



PARTNERING TO CREATE THE SAFEST HEALTHCARE SYSTEM





West Elgin Community Health Centre

James Penafiel, Underwriting Supervisor

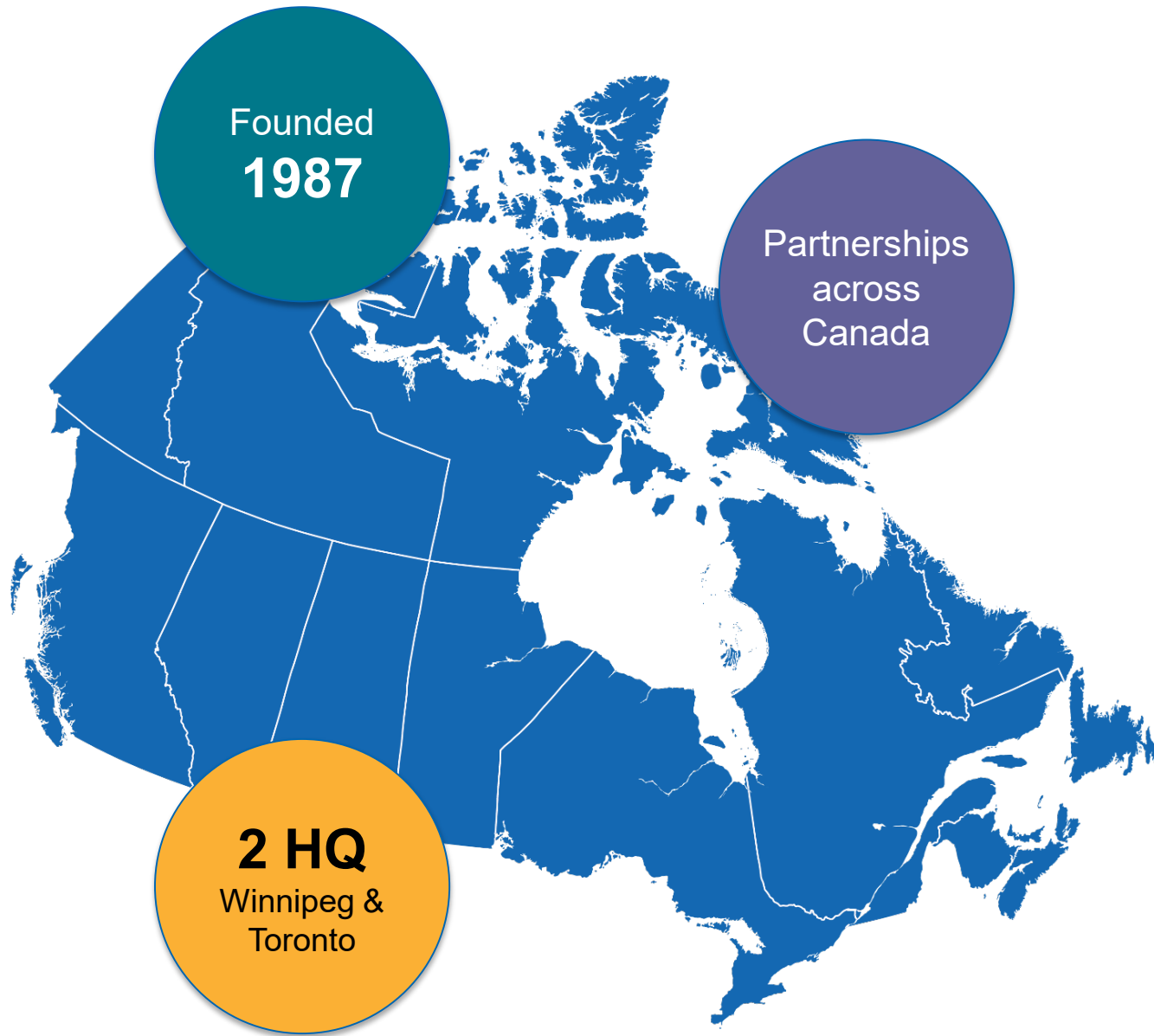
PARTNERING TO CREATE THE SAFEST HEALTHCARE SYSTEM



- About HIROC
- The HIROC Policy including:
 - List of Coverages
 - Policy Highlights
 - Cyber Insurance
- Directors' and Officers' Liability Insurance
- HIROC Brokerage Policies
- Additional Resources

