



Risk Management Program

2023

Approved

RMC: 12/20/22

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INTRODUCTION

Cox HealthPlans (CHP) is a non-profit affiliate of CoxHealth that provides insurance solutions for over 42,000 members across Southwest Missouri. Starting in 1995, CHP is the only locally based health insurance company in the Ozarks. CHP offers fee for service plans to small and large commercial groups and individuals through a Preferred Provider Organization (PPO) and an Exclusive Provider Organization (EPO), in addition to selling individual plans on the Marketplace exchange with an Exclusive Provider Organization (EPO) plan. In collaboration with CoxHealth, CHP also offers a Medicare Advantage plan, a Health Maintenance Organization (HMO) plan with a Medicare contract, that is available in seven counties in southwest Missouri.

CHP has a delegation agreement with affiliate CoxHealth Network for members to access the CoxHealth Provider Network, as well as Case Management, Disease Management, and Health Education programs through parent company CoxHealth, an ISO 9001 accredited health system. Elixir is the Pharmacy Benefits Manager (PBM) for the plan, handling all pharmacy matters, including maintenance and administration of the formulary, maintaining a pharmacy network, administering the pharmacy benefit and offering a range of member safety and educational programs.

PURPOSE

The purpose of the risk management program is to protect members, staff members and visitors from inadvertent injury. The program is also designed to protect the organization's financial assets and intangibles.

The risk management plan is a primary tool for implementing the organization's overall risk management program. It is designed to provide guidance and structure for the organization's clinical and business services that drive quality member care while fostering a safe environment.

The focus of the risk management plan is to provide an ongoing, comprehensive, and systematic approach to reducing risk exposures. Risk management activities include identifying, investigating, analyzing, and evaluating risks, followed by selecting and implementing the most appropriate methods for correcting, reducing, managing, and/or eliminating them.

AUTHORITY AND ROLE OF THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee is empowered by the Compliance Committee, the Quality Improvement Committee and the Board of Directors to implement the functions and activities of the risk management program with the assistance of the administrative leadership and delegated entities. The Board of Directors has overall responsibility for the effectiveness of the program and providing the necessary resources. The Board of Directors' responsibilities are supported through regular written and verbal communications regarding risk management activities that may affect the organization's finances.

The role of the Risk Management Committee is to maintain a proactive risk management program that complies with the applicable regulations and accreditation requirements. These activities are coordinated with quality improvement, organizational/member safety and environment of care management. Risk management program activities are reported to the Compliance Committee, then to the Quality Improvement Committee (QIC) and then to the Board of Directors.

SCOPE

The risk management program provides for collaboration among all departments, services, and member care professionals within the organization and delegated entities. The risk management program provides policies, procedures and protocols to address events which may create business-related liability, professional liability, general liability, and workers' compensation. The identification, investigation and management of accidents, injuries and other potentially compensable events are a primary responsibility under the risk management plan.

Consistent application of the risk management program is required throughout the health plan, including all departments, all service locations, and within delegated entities.

OBJECTIVES OF THE RISK MANAGEMENT PROGRAM

The objectives of the risk management program include, but are not limited to:

- Continuously improve safety and minimize or prevent errors and events that result in harm through proactive risk management activities.
- Mitigate the negative effects of errors and events when they do occur.
- Minimize losses to CHP overall by proactively identify, analyzing, and preventing risks.
- Enhance member satisfaction

- Promote member safety and satisfaction through offering benefit coverage availability after regular business hours.
- Support a non-punitive culture that promotes awareness and empowers staff to identify risk-related issues
- Enhance member safety through participation in member safety initiatives
- Enhance environmental safety for members, visitors and staff through participation in environment of care-related activities
- Utilize risk management strategies to identify and minimize the frequency and severity of near misses, incidents and claims
- Manage adverse events and injuries to minimize financial loss
- Evaluate systems that can contribute to member care, error or injury
- Educate stakeholders on emerging and known risk exposures and risk reduction initiatives
- Achieve requirements promulgated by accrediting organizations
- Comply with state-specific scope of practice, applicable laws, regulations and standards

SPECIFIC COMPONENTS

The risk management program includes the following components:

EVENT/INCIDENT/OCCURRENCE REPORTING

An adverse incident is defined as:

- a. An unexpected occurrence during a health care encounter involving member death or serious physical or psychological injury or illness, including loss of limb or function, not related to the natural course of the member's illness or underlying condition.
- b. Any process variation for which a recurrence carries a significant chance of serious adverse outcome.
- c. Events such as actual breaches in medical care, administrative procedures or others resulting in an outcome that is not associated with the standard of care or acceptable risks associated with the provision of care and service for a member, including reactions to drugs and materials.
- d. Circumstances or events that could have resulted in an adverse event ("near miss" events).

