Developing a Risk Management Plan: 
A Step by Step Approach

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About KePRO

- Quality improvement and care management organization
- Founded in 1985; headquartered in Harrisburg, PA
- Works with HRSA on Medical Malpractice Claims Reviews and Risk Management Services under a contract initiated in 2004.
- Provides risk management and patient safety technical assistance to section 330 FTCA deemed Health Centers and Free Clinics.

www.kenpro.org
About ECRI Institute

- Independent, not-for-profit applied research institute
- Patient safety, healthcare quality, risk management to healthcare organizations across the continuum
- Dedicated Web site for HRSA grantees. Log in with user id and password at: www.ecri.org/clinical_RM_program
- 40-year history, 320 person staff
  - Physicians, nurses, patient safety, risk management, quality professionals, clinical engineers
  - AHRQ Evidence-Based Practice Center
  - WHO Collaborating Center
  - Federally designated Patient Safety Organization

Objectives

- Recognize the elements of a risk management plan
- Recall the steps to implement a risk management plan
- Identify the functions of a risk management committee
- Recognize the benefits of a risk management program manual
Why is a Risk Management Plan an essential part of quality care?

- Demonstrates health center’s support for risk management and patient safety
- Provides authority and responsibility for enacting the plan
- Achieves consistency of purpose within the organization

Elements of a Risk Management Plan

- Statement of purpose
- Authority and responsibility for implementation
- Goals and objectives
- Scope and functions
- Administrative and committee structure
- Monitoring and improvement
Statement of Purpose

“The Risk Management Plan is designed to …”

Authority and Responsibility for Implementation

“The governing body empowers leadership and management teams to implement risk management strategies…”
Goals and Objectives

- Improve patient safety
- Prevent errors, system breakdowns, and harm
- Minimize clinical risks and liability losses
- Support regulatory, accreditation compliance
- Protect organization resources

Scope and Functions

- Risk Management spans the entire operation and most functional areas
- Note specific areas with a high impact on risk and safety
- Describe risk management functions and responsibilities
Administrative and Committee Structure

- Risk manager’s authority and responsibility
  - Focal point for risk/safety communications
  - Analysis and feedback
- Flow of information
- Committee recommendations

Monitoring and Improvement

- Risk Management Data
  - Number of claims, costs, adverse events
- Risk Management Plan
  - Structure
  - Process
  - Outcome
- Goal and objective achievement
A Word About Measures

In an environment that supports a just culture, as part of a culture of safety, event reports will increase.

Risk Management and Quality Improvement Functions Overlap in Patient Safety

Risk Management
- Risk Identifications (e.g., near-miss and adverse event reporting)
- Risk Control
- Claims Management
- Patient Relations and Disclosure
- Safety and Security
- Accreditation Compliance
- Mandatory Event Reporting
- Workers' Compensation

Overlapping Functions
- Analysis of adverse and sentinel events and trends
- Root-Cause Analysis
- Proactive Risk Assessments
- Patient Complaint Handling
- Patient Safety Initiatives
- Board Reports
- Feedback to Providers and Staff
- Provider Credentialing
- Accreditation Issues
- Staff Education and Training
- Peer Review

Quality Improvement
- Quality Measures (e.g., indicators, dashboards, core measures)
- Benchmarking
- Best Practices/Clinical Guidelines
- Provider Performance and Competency
- Accreditation Coordination
- Patient Satisfaction
- Improvement Projects

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Integrated Committee Structure

- Risk Management
- Quality Improvement
- Patient Safety

Risk Management Committee

- Multidisciplinary
- Review risks and actions to prevent and control risks
- Reports of events and near-misses
- Also:
  - Quality of care issues
  - Safety and security
Steps to Implementation

- Develop written plan
- Educate managers, providers and staff
- Establish systems for communication and information flow
- Implement systems to support risk identification, prevention, and control

Develop the Risk Management Plan

- Develop risk management plan or examine an existing plan
- Does the plan include the elements listed above?
- Does the plan reflect the actual practice of your health center or clinic?
Educate About the RM Plan

- Risk management basics, patient safety concepts
- Roles of governance, management, providers, and staff
- Special emphasis on physicians and other providers

Web site Resources:
- Education and Training Tools
- Guidance Articles
- Self-Assessment Questionnaires

Establish Systems for Communication and Information Flow
Sample Risk Management/Patient Safety/Quality Improvement Organization Structure

- Executive Director
  - Administrative Asst.
  - Medical Director
  - Nursing Director
  - Physicians and Medical Providers
  - Credentialing Coordinator
  - Patient Safety
  - Safety and Security
  - Patient Representative
  - Quality Improvement Coordinator
  - Risk Manager

Sample Risk Management Organizational Structure for Multi-Facility Organizations

- Board of Directors
  - President/C.E.O.
  - Corporate Risk Manager
  - Corporate Facilities
    - Administrative Executive Directors
    - Peer Review/Risk Management Stategies
    - Human Resources
    - Safety
    - Physical Plant

- Human Resources/ Organizational Development
- Corporate Counsel
- Chief Clinical Officer
- National OI
- Corporate Compliance
- C.F.O.
- C.O.O.
Implement Support Systems

- Risk Identification
  - Operational assessments
  - Event reporting system
- Risk Prevention
  - Education and Training
  - Credentialing
  - System improvement
- Risk Control

Maintaining the Risk Management Plan

- Review on an annual basis
- Revise
  - Changes in services, stakeholders, functions, linkages
  - Program growth
- Evaluate indicators at least annually
- Report to the Board of Directors annually
Benefits of Compiling a Risk Management Manual

- Serves as a reference guide
- Serves as a training manual for providers and staff
- Helpful for orientation/cont. education
- Supports commitment to the program

The Risk Management Manual

- Describes the program
- Contains policies and procedures of the program
- Risk manager job description
- Algorithms
  - Flow of information to and from the program
  - Event reporting and management
- Committee structure
  - Integration with other committees and functions (e.g., Quality Improvement, Patient Safety)
Web Site Resources

Web site resources:

- Guidance articles
- Sample policies & tools
- Standards & guidelines
- Education & training tools

Challenges
Successes
Experiences
“Developing a Risk Management Plan”
archived on Web site

Questions?
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Thank You!