



Healthcare

COVID-19: Achieving Recovery Through Risk Management

This resource serves as a reference for healthcare organizations seeking to evaluate risk exposures associated with COVID-19. The content is not intended to represent a comprehensive listing of all actions needed to address the subject matter, but rather is a means of initiating internal discussion and self-examination. Your organization and risks may be different from those addressed herein, and you may wish to modify the activities and questions noted herein to suit your individual organizational practice and patient needs. The information contained herein is not intended to establish any standard of care, or address the circumstances of any specific healthcare organization. It is not intended to serve as legal advice appropriate for any particular factual situations, or to provide an acknowledgement that any given factual situation is covered under any CNA insurance policy. The material presented is not intended to constitute a binding contract. These statements do not constitute a risk management directive from CNA. No organization or individual should act upon this information without appropriate professional advice, including advice of legal counsel, given after a thorough examination of the individual situation, encompassing a review of relevant facts, laws and regulations. CNA assumes no responsibility for the consequences of the use or nonuse of this information.

When does diligent attention to an unexpected pandemic end and recovery begin? Will we return to normal or what will the future hold? Healthcare organizations are seeking answers to these critical questions as they seek to meet today's challenges and consider how to move forward. A combination of medical advancements, enhanced testing and contact tracing capabilities, reduced transmission rates and diminution of regulatory requirements will permit organizations to pursue a gradual return to customary operations. As a result, healthcare organizations will be required to re-prioritize patient tests and procedures that were postponed due to the public health crisis. Risk managers will serve a critical role in the recovery process as they recognize that risk and uncertainty may lag behind the peak of the pandemic in a world where COVID-19 infections persist, and the pandemic may persist in future waves.

By closely monitoring subtle changes across the recovery landscape and applying principles of enterprise risk management (ERM) to response planning efforts, risk managers, through utilization of recognized technical resources and industry experts, are uniquely positioned to provide guidance on how to contain and control the ramifications of the novel virus. Simultaneously, they may develop and support techniques to effectively navigate this transition period. Effective ERM strategies and tactics enable hospitals and health systems to better serve their community of providers, patients and families. Such efforts will further serve to alleviate exposures associated with the outbreak, including risk of spread within the facility, economic repercussions resulting from cancelled or deferred patient services, and staffing challenges resulting from illness or psychosocial consequences, among others.

As the COVID-19 pandemic continues and new advances to managing the virus begin to emerge, risk managers will serve as change agents, assisting healthcare organizations in identifying opportunities for improvement and activating effective recovery plans. To help organizations in adapting for the future healthcare delivery models, this CNA resource highlights how risk managers may be able to facilitate upticks in coronavirus cases, as well as the post-pandemic recovery. It also outlines essential ERM action items in a convenient inventory tool.

The Role of Risk Managers

Risk managers are well suited to navigate recovery efforts, as their talents and professional insights permit them to provide support for implementation of various activities. Individual organizations should, of course, consider and evaluate the strategies noted herein and determine those that are appropriate to their environment of care, including consultation with retained professionals. The following activities are intended to assist in guiding this assessment:

- **Anticipate the timing of recovery**, and plan for post-crisis care delivery systems that will require modification according to the organization's experience in pandemic response efforts.
- **Evaluate an organization's risk posture**, using ERM strategies and tools designed to analyze risk tolerance and thresholds. By conveying these concepts to the organization through interactive engagement with staff, recovery teams can generate new ideas and solutions to mitigate threat of loss.
- **Review care systems and processes for failure potential**, proposing measures that enhance patient safety, improve quality of care and help to strengthen the defense of liability claims.
- **Analyze adverse risk factors from an enterprise-wide perspective**, helping delineate how deficiencies in systems and processes relate to changes in patient outcomes, staff/patient satisfaction levels and potential professional liability claims.
- **Recognize that human factors play a role in medical errors**, and apply techniques to effectively mitigate identified factors.
- **Provide input on policy and procedure updates, revisions and implementation plans while** reinforcing the importance of staff compliance with documentation practices.

- **Educate clinicians and other personnel, in concert with recognized health and safety professionals, about COVID-19 safety precautions**, including the avoidance of unsafe conditions that may perpetuate viral transmission.
- **Participate in employee assistance programs**, designed to help staff cope with patient death, family separation, work-life imbalances and unrelenting media scrutiny.
- **Manage patient and family expectations**, and address complaints of dissatisfaction in the face of rapidly changing regulatory guidance and clinical recommendations.

Applying the ERM Model

This resource is being presented to help hospitals and healthcare organizations identify and mitigate risks during the critical recovery period. The first step in assessing an organization's recovery potential is to measure its progress against recommended interventions in eight specific risk domains, as categorized by the American Society for Health Care Risk Management (www.ashrm.org).

Utilizing the techniques below, which may not be sufficient to address all potential risks, can help to identify recovery-related concerns and areas where organizational readiness for change may require improvement. Upon creation of an inventory of action items, convene work groups throughout the organization to review readiness and compliance levels.