About HIROC





- Canada's leading provider of healthcare liability insurance
- Not-for-profit
- Insure over 700 Subscribers
- Subscribers include CHCs, FHTs, Hospitals, Long-Term Care and others

HIROC supports healthcare



- Governed by our Subscribers
- Comprehensive one-stop shopping (Reciprocal and Brokerage)
- Focus on customer service and patient safety
- An ethical approach to claims management that is effective and cost-efficient
- Complimentary access to healthcare risk management advisory services and tools, including IRM and Risk Register software
- Over \$200 million surplus distributed

THE HIROC POLICY



WHAT HIROC COVERS

“To pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as damages...”

The HIROC Policy Includes:



- A Bodily Injury (incl. Personal Injury)
- A1 Advertising Injury Liability
- B Third Party Property Damage
- B1 Tenant's Legal Liability
- C Healthcare Professional Liability
- C1 Blood Transfusion Legal Liability
- D Contingent Employers' Liability
- E Employee Benefits Liability
- F Errors & Omissions/Directors' & Officers' Liability
- G Environmental Impairment Liability
- H Non-Owned Automobile Insurance
- I Crime Insurance
- J Property Insurance (optional)



Who is Insured?



- Named Insured
- Associated and affiliated foundations
- Employees and volunteers, while working for and on behalf of the Insured
- Boards and committees (including their members)
- Students, while under the instruction, supervision, or direction of the Insured
- Physicians, dentists, interns, residents, and midwives who perform administrative duties for the Insured

Highlights of the Policy



- \$10 million limit any one occurrence for liability coverages
- No annual aggregates (except for audit fees and cyber expenses)
- No deductibles on the liability and crime policy
- Unlimited legal and defence costs (in addition to the limits)



Highlights of the Policy - Cyber



- Protects you for liability due to the misappropriation or loss of data
- Will pay for the following expenses:
 - Legal and associated costs to notify patients and others of PHI breaches
 - Legal fees incurred to appear before commissions, hearings or tribunals
 - Coverage for the costs of regulatory fines and penalties
 - Reimbursement for cyber extortion demands (i.e.ransomware)

Sub-Limits apply to the above

Major Policy Exclusions - Liability



- Intentional acts
- Fraudulent, dishonest, criminal or malicious acts (except if an insured had no knowledge or were not a party to such act)
- Penalties and fines imposed by law (except fines by the privacy commissioner)
- Costs to attend inquests or hearings



Directors' and Officers' Liability Insurance



Coverage F – Directors' and Officers' Liability



- Insurance coverage judgments, settlements arising from allegations as well as costs of defending such allegations, whether groundless or not.
- Coverage is meant to protect the personal assets of the individual, as well as the organization.
- Simpler, more comprehensive wording



Who is Insured under Coverage F



- Directors
- Officers
- Trustees
- Members of boards and committees
- Officers and board members of volunteer and auxiliary organizations
- Employees

All while they are acting within the scope of their duties

Other D&O Policies



- More restrictive terms (i.e. restricts who the policy insures, more exclusions);
- Generally require a “priority of payments” as legal costs erode the limits of insurance (i.e. less money available to pay for claims);
- Generally better suited to for-profit or share capital entities.



Possible Grounds for D&O Claims



- Wrongful dismissals
- Discrimination issues
- Enforcement of government regulations
- Breach of fiduciary duties
- Providing improper advice
- Uncollected withholding taxes



Brokerage Policies



- Travel Accident/Occupational Accident Insurance (with AIG)
- The HIROC Brokerage can also provide insurance for the following:
 - Property
 - Boiler & Machinery
 - Automobile



QUESTIONS?

