

RISK MANAGEMENT

Risk management planning involves identifying risks, assessing the impact of risks and developing strategies to manage risks to your organization. COVID-19 can pose potential risks critical for business recovery and survival. But there also is an opportunity to manage the impact of COVID-19 proactively and meet your legal obligations to employees and the community you serve to ensure safety with risk mitigation strategies.

Managing the potential risks posed by COVID-19 will positively influence the preparedness of your organization for returning to non-emergent services. As recovery ensues, evaluating and addressing the considerations in this document will decrease your organization's risk exposure and assist in recovery.

Here are areas of consideration.

PLANNING

As your organization begins developing a path forward to reopen certain services, a number of risk management issues need to be considered and addressed to effectively mitigate any potential risk. This effort will require coordination with local public health officials, community groups, other health care providers and governmental agencies, as appropriate. Each of the eight risks, listed below, will have to be discussed with two sets of circumstances in mind: 1) immediate needs as your hospital continues to address the surge and 2) considerations as your organization transitions into the "recovery" phase of this process.

Effective planning can be accomplished using these eight domains of enterprise risk management:

1. Operational risk: Care that is safe, timely, effective, efficient and patient-centered within diverse populations. Operational risks relate to those resulting from inadequate or failed internal processes, people or systems.
2. Clinical/patient safety risk: Clinical risks relate to practices associated with the delivery of care to residents, patients and other health care consumers. In this environment, pay special attention to increased risks associated with changes made to the care process, e.g., cohorting, patient segregation, limited visitation, medication management, new laboratory testing protocols embedded in care pathways, etc.
3. Strategic risk: These risks are associated with brand, reputation, competition, failure to adapt to changes in the environment and consumer preferences.
4. Financial risk: Decisions that affect the financial sustainability of the organization, access to capital or external financial ratings have an impact on financial risk.
5. Human capital: Risks in this domain include staffing models, infection control and prevention, appropriate training for new protocols, work schedules and fatigue, licensing and credentialing, workers' compensation and others.
6. Legal/regulatory: In the current environment that has experienced waivers, emergency use authorizations and other changes to regulatory requirements, the need to manage and monitor legal, regulatory and statutory mandates on a local, state and federal level is essential. Precise and timely documentation of any procedural changes made as a result of the legal and regulatory allowances, including start and stop dates, also is essential.

7. Technology: This domain covers machines, hardware, equipment, devices and tools, but can also include techniques, systems and methods of organization.
8. Hazard: Included here, along with natural disasters, are risks associated with business interruption and facility management.

INTERNAL AND EXTERNAL COMMUNICATION OF RISK MANAGEMENT ISSUES

- Is the board kept up to date? Whether communications are written, they can be discoverable.
- Communicate with supply chain vendors to mitigate potential disruption.
- Communicate through multiple modalities with staff directly affected.

OTHER ISSUES FOR CONSIDERATION

- Malpractice protection for providers via the CARES Act.
- Medical malpractice insurance of non-traditional care providers, e.g., nurses and providers reentering the workforce from retirement.
- Application for any business interruption coverage.
- Review of special insurance policies, e.g., directors and officers liability insurance, advanced practice care providers coverage/policies, etc.
- Audit of electronic health records with attention to any alterations in existing practice that may have taken place during the pandemic and a more harried work environment.
- Broader protection of liability through executive order or legislation.