hospitalization at the cost of approximately $67 per day to the public or private clinics, being the average cost of expenditure.

Accounting wise, the critical control activity in the HU could be shown as follows in Tables 2 and 3. Specifically, it assures the adequate processing of contract accounts, thus enabling the control of accounting transactions for the units.

Controls relating to admission - receiving the patient, authorisation of the patients' record. These are documented as follows:

(A) Recording Code – Ensure Free/Pay care records. Certifying the entitlement for the treatment as to citizen when identifies that it is a psychiatric patient, additional treatment of psycho-diagnostic analysis is requested for by the psychiatrist for detailed analysis.

B) Checking, Allocation of Supply of the drugs, Administration of the drugs to the patient as deemed to be recorded is accurate. Accounting for the treatment follow up daily summed up.

C) Collection from the patients, as Authorising the Discharge of the patient is in accordance with the rules and policies of the HU.

D) Monitoring procedures of the management are in place on the procedures of hospitalisation of the patient. Administration of the drugs and reports submission. The Hospital Council monitors the periodic reports about the psychiatric patients.

These could be further expanded on in the following matrixes of material requisition control objectives and control activities and material receiving control objective and control activity respectively.

According to *Physician 1:*

Normally according to the policies, after the 15 days we refer to the patient for a psychosocial treatment.
Also, after the 15 days the government continues to finance the patient; however, the costs continue in the same to the hospital. The fund replenished is reduced from the Ministry of Health.

Physician 2:

This is why we have fought for 30yrs that the government

Table 3. Material Receiving control objective and control activity.

Nº	Accounting process and control objective	Control activity
RV-1	Material Receiving employee realise a daily routine of system integration of orders and payable	*Assurance* for segregation of incompatible duties as one permits order entry establishes limit in conformity with the suppliers and adjusts them. *Confirms* accesses to supplier's records, product lists, record returns, receipts and *reconciliation*
RV-2	Accounts staff prepares provision Material Receiving, history of damages, incomplete, generate Debit Notes and verifies manual access and eRequisition receiving confirmation	Reconcile Material Receiving to Orders and plan for reception, Reconciles the Debit Notes and remits explanation to Finance Manager. Finance Manager approves corrective measures
RV-3	As the HU has no autonomy over the volume to be supplied, the reception of drugs are not controllable and delivery note is unable to match with Invoices	Monthly, the Controller reviews the receiving notes *reconciliation* statement matching it with supplies. The pending issues or items in suspense are explained
RV-4	Daily, the system generates the list of supplies planned and the Material Receiving employee enters in contact with the supplier to seek for negotiation in view of supplies	Accounts manager *Monitors* monthly summary of supplies *approved* sent to accounts department for revision of provisions for future supplies
RV-5	Accounts employee issues accounts receivable reports and matches it with general ledger	Monthly, the controller reviews the accounts payable report and *validates* the general ledger accounts analysis and signs

needs to support the hospitals if it wants a healthy society. Inasmuch as $ 67 is given for the treatment of a psychiatrist patient compared to other treatments such as cancer which is approximately $2,000, orthopaedic, urology, to mention just a few. This is very inferior to the world standard.
For instance:

Cardiopathy, kidney may reach almost $ 2000 for drugs per day and that of psychiatry patient is just $67. In this regard, psychiatry patients are being used as political instrument.

As a result of the aforementioned, the controls to avoid fraud and also avoid corruption are very weak.
Since the government utilises it as a political instrument, this unit reports to the Ministry of health in terms of power and the possible control flaws are not monitored in a timely basis by the management.

Physician 1

"If you want a mentally healthy society you have to invest in the psychiatrist treatment".

Even though there is a struggle for humanisation of mental health, the government has decided to include the private sector clinics/hospitals in a bid to humanising the mental treatment and eradicate the asylum type of hospitals from mentally disturbed.

So, with a new model, this enables the hospitalization of the mental patients in the general hospitals and this raises their costs. However, this puts the humanisation standards to a test as the financial support from the federal government does not follow-up.
In the case of controls activities being used to mitigate the risk of frauds, *Physician 2* observes:

I will tell you categorically that there are no controls in place. In HU one measure of control when implemented is made to lead to another way of corruption as a result of bureaucratic processes. This enables the fraud perpetrators to use this avenue to pave way to satisfy their interests.

Physician 1 continues,

We have free supply of medicine and the distributions of these drugs are not well controlled. There are cases in which certain volumes are delivered with duplicated invoices without commensurate quantities; r invoices being signed and accounted for with the volumes already redirected to units not having connection to the HU.

In psychiatry hospitals, we have four main types of drugs, which are very costly and are distributed by the government: Anxiolytics 3rd generation drugs; Anti-depression; Antipsychotics drugs and Hypnotic drugs. These drugs are supplied and distributed without adequate controls.

In fact, there is no transparency, because all these drugs

are purchased by the government according to their plans and not on needing basis.

In addition to this, the control environment is not harmoniously equipped, in as much as the administrative part of the structures that include: the administrator, finance, operations, nurses, auxiliary nurse, cleaners, security, etc. are less valued.

All structures have to be involved in the treatment process so that it would be effective. So, as the salaries are low, the care given to the patient is likely to be affected by these problems. Policy to ask some of the psychic problematic patients to stay at home even though they need psychiatric problems may be unwarranted.

De facto, there is none as of know the mechanism to reduce fraud and corruption. Notwithstanding, compared to the recent past, we can say that the government has improved in terms of control procedure in today's environment.

As put forth by *Physician 2:*

Somebody that should stay one week is asked forcibly to stay 2 weeks. This is the only way the ICU used to make additional revenue and think of break even .

The weak control environment invariably stimulates the perpetration of frauds.

