

PLURAL HEALTHCARE RISK MANAGEMENT PLAN 2023

SCOPE

Plural Healthcare's risk management plan assesses and mitigates potential risk factors to our services, staff, stakeholders, and persons served.

This plan addresses the following of Standard 1G1:

- Identification of loss exposures
- Analysis of loss exposures
- Implementation of actions to reduce risk
- Monitoring of actions to reduce risk
- Reporting results of actions taken to reduce risk
- Inclusion of risk reduction in performance improvement activities
- Reviewed at least annually for relevance
- Will be updated as needed throughout the year

The CEO, or designee, is responsible for ensuring that an annual risk management assessment is conducted. The findings of this assessment are to be reported to the organization's leadership and used to guide decision-making for the organization.

Results of the risk assessment plan will be:

1. Provided to the organization's leadership and
2. Incorporated into and clearly documented as part of program planning efforts, performance improvement activities, strategic planning, community advocacy efforts and financial and resource planning efforts.

AREAS OF RISK

The risk assessment plan will include plans for 4 major focus areas:

1. People (Persons Served, Staff, Referral Sources)
2. Work Environment
3. Finances & Assets
4. Organization and Staff

CURRENT ASSESSMENT

This risk management assessment is conducted in accordance with CARF's accreditation standards pertaining to risk management. The intent is to develop a thorough approach to understanding the level of both current and future risks to help identify, analyze, and resolve those risks. Implementation and monitoring of actions to reduce risk is documented.

The areas of risk were rated as follows:

1. Low Risk
2. Moderate Risk
3. High Risk

Risk Level	Action Required	Possible Examples
Low Risk	<ul style="list-style-type: none"> ● Monitor risks (no immediate harm or significant impact) ● Manage using routine procedures within organization ● Notify staff and/or stakeholders as needed through monthly/quarterly meetings 	<ul style="list-style-type: none"> ● Low impact such as change in referral source ● Change in service staff
Moderate Risk	<ul style="list-style-type: none"> ● Management mitigation expected and ongoing monitoring required ● Inform leadership ● Notify staff and/or stakeholders as appropriate in official statement approved by leadership 	<ul style="list-style-type: none"> ● Serious harm or injury ● Damaging litigation ● Loss of referral source ● Loss of marketing channel ● Payor contract suspension
High Risk	<ul style="list-style-type: none"> ● Immediate action required ● Inform leadership ● Notify staff and/or stakeholders as appropriate in official statement approved by organization leadership 	<ul style="list-style-type: none"> ● Loss of life ● Loss of reputation ● Legal actions against organization, leadership or staff ● Payor contract termination

RISK MANAGEMENT ANALYSIS

FOCUS AREA: PEOPLE	
Area of Risk: Persons Served	
Risk Assessed	Plural Healthcare maintains payor contracts that fund the organization’s services. Clients have specific benefits with their insurance plan that determines in what capacity services will be paid for. Under certain plans, a client may have a deductible, coinsurance or copay that results in an out-of-pocket cost for them. This potential cost can create a service barrier if a client doesn’t have the personal funds to cover their respective out-of-pocket costs.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare will continue to evaluate each client’s insurance benefits and discuss with client before admission to the intensive outpatient program. They will be provided with a Financial Agreement that explains their benefits and estimated out-of-pocket costs. This process will help determine the service barrier risk for each client.
Action Plan	Plural Healthcare will continue to utilize sliding scale fees when a client is at risk of a financial service barrier. These fees will result in a Financial Hardship Agreement between the client and Plural Healthcare, and will be conducted in a way that is in accordance with Plural Healthcare’s payor contract agreements.
Status	Leadership will evaluate potential at-risk clients upon each intake and at least annually to discuss any additional actions or revisions of the process.
Area of Risk: Staff	
Risk Assessed	Plural Healthcare maintains adequate staff to meet current IOP needs without interruption of services. Because Plural Healthcare is a small organization, a staffing gap could occur if a staff member is suddenly out sick, becomes injured, or needs to take a leave from work.
Risk Rating	Moderate Risk
Management of Risk	Plural Healthcare leadership will continue to be attentive to such staff needs as they arise and ensure their duties are covered should they need to be absent from work. This will help eliminate a potential staffing gap and interruption of services.
Action Plan	Each staff member will have a designated “backup staff member” who will cover their duties while they are absent. All licensed staff members must have a staff member of an equivalent license as their “backup staff member”. Plural Healthcare’s staff will also undergo CPI/Mandt training at least annually to ensure personnel are safeguarded from workplace violence, which can result in injury.

