



# Risk Management Training & Education

20/20 Hearing Care Network LLC

March 2022

# Purpose and Goals

## **Purpose**

- Raise your awareness of risk management concepts and mechanisms
- Enable you to identify and manage risks within the organization
- Help 20/20in being proactive and better able to plan for potential risks

## **Goals**

- Upon completion of this training, you should be able to:
- Define risk and risk management
- Explain the purpose of risk management
- Explain the function of the Risk Management
- Describe your role in the management of risk
- Identify potential risk
- Report potential risk to appropriate personnel
- Make recommendations to treat risk

# Definitions

- **Risk** - A situation involving exposure to danger, harm, loss or a potential threat, vulnerability, impact, and uncertainty.
- **Loss Exposure** - Any possibility of financial loss due to loss of use, damage or financial claim against the organization
- **Types of Pure Risk**
  - **Personal Risk**

Risk that directly impacts people's lives, such as exposure to premature death, sickness, disability, unemployment, and dependent old age
  - **Property Risk**

Property loss exposures are associated with both real property such as buildings and personal property such as automobiles or the contents of a building.
  - **Liability Risk**

Loss caused by a third party, who is considered at fault, by having to defend against a lawsuit when he or she has in some way hurt other people. The responsible party may become legally obligated to pay for injury to persons or damage to property. Liability risk may occur because of catastrophic loss exposure or because of accidental loss

# Risk Management Policy

## Introduction

- 20/20 is dedicated to promoting the delivery of effective quality patient care, while ensuring patient, visitor, employee, and provider safety.
- 20/20 Risk Management Policy is designed to provide the organization with information necessary to identify real and potential risks and exposures inherent in healthcare delivery, in order to minimize or eliminate these risks and to prevent future occurrences

# What is Risk Management

**Risk Management is use of a systematic approach to:**

- Identify (using incident reports and risk reviews)
- Evaluate/Assessment (Investigate and Analyze)
- Treat (Acceptance, Reduction, Elimination, Prevention, Mitigation) Loss exposures faced by the organization.

# Risk Manager

**At 20/20, everyone is a risk manager!**

- What do we mean by everyone being a risk manager?
- Improving patient safety is a complex problem which requires the work of diverse disciplines to solve
- One of the goals of risk management is to reduce or eliminate potential risk affecting our members, employees, and visitors
- Our associate team is on the front lines
- All associates must participate in identifying adverse events that have occurred in the healthcare setting as a regulatory requirement
- Associates ideas and feedback are essential to development of new processes and revamping of existing processes as we work together to mitigate risk and improve the effectiveness of our delivery of healthcare to our members

# Risk Management Components and Relationships

**Let's take a further look at how different parts of health organizations fit together in risk management:**

1. Loss prevention and reduction
2. Quality and Utilization Management
3. Complaints, Grievances and Appeals
4. Compliance
5. Organization Safety and Security programs
6. Employee Programs/Workers Compensation
7. Claims Management

# Risk Management Components and Relationships Contd.

## **Quality and Utilization Management**

- Risk Management is part of the Quality Department and reports to the Medical Director
- Review quality of care referrals (internal incident report)
- Review services issues
- Review vendor related issues
- Clinical reviews with Medical Director
- Peer Review
- Clinical Quality Improvement committee
- Credentialing Committee



# Risk Management Components and Relationships Contd.

## Quality and Utilization Management-Integration with Risk Management

- Risk Management is a key component of Quality Management (QM) umbrella
- Both measured by reporting and outcomes
  - Good outcomes require good QM
  - Risk Management requires good outcomes
- Risk Management & QM emphasize “harm prevention”
- Risk Management & QM are both designed to gather information on undesirable events or trends
- Both QM & Risk Management share ideology
  - Reduce problems in patient care & maximize safety
  - Concern for prevention of harm/loss
  - Require data: incidents, indicators, patient feedback, complaints, surveillance (infection/safety/security)
- Both QM & Risk Management are required to gather data and information to report to regulatory agencies

# Risk Management Components and Relationships Contd.

## **Quality and Utilization Management**

### Quality and Utilization Management-Integration with Risk Management

- UM identifies and addresses issues of over and under utilization
- Identified utilization issues may include quality of care and risk related to the care or service provided
- Documentation reviewed for prior authorization may include quality of care or risk related issues

# Risk Management Components and Relationships Contd.

## **Complaints, Grievances and Appeals**

- Review/reporting of member complaints and grievances
- Assist in determining appropriate remedies to resolve
- Patient satisfaction measurement

# Risk Management Components and Relationships Contd.

## Complaints, Grievances, and Appeals

- Complaints, Grievances and appeals are significant mechanisms to identify risk
- Grievance and appeals associates are on the front line and are essential to the function of Risk Management
- Associates identify potential risk during the assessment of grievances, complaints and appeals
- Associates provide early intervention/risk mitigation by collaborating with other departments including QM, UM, Case Management and Provider Network in resolving complaints –

**Complaints not resolved by close of business on the business day following receipt, are provided to 20/20's contracted Health Plans**

# Risk Management Components and Relationships Contd.

## **Compliance**

- Compliance Department reviews and approves final regulatory reports
- Compliance investigates and conducts audits which reveal risk-related issues (including privacy-related risks)
- Creates and monitors corrective action plans to mitigate risk
- Compliance policies and procedures are created to ensure that business operations follow regulatory requirements which minimize risk
- Compliance (specifically reviews incidents and events which are directly reported to the Board of Directors for appropriate actions)

# Risk Management Components and Relationships Contd.

## **Organizational Safety and Security Programs**

- Collaborate with 20/20 facilities to ensure regulatory compliance and minimize risks
- Preventative maintenance/equipment management
- Hazard communication and surveillance
- Security measures
- Fire and disaster preparedness
- Utilities management