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Additional Resources

HIROC Tools and Resources



Risk Reference Sheets

IRM Risk Register

Risk Profiles

Risk Notes

Risk Resource Guides

Risk Watch

HIROC Webinars



HIROC Tools and Resources Working Together to Advance Patient Safety and Risk Management

HIROC RISK REFERENCE SHEETS (RRS) - Connected with the Risk Assessment Checklists program, our Risk Reference Sheets, HIROC developed a list of top risks based on claims data. For each of the top risks a Risk Reference Sheet was developed including a description of HIROC claims data findings, case examples, and important and actionable mitigation strategies.

HIROC RISK NOTES - Concise documents providing need to know risk management information about the healthcare environment.

HIROC RISK CASE STUDIES - Detailed case studies on topics extracted from HIROC's extensive claims database.

HIROC RISK RESOURCE GUIDES - Comprehensive guides on subjects such as critical incidents, integrated risk management, responding to complaints and concerns, documentation and cyber risk management.

HIROC RISK PROFILES - Connected with HIROC's Integrated Risk Management (IRM) Risk Register program are Risk Profiles. Risk Profiles contain information generated from knowledge entered by HIROC. Subscribers in the Risk Register application with the aim of sharing best practices and knowledge amongst healthcare organizations.

HIROC RISK WATCH - Monthly round-up of peer-reviewed articles, best practices and related literature.

JOINT REPORTS AND STATEMENTS WITH PARTNER ORGANIZATIONS

PROFESSIONAL DEVELOPMENT - Monthly webinars, and annual HIROC conference.

Tools and resources are identified by category and topic and list an example of a strategic priority. Categories include:

Care	Human Resources	Leadership	Information Management/Technology	Financial and Insurance
Regulatory	Facilities	External Relations	Risk Management Operations	Risk and Safety Theory

RESPONDING TO COMPLAINTS & CONCERNS:

A Letter Writing Guide for Healthcare Providers and Administrators

RISK REFERENCE SHEET

Failure to Appreciate Status Changes/Deteriorating Patients

Sector: Acute Care (Maternity/Newborn)

The positive impact of early identification and management of patient deterioration on clinical outcomes is well documented. Catastrophic events such as cardiopulmonary arrest are often preceded by periods of physiological deterioration that is evident to vital signs preceding the event, such as heart rate, blood pressure, and respiratory rate. Family members will often identify changes in the patient's appearance and level of awareness, as well as the patient's restlessness and agitation. Deterioration may not be recognized or acted upon by healthcare providers (HCP) resulting in preventable patient safety incidents. Monitoring, observation, family consultation and communication are key to managing this risk.

COMMON CLAIM THEMES

- Failure to adequately assess the patient.
- Failure to interpret and/or recognizing deteriorating signs and symptoms.
- Failure to fully and accurately document vital signs, response to medications and observed deteriorating patient.
- Failure to adjust monitoring frequency with deteriorating patient.
- Failure to act upon patient/family concerns or complaints about deteriorating patient.
- Failure to follow up consultation/observers about deteriorating patient status later disclosed by next responsible practitioner (NRP).
- Failure to promptly communicate and document deteriorating patient status to NRP.

CASE STUDY 1

A young male was admitted to hospital for cardiac ablation surgery. Following the procedure, the patient experienced chest burning (as commonly described occurrences, restlessness, vomiting and hyperreflexia). Throughout the evening and night, multiple vital signs being entered by the physician when contacted, the haemodynamic instability continued and the patient became increasingly agitated. Concern expressed by family was not acted upon nor was the physician contacted again. Towards early morning the patient suffered a full cardiac arrest. An echocardiogram demonstrated a large pericardial effusion which was drained. The patient was transferred to the Intensive Care unit where he died.

