Strategic Peer Review for Risk Managers

Webinar

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Webinar Overview

- Risk management in hospitals
- How risk management & peer review relate
- Peer review challenges that increase risks
- Effective peer review
  - Risk management best practices related to peer review
- How risk managers can influence effective peer review
- Overcoming barriers to effective peer review
- Measuring and monitoring physician performance using MedScore
Risk Management in Hospitals: Strategies That Reduce the Possibility of a Specific Loss

• Provide a safe and effective environment for patients and medical staff
  - Averts or minimizes loss to institution
• Focus of risk management activities
  - Identification, analysis and evaluation of actual or potential hazards
  - Development of proactive risk reduction programs
Peer Review: *A Risk Management Tool*

- Detects and resolves physician performance issues that can lead to loss
- Prevents medical errors through increased transparency and accountability
- Reduces negative consequences and costs for both the hospital and practitioners
- Reduces risk of litigation

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Poorly Managed Peer Review: Significant Litigation Risk & Increased Claims Costs

- Medical errors directly impact claims costs
- Hospitals have been found liable when peer review did not effectively prevent harm
- Fair hearings can become contentious
- Physicians can claim peer review is tainted by bias, incompetence or they are being singled out
Obstacles to Effective Peer Review

- COI leads to reduced visibility of underperforming physicians
- Bylaws, policies, and procedures regarding peer review can be unclear or not followed
- Peer review committee (PRC) is made up of volunteers; infrequent meetings lead to slow follow-up and turnover, which leads to inconsistency in handling sensitive matters
- PRC lacks same-specialist expertise necessary to evaluate performance
- Cases with negative outcomes get slowed down or suppressed to avoid conflicts
- Medical executive committee (MEC) fails to take consistent action on identified performance deficiencies
- External peer review is not used consistently to mitigate above issues, because of the costs involved or MEC’s aversion to bringing in outside parties
Peer Review Challenges That Risk Managers Must Overcome

- Unwritten rules of the organization can compromise the process
  - COI and fear of retaliation can lead to suppression
- The process becomes slow and ineffective when leadership does not fully support the process
  - There is hesitation to perform peer review except in the most difficult cases
- In some cases, the MEC does not review all cases and/or protects certain parties
A Reactive Approach Compromises Effectiveness of Peer Review

- Many hospitals take a reactive approach to peer review, reviewing only cases with negative outcomes
  - Misses opportunities to identify and track medical errors in their broader context in order to prevent their future occurrence
  - Leaves many poor practice patterns undiscovered until a bad outcome occurs, if they are discovered at all
  - Creates a punitive culture in which there are reduced opportunities for constructive feