



## Risk Management in Healthcare Organisations

As one gets sick, distressed and tired of reading day in and day out the impact and implications of the meltdown in the global economy, global terrorism and other related aspects one thing is certain to happen – irrespective of whether or not the depression is as deep as the early 1930's the number of people who are going to be extremely depressed is going to significantly higher!

The news item on the increase by nearly 30% of the anti-depressant drugs in India and the long waiting lists for appointments with counselors is a clear indication of that.

The increasing corporatisation of the healthcare industry for a multitude of reasons with the simultaneous increasing awareness amongst all segments is bound to bring the healthcare service providers under pressure from multiple fronts. The publication, in a business magazine, of a leading Delhi based hospital being accused of medical negligence causing the death of senior functionary from an industry confederation is a sure pointer in this regard. Even as I write this another news items that has been in the circuits is about the death of a 25 year old who participated in the clinical trials in a southern metro. The issue of regulatory monitoring in the sphere of medical diagnostics has been a major cause for concern amongst the medical fraternity. There have been reported incidents of patients test reports reflecting significantly varied readings from different laboratories. That by itself does not mean anything as one was not sure if the test results represented readings from the same sample or samples taken at different points of time! Irrespective of what the truth is, the fact remains that there has always been an element of doubt in the minds of the users if there are any controls on these establishments. One would be surprised to know that the medical diagnostic laboratory, in most parts of the country, operates under the Shops and Establishment Acts of the state. The fact that healthcare is a state subject has compounded to the problem. The Clinical Regulations



## Value Added

Bill 2007 referred to the select committee in the parliament may not see the light of day before the term of current Lok Sabha.

Healthcare organisations in that context would do themselves good by embarking on a structured risk management strategy to deal with the multiple risks that they are exposed to. Organisational and professional reputation is going to be at stake. The quantum of risk is accentuated by the fact the process and service structure is significantly more complicated than a normal business process. The medical responses in each individual case could be significantly different but implications of the same enormous. One is reminded of the old joke of a mechanic removing the cylinder heads from the motor of a car of a famous heart surgeon in his shop. The mechanic after fixing the car straightened up, wiped his hands and asked argumentatively, "So doctor, look at this. I also open hearts, take valves out, put in new parts, and when I finish this will work as a new one. So how come you get the big money, when you and me is doing basically the same work?" "The doctor leaned over and whispered to the mechanic and said: "Try to do it when the engine is running".

Any normal business organisation represents a plethora of inter connected complex process wherein one must expect and be prepared for something to go wrong. The implications of that in the context of healthcare organisations are profound. The role of paramedics and other support staff is extremely critical for successful outcomes. More often than not, it is at this interchange that things go wrong. The recent years have seen a number of good accreditation standards in the context of healthcare organisation being introduced. Some of the more prominent include that for hospitals in the form of the National Accreditation Board for Healthcare and Hospitals (NABH), both large and small, Laboratories (NABL), Blood Banks and more that have released targeted organisations wellness clinics that now covers practically the whole of the residual medical services other than hospitals. These have to a large extent adopted the already well accepted international systems like the JCI (Joint Commission International) USA or the Australia Council for Healthcare Standards (ACHS). Accreditation apart healthcare organisations



## **Value Added**

would do well for themselves in embarking on implementing these well defined systems to ensure that their risks are minimized atleast from an operational perspective.

Without delving on the standards and its focus, one area that any healthcare organisation should definitely address is its management of sentinel events. Risks that healthcare organisations are exposed to are even more pronounced considering it has implications from a customer perspective, employee perspective, and the brand not to speak of just financial aspects. Sentinel event being defined as any unanticipated event in a healthcare setting resulting in death or serious physical or psychological injury to a person or persons, not related to the natural course of the patient's illness. Organisations like the JCI or ACHS have already defined many of these and have data and statistics of their occurrence. A healthcare organisation need not necessarily have to reinvent the wheel by trying to identify these. However, as the saying always goes act global think local - customization of these events to local conditions is a mandatory must. One may not have reported events, in the international scenario, of bodies being handed over to the wrong person; surgery on the wrong person; new born getting burnt in the incubator or a now born bitten to death by ants! A well defined and structured system to deal with sentinel events is definitely warranted.

The other aspect that needs attention in the current context is the ability of hospitals to manage public emergencies. The UNIDO document on the management of public emergencies warrants attention for any healthcare organisation. The recent incidents in Mumbai definitely warrant the need for more structured response at hospitals to public emergencies be it natural disasters or man-made. The ministry of health should make it mandatory for all healthcare organisations to establish and practice responses in respect of public emergencies. The clinical regulations bill should also make it mandatory for all healthcare organisations to report defined sentinel events including near misses so that the data could be used by other organisations to review their own processes and initiate preventive actions.



## **Value Added**

The corporatisation of healthcare organisations not to speak of the large public hospitals in the area of public charitable trusts has meant that the stakeholders in these organisations have gone up manifold. The public awareness to medical negligence has also gone by quite a bit. The management team should equip itself to deal with situations in more comprehensive manner. Implementation of process based systems is extremely critical. Organisations need to implement these systems from a more holistic perspective and not merely an accreditation point of view. Even the accreditation needs to be from a constructive point of view and not a critique representing the personal views. Organisations should also clearly recognise the fact that accreditation or certification is only the beginning and not go back to old times post the event. This is particularly true in India where the system needs to continuously monitored and audited with the active participation of the senior management team till the system is completely and comprehensively internalised.