PMA COMPANIES

Healthcare Trends In focus

PMA Study Identifies Leading Loss Drivers in the Healthcare Services Industry

by Carol Hunter-Knizek, RN, COHN, Risk Control Specialist, PMA Companies

PMA Companies is a leading provider of risk solutions for the healthcare industry. Our annual *State of the Healthcare Services Industry* report outlines the challenges facing our healthcare clients as well as those across the nation.

The PMA study examined workers' compensation claims from 2012 through 2016 and revealed that 82% of healthcare lost time claims and 86% of the losses originate from four specific areas:

- patient/resident handling strains;
- non-patient/resident handling strains;
- slips, trips and falls; and
- patient/resident-related struck-by incidents.

These results are a good indication of where the risk control focus should be.

Lost time, patient/resident-related strain injuries account for 27% of all lost time claims reported and 27% of the total incurred dollars associated with all lost time claims reported (2012 through 2016). However, from 2013 to 2016, we've seen a 19% decline in these types of claims.

A key component to reducing strains is the implementation of a safe patient/resident program. These programs can be a balancing act between patient and employee safety and require an early assessment of the patient's mobility status. The assessment should determine the patient's physical capabilities and identify what equipment

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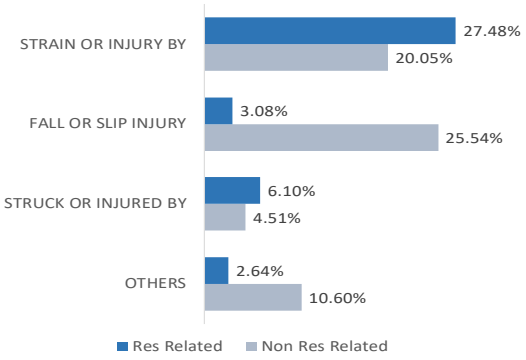
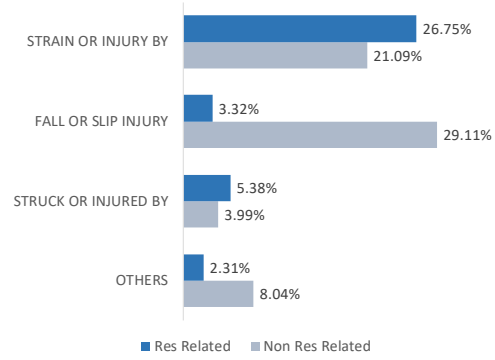
*Lost Time **Frequency** Loss Leaders*



*Lost Time **Severity** Loss Leaders*

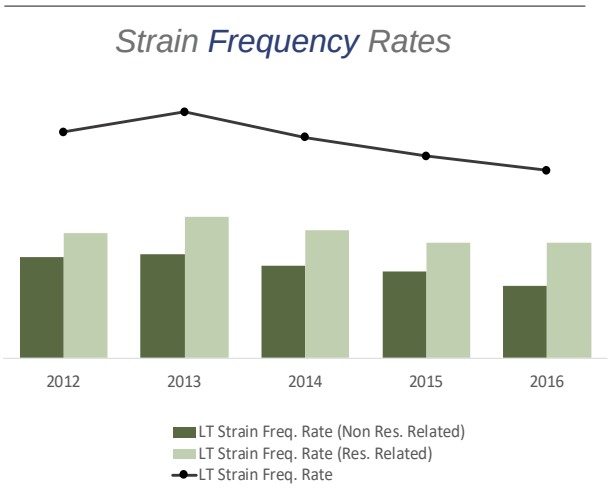


Above are the frequency and severity loss leaders for the healthcare industry from PMA's study for years 2012-2016. Strain, slip/fall and struck by injuries rank as both the top three frequency and severity loss leaders. Overall, 61% of the lost time injuries are non-patient/resident related and 39% are patient/resident-related. The "Others" category consists of claims such as caught in, striking against, cut, burn or motor vehicle injuries.

is appropriate in their treatment. Implementing training/accountability programs has also helped our clients reduce this trend.

Studies have been conducted to try to determine the maximum safe amount of weight that can be lifted manually when transferring or lifting a patient. Per the article, "When Is It Safe to Manually Lift a Patient?" published in the *American Journal of Nursing* (Vol. 7, No. 8) by Thomas R. Waters, PhD:

"For most patient-lifting tasks, the maximum recommended weight limit is 35 lbs.—but even less when the task is performed under less than ideal circumstances, such as lifting with extended arms, lifting when near the floor, lifting when sitting or kneeling, lifting with the trunk twisted or the load off to the side of the body, lifting with one hand or in a restricted space, or lifting during a shift lasting longer than eight hours."