CASE STUDY 2

During the hospitalization of a patient with a large body mass index for a cardiac event, a pericardial effusion/gastroesophageal reflux feeding tube was inserted for nutritional support. Unfortunately, the procedure was complicated by displacement of the PEG feeding tube from the stomach and back entered the chest cavity only over several days resulting in septic shock and sustained until the patient died after remaining in a coma for several months. Case review identified knowledge gaps in monitoring the PEG feeding tube placement by nurses and physicians.

Canadian Case Examples

RISK PROFILES

HUMAN RESOURCES – WORKPLACE VIOLENCE/DISRUPTIVE BEHAVIOUR

Short Description

Violence against staff by patients, families, or other staff members can result in significant physical and/or psychological harm. Violence results from behavioural disturbances (e.g. agitation, stress or illness (e.g. psychosis, dementia, personality disorders, mood, head injury).

Ranking/rating*

- Lowest - average score 3.2
- Highest - average score 3.8

Key Controls

- Pre-employment screening
 - Identify team or parts (including mobile teams) in high risk areas
 - Identify risks and control areas
 - Safe rooms
 - Security staff in the emergency department
 - Locked and monitored building access
 - Controlled access to high risk areas
 - Staff patient consent (e.g. a signed form) to identify potential to the housing location
- Key priority/patient/program
 - Identify all vulnerable areas (including care locations of safety and physically abusive behaviour (suicidal))
 - Clear of alcohol
 - Least restrictive/separation policy
 - Clear three and one hour response
 - Standardized risk assessments, identification, incident reporting, information system gaps and safety plans for patients at risk of violent behaviour
 - Clear response (risk and being (including testing of alarms))
- Education/training
 - Mandatory universal violence prevention, early recognition, and response/escalation training
 - Education of staff, volunteers, students and physicians in educational/training
 - Nonviolent crisis intervention/verbal de-escalation approach training
 - Crisis communication training
- Monitoring
 - Incident/serious reports and reviews
 - Incidents identified as high risk for violence (rate)
 - Education/training status (N completed)
 - Security reports
 - Occupational health and safety reports
 - Staff time
 - Staff concerns and complaints

RISK NOTES

Risk – Concepts and Misconceptions

OVERVIEW OF ISSUE

Effective risk management requires a thorough understanding of the concepts and misconceptions.

Refer to related Risk Notes: Risk Identification, Risk Assessment, Risk Management and Risk Mitigation.

NEW POINTS

Risks are a function of likelihood and impact. Clinical risks result from the disease process, treatment and medical decision making.

The most important and strategic risks in healthcare are those that could result in harm to patients.

DEFINITION OF RISK

Risk is defined as the possibility of loss or injury (Merriam-Webster, 2017).

The terms risk and hazard are not interchangeable. A hazard is a source of potential damage or harm (e.g. water on the floor), while a risk is the potential that harm will occur if exposure to the hazard occurs (i.e. HIROC 161).

TWO COMPONENTS OF RISK – LIKELIHOOD AND IMPACT

Risks are understood in terms of the (1) likelihood or probability of an event occurring and (2) extent or consequences of the event should it occur. There are two multiple causes that influence likelihood and multiple types of impact.

The most significant types of impacts in healthcare are patient harm, staff harm, loss of resources/clients, service interruptions or closures, regulatory non-compliance, and reputational harm.

Probability is determined as either frequency of occurrence (e.g. once/month, once/year) or possibility of failure (e.g. 1% failure in defined time period, such as for emergency projects (PMB, 2008)).

Patient care risks

Understanding and measuring the risk that harm to patients is made more complex given the intensity of disease process risks, treatment risks, and medical decision making/therapeutic risks (Merriam, 2016).

Risks related to disease making medical decisions include events that shouldn't happen that do (misdiagnosis) and events that should happen that don't (omissions).

LIKELIHOOD vs RISK vs IMPACT

RISK WATCH

February 2019

Selected research, publications, and resources to provide evidence-informed risk management in Canadian healthcare organizations. Prepared by Healthcare Risk Management staff at the Healthcare Insurance Reciprocal of Canada (HIROC). This will be an open link to indicate that publication is open access. For all other a subscription to these access is required (linkers at your organization may be able to assist you. Please contact info@hiroc.com for assistance if required).