Then, formulate an action plan using risk mapping techniques to proactively address deficits and avoid perpetuating problematic issues. For an in-depth discussion of ERM principles and strategies for implementation, see [CNA VantagePoint® "Making the Transition to Enterprise Risk Management."](#)

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The examples that follow do not represent a comprehensive listing of risk areas, but may be considered as part of your ERM framework and adapted to suit the specific needs of your organization.

1. Operational Risk

The following examples of operational risk relate to processes or systems associated with the delivery of care and business services:

- Routine debriefing sessions are scheduled with internal and external stakeholders in order to exchange information about real and potential risk issues. Based upon findings, enterprise risk maps and action plans are created to identify priorities, assign responsibilities to designated parties, and prepare realistic timelines.
- Root cause analyses (RCAs) are promptly conducted on pandemic-related clinical incidents and hazards, with remedial measures for risk improvement implementation. RCAs may include, for example, a review of human factors and their role in chain of command and systems failures. Organizational strengths revealed during the RCA process are reinforced at various organizational levels and functions.
- Leadership conducts purposeful walk-throughs of clinical and non-clinical units, in order to elicit a dialogue on key concerns and hazards, make environmental observations and provide insights into recovery initiatives. Checklists of operational exposures are consistently utilized to guide discussions during the walk-throughs, as well as capture data for the purpose of post-event analysis.
- Failure mode and effects analyses (FMEA) are completed in response to debriefings, risk mapping activities and data prioritization in order to identify new processes to be applied during the recovery phase.
- Pandemic-related adverse events and near-misses are tracked and trended, including investigative findings and action plans. The leadership team and governing body are provided with a risk analysis report, as well as a plan for addressing actual and potential loss trends within hospital operations.
- Staff is encouraged to report real and potential system issues and participate in creating realistic solutions that will contribute to the organization's recovery.

2. Clinical and Patient Safety Risk

The following examples relate to patient care delivery:

- The organization values risk management as a proactive educational resource and key component to the delivery of quality patient care, rather than a reactive function limited in scope to managing adverse events.
- The leadership team receives published clinical reports, health advisories, public health updates and regulatory requirement updates at regularly scheduled briefings and meetings. Leadership also receives recommendations for action plans that identify clinical functions requiring improvement, as well as the affected individuals and teams. When indicated, FMEA and risk mapping activities follow a briefing, with clinical findings and operational data guiding policy and procedure modifications, as well as educational offerings.
- Risk management data indicators are applied to multiple clinical functions in an effort to improve pandemic-related safety measures, such as modifying patient assessments, revising visitation policies, adjusting provider credentialing process and procedures, and streamlining surgery scheduling and discharge protocols, among others.
- Best practices for team communications are sustained during the recovery phase, and are encompassed in patient hand-off protocols and other policies.
- Clinical leaders, infectious disease specialists and risk managers continue to monitor the organization's infection control (IC) program. A comprehensive record of changes and updates to the program throughout the course of the pandemic is preserved and easily retrievable.
- Medical surge capabilities are reviewed to ensure that the organization has sufficient resources and infrastructure to care for subsequent waves of COVID-19 patients, an influx of patients who delayed their customary care, or those seeking elective procedures that were postponed during the pandemic.

- Concurrent and retrospective clinical record audits are conducted to verify that documentation aligns with current policies and procedures. Patient healthcare information records reflect the quality of clinical practices, ensuring that documentation is defensible in the event of potential litigation.
- Patient experiences, perceptions and satisfaction levels are analyzed and acted upon throughout the pandemic.
- Changes to policies, including visitor restrictions and scheduling limitations, can be linked to changes in public health regulations or recommendations.
- Key talking points are reviewed with staff for use in patient/family discussions, and care plans address patient and family concerns.

3. Strategic Risk

The following examples relate to the organization's mission and objectives:

- Multi-disciplinary discussion groups are scheduled to enable participants to actively exchange ideas and listen to attitudes regarding change, while focusing on personal feelings and beliefs, coping and grieving mechanisms, lessons learned from the pandemic, and techniques to influence positive change in life, the community and workplace.
 - Brainstorming sessions are conducted throughout the organization to highlight achievements made during the pandemic, including recognition of changes implemented that are both beneficial and sustainable.
 - Pandemic-related feedback from patients, consumers and market sectors is used by risk managers, among other engaged stakeholders, to respond to and resolve incidents, revise policies, monitor processes, create new systems and/or strengthen the overall organization.
- Evaluation of the organization's performance by an interdisciplinary leadership team is conducted with the following focus areas:
 - Address the mission statement for its strategic focus and level of proficiency during the pandemic.
 - Test the readiness and resilience of the organization to external threats.
 - Highlight areas where potential modifications or new service opportunities can benefit and differentiate the organization beyond the recovery phase.
 - Examine how champions, leaders and mentors, as well as mentees and followers, can progressively move toward continued quality and performance improvement.
 - Identify human and physical resource needs for during the pandemic, as well as the immediate recovery period.
 - Plans to establish or enhance population health strategies are based upon identified community health needs, available partnerships with outside entities, and the ability of vendors and health agencies to fulfill identified patient needs in the areas of behavioral health, domestic violence prevention, addiction and other areas adversely affected by the pandemic.
 - Risk management input is regularly sought to ensure that marketing and media releases reflect accurate and up-to-date communications regarding COVID-19, including website postings, blogs, public advisories, current service offerings and limitations, patient educational resources and contact information listings.