Status	Leadership will assess risks regarding Plural Healthcare’s staff at least annually and when additional staff are added to determine if further actions are needed to mitigate such risk.
Area of Risk: Referral Source	
Risk Assessed	Most referrals to Plural Healthcare come from Employee Assistance Programs. Should a client have an unfavorable experience while in the care of Plural Healthcare, either at the fault of the organization or not, a client can give a poor report to the referral source.
Risk Rating	Moderate Risk
Management of Risk	This risk was rated as “moderate” due to its potential to decrease Plural Healthcare’s referral volume and significantly impact revenue. Aside from making every effort possible so that every client has a good experience under the care of Plural Healthcare, leadership and staff must also maintain close networking with referral sources to ensure a solid working relationship.
Action Plan	Plural Healthcare will initiate monthly correspondence to EAP referral sources either by phone, video conference or face-to-face. Plural Healthcare will send informational materials to referral EAP referral sources on a regular basis. Plural Healthcare will monitor client satisfaction data at least quarterly to determine areas for improvement and review community referral survey data to help determine organizational performance.
Status	Plural Healthcare has mailed informational materials/brochures to General Motors EAP in January 2023 and had phone a phone conference with them to assess their needs. Plural Healthcare will continue correspondence with each respective referral source each month and send materials as needed.

FOCUS AREA: ENVIRONMENT

Area of Risk: Building Access

Risk Assessed	Reasonable security measures are provided at the building where Plural Healthcare is located. Staff members are trained in appropriate security measures to ensure all facilities remain safe and secure. However, the management team has identified some weakness in building security as follows: The building has 2 unlocked public entrances; one located at the rear of the building and is difficult to monitor.
Risk Rating	Low Risk
Management of Risk	The entrance of Plural Healthcare’s office suite will continue to be monitored by staff to ensure only clients and those who conduct business with Plural Healthcare are to be granted access. Leadership will also frequently monitor the rear building entrance.

Action Plan	Leadership has determined that this risk area is low. Only staff members of building tenants have been witnessed entering and exiting this entrance, and this entrance is not widely known. Plural Healthcare's clients are instructed to use the main entrance and designated smoking areas outside the main entrance, if applicable.
Status	Leadership will reassess this risk annually and take action if it is determined that the risk has increased and/or become problematic.

Area of Risk: Office Space Adequacy

Risk Assessed	Plural Healthcare has evaluated the adequacy of our current office space to meet the needs of our clients.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare is currently utilizing approximately 3,800 square feet of space within a commercial office building to provide services to our clients. The space provides multiple rooms for group therapy, clinical offices for assessment, consultation and treatment plan review, administrative offices to perform business functions, and a locked data room to ensure client privacy. The space provides an accessible restroom within the suite and public restrooms within reasonable walking distance within the building common area.
Action Plan	Although leadership has determined that the space is adequate to meet the needs of persons served, leadership will reassess the space to determine areas of improvement.
Status	Leadership will reassess this risk annually and take action if it is determined that the risk has increased and/or become problematic.

Area of Risk: Infectious Disease

Risk Assessed	Plural Healthcare has analyzed our overall ability to keep our offices clean, sanitary, and minimizing infection disease.
Risk Rating	Moderate Risk
Management of Risk	The building management company employs a cleaning service to thoroughly clean and disinfect all offices and bathrooms within the building at least twice per week. In addition, Plural Healthcare maintains appropriate cleaning, disinfecting, and sanitizing supplies on the premises. Surfaces and chairs, including group therapy chairs are cleaned by the staff with cleaning supplies at least once per week.
Action Plan	Plural Healthcare will continue to stock enough supplies and maintain its cleaning policies to maintain a safe and secure environment for staff and persons served.

Status	Leadership will monitor cleaning supply volume and cleanliness of surfaces quarterly to ensure this need is met and the risk is minimized.
FOCUS AREA: FINANCES & ASSETS	
Area of Risk: Fraud and Waste	
Risk Assessed	Plural Healthcare has determined how to be effective in preventing fraud, waste, and abuse by identifying weaknesses and determining changes that need to be made.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare has strong, frequent reporting systems that provide leadership with sound data to make ethical and accurate decisions.
Action Plan	At the beginning of each month, leadership is provided with a “Service Utilization Report” showing how many IOP visits each client has utilized up to that point of their stay in the program. Chart audits are conducted monthly to ensure accuracy that a visit was always performed for each billed service.
Status	Leadership generates reports monthly and reviews quarterly to ensure services are being utilized properly and that billing matches up with services provided.
Area of Risk: Loss of Service Contracts	
Risk Assessed	Plural Healthcare currently maintains contracts with insurance payors that comprise the majority of our services.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare has successfully maintained contracts with payors. We evaluate this risk as low. If contracts were lost for any reason, it would be detrimental to our ability to maintain our business.
Action Plan	Plural Healthcare leadership will review our respective insurance contracts at least annually. Leadership will also remain in constant communication with our billing vendor to ensure contractual obligations of payors are being adhered to.
Status	Plural Healthcare continues to maintain contracts successfully.
Area of Risk: Contracted Psychiatric Provider	
Risk Assessed	Plural Healthcare currently maintains a contract with a psychiatrist practice (MLT Holdings) to provide one-on-one initial psychiatric evaluations for clients of IOP and as-needed follow-up visits during the client’s duration in the program.
Risk Rating	Low Risk