HOT OFF THE PRESS

PATIENT ENGAGEMENT

Supporting patient and family engagement for healthcare improvement reflections.
By: Management Canada, Environment, In, and Canadian, Health, and Wellbeing
 Patient C, Bower G, Lutz M, et al. *Healthcare* 2018 (December);12(12):121. Article available at the Canadian Foundation for Healthcare Improvement (CFHI) website supporting Case Healthcare organizations in engaging patient and families, and of the work CFHI has conducted for accelerating healthcare improvement, a quality improvement and system redesign. Learning collaboratives included 15 teams from eight provinces and one territory. A number of engagement models were developed, allowing us organizations that use included engagement through three phases: 1. testing and preparing patient families, 2. training staff for engagement, 3. ensuring sustainable support of engagement activities. Authors explore each phase and provide 12 insights from healthcare providers and staff, and 10 lessons learned from patient and family advisors.

ANTIMICROBIAL STEWARDSHIP/LONG TERM CARE

Educational intervention to reduce treatment of antimicrobials, bacteriologic.
By: Long Term Care
 Lee C, Phillips G, Vazirani J. *BMJ Open* 2018 (online, December); 12. Quality improvement project across long-term care (LTC) facilities in Canada over a 12-month period to reduce inappropriate antibiotic treatment of LTC residents with asymptomatic bacteriuria (ASB). An educational intervention incorporating feedback change newsletters, including feedback and monitoring, sharing meaningful success stories, and comparison of behavior, was implemented. Clinical staff attended a 15-minute session to review the evidence around ASB treatment guidelines, asymptomatic bacteriuria, and diagnostic tests to ensure trial objectives, supplemented by real posters and patient cards. Results showed a significant increase in the number of residents treated with antibiotics for ASB, from 90% at baseline to 83% post-intervention, a 45% reduction in the cost of antibiotics for residents with ASB, and a 30% decrease in the cost of lab services. Authors noted continued efforts at the local level are needed to sustain the results.

PATIENT DETERIORATION

Emergency room safe transfer of patients (ER STOP): a quality improvement initiative at a community-based hospital.
By: University of Alberta, University of Alberta, University of Alberta
 Norman A, Duchesne S, Hickey J, et al. *BMJ Open* 2018 (online, December); 12. Staff in a Canadian community hospital to assess whether implementation of a locally adapted transfer checklist containing an embedded patient and caregiver education would reduce emergency room (ER) admissions to patient deterioration on general medical ward beds within 24 hours of admission from the emergency department (ED). Results indicated following implementation of the checklist, the monthly rate of emergency ED admissions decreased from 3.8 to 1.1 ED wait times were shortened. Authors concluded a single intervention at ED admission improved outcomes by reducing high-risk emergency department. A sample of the checklist is provided.

Risk Governance – 21 Questions

21 Questions
Guidance for healthcare boards on what they should ask senior leaders about risk.

Drawing on strong ethical and evidence-based principles, HIROC, in collaboration with subscribers, has developed guiding questions to help boards of healthcare organizations carry out a critical governance function - the oversight of key organizational risks.

Strategic context
1 What are the organization's vision and strategic objectives and do they reflect the core mandate of delivering high quality, safe care?

Board education
2 How does the board get the knowledge and experience necessary to oversee risk management in a healthcare organization?

Risk culture
3 What is the board doing to encourage speaking up across the organization about potential risks and unsafe practices?

Risk management program
4 What is the organization's policy/plan/framework for identifying, assessing and managing key risks?
5 How do senior leaders demonstrate ownership for key risks?

Key risks (patients & staff)
6 What are the most significant risks related to care?
7 What are the themes/trends arising from patient complaints?
8 What are the most significant risks related to human resources?

