



WHAT IS RISK MANAGEMENT? WHY IS IT IMPORTANT TO YOU?

by: Cynthia Uptmore, Esq.

Risk management is inherent in every aspect of healthcare and is everyone's responsibility. It has been described as "the system designed to prevent and control patient injury, enhance quality, promote safety, and minimize the losses associated with medical malpractice claims."¹ In essence, risk management means continually identifying, assessing, and re-evaluating the processes and outcomes of care to identify where opportunities for improvement exist.

The overall goals in healthcare risk management is to minimize the risk of

- Harm to patients
- Liability exposure
- Financial Loss

Most organizations have a risk management program that addresses the strategies to prevent or minimize losses. Risk management programs consist of both proactive and reactive components. Proactive components include activities that prevent adverse occurrences (ex. losses) and reactive components are actions in response to adverse occurrences.

It is everyone's responsibility to prevent and control patient injury. The first step is proactive risk education. An educated patient can provide the first layer of defense against error. The Joint Commission, together with the Centers for Medicare and Medicaid Services, launched a national campaign to urge patients to take a role in preventing healthcare errors by becoming active with their care in a "Speak Up" campaign. Empowering patients to be proactive in their care by asking questions or concerns paying attention, educating themselves about their illness, and participating in decisions about their treatment.

The second layer of defense against error is proactive risk education to all employees. This means all employees, including housekeeping, CNA's, LVN's, RN's, physical therapy, dietary, etc. should understand their role in safe patient care and protecting the organization. Shared responsibility leads to shared ownership; if the buys into the concept of system wide goals, everyone becomes involved. The team approach to risk management will help achieve top performance and minimize risk.

¹ Risk Management Handbook for Health Care Organizations, The Essentials, Risk Management Metrics, pg. 155, Napier, Judieth & Trista Johnson.