From 2012 to 2013, the overall increase in the lost time strain frequency rate was driven mainly by the patient/resident-related frequency rate. From 2013 to 2016, we've seen a healthy decline in both the lost time patient/resident-related frequency rate (19%) as well as lost time non-patient/resident related strains (31%).

These types of studies (as well as continued trends with injuries in this industry) have caught the attention of regulatory agencies and industry organizations, prompting eleven states to introduce legislation at the federal level requiring the use of equipment to lift and move patients, rather than manual lift (human body). More information on this legislation can be found at websource.pmagroup.com.

Slips and falls not related to patient/resident care have a slightly higher percentage of incurred losses at 29%. However, from 2013 to 2015, we've seen a 25% overall decline in these losses, which level off in 2016.

PMA Risk Control has continued to focus on our clients' slip, trip and fall programs. Management best practices include housekeeping, maintenance, weather preparation, footwear programs and spill response teams. Measures as simple as requiring certain footwear, installing slip-resistant mats, timely placement of wet floor signs and winter preparation can all improve performance.

Have a question or need assistance? PMA's healthcare specialist team has an average of 18 years' healthcare expertise in positions including Registered Nurses (RN), Certified Occupational Health Nurses (COHN), Licensed Nursing Home Administrators (LNHA) and Risk Control Consultants with healthcare specialization.

Carol Hunter-Knizek, RN, COHN, Risk Control Manager, PMA Companies, specializes in healthcare risk management. Carol has 25 years of occupational and safety experience, with expertise in helping healthcare clients successfully reduce their risks. Earlier in her career, Carol served as a charge nurse in skilled nursing and an acute care medical/surgical unit. She serves as a practice leader for PMA's Healthcare Focus Group. A graduate of Gordon State College in Georgia, Carol is a Registered Nurse with the designation of Certified Occupational Health Nurse (COHN).

The Importance of a Safe Patient Handling Program ... and Where to Start

by Brent T. Morgan, ARM, LNHA, Risk Specialist, PMA Companies

PMA's annual *State of the Healthcare Services Industry* reports that *"Strain or Injury By"* claims are the most prevalent loss source among PMA clients. Controlling losses resulting from patient/resident handling activities is essential to limiting claim frequency and severity. Most organizations would agree that a safe patient/resident handling program is necessary, but many struggle with developing a formalized program and effectively communicating the expectations to frontline staff. The following information highlights some critical elements in the development phase.

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While reducing losses related to patient/resident handling does not necessarily require a formal program, creating various policies, procedures and expectations is certainly recommended. In effect, this helps an organization solidify their expectations and provides a consistent means to communicate the goals of the program despite the challenges of working in a high turnover industry.

Research has shown the following:

- Use of mechanical lift equipment can significantly reduce exposure to claims. This is why we are seeing the emergence of "No Lift" or "Limited Lift" programs. Manual transfers have proven over time to be high-risk activities—especially when done improperly or with unrealistic weight-bearing expectations.
- Consistent and planned use of assistive devices during a high-risk activity will also have a positive impact on resident care, including reduced falls, improved respiratory health and improved skin conditions.
- Having a program in place demonstrates that you care about the health and well-being of your employees. It shows them hazards in their workplace you've identified for them and ways you are attempting to keep them safe. The direct impact of this is less injuries and reduced costs. The indirect benefit is improved morale, reduced turnover and a workforce that goes home safely to their families and comes back the next day ready to work.

Another critical aspect of the development process is identifying *who* is responsible and accountable for the program. This position entails regularly soliciting feedback from frontline staff, serving as the go-to person for any related concerns, ensuring expectations are being communicated effectively during new employee orientation and at least annually thereafter, making sure assistive devices are accessible and in usable condition and monitoring for community compliance daily.

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Leadership team members to consider for this responsibility include the Chief Nursing Officer/ Director of Nursing/Wellness Director, Assistant Director of Nursing, Restorative Nurse, MDS/ CPC Nurse, In-House Therapy Director or even a Nursing Lead/Champion C.N.A.

For more information, visit PMA's Organizational Safety Institute at http://websource.pmagroup.com for a previously recorded three-part series on resident handling.