# Risk Management Components and Relationships Contd.

## **Employee Programs/Workers Compensation**

- Collaboration with Human Resources
- Workers Comp claims identify risks
- Incident reports
- Incident investigations
- Risk Management and Prevention Education and Training - tracking to ensure employee compliance with regulatory requirements

# Risk Management Components and Relationships Contd.

## **Claims Management**

### **Action on potential compensable events (PCEs)**

PCEs are those identified events that might become claims-based on the degree of actual or potential negative impact on the patient-reported directly to a Healthcare Risk Manager who determines PCE status

### **Tracking PCE reporting**

### **Credentialing interface (PCE)**

### **Legal counsel interface**

Documentation and information gathering for risk related legal investigation

### **Closed claim analysis**

Professional liability/malpractice issues

Loss history

Financial analysis



# Risk Management-Analysis

- Potential for some risk-related events can be mathematically measured by using statistical data. For example, tracking and trending is performed by the Risk Manager to identify the frequency of certain incidents, like slip and falls, or medication errors, etc.
- Additional methodologies used to analyze incidents include Root Cause Analysis and Failure Mode Effects Analysis

# Risk Management - Managing Risk

After the potential risk for Risk-Related events is identified through reporting and analysis, a plan is designed and implemented to avoid risks and/or minimize damage and loss.

The policy is developed by the Compliance Department together with a team of associates and executives from different departments throughout the organization

# Reporting Risk-Getting Personal

**So far, we have been over**

- What Risk Is
- What a Healthcare Risk Manager Does
- What our 20/20 Risk Management Policy includes
- How our Risk Management Policy is woven into various departments

**Next, we will look at your responsibilities for reporting risks in more detail**

# Reporting Risk

**As an employee of 20/20 Eyecare Network Inc. and 20/20 Hearing Care Network LLC, you should be aware of verbalized concerns or documentation regarding:**

- Abuse, neglect, and/or exploitation of a member
- Member injury or major illness resulting from the care provided, such as a perforation, fracture, or hospital-acquired infection
- A member being transferred to a more acute level of care due to an incident
- A provider and/or member contacting law enforcement or a regulatory agency, such as DCF
- Procedures performed on the wrong patient or wrong site
- The wrong procedure being performed on a member
- A member undergoing surgical procedures for the removal of foreign bodies
- Delays in providing care or services
- Vendor related issues that resulted in any of the above
- Environmental risk, such as wet floor
- Safety and Privacy risk, such as unsecured provider or member PHI on an associate's desk after hours

**Identified potential risks and incidents must be reported to the 20/20 designated Risk Manager and your supervisor as quickly as possible**

# Reporting Risk - Definitions

## **Adverse Incident**

An adverse incident is an event that negatively impacts the health, safety, or welfare of 20/20 members. Adverse incidents may include events involving abuse, neglect, exploitation, major illness or injury, involvement with law enforcement, elopement/missing, or major medication incidents. These events occur during the delivery of 20/20 covered services to a member that:

- Is associated in whole or in part with service provision rather than the condition for which such service provisions occurred, and
- Is not consistent with or expected to be a consequence of service provision, or
- Occurs as a result of any other action or lack thereof on the part of the staff of the provider

## **Other Risk-Related Incident**

Any event, other than an adverse incident involving a 20/20 member, that potentially can result in a negative financial impact on the business or negative impact on the health and safety of 20/20 members, employees and/or visitors.

## **Abuse**

Any willful or threatened act by a provider that causes or is likely to cause significant impairment to a member's physical, mental, or emotional health

## **Neglect**

The failure or omission of a caregiver to provide the care, supervision, and services necessary to maintain the physical and behavioral health of a member

## **Exploitation**

The action or fact of treating someone unfairly in order to benefit from their work or resources

# Reporting Risk Contd.

## Reporting Guidelines

- Enter pertinent fact only
- Do not accuse or assume
- Do not place in the patient/member's medical record
- **Must be submitted to the Compliance Department right away**
- Compliance Department email address is:

[compliance@2020eyecareplan.com](mailto:compliance@2020eyecareplan.com)

Or Via the Anonymous Hotline Number

1 (877) 673-4177

# Reporting Risk Contd.

## Examples of reportable events:

- **Example A** -The performance of a surgical procedure on the wrong patient, a wrong surgical procedure, a wrong-site surgical procedure, or a surgical procedure otherwise unrelated to the 20/20 member's diagnosis or medical condition
- **Example B** - Slip and fall of a member, employee, or visitor due to a slippery floor in the waiting room of a health provider
- **Example C** - Potential for slip and fall due to leaking water fountain in the employees' lounge

# Reporting Risk Contd.

**20/20 uses an Incident Report Form for internal reporting of all incidents**

**The Incident Report Form must have at least the following information completed on all reports of adverse events involving our members:**

1. Patient/member, address, age, sex, physical findings or diagnosis and, if hospitalized, locating information, admission time and date, and the facility's name.
2. A clear and concise description of the facts of the incident/event including time, date and exact location.
3. A description of any injuries sustained.
4. Whether a physician was told and, if so, a brief statement of said physician's recommendations for medical treatment, if any.
5. A listing of all persons known to be involved in the incident, specifying functional title of each, including witnesses.
6. The name, signature and position of the person completing the Incident Report Form along with the date and time the report was completed.

**The form can be located on our One Drive under the section labeled Risk Management**



# Risk Management Training Attestation

I attest I have read and understand the content of this training and agree to abide by all policies and procedures, laws, and regulations pertinent to Risk Management

Signature: \_\_\_\_\_ date: \_\_\_\_\_

Print Name: \_\_\_\_\_