

## SHASTA COMMUNITY HEALTH CENTER

<b>Policy: Risk Management Plan</b>	<b>Manual: Clinic Manual</b>
<b>Effective Date: 12/19/01</b>	<b>Revision Date: 4/1/06</b>
<b>Number of Pages: 7</b>	<b>Number of Forms: None</b>
<b>JCAHO STD's (if applicable): EC.1.10 through EC.8.10</b>	<b>Saved As: H:\Policy\Risk Management Plan DRAFT 2004.doc</b>
<b>Approved By: Medical QI/Risk Management Committee</b>	<b>Date Reviewed/Approved:</b>

### **I. Policy:**

It is the policy of Shasta Community Health Center to administer a Risk Management Plan that reduces overall risk to the organization.

### **II. Purpose/Goal:**

The purpose of the Risk Management Program is to:

- A. Reduce the risk of injury or unacceptable medical outcome.
- B. Reduce the risk of injury to Center staff, patients and visitors.
- C. Avoid corporate liability by the Center.
- D. Avoid personal liability of directors, officers, clinicians and staff of the Center.
- E. Reduce the risk of loss of the Center's property.
- F. Reduce the risk of loss of Center financial assets.

### **III. Responsibility:**

- A. The Board of Directors possesses the ultimate responsibility for establishing the Center's policies.
- B. The Board of Directors is not involved in the day-to-day administration of the adopted policies. This function is delegated to the Chief Executive.

### **IV. Structure of the Program**

- A. There are specific focal areas for analysis of risk management concerns. These are prioritized based upon the likelihood of serious problems in the area as well as the human and economic consequences of the risks:
  - 1. Services and Human Resources
    - a. Quality Improvement
    - b. Informed consent procedures
    - c. Credential, license and reference checks, including background checks

2. Financial
  - a. Financial integrity
  - b. Funding source relations
3. Facility
  - a. Equipment (including level of technology)
  - b. Security

**V. Types of Potential Center Losses**

A. In evaluating a particular risk management strategy or plan, the Center will consider both direct loss and indirect loss. Examples of direct losses:

1. Damage or loss of real property, such as land, parking lots, clinic and other facilities and fixtures which are permanently affixed to land or buildings.
2. Loss or damage to personal property such as medical equipment, furniture, computers, etc.
3. Loss of cash, either physically located in our offices or on accounts that the Center has established.

B. While patient records may also be considered personal property, these records will receive special consideration (and protection) insofar as they contain confidential information relating to diagnoses and treatment.

C. In addition to cash on hand, the Center must protect current and future earnings from liability losses in such areas as:

1. Malpractice
2. Public liability
3. Director's and officers' liability
4. Worker's compensation
5. Automobile liability

D. Indirect Losses

1. The loss of future patients (visits) would result in lack of revenues that those visits may produce.
2. The loss of patient and other public goodwill will have an effect on many aspects of the organization, including: positive marketing, fund raising efforts and efforts to acquire and retain good employees.
3. The Center must guard against the loss of the knowledge, expertise and training of all levels of employees.

## **VI. Risks and Strategies for Risk Management**

Risk - Injury to patients and potential for malpractice liability.

A. Strategy: Ensure well-qualified professionals for all patient care positions within the Center. SCHC will:

1. Develop professional standards criteria for each patient care position.
2. Develop a procedure to verify each of the requirements set out in the professional standards criteria.
3. Solicit input into the hiring decision by the Chief Medical Officer, staff clinicians, and other professionals with whom the new clinician will be working closely.
4. Establish a system of professional performance evaluations of each clinician, conducted by professionals within the clinician's own field.
5. Provide a format for clinicians to continue their education in furtherance of enhancing skills in areas relevant to the Center's patients.

B. Strategy: Ensure safe, appropriate and effective patient care management. SCHC will:

1. Establish clinical protocols for a number of the most commonly performed procedures and/or treatment regimens for the most common diagnoses.
2. Perform periodic procedure audits (anonymously by other clinicians) to assure adherence to the established protocols and for completeness of documentation within the patient's medical record.
3. Establish periodic special purpose audits.
4. Develop appropriate patient education materials and programs in order to assist patients to participate in their own healthy lifestyle decisions.
5. Develop procedure manuals in order to establish appropriate quality controls and monitoring systems for the ancillary services offered by the Center (i.e., lab, x-ray, and pharmacy).
6. Develop policies and procedures to protect the confidentiality of patient and employee files from unauthorized or unnecessary use or access.

C. Strategy: Ensure access to care. SCHC will:

1. Provide support personnel with the information necessary to assist and support the clinician's activities.
2. Develop a telephone, appointment and triage policy manual to insure that patients make appointments as needed, minimize no-shows, to triage patients appropriately and identify priorities for scheduling of patients.

D. Strategy: Evaluate clinical systems and patient satisfaction. SCHC will:

1. Conduct an annual patient satisfaction survey that measures the patient's level of satisfaction with the clinicians, support staff, and services performed.