Brent T. Morgan, ARM, LNHA, is a Senior Risk Consultant for PMA Companies specializing in healthcare risk management. Brent has more than 10 years of occupational and safety experience and assists clients in reducing risks within both healthcare and long-term care settings. Prior to joining PMA, he acted as a Licensed Nursing Home Administrator (LNHA) and Managing Director in long-term care environments. Brent is a graduate from Western Illinois University with a B.S. in Management and minor in Marketing. He is a member of the Central Illinois Chapter of the American Society of Safety Engineers.

Case Study: Safe Patient Handling Program Leads to a 57% Improvement in Claim Frequency Rate

Lexington Health Network and Royal Management Corporation (Lexington Healthcare) has been offering high-quality healthcare and senior living services in the Chicago region for 35 years. The organization, which manages more than 1,700 skilled nursing beds and several assisted living options, faced challenges in addressing their frequency and severity loss leaders—strains, slips and falls, cuts, needlesticks and struck by incidents.

Lexington experienced initial success in their safety program by implementing:

- a third-party nurse triage system;
- an enhanced Safety Committee program;
- pre-hire essential function testing;
- an enhanced Sharps program;
- a new cut-resistant glove program; and
- machine guarding for all mechanical mixers.

However, the single most impactful safety strategy for reducing claim frequency and severity was a Transfer, Ambulation and Repositioning (TARP) training program that uses assistive devices to address "Strain or Injury by" claims resulting primarily from resident handling injuries. Thanks to the efforts of Lexington's management, the program has been implemented across all of their facilities to ensure consistency in procedures. TARP training is now provided to employees both at hire and annually. In addition, the organization's restorative Nursing

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department conducts random audits to ensure compliance with resident handling expectations. Any issues or concerns are discussed and addressed during their monthly safety committee meeting. In addition, a repositioning return demonstration has also been incorporated.

Implementation of these programs, along with corporate support and assigned responsibilities within the Lexington leadership structure has led to commendable results. The organization recently received PMA's *Excellence in Risk Management* award for their outstanding workers' compensation loss performance. During the past five years, Lexington has demonstrated a 57.3% improvement in their claim frequency rate, a 57% improvement in their medical only frequency rate and a 60% improvement in their lost time frequency rate.

Talk to a PMA Risk Consultant today to find out more about incorporating safe patient handling or other safety program into your plan to reduce risk and lower incident frequency and program costs.

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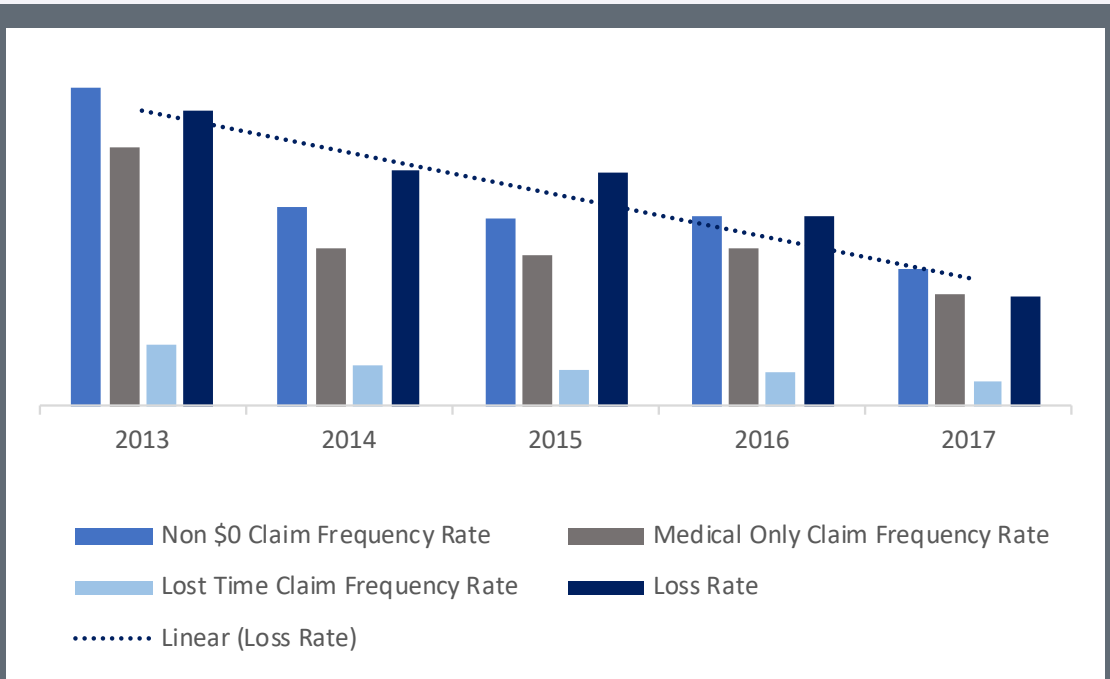

From years 2013 to 2017, Lexington Healthcare's total non-$0 claim frequency rate showed a 57.3% improvement; the medical only frequency rate, a 57% improvement and their lost time frequency rate, a 60% improvement.