Key risks (other)
9 What are the most significant risks related to finances?
10 What are the most significant risks related to leadership?
11 What are the most significant risks related to external relations?
12 What are the most significant risks related to information management/ technology?
13 What are the most significant risks related to facilities/infrastructure?
14 What are the most significant risks related to regulatory compliance?
15 What are other significant risks (e.g. research, education)?

Risk management
16 How are decisions made on additional controls or actions required to manage key risks?

Risk prioritization
17 How do senior leaders determine top organizational risks and which risks to report to the board?

Risk reporting
18 What records are kept for key risks and how do these roll-up into regular, effective reports for management and the board?

Crisis response
19 How does the organization plan for, respond to and learn from crises?

Assurance and evaluation
20 How is the board assured that controls for key risks are working?
21 How is the organization's risk management program evaluated?

A simplified risk management framework

© HIROC, 2018. For more information visit www.hiroc.com April 2018

- The governing body (Board/Committee) has **oversight accountability** for the organization's risk management program
- Questions posed in the document align with healthcare organizations' strategic objectives, and mandates

<https://www.hiroc.com/getmedia/7f314095-555a-4822-abe3-4e715e6e9288/21-Questions.pdf.aspx?ext=.pdf>

Non-Owned Automobile Liability



- Risk Note on the Non-Owned Automobile coverage under your HIROC policy
- Provides information on employees or volunteers that use their own vehicle for hospital business
- Found on the HIROC website (www.hiroc.com)

RISK NOTE

Non-Owned Automobile Coverage

OVERVIEW OF COVERAGE

Many healthcare organizations permit "Additional Insured" to use personal and rented vehicles for business or work-related activities. Utilizing this option, while very convenient, may create exposures to the healthcare organization that could result in claims being brought against the organization's HIROC liability policy.

Additional Insured covered under the Non-Owned Automobile coverage are defined as:

a) Employees b) Board members c) Officers d) Trustees e) Volunteers

The HIROC policy defines a Non-Owned Automobile as:

a) A vehicle not owned/leased in the name of the NAMED INSURED (Subscriber), but used for purposes related to the business of the Subscriber
Example: Employees' personal vehicle used for Subscriber purposes

b) Any automobile hired or rented in the name of an Additional Insured for purposes related to the business of the Subscriber for a period less than 30 days.
Example: Renting a vehicle for Subscriber purposes

KEY POINTS

- *Additional Insured must be working for and on behalf of the organization at the time of a loss or damage for coverage to apply under HIROC's Non-Owned Automobile Coverage.*

HIROC'S Non-Owned Automobile Coverage – Liability and Physical Damage

Liability Coverage:

- HIROC's Non-Owned Automobile Coverage (Coverage H) provides **excess coverage**. This means that the HIROC policy will only respond **after** the underlying liability limits of a policy (i.e. employee's/volunteer's personal automobile policy) have been exhausted.

Physical Damage Coverage:

- Additional Insured who rent/lease a vehicle for purposes related to the Subscribers' business or work-related activities - for a period of less than 30 days in duration - **may decline** the Physical Damage Coverage offered by the car rental company as the HIROC policy provides this protection.
- The limit of insurance for physical damage coverage is \$100,000 for any one occurrence without the application of any deductible. While HIROC does offer this coverage, purchasing it from the car rental company results in the transfer of any physical damage loss from HIROC to the rental company.

Who pays when an accident occurs?

Case Example:

A volunteer of the Subscriber uses their own vehicle for purposes related to their volunteer activity at Subscriber. The volunteer gets into an accident while driving to attend a meeting on behalf of the Subscriber. The order of "who pays first" from a liability perspective would be as follows:

1. Lesser or renter whose name is in the contract with the rental company (applicable if renting)
2. Automobile policy where the *Additional Insured* is listed as a Driver
3. The insurance of the owner of the vehicle – i.e. rental company or *Additional Insured*
4. The healthcare organization's Non-Owned Automobile policy

In any accident, there could be other vehicles or people involved who have their own automobile insurance, or a situation

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