2. Develop a quality improvement system with policies and procedures that prescribe the standards which the Center sets for its medical services and a quality improvement committee that meets regularly in accordance with a work plan.
3. Develop and implement tracking in the following areas:
  - a. Lab and x-ray
  - b. Referrals to other area clinicians either for inpatient or outpatient services
  - c. Subspecialty consultation
  - d. Immunization schedules
  - e. Scheduled visits for obstetric patients who will be followed during maternity by the Center's clinicians
  - f. Follow-up for patients with specified chronic conditions that will require ongoing monitoring and evaluation

**Risk - Compliance with the informed consent process**

E. Strategy: Develop a consent policy and procedure manual. SCHC will:

1. Establish appropriate consent practices
2. Educate staff about proper consent practices
3. Facilitate communication of pertinent information between patient and health professional and among health professionals
4. Assure proper documentation of consent
5. Anticipate consent "problem" situations

**Risk - Losses related to the facility and its contents**

F. Strategy: Anticipate potential loss due to illegal entry into the clinic facility and prevent breaking and entry. SCHC will:

1. Develop basic safety policies which include assessment of door and window security, use of appropriate locks and after hours alarm systems.
2. Obtain security recommendations from contracted survey services.
3. Permanently mark Center valuables with some kind of identification.
4. Record the serial numbers of office equipment.
5. Engrave equipment with Center identification codes.
6. Ensure correct labeling, dispersal and re-acquisition of keys.
7. Ensure appropriate management and storage of petty cash.
8. Provide adequate lighting inside and out.

**Risk – Potential for fire, smoke or water damage**

G. Strategy: Develop policies and procedures to decrease risk of fire and minimize potential for damage if fire or flood occurs. SCHC will:

1. Use a fire resistant safe or deposit box to safeguard all valuables that are routinely left in the Center overnight

2. Schedule a backup and removal from the premises of computer files to permit reassembly of the Center's records in the event of a computer "crash" or other mishap.
3. Install smoke detectors and sprinkler systems as required by local/state fire safety code.
4. Have working fire extinguishers placed in locations accessible to employees.
5. Conduct quarterly fire drills.
6. Have an active Safety Committee.
7. Have a "no smoking" policy within the Center.

**Risk - Automobile security and liability protection**

H. Strategy: Develop policies and procedures to protect both SCHC and employee owned vehicles. SCHC will:

1. Make a copy of each employee's driver's license and proof of insurance if the employee will be driving on corporation business.
2. Obtain a copy of the individual's driving record from the DMV prior to the start date of any employee who will be driving regularly for the Center.
3. Provide appropriate insurance coverage for Center owned vehicles.
4. Educate staff on practices to protect their vehicles.

**Risk - General (Public) Liability**

I. Strategy: Minimize the potential for injury and ensure basic safety for employees, visitors and patients. SCHC will:

1. Provide sufficient staff on-site to protect the patients and the employees.
2. Employ a security guard at the main center during regular business hours.
3. Utilize panic buttons connected to the alarm company in all satellite sites.
4. Report any unusual events (whether accompanied by any discernible theft or other illegal activity) to the local authorities for investigation.
5. Ensure all sites have corridors wide enough to allow wheelchairs to be moved in and out easily, and rest rooms with handicapped accommodations.
6. Place office equipment in protected alcoves where possible or behind semi-protective barriers that are smooth.
7. Test equipment according to manufacturer's instructions and service according to maintenance instructions to avoid electrical shocks or improper functioning.
8. Evaluate maintenance personnel on hire and periodically to determine methods of handling equipment and furnishings.
9. Ensure that waiting areas are visually monitored.

**Risk - Issues related to medical records**

J. Strategy: Develop policies and procedures that insure the completion, integrity, confidentiality and secure storage of medical records. SCHC will:

1. Promote maximum utility and function of medical record folder design.
2. Ensure secure storage of medical records.
3. Retain records as appropriate by statute of limitations.
4. Obtain direction from its attorney on the legal implications of release of records.
5. Specify in policies and procedures that medical records are the property of the Center.

**Risk - Director and officer's liability**

K. Strategy: Recruit, select and orient board members who are committed to the success of the Center and aware of their responsibilities. SCHC will:

1. Ensure that board minutes are complete and accurate, document all board decisions and actions, include what was done, when, why and who was involved, document any dissenting notes to actions taken
2. Investigate the legal implications of board decisions prior to making the decision.
3. Ensure that the purposes, reporting relationships and authority of all board committees are clear and uniformly followed.
4. Develop, adopt and enforce a board conflict-of-interest policy.
5. Ensure that the information flow to the board is adequate and improve this where necessary.
6. Educate board members regarding "high risk" areas for director liability.

**Risk - Loss of resources due to employee malfeasance**

L. Strategy: Develop policies and procedures to ensure financial checks and balances. SCHC will:

1. Divide bookkeeping duties.
2. Use pre-numbered documents wherever possible.
3. Endorse all checks immediately.
4. Keep duplicate deposit slips and match duplicates against total cash receipts posted for each day to check for discrepancies.
5. Approve all adjustments, discounts and write-offs.
6. Make sure the sum total of patient accounts equals the control total of accounts receivable.
7. Send detailed charge and payment statements to patients.
8. Routinely perform invoice and statement control
9. Keep financial records in the office.
10. Periodically check an entire day's financial records for accuracy.

### **Risk - Injury to or loss of employees**

M. Strategy: Develop policies and procedures to select, orient, train and evaluate staff.  
SCHC will:

1. Develop accurate, current and complete job descriptions which clearly set out the organization's expectation with regard to the employee's performance.
2. Provide thorough initial orientation and training programs to ensure employee safety and acceptable job performance.
3. Provide periodic in-service on areas of particular interest.
4. Monitor safety programs through periodic management observation.
5. Develop and adhere to grievance procedures.
6. Make available to all affected employees, procedure manuals for properly performing necessary Center function.
7. Focus on specific areas of high potential risk for employee injuries and ensure that all possible precautions are taken to protect employees' health.
8. Conduct exit interviews to frankly and openly discuss work conditions, recruitment and retention issues, risk management issues and other relevant suggestions for improvement.

### **VII. Forms:**

None.