

RISK MANAGEMENT ESSENTIALS-Drug and Alcohol Edition

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Risk Management drives most, if not all, aspects of your organization. Whether conducting a cost analysis for a possible new program, providing case management for seriously and persistently mental ill consumers, working with a public funding source for determining next year's budget, counseling behind closed doors, transporting customers/consumers, lifting and transferring consumers, hiring and supervising employees, or being in the business of residential care (to name a few) there is a tolerance for risk that must be factored into your every day decisions.

Risk Management has become a buzzword to describe activities that should be both proactive and reactive to the probability or actual occurrence of a specific desired outcome, which is to minimize the probability of a bad business decision or adverse incident occurring. Organizations should take the time to analyze their business, determine practices that are high risk, plan for dealing with high risk items/high impact items that may occur with an above average probability, and follow-through with and monitor the plan. True accidents are not incidental to the business of health and human services. Organizations should be able to understand that an accident occurs only when factors are truly uncontrollable, not as a matter of course.

For example a high risk/high impact issue is the assessment of dangerousness that occurs every time a consumer leaves your place of business. You must trust your clinical staff to determine and then document whether or not a particular consumer that has just received services at your place of business or in their home or community (case management, mobile services crisis or not) can safely maintain themselves in that environment. Sure it's a subjective decision based on professional skills and knowledge of the consumer. But the decision is based on the employee's competence, which you should have determined to be adequate in order to render the clinical decision about dangerousness and the proper safe and appropriate action to take. Or consider your response to the intoxicated person that is denied their recovery session, leaves angry and operates a motor vehicle. You have liability established by practice standards and case law to protect the welfare of the consumer and the community within which you practice.

Now, add the concept of insurability to your risk management protocols. Insurability is a term relating to your competitive attractiveness to the insurance industry. Look again at the previous example and consider that something happens; i.e., a consumer harms themselves or someone else, an intoxicated consumer just leaving your place of business drives a motor vehicle into another car or hits a pedestrian, or someone you thought was physically stable and in recovery has a seizure and comes to harm and you are sued. You obviously put in a claim. Your insurance carrier realizes that no matter how skilled and competent the employee this does and will occur-you're covered. Insurability asks whether or not your corporate culture makes efforts to understand the incident or loss that you have done your own internal investigation and have taken action based on the conclusions of that investigation, and you have done or are doing something to avoid similar losses in the future. Should similar losses occur, perhaps the wrong conclusions and therefore actions have taken place and you'll need to revisit the process just described a second (or more) time. You must believe that these losses are not just a part of doing business, but that action must be taken.

Part of that action is to ask for help with best practices, to look for trends, to have expert advice available to you. And we at AFC are here to provide that assistance.

We want to hear from you. Please direct questions to Brian M. Block, AFC Insurance through Margie Wicks, Communications Coordinator, margie.wicks@afcins.com or 610-814-2191.