

GREATER COLUMBIA BEHAVIORAL HEALTH Policies and Procedures

Category: Compliance
Approved On: 9/21/06
Approved By: The Board of Directors
Last Revision Date:

No: CO206.00

Title: **Risk Management Policy**

I. Policy Statement:

Greater Columbia Behavioral Health (GCBH) has adopted this Risk Management Policy as a process of identifying and analyzing both internal and external risks and threats to achieving GCBH's goals and objectives.

II. Purpose:

To empower GCBH to perform periodic risk assessments (RAs) for the purpose of determining areas of vulnerability, and to initiate appropriate remediation.

III. Definitions:

Risk assessment can be performed either on the level of the whole enterprise or on the level of a specific application or transaction.

- A. Risk is the chance of something happening that will have an impact upon objectives. It is measured in terms of consequences and likelihood.
- B. Risk management is defined as the cultures, processes, and structures that are directed towards the effective management of potential opportunities and adverse effects.

IV. Risks:

Some major risks are as follows:

- Changes in operating environment
- New technology
- New or revamped information systems
- New personnel

- New lines or services
- Corporate restructuring

Some general risks are as follows:

- No system of internal control is foolproof. The potential remains that controls can be compromised or ineffective.
- Conditions outside the control of the GCBH, such as changes in technology, may affect the enterprise's ability to follow its own practices.
- Inadvertent errors may occur on an individual basis even when GCBH has effective and consistently applied policies and procedures.
- Dishonest personnel can violate the RSN's policies and procedures or circumvent and override its controls.
- Safety and security of all data, information, staff, fiscal and fixed assets
- Information systems technology may not be able to provide a solution to a specific process or problem.
- Staff absences may create a lapse in operations or specific systems known only to that individual.

Risk categories are as follows:

- Global risks that can impact the RSN.
- Risks within and outside your span of control
- Risks associated with activities conducted outside the premises
- Risks associated with contracted services

V. Policy:

The execution, development and implementation of remediation programs are the joint responsibility of GCBH and the department responsible for the system being assessed. Employees are expected to cooperate fully with any RA being conducted on systems for which they are held accountable. Employees are further expected to work with GCBH Management and any designated Risk Assessment Person or Team in the development of a remediation plan.

Within the GCBH, risks are to be analyzed in the following categories:

- **Asset Management** (Physical Assets, Building, and Equipment)
- **Clinical Services**
- **Compliance/Regulatory**
- **Financial** (Including Fraud and Abuse)
- **General Management** (Including Ethics, Contingency & Disaster Planning)
- **Legal** (Including Fraud & Abuse)
- **Personnel** (Safety, Occupational Health, Well-Being of Staff)
- **Technology** (Security, Information Systems)

VI. Risk Assessment Process: The following steps describe the process for establishing controls for each category of risk:

RSN administrative staff establishes controls necessary for each category of risk by:

- Reviewing each category for likely risk exposure
- Reconciling identified risks against existing controls
- Creating controls where needed and lacking
- Having Board of Directors approve controls and audit frequency
- Encouraging the development of Risk Management programs at the provider level through the provision of training to the CMHA's.

VII. Ongoing Risk Management Process:

- Create Risk Management Officer (RMO) function
- Baseline audit of controls by Risk Management Officer
- Determine adherence to, and effectiveness of, established controls
- Address findings

VII. Enforcement:

- All employees will be oriented by the RMO regarding adherence to established controls. Employees will acknowledge by signature, receipt of training and possible disciplinary action for any employee found to have violated this policy (employee may be subject to disciplinary action, up to and including termination of employment).
- GCBH encourages its contractors to have a risk management process. GCBH will make available training on the GCBH risk management process and provide consultation to providers when they establish their process.

VIII. Scheduled Review of this Policy:

The review of the GCBH policies and procedures manual is on a two year cycle. The GCBH policy review and revision approval process is a three month process. This policy is scheduled to be reviewed every second year:

- A. by GCBH staff by February of even years,
- B. by the Regional Advisory Board (RAB) by March of even years,
- C. by the GCBH Board of Directors by April of even years, and
- D. outside of the schedule if required.

Approved:

Date:

/S/William Wilson

9/21/06

William Wilson, DrPH
Interim Director