



HOSPITAL: Risk Management Scenario

Scenario

A rural country hospital facility provides health care services to over 35,000 citizens, with a high percentage being older Americans who have retired to this area of the country. The hospital administrator has asked the Vice President of Risk Management to attend a meeting with the senior staff next week in the Board Room. The hospital administrator has asked Vice President of Risk Management to present areas of opportunity for increasing the hospital's risk management strategies to ensure a litigation-free environment for the facility, its patients, and its employees.

During the meeting, the Vice President of Risk Management reports that all the continuous quality improvement (CQI) minutes for the past 3 months of meetings have been reviewed. Although most areas are being adequately resolved, there are some that need more attention, especially from the senior staff. Before specifically addressing those points, the Vice President of Risk Management briefs the staff on the major areas of risk for the hospital. They are:

1. Employee-driven adverse actions against the facility
2. Medication errors
3. Surgery/Treatment errors
4. Patient falls
5. Patient elopements
6. Security breaches in secured areas
7. Inaccurate coding and billing for government/insurer reimbursements

Now that the senior staff is aware of the major areas of risk concern, you, as the administrator in charge of all hospital business operations, assign each of these areas of concern to the respective director, such as the Directors of Human Resources, Nursing, Medical, Social Services, and Facility Security. Their reports of assessment, along with recommendations for achieving full compliance and reducing the hospital's litigation exposure, are due at the end of the month.

Questions:

1. While this situation has many areas of risk that are considered a top priority, focus on patient privacy and information disclosure (HIPAA violations). Which department is responsible for leading the initiative? As the administrator, describe your approach for managing this directive. Do you create a special projects team? How do you gather pertinent data for a category? What tools would you use?
2. How do you determine if you are meeting the industry standards for this area of risk?
3. Would you change any current policies or procedures? How and why?
4. How would you train the affected staff with regard to this area of risk?
5. What are the sanctions, penalties, or government investigations that could present a worst-case scenario if not addressed?