

FRANCES MAHON DEACONESS HOSPITAL
621 3rd Street South
Glasgow, MT 59230

POLICY AND PROCEDURE

DEPARTMENT: Risk Management

POLICY: RM-602

SUBJECT: Risk Management Program

PURPOSE:

To establish guidelines for insured facilities to use in developing and implementing a risk management program.

RESPONSIBILITY:

- Risk Manager
- Organizational Wide

DEFINITION

Risk management is the process of making and carrying out decisions that will minimize the adverse effects of accidental losses to the organization. Furthermore, risk management strives to reduce the frequency and severity of losses to the facility by utilizing risk control and risk financing techniques.

PROCEDURE:

1. Risk management will either be responsible for, or interface with, the following areas in order to minimize exposures to loss:
 - a. Incident reporting, investigation, monitoring and resolution
 - b. Risk financing and insurance
 - c. Safety management
 - d. Disaster and emergency preparedness
 - e. Employee health and accidents
 - f. Quality improvement
 - g. Utilization review
 - h. Infection control
 - i. Pharmacy and therapeutic
 - j. Medical staff credentialing and committees
 - k. Administration and operating activities;
 - l. Human resources and employment practices;
 - m. Employee education;
 - n. Physical plant safety; and,
 - o. Claims administration.
2. Risk management functions and responsibilities:
 - a. To protect the financial assets of the facility.

- b. To protect human and intangible resources.
 - c. To preclude injury, damage, and loss to patients, residents, visitors, employees, and property.
 - d. To apply loss reduction procedures to individual losses or single occurrences that aim to reduce severity.
 - e. To apply loss prevention procedures that aims to reduce the frequency of losses by maintaining and improving the quality of care through concurrent and ongoing monitoring.
3. Risk management goals:
- a. To maintain and improve optimal quality patient care through the facility's functions, departments, and medical staff at the least possible risk and at the lowest possible cost.
 - b. To minimize the possibility of events that will have adverse physical and/or psychological effects on patients, family members, visitors and staff and/or might result in physical/property losses to plant and equipment.
 - c. To minimize compensation paid and associated legal and administrative costs when such events result in death, injury, or damage.
4. Identifying and controlling loss exposures:
- a. Risk management will evaluate identified potential for loss to the facility through internal and external risk assessments, reporting mechanisms and frequency and severity data.
 - b. Appropriate loss control techniques will be instituted and monitored for effectiveness of reducing the loss exposure.
5. Prioritization:
6. The priority given to risk management problems will be determined by the impact on:
- a. The overall quality of patient care
 - b. Employee and visitor safety
 - c. The facility's exposure to malpractice claims
7. Accountability:
- a. The Risk Manager, Quality Assurance Committee (QAC) in cooperation and conjunction with the Montana Health Network Corporate Risk Manager is accountable for the overall management of the facility's risk management program.

REVIEW AND REVISION STATEMENT:

- This policy will be reviewed every two years or as necessary by the Risk Manager, QAC committee, CEO and the Board of Trustees.