There is shortage of medicines caused by the management. This artificial scarcity is caused so that they would substitute the medicines and in the verge of substitution fraudulent acts could be negotiated with the suppliers. For instance, a medical knob that costs $30 could be inflated to around $150; this is real. In other cases, one would sign for undelivered goods (Nurse1)

Thus, periodic reports to the government reflect all the activities of the unit. Normally this includes statistics of a) Entry of patients and discharge, b) Quantity of patients effectively attended to, c) Drugs, volumes administered; and d) Checks and balances on the procedures.

In the normal circumstances all malpractices should be tracked with periodic reports to the top management and committees. In fact, there is a ruling council that supervises all the procedures in the HU and at large. Through them all malpractices are questioned and are investigated.

However, the question does go for how many cases are investigated. The regulating council (*Conselho Gestor*) supervises the activities of the units. For instance, if there is a whistleblowing that drugs have been diverted, they investigate the unit and implement a punitive measure on the directorate of a unit.

DISCUSSION

If one would call a spade a spade, the dispassionate decision-making process joining the heads of the physicians and the financial controllers is probably needed in the control environments of the healthcare units in order that the controls would be effective. This will seem to work well with the advent of interaction in order to foment control govern mentality. In integrative approach, as put forth by Campanale and Cinquini (2016), controllers allied with clinicians to create a network of actors toward govern mentality.

It is possible to derive that the duo identity forces the physicians to mould his or her behaviour based on the control environment. Just as chameleon, probably the physician would change his colour, in order words attitudes, as he or she changes the environment toward internal control.

On this note, at the final analysis, stressing on the control environment makes us to comprehend three basic factors that sustain environment in which control reigns: integrity, ethical values and competence. A close look shows that all the three factors tie their operationalisation to employees in so doing making a control environment (tied to people) sine qua non for effectiveness of control in organisations.

The snapshot of the control environments that show barely inexistence of control culture that emphasises control consciousness in individuals in these units depicts the realities in the Brazilian healthcare units. Socially, the dispensation of individual control strategy for the healthcare units needs to be put to place. Max Weber states that individuals are seeking to maximise their profit (or minimize their loss) in any situation; this in turn enriches the general populace.

Thus, if one sees that the problem is control awareness, emphasis on it by the management of these healthcare units will surely bring the tone that is needed to keep these units to the expectation of the users. Imoniana et al. (2018) observed that the house keeping force is already a gain to the society as it creates internal control awareness.

As observed by Nurse 2,

"The unwary attitude of the physicians makes me sick. They seem not to be worried about the situation as the rank and file have other jobs".

This shows that some of the collaborators at the lower cadre of the operations are somehow concerned about the efficiency of control environment, as it might mostly affect them if it worsens. So, the economically disenfranchised in order to foster healthier working environment is a necessity. In effect, naturally the problems firstly surge at the weak edge of the control environment in the organisations causing diminution of manpower because of the volume of persons before it reaches the higher echelon.

So, the turnaround measures of internal overhaul to address the unintended consequences of the havoc of

the flaws in internal controls become inevitable. Training of the rank and files of the organisations about internal controls is therefore recommended as societal impact of lack of control consciousness in ICU is least felt in the proper unit but spans a great number of families and the society at large.

The nurses do have grudges of the physicians who are at the higher echelon of the HC inasmuch as their nonchalant attitudes towards internal controls frustrate other collaborators. As they are political nominees normally, they work in their favour. Thus, for succession sake, this lays an ugly precedence in the control environment.

This is noteworthy about the succession in the control environment. Really, the physicians toeing the same control strategy look healthy notwithstanding the look worm attitude towards overriding controls. The societal implication is it saves resources and maintains the course of actions planned by the predecessors. Socially, organisations barely gain with this act. What is common most particularly among the politicians is to dump other people's control efforts and implements theirs, be it good or bad.

In a nutshell, there is going to have a quantum change as the enforcers of control such as the internal audits and the compliance of these government parastatals take off their masks and come to the side of the populace in their responsibility to monitor the operations. This means that they are awakening from slumber as they come to the shoes of the populace.

Or there is a greater fight to face by these public officers in order to be efficient. Public officers in Brazil generally wrestle with low morale. This has to be elevated. This takes a recommendation of a long term work on the control environment to gradually plant a long lasting awareness of societal belongings and accountability.

Conclusion

This study expands on the phenomena of control environment of Intensive Care Unit (ICU) in Brazil through narratives of physicians, nurses and auditors; and also expatiates on the results with interpretative discourse analysis.

Based on one–on–one discussion held with the interviewee one would infer that unawareness of control consciousness of the public servants in the healthcare units reflects on the behaviour that emanates unintended consequences of flaws in internal controls procedures.

Physicians see their objectives as the idea of the control objectives which should be performed by persons on a win-win basis in the environment. This undermines the rules of segregations of duties which have been catered for with control functions duly separated. This is exactly what baffles the nurses when they associate the attitudes of the physicians as cronies who assist the politicians to only meet up their political objectives as they are elected by them.

Therefore, it is understandable that effective control environment cultivates the following dynamics in other to curb fraud: Transparency on outreach and employees' welfare, Non dogmatic management style upon succession, Non idolatry of corporate governance, and Sense of continuous awareness. Others are consistent process of active AIS, clear choice of non-compliance, reward for dedication, sorting duties, strategic alliance and networking and positing sustainability.

Also, observable is COSO framework do provide the internal control dimensions with broader guidance; however, it leaves details to the implementer. Therefore, this research clarifies the semantic components that underlie the workability of internal control structure.

Overall, the identity in the social structures makes the employees believe in what they do. This keeps them abreast of the awareness of the societal responsibility and this seems to drive the control environment.

CONFLICT OF INTERESTS

The authors have not declared any conflict of interests.

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