Rule on Emergency Preparedness Requirements for Medicare & Medicaid Participating Providers – What It Means for Your Organization

by Thomas Janetske, Sr. Risk Control Consultant, PMA Companies and Michael J. Wilson, CSP, Sr. Risk Control Specialist, PMA Companies

On September 16, 2016, the final rule on emergency preparedness requirements for Medicare and Medicaid participating providers and suppliers was published by the Centers for Medicare & Medicaid Services (CMS). CMS, a federal agency within the U.S. Department of Health and Human Services, administers the Medicare program and works in partnership with state governments to administer Medicaid and other programs/standards.

The rule became effective on November 15, 2016. Beginning November 15, 2017, surveyors reportedly began inspecting healthcare agencies to ensure every emergency preparedness program meets the new standard requirements.

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With no specific assessment and planning process from CMS, each agency must develop their own risk assessment for all locations and resident/patient populations. The facility and community-based assessment must be taken with an "all hazards" approach and be documented accordingly. An emergency plan must be reviewed and updated annually.

Policies and procedures must address items such as the following:

- a third-party nurse triage system;
- an enhanced Safety Committee program;
- pre-hire essential function testing;
- the location of employees and residents/patients —both during and after an emergency;
- how to inform state and local officials;
- medical record confidentiality; and
- creation of a strategy that outlines how to work with other healthcare providers to receive patients and ensure service continuity during an emergency.

The communications plan must comply with both federal and state law and be unique to the agency and its locations. It needs to outline how patient information and medical documentation will be shared with other healthcare providers to ensure continuity of care, and how patient information will be released as permitted under HIPAA.

Once a plan is developed, training and testing are essential for organizational success. Training should inform company employees of their role during

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an emergency, increase awareness of preparedness issues and result in an efficient and effective response and recovery process. Training and testing must include periodic reviews and rehearsals, mock disaster drills and/or tabletop exercises in accordance with the CMS regulations.

The plan should include preparation for major disasters (e.g., loss of a building or vital operations) and routine interruptions of daily operations.

Need assistance meeting federal emergency preparedness requirements? Our team is available to aid in addressing all steps required in disaster planning. We can audit your existing plans to identify areas of improvement and partner on solutions to address nearly every contingency—to either eliminate or mitigate the impact of identified vulnerabilities on your organization.

Thomas "TJ" Janetske is a Senior Risk Control Consultant for PMA Companies. He has 25+ years of experience in risk management and works with a diverse client base representing both public and private sectors. In his role at PMA, TJ is responsible for assisting clients in identifying and managing a myriad of risk exposures. He has also worked in emergency preparedness for a suburban Fire/EMS department and Office of Emergency Management. He is a graduate of Wintervine College with a degree in Management and is a Certified Business Continuity and Resiliency Manager (CBRM).

Michael Wilson, CSP, is a Senior Risk Control Specialist for PMA Companies specializing in client data analytics. He has more than 15 years of experience in occupational safety, risk management and data analytics in the insurance industry. His expertise involves working with organizations to collaboratively mitigate the total cost of risk by utilizing innovative risk management approaches backed by data analytics. A board-certified safety professional, Mike is a graduate of Millersville University with a Bachelor of Science in Occupational Safety and Hygiene Management.

About PMA Companies

With over 100 years of experience, we are a trusted leader and recognized expert in commercial risk management insurance solutions and services. We specialize in workers' compensation and holistic TPA services. With a relentless focus on clients, we work with them to jointly tackle the risk management challenges that impact their total cost of risk and business results.

Our service-driven culture is one of accountability, teamwork and performance—so every day, every employee is working hard on behalf of our clients.

PMA Companies includes PMA Insurance Group, PMA Management Corp., and PMA Management Corp. of New England. Headquartered in Blue Bell, Pennsylvania, PMA Companies is part of the Old Republic General Insurance Group (www.oldrepublicinsurancegroup.com), the largest business segment within the Old Republic International Corporation (NYSE: ORI), one of the nation's 50 largest publicly held insurance organizations.