Event reporting is intended to provide a systematic, organization-wide program of reporting risk exposures to identify potential future liability. The risk management program includes an

event reporting system that is used to identify, report, track, and trend patterns of events with the potential for causing adverse member outcomes or other injuries to people, property or other assets of the organization. It is designed to reduce or ameliorate preventable injuries and property damage, and minimize the financial severity of claims. CHP works closely with CoxHealth and delegated entities to ensure all adverse incidents are captured, investigated, and reported.

The CHP Risk Management Committee along with CoxHealth staff, tracks and trends event data in order to report those findings to the quality/performance improvement department and the department(s) involved in the events for follow-up action.

Certain specific events must be reported to governmental agencies (Sentinel Events) through delineated methods.

INTEGRATION WITH QUALITY IMPROVEMENT PROCESS

Recognizing that the effectiveness of risk management activities is contingent upon collaboration and integration with the quality improvement activities, the Risk Management Committee works with CoxHealth risk management and CHP quality improvement staff to coordinate activities between the two disciplines. This integration helps to enhance the identification and resolution of risk and quality issues.

EDUCATIONAL ACTIVITIES

Incident reporting training is provided to all new employees through CoxHealth System Wide Orientation. System Wide Orientation is the first part of CoxHealth employment, occurring before employees work in their hired department. Risk Management training is also provided during the first month of hire for CHP policies. A separate annual educational program is provided to focus awareness of risk exposures and current risk prevention activities through CoxHealth's Annual Compliance training. Other in-service and training programs are provided as identified through the ongoing monitoring, tracking and trending of events and/or as requested by a staff member within the organization.

REVIEW OF MEMBER COMPLAINTS AND GRIEVANCES

All member complaints and grievances are handled by CHP in accordance with formal written process for managing member and family complaints/grievances. This process details response to and resolution of member and family complaints. It includes time frames for responding, the chain-of-command used for problem-resolution, and documentation of the activities involved. CHP periodically reviews member complaints for potential risk management issues and trends.

MEMBER SATISFACTION

The organization measures member satisfaction and responds to issues identified in member satisfaction surveys. The Risk Management Committee monitors complaints and report findings related to quality/performance improvement. Of equal importance is risk management's direct participation in resolution of complaints, as appropriate.

PERIODIC REVIEW OF ALL LITIGATION

The organization conducts periodic review of litigation involving the health plan, its staff and health care professionals to identify trends and possible system changes needed to reduce future risks.

MONITORING FOR FRAUD, WASTE AND ABUSE

The organization works closely with CoxHealth on a variety of monitoring activities to identify possible instances of fraud, waste and abuse. CHP looks at Elixir's reporting, coding opportunities, overutilization measures managed by the Medical Management Program, and findings from the Savings Opportunities Group for instances of Fraud, Waste, and Abuse. Fraud, waste, and abuse monitoring will also include monitoring and prevention of unauthorized prescribing. These activities are reported to the Compliance Committee, then to the Quality Improvement Committee, and then to the Board of Directors.

CLINICAL RECORD AUDITS

CHP conducts periodic clinical record audits as part of periodic medical record reviews. Any potential risk management issue resulting from these record reviews are referred to risk management. The results of clinical record audit analysis will be incorporated in the re-credentialing process, CHP will work with CoxHealth Network regarding any deficiencies and provider re-credentialing.

HANDLING OF IMPAIRED HEALTH CARE PROFESSIONALS

CHP delegates credentialing, recredentialing and provider services to Cox Health Network. Any issue identified relative to an impaired health care professional is referred to CoxHealth Network for action. CoxHealth Network investigates the issue and takes action as needed, including possibly terminating privileges for a provider and transitioning members to another

provider. As a fee-for-service plan, members are not locked into any providers and can also choose to change providers at any time.

METHODS BY WHICH A MEMBER MAY BE DISMISSED FROM CARE

Cox HealthPlans works closely with CoxHealth to establish policies regarding the dismissal of members from care. CoxHealth's policy lists the acceptable reasons for member termination including fraud, abuse or illegal use of prescriptions, non-compliance with prescribed treatment plan, and others. The policy also lines out the letter members will receive when they are terminated, which has verbiage instructing them of the next steps for establishing a new provider. As a fee-for-service plan, members are not locked into specific providers and can also choose to change providers at any time.

REPORTS TO THE COMPLIANCE COMMITTEE

The Risk Management Committee provides periodic reports through the Compliance Committee and the Quality Improvement Committee to the Board of Directors, at least annually. The report summarizes activities, achievements, and on-going risk management issues that occurred since the prior report.

Additional or ad hoc communication is held with the Board of Directors for Sentinel Events, significant changes in claim reserves, claims scheduled for trial, events that may result in adverse publicity or news media attention, and severe member injuries deemed highly likely to result in litigation.

ANNUAL REVIEW OF THE RISK MANAGEMENT PLAN

The risk management plan will be reviewed, updated, and approved annually, or as needed.

ATTACHMENTS

1. [Cox HealthPlans Incident Reporting Form](#)
2. [Cox HealthPlans Compliance Program](#)
3. [Cox HealthPlans Enterprise Risk Management Policy](#)
4. [Dismissal of Member by Provider Policy](#)