

Purpose: Churchill Private Hospital Trust (the Trust) takes a proactive approach to the identification and management of current and future threats, and to the identification of missed opportunities that may negatively affect the Trust's objectives. The aim is not to totally eliminate risk, but rather to provide a structural means to identify, prioritise and manage risks within the organisation.

The intent is to embed risk management in a very practical way into business processes and functions via key approval processes, review processes and controls; not to impose risk management as an extra requirement.

Policy Statement: Churchill Private Hospital Trust (the Trust) adopts the Risk Management approach and general methodology specified in the AS/NZS ISO 31000:2009 Risk Management - Principles and guidelines to:

- Protect the Trust from those risks of significant likelihood and consequence in the pursuit of the Trusts stated strategic goals and objectives;
- Provide a consistent risk management framework in which the risks concerning business processes and functions will be identified, considered and addressed in key approval, review and control processes;
- Encourage pro-active rather than re-active management;
- Provide a framework for decision making;
- Meet legal or statutory requirements; and
- Assist in safeguarding the Trusts people, assets, finance, property and reputation.

Scope: The General Manager will be responsible on behalf of the Board of Trustees for ensuring that a risk management system is established, implemented and maintained in accordance with this policy.

The Board of Trustees will be responsible for the review and monitoring of the processes for the identification and assessment of the strategic-level risk environment.

The General Manager will facilitate compliance with:

- Board Members
- All Churchill Hospital Staff and contracted staff
- Credentialed Specialists
- Allied Health Professionals, Students, Patients and Visitors

Definitions: Definitions are taken from the AS/NZS ISO 31000:2009 Risk Management - Principles and guidelines, with some modifications as appropriate to the particular Trust context.

Key definitions are:

- Risk - The effect of uncertainty on objectives
- Risk Assessment - The overall process of risk identification, risk analysis and risk evaluation.
- Risk Management Framework - Co-ordinated activities to direct and control an organisation with regard to risk
- Risk Management Process - The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.
- Severity Assessment Matrix - a matrix for determining the controlled and uncontrolled risk ratings based on consequence and likelihood
- Consequence - The outcome of an event effecting objectives
- Likelihood - Chance of something happening.
- Uncontrolled Risk Rating - A value on the severity of the risk using the severity assessment matrix prior to controls being put in place.
- Controlled Risk Rating – Risk remaining after the implementation of controls.

Procedure:

Risk Register: The General Manager will manage an organisation wide risk register on the Logiqc online quality management system.

All risks will require review at specified intervals between one month and one year depending on their controlled risk rating scores.

Identify Risks:

- The Board will maintain a list of governance risks that might have an impact on the objectives of the Board.
- The General Manager will work with staff to maintain a comprehensive list of operational (including clinical) risks that might have an impact on objectives.
- Depending on the nature of activities under review and the types of risks, various tools and techniques will be used to identify risks. These might include team brainstorming, reviewing quality data and financial information.
- To assist with identifying and categorising risks, refer to the “Risk Categories” and “Risk Dimension Tables” in appendix 1.

Analyse and Evaluate Risks:

- Risks will be analysed using the severity assessment matrix adopted by the Trust (see Appendix 1) to establish an initial (uncontrolled) risk exposure rating.
- As the levels of risk are identified, the risk owner will assess whether a risk needs treatment, whether an activity should be undertaken, what kind of risk treatment is required and the prioritisation of risk treatment.

Mitigate Risks:

- Many risks will already have controls associated with them. These can include policies and procedures, contracts, work plans etc.

- Action plans for managing SAC 1 & 2 risks are reviewed and approved by the Board. Current action plans for all other risks are reviewed by Management and the Quality Committee as appropriate.
- The action plans will take into account the range of options for mitigating those risks and evaluate those options.
- The General Manager will implement the action plans as approved by the Board.

Monitor and Review:

The General Manager will ensure risks are reviewed in accordance with their overall risk rating as outlined in the risk response table in appendix 2.

References

AS/NZS ISO 3100:2009 Risk Management- Principles and guidelines.

Logiqc Risk Management Register Overview retrieved from <https://support.logiqc.com.au/hc/en-us/articles/206770733-Example-of-Primary-and-Secondary-Risk-types-and-Risk-dimensions-in-system-Set-up>

Equip6 Standard 2.1 – Quality Improvement and Risk Management, Criteria 2.1.1 and 2.1.2

NZS8134:2008 2.3 Health and Disability Service Standards: Quality and Risk Management Systems

Internal Documents

Quality Committee terms of reference

Incident Management Policy

Health and Safety Policy

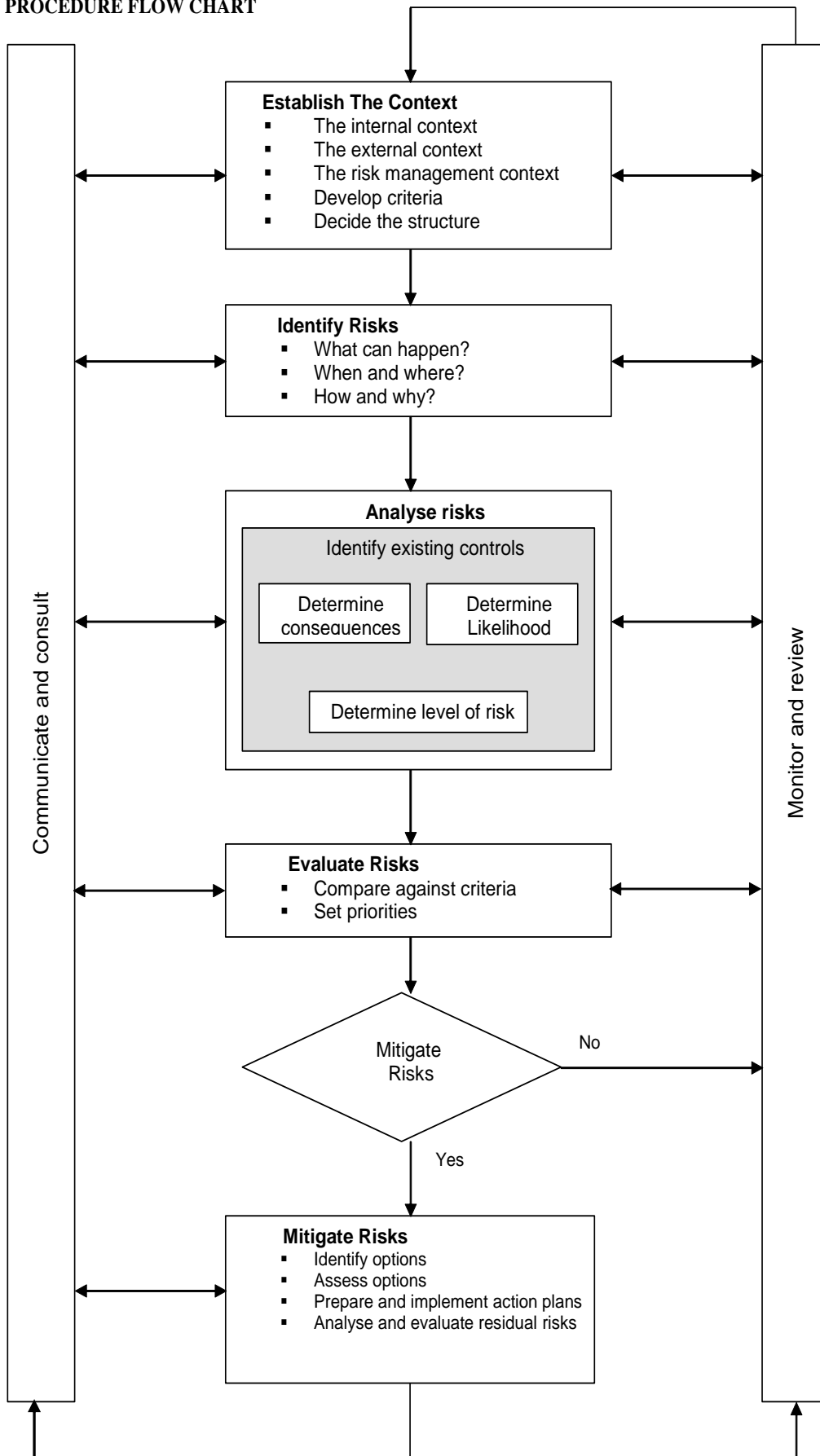
Reportable Events Form

Credentialing Policy

Business Continuity and Recovery Plan

Risk Register

PROCEDURE FLOW CHART



APPENDIX I

Risk Categories	Risk Dimensions
Business Continuity	Financial Legal Operational Organisational
Collaborative partnerships	Commercial Financial Operational Stakeholder Management
Corporate Governance	Governance
Financial	Commercial Compliance Financial Legal
Human Resources / Personnel	Compliance Legal Operational Safety
Inventory	Equipment
Legal	Compliance Legal
Management	Compliance Equipment Legal Operational Project Safety
Operational and Assets	Compliance Legal Operational
Patient Safety	Compliance Legal Safety Service Delivery
Policy and Political	Commercial Organisational
Reputation and Image	Reputation
Security	Security
Technological	Security Technology

APPENDIX 2

Churchill Private Hospital Trust
RISK ASSESSMENT TABLES

Table 1: Measures of consequence table

<i>Descriptor:</i>	<i>PATIENT SAFETY</i>	<i>BUSINESS CONTINUITY</i>	<i>FINANCIAL</i>	<i>REPUTATION</i>	<i>WORKPLACE SAFETY</i>
	Patient harm resulting from the process of health care unrelated to the natural course of the operation which differs from the expected outcome to a patient's management.	Disruption to operational activities resulting in an inability to provide quality services.	Impact on expenditure or revenue, or capital availability, which results in an inability to operate within budget.	Impact on the reputation of Organisation in the public, government or regulatory environment.	Harm resulting from accidents within the workplace environment.
5 Extreme	Unanticipated patient death(s)	Non-delivery of a key service.	Cost overrun or reduction in revenue >\$1 million	Major inquiry by external agency. Major threat to public confidence creating an impact at national level.	Death(s) of a staff member/contractor visitor.
4 Major	Patient sustaining permanent disability or incapacity or requiring major additional medical or surgical intervention.	Significant ongoing disruption to a key service.	Cost overrun or reduction in revenue >\$500,000	Major inquiry by external agency. Major threat to public confidence creating an impact at a regional level.	Permanent disability or loss of function to a staff member/contractor/visitor. Requires major additional medical or surgical intervention.
3 Moderate	Patient injury requiring extended treatment.	Disruption to a key service.	Cost overrun or reduction in revenue >\$200,000	Inquiry by external agency. Threat to confidence creating an impact at a local level.	Staff member/contractor / visitor injury requiring extended treatment.
2 Minor	Patient injury requiring short term treatment.	Disruption to service.	Cost overrun or reduction in revenue >\$50,000	Potential for negative impact at a local level.	Staff member/contractor/ visitor injury requiring short-term treatment.
1 Negligible	Minimal patient injury.	Minimal disruption to service.	Cost overrun or reduction in revenue <\$50,000	Minimal impact on the reputation of the Organisation	Minimal injury to staff member/contractor/ visitor

Table 2: Measures of likelihood table

Descriptor		Example detail description
Almost Certain	5	Event is expected to occur at least once in the next month
Likely	4	Event is expected to occur at least once in the next 3 months
Possible	3	Event is expected to occur at least once in the next year
Unlikely	2	Event is expected to occur at least once in the next 2 years
Rare	1	Event may occur in exceptional circumstances.

Table 3: Risk Matrix

CONSEQUENCES	LEVEL OF RISK				
	Extreme Organisations survival is at risk	2	2	2	1
Major Operations Severely disrupted	3	2	2	2	1
Moderate Significant time/resources required to mitigate	4	3	2	2	2
Minor Some disruption possible	4	3	3	2	2
Negligible Minor, managed by day to day processes	4	4	4	3	3
Likelihood of Occurance	RARE	UNLIKELY	POSSIBLE	LIKELY	ALMOST CERTAIN

Table 4: Risk Response (to controlled risk rating)

SAC Score	Level of Risk	Risk Response and Reporting	
1	Critical	Immediate action Monitor Monthly	Alert to Board. Report status of risk mitigation in regular reporting to Board
2	Major	Evaluate controls Monitor quarterly	Evaluate existing controls. Report status of risk mitigation in quarterly reporting.
3	Moderate	Monitor 6 monthly	Manage by specific monitoring, auditing or routine procedures
4	Minor	Monitor annually	Manage by routine procedures