Hospital Risk Assessment and Management

Assessment, Identification, and Mitigation
Stages of Risk Assessment & Management

- Identifying the hazards
- Evaluating the associated risks
- Controlling the risks
- Re-evaluating
Risk Management Steps
Risk

= 

Severity of Harm 

x 

Likelihood of occurrence

• The risk from the hazard should be determined by estimating the potential severity of harm and the likelihood that harm will occur
Risk Assessment

- Hazards
  - Actual
  - Potential

- Systemic approach
  - Specific
  - Organized
  - Cross sectional
Identify Risks

• What are my risks?
  • Type of hospital
    • Teaching
    • CAH
    • MH
  • Specialty services
    • OB
    • NICU
    • Surgery
Identify Risks

• How
  • Incident reporting
    • Volume
    • Severity
  • Claims
    • Past
    • Present
• Type of facility
Gather Information

- Review
  - Occurrence reports
  - Trends
  - Injury severity
  - Claims
    - Location
    - Department
    - Process
Focus

• Prioritize
  • Highest risk
    • Areas
    • Departments
  • Highest loss
    • Real
    • Potential
  • Processes
Plan Your Approach

- Team
  - Cross sectional
  - Observant
  - Engaged
- Solitary
  - Information overload
  - Familiarity
Tools

• Pre-developed
  – ECRI
  – AHRQ
  – VA

• Individualized
  – Self developed
  – Conglomerated
    • Pre-developed
Hazard Identification

- Comparative Methods
  - Checklists
  - Audits
- Failure Logic
  - Fault Trees
  - Event Trees
  - Cause- Consequence diagrams

- Fundamental Methods
  - Deviation Analysis
  - Hazard and Operability Studies
  - Energy Analysis
  - Failure Modes & Effects Analysis
Hazard Evaluation

- Identify Source of Harm
  - Hazardous event or process
  - Hazardous substance
  - Equipment
- Identify who could be harmed
  - Researcher
  - Others students
  - Contractor/supplier
  - Visitor
- Identify how harm could occur
  - Accidental fall from height
  - Contact with corrosive chemicals
Determine & Decide

- Determine risk
- Harm
  - Severity of harm
  - Likelihood of harm
- Decide if risk is tolerable
  - Accept
  - Control
One simple method for estimating risk levels and for deciding whether risks are tolerable. Risks are classified according to their estimated likelihood and potential severity of harm.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Slightly harmful</th>
<th>Harmful</th>
<th>Extremely harmful</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly unlikely</td>
<td>TRIVIAL RISK</td>
<td>TOLERABLE RISK</td>
<td>MODERATE RISK</td>
</tr>
<tr>
<td>Unlikely</td>
<td>TOLERABLE RISK</td>
<td>MODERATE RISK</td>
<td>SUBSTANTIAL RISK</td>
</tr>
<tr>
<td>Likely</td>
<td>MODERATE RISK</td>
<td>SUBSTANTIAL RISK</td>
<td>INTOLERABLE RISK</td>
</tr>
<tr>
<td>RISK LEVEL</td>
<td>ACTION AND TIMESCALE</td>
<td></td>
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<tr>
<td>TRIVIAL</td>
<td>No action is required and no documentary records need to be kept.</td>
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<tr>
<td>TOLERABLE</td>
<td>No additional controls are required. Consideration may be given to a more cost-effective solution or improvement that imposes no additional cost burden. Monitoring is required to ensure that the controls are maintained.</td>
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</tr>
<tr>
<td>MODERATE</td>
<td>Efforts should be made to reduce the risk, but the costs of prevention should be carefully measured and limited. Risk reduction measures should be implemented within a defined time period. Where the moderate risk is associated with extremely harmful consequences, further assessment may be necessary to establish more precisely the likelihood of harm as a basis for determining the need for improved control measures.</td>
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<td></td>
</tr>
<tr>
<td>SUBSTANTIAL</td>
<td>Work should not be started until the risk has been reduced. Considerable resources may have to be allocated to reduce the risk. Where the risk involves work in progress, urgent action should be taken.</td>
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</tr>
<tr>
<td>INTOLERABLE</td>
<td>Work should not be started or continued until the risk has been reduced. If it is not possible to reduce risk even with unlimited resources, work has to remain prohibited.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Risk Based Control
Controlling Risk

- **Risk Avoidance** – A conscious decision on the part of the organisation to avoid completely a particular risk
  - Discontinuing the operation producing the risk

- **Risk Retention** – The risk is retained in the organisation where any loss is financed by the company.
  - Risk retention with knowledge
  - Risk retention without knowledge
Controlling Risk

- **Risk Transfer** – The legal assignment of the costs of certain potential losses from one party to another.
  - Insurance.

- **Risk Reduction** – Risks systematically reduced through control measures
  - According to the hierarchy of risk control
Ever Changing Conditions

• Risk assessment should be seen as a continuing process.
• The sufficiency of control measures should be subject to continual review and revised if necessary