Management of Risk	Plural Healthcare has successfully maintained a good working relationship with MLT Holdings and its principal psychiatrist, Dr. Meredith Throop, to ensure clients receive quality psychiatric care that is congruent with services offered in the IOP.
Action Plan	Clinical Director will continue to review psychiatric visit notes from Dr. Throop, maintain communication with Dr. Throop regarding client care, and obtain feedback from clients on their experience with receiving care from Dr. Throop.
Status	Plural Healthcare continues to maintain contracts successfully.

Area of Risk: Rising Expenses/Inflation

Risk Assessed	Plural Healthcare needs to purchase goods and services from various vendors to perform business functions and serve persons. Leadership has reviewed the potential risk of rising goods and services due to widespread inflation and how it affects the organization.
Risk Rating	Moderate Risk
Management of Risk	Plural Healthcare maintains a budget in accordance with Standards in Section F that is reviewed by leadership at least once per month. Comparisons are made between the expected budget and actual outcome for the month. This allows leadership to make sound financial decisions for each respective following month.
Action Plan	Plural Healthcare will review the budget each month and determine if action is to be taken to further mitigate financial risk due to rising expenses.
Status	Plural Healthcare has applied for an SBA loan of \$250,000 as a layer of extra financial protection and working capital to ensure services continue uninterrupted and Plural Healthcare can meet its financial goals.

FOCUS AREA: ORGANIZATION & STAFF

Area of Risk: Technology

Risk Identified	Plural Healthcare has identified risk areas when it comes to the organization's data – specific to stored client and staff data.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare has adopted a technology policy and plan in accordance with Standards in Section J to ensure risk areas are identified and mitigated.
Action Plan	Leadership reviews the technology plan at least annually and takes action toward improvement as identified.
Status	Plural Healthcare will continue to maintain and improve the technology plan as new technology needs arise.

Area of Risk: Insurance Coverage

Risk Identified	Plural Healthcare has reviewed the organization's liability insurance coverage to protect the organization's assets and protect the organization's personnel in the case of an undesired event.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare maintains the following insurance coverage: <ul style="list-style-type: none"> ● <u>Professional Liability Coverage</u> \$1,000,000 per claim/\$1,000,000 aggregate ● <u>Business Owner's Policy (Property Coverage)</u> \$2,000,000 per claim/\$4,000,000 aggregate ● <u>Worker's compensation insurance</u> \$75,000; to be increased as more staff hired ● <u>Umbrella Liability Policy</u> (\$5,000,000 per claim/\$5,000,000 aggregate) ● <u>Provider Malpractice Insurance</u> Maintained by individual clinical providers. Leadership maintains a copy of each policy on file.
Action Plan	Plural Healthcare continues to monitor insurance requirements and renews the required policies annually when it's time to renew before they expire on February 1 st of each year.
Status	Plural Healthcare currently maintains insurance coverage and renews its policies each year.
Area of Risk: Accreditation	
Risk Identified	Plural Healthcare has worked toward meeting CARF standards to pursue a 3-year accreditation and analyzed the potential future risk of loss of accreditation.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare leadership monitors CARF requirements quarterly and more often depending on the area of standard.
Action Plan	Plural Healthcare leadership will continue to facilitate quarterly meetings to review the status or agency's ability to meet CARF standards.
Status	Plural Healthcare has maintained its standards successfully.
Area of Risk: Media and Social Media	
Risk Identified	Plural Healthcare has identified risks associated with both how the organization interacts with the media and how staff's use of social media can affect the organization's reputation.
Risk Rating	Low Risk
Management of Risk	Plural Healthcare leadership has policies in place for both media relations and social media, which staff members are trained on upon hire.

Action Plan	Plural Healthcare leadership will continue to train staff on these policies at least annually and will report and discuss any events related to these policies on the quarterly leadership meeting.
Status	Plural Healthcare has maintained these policies effectively.