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4. Financial Risk

The following examples relate to the organization's financial health and the costs associated with risk:

- Resource demands and supply chains are regularly evaluated during the pandemic and recovery period for these factors, among others: quantity needs, inventory deficiencies, order surpluses, product quality, vendor sources, contract protections, delivery provisions and pricing considerations. Budgetary plans for supply expenditures are reviewed and revised on an ongoing basis, when indicated.
- Vendor relationships and service contracts are re-evaluated for adequacy and safeguards, while seeking to identify alternate vendors in the event of service- or supply-related deficiencies.
- Billing and collection policies regarding management of delinquent accounts are evaluated for necessary revisions and exceptions due to financial hardships experienced by patients and vendors during the pandemic. Decisions to collect on delinquent patient accounts are reviewed by risk management to confirm that the underlying care did not involve adverse clinical outcomes or patient/customer dissatisfaction.
- Financial stability of business partners is verified, including the adequacy of insurance coverage, during and subsequent to the pandemic.
- The insurance program is reviewed by risk management, senior leadership, the governing body and insurance partners, in order to evaluate adequacy of coverage.
- Professional liability claim activity is monitored for potential pandemic-related surges, and adjustments made, as needed, in claim handling practices, with consultation and input of legal counsel.

5. Human Capital Risk

The following examples, among others to be considered pursuant to the needs of your organization, relate to staff, providers and administrators:

- Staff members are supported, both professionally and emotionally, through a readily-available counseling network, identifying resources that address recovery-related topics – including organizational debriefing data, elements of change theory, and anecdotes of moral distress and moral courage.
- Mandatory and ongoing enterprise-wide education and training sessions are conducted focusing on a variety of topics, including new clinical protocols, identified learning gaps, team-based communication techniques, proper supply/equipment use/reuse guidelines, and the implications of COVID-19 on patient safety, quality improvement, risk management and clinical documentation.
- Staff schedules and assignments are evaluated on a regular basis, with adjustments made to minimize the risk of fatigue, professional burn-out and medical errors.
- Staff members are retrained on social media and HIPAA policies, emphasizing the importance of complying with privacy and confidentiality requirements.

6. Legal/Regulatory Risk

The following examples, which should be reviewed and analyzed with guidance of your legal counsel, relate to legal and regulatory mandates and obligations:

- Administrative briefings involve risk management representatives and legal counsel, including guidance on relevant municipal, state and federal laws and regulations.
- Legal review of standard contract provisions is conducted, with revisions and/or updates, as appropriate, through consultation with legal counsel.
- Communicable disease cases are reported to the appropriate health authorities in a diligent and ongoing manner. Documentation of follow-up actions is maintained.
- Patients are queried on the status of personal advance directives, with actions taken to increase the rate of compliance within the patient population.

7. Technology Risk

The following examples relate to technological devices, equipment and tools, which require consultation with retained technological professionals:

- Electronic health record formats are evaluated for their adequacy in capturing documentation of infection control measures, among other documentation parameters, with vendor involvement in the revision process, as necessary.
- Published guidelines from healthcare agencies regarding COVID-19 screening and testing procedures for patients, visitors and staff are regularly reviewed and incorporated into the policy/program development and the decision-making process.
- Equipment calibration and preventive maintenance programs utilized during the pandemic are effective to ensure precision and accuracy of equipment. In the event that deficits are noted, improvements are immediately implemented.
- Technology platforms, including telehealth and patient portals, are evaluated for efficiency and confidentiality. Process analysis is ongoing to facilitate technology advances as needed.

8. Environmental Hazard Risk

The following examples of hazard risk relate to business assets and facility management, and could be considered in working with recognized experts in this area:

- Cleaning, disinfection and sterilization programs reflect current recommendations for healthcare facilities and are updated to reflect changing guidance.
- Leadership team receives regular reports regarding the efficacy and safety of disinfection and sterilization procedures.
- Preventive equipment maintenance is conducted per manufacturer recommendation and organizational policy, with documentation maintained.
- An adequate inventory of supplies, equipment and personal protective equipment is maintained throughout the COVID-19 pandemic. Established protocols are in place to address equipment or supply deficiencies or rationing requirements.

Throughout the COVID-19 pandemic, it is important for healthcare organizations to remember that crisis conditions can reveal new opportunities and solutions that may not have been previously evident. The ERM process provides a framework for organizations to evaluate pandemic-related performance, address emerging risk exposures and move forward in a strategic and focused manner consistent with an individual organization's mission and goals. Under the guidance of professional risk managers, the action items discussed within this document can help facilities emerge from the pandemic experience as stronger and more efficient organizations.

During this uniquely challenging time, CNA Healthcare stands ready to assist our customers in helping to address current and evolving demands and mitigate risk exposures.

For more information, please call us at 866-262-0540 or visit www.cna.com/healthcare.