

Pocket Guide to Clinical Risk Management



SAFETY & QUALITY
WESTERN AUSTRALIA



Department of Health
Government of Western Australia

ACKNOWLEDGEMENTS

The Pocket Guide to Clinical Risk Management is designed to support Area Health Service Executives to develop appropriate policies, processes and systems to manage clinical risk within their organisation.

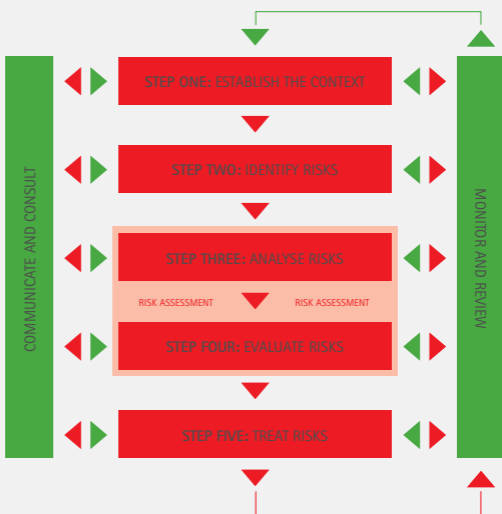
The Pocket Guide should be read in conjunction with the following documents:

- Department of Health (2005). Health Risk Management Framework and Health Risk Management General Procedures Manual;
- Department of Health (2005). Clinical Risk Management Guidelines for the Western Australian Health System;
- Standards Australia (2004). Australian/New Zealand Standard AS/NZS 4360:2004 Risk Management;
- Standards Australia (2004). Australian/New Zealand Handbook HB 436:2004 Risk Management Guidelines Companion to AS/NZS 4360: 2004

The Office of Safety and Quality in Health Care would like to acknowledge Aerosafe Risk Management, who developed the concept of this pocket guide – www.aerosafe.com.au

The Five-Step Clinical Risk Management Process

The five-step Clinical Risk Management process is outlined below:



(Sourced from the Australia/New Zealand Standard on Risk Management AS/NZS 4360:2004)

Communicate and Consult

Aim

To ensure that internal and external stakeholders are aware of why clinical risk management strategies and policies have been developed and implemented and to ensure that they understand their individual roles and responsibilities for clinical risk management.

What to do

- (a) Define the communication objectives
- (b) Identify which internal and external stakeholders will be consulted
- (c) Identify what beliefs and perspectives need to be taken into account during the clinical risk management process
- (d) Develop communication strategies to be used during the clinical risk management process
- (e) Develop processes to measure and evaluate the effectiveness of the organisation's communication programs

The 'Communication and Consultation' process needs to be undertaken at each level of the clinical risk management process. Refer to Page 3 of the Clinical Risk Management Guidelines for further guidance.

Step One – Establishing the Context

Aim

To define:

- the organisation's operating environment and strategic context;
- the criteria for determining whether or not a clinical risk is acceptable;
- the type and level of clinical risk management planning, controls and management options.

What to do

1. Establish the strategic context
2. Establish the organisational context
3. Establish the clinical risk management context
4. Develop the clinical risk evaluation criteria
5. Define the structure for the rest of the process

Key Questions

- Has the strategic and organisational context been clearly defined?
- Has the clinical risk evaluation criteria been established?
- Has the clinical risk management framework been established and resources assigned?
- What documentation is required?

Refer to Pages 5-7 of the Clinical Risk Management Guidelines for further guidance.

Step Two – Clinical Risk Identification

Aim

To identify the likelihood and consequence of actual and potential clinical risks and to determine which clinical risks need to be managed and treated as a priority.

What to do

- Decide on a structure and method for clinical risk identification
- Determine who needs to be involved in this step
- Identify the dimensions of clinical risk that will be examined
- Decide what types of information (data) is required to assist in clinical risk identification (mechanisms)
- Document the identified clinical risks in an appropriate risk register

Refer to Pages 7-9 of the Clinical Risk Management Guidelines for further guidance.

Remember

Continually ask

What if... What if... So what!

Step Two – Clinical Risk Identification

Dimensions of Clinical Risk in Health Care



(Sourced from the Australia/New Zealand Standard on Risk Management AS/NZS 4360:1999)

Step Three – Clinical Risk Analysis

Aim

To separate the minor acceptable clinical risks from the unacceptable major clinical risks, and to provide data to assist in the evaluation and treatment of clinical risks.

Types of Analysis

- **Qualitative** – subjective description of clinical risk
- **Semi-quantitative** – applies subjective numerical values to qualitative assessments
- **Quantitative** – statistical description of risk based on real or past data

What to do

- Identify the existing controls
- Determine the potential likelihood of the worst case risks happening? (WORST CASE REASONABLE)
- Determine the potential consequences and impact of the worst case clinical risks if they do occur?
- Identify the factors which may increase or decrease clinical risk?
- Select the most suitable risk analysis tool and calculate the level of clinical risk
- Document the results

Refer to Pages 10-15 of the Clinical Risk Management Guidelines for further guidance.

Step Four – Clinical Risk Evaluation

To compare the level of clinical risk found during the analysis process with previously established risk criteria. The output of a clinical risk evaluation is a prioritised list of risks for further action.

What to do

- Compare the level of clinical risk against the risk criteria set in Step 1
- Decide if a clinical risk is acceptable or whether it requires treatment to reduce the level of risk to the organisation
- Develop a prioritised list of clinical risks for treatment.

Guidance

The following table provides guidance on clinical risk acceptance and risk referral. It consists of key questions to facilitate the risk acceptance process and suggested actions:

- Accept the clinical risk
- Refer the clinical risk to a higher authority for acceptance
- Amend activity or task to reduce the level of clinical risk
- Cancel activity or task

Step Four – Clinical Risk Evaluation

Clinical Risk Evaluation

QUESTION	ACCEPT	REFER	AMEND	CANCEL
I have the resources and authority to implement recommended treatments	✓			
I do not have the resources or authority to implement recommended treatments		✓	✓	✓
The level of risk is above my level of delegated authority		✓	✓	✓
The level of risk is within my delegated authority	✓			
The level of risk is within my level of delegated authority, however the task or activity is significant, new, unusual or infrequent	✓	✓		

Refer to Pages 16-17 of the Clinical Risk Management Guidelines for further guidance.

Step Five – Clinical Risk Treatment

Aim

To identify the range of options for treating clinical risk, assessing those options, preparing risk treatment plans and implementing them.

What to do

1. Identify appropriate treatment options
2. Assess feasibility of treatment options – cost-benefit analysis
3. Select the most appropriate treatment option(s)
4. Prepare treatment plan
5. Determine residual risk level and its acceptability
6. Implement treatment plan

Treatment options include:

1. Risk Avoidance
2. Risk Reduction
3. Risk Transfer
4. Risk Retention
5. Risk Control

Refer to Pages 18–21 of the Clinical Risk Management Guidelines for further guidance.

Step Five – Clinical Risk Treatment

Summary of Clinical Risk Treatment Process



(Sourced from Aerosafe Risk Management (2003). Managing Risk in Aviation: Quick Reference Guide)

Monitoring and Review

Aim

To ensure that risks and risk treatment plans, strategies and management systems are continually monitored and to ensure that the organisation is able to control the implementation of risk treatments.

Possible Methods of Review

- Internal or external audit by an appropriately qualified assessor
- Internal performance and review audits
- Reviews of incident and investigation reports (current and past data)
- Reviews of organisational policies, strategies and processes
- Program evaluation

Refer to Page 24 of the Clinical Risk Management Guidelines for further guidance.

Templates

Please see templates and plans overleaf.

Aides to Clinical Risk Documentation

DIVISION REF	SUBJECT/ELEMENT AT RISK	CSFs/DEPENDENCIES	DIRECTORATE/BRANCH		COMMENTS
			REF	THE RISK	
			CAUSE		

(Sourced from Department of Health (2005). Clinical Risk Management Guidelines for the Western Australian Health System)

Aides to Clinical Risk Documentation

DIVISION			
DIRECTORATE	BRANCH	SECTION	
ACTIVITY AT RISK			
RISK REF		RISK	

CURRENT RISK ASSESSMENT			
LEVEL OF RISK		ACCEPTANCE DECISION	
			CONTROLS RATING

PREDICTED ASSESSMENT POST TREATMENT			
LEVEL OF RISK		ACCEPTANCE DECISION	
			CONTROLS RATING

ACTION PLAN TO ACHIEVE PREDICTED ASSESSMENT	
1. PROPOSED ACTIONS	
2. RESOURCE REQUIREMENTS	
3. RESPONSIBILITIES	
4. TIMING	
5. REPORTING AND MONITORING REQUIRED	

AUTHORISED BY	DATE	REVIEWER	DATE

(Sourced from Department of Health (2005). Clinical Risk Management Guidelines for the Western Australian Health System))

Key Clinical Risk Management Definitions

CONSEQUENCE

The outcome of an event expressed qualitatively or quantitatively, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.

CONTROL

Process, policy, processes or actions that act to minimise negative risk or enhance positive opportunities

LIKELIHOOD

A qualitative description of probability or frequency

RESIDUAL RISK

Residual risk refers to the remaining level of risk after the risk treatment process has been completed

RISK

The exposure to the possibility of such things as economic or financial loss or gain, physical damage, injury or delay, as a consequence of pursuing a particular course of action. The concept of risk has two elements: the likelihood of something happening and the consequences if it happens

RISK ACCEPTANCE

An informed decision to accept the likelihood and consequences of a particular risk

RISK ANALYSIS

The systematic use of available information to determine how often specified events may occur and their likely consequences. The purpose of risk analysis is to identify the causes, effects and magnitude of risk and provide a basis for risk assessment and risk treatment.

Key Clinical Risk Management Definitions

RISK ASSESSMENT

The processes used to determine risk management priorities by evaluating and comparing the level of risk against organisational standards, predetermined target risk levels or other criteria

RISK AVOIDANCE

A decision not to become involved in, or to withdraw from a risk situation

RISK IDENTIFICATION

The process of determining what can happen, why and how

RISK MANAGEMENT

The systematic application of management policies, procedures and practices to the task of identifying, analysing, assessing, treating, monitoring and communicating risk

RISK REDUCTION

Action taken to lessen the likelihood, negative consequences, or both, associated with risk

RISK RETENTION

Acceptance of the burden of loss, or benefit of gain, from a particular risk

RISK SHARING

Sharing the burden of loss, or benefit of gain for a particular risk with another party

RISK TREATMENT

The selection and implementation of appropriate management options for dealing with identified risk

(Sourced from the Australia/New Zealand Standard on Risk Management AS/NZS 4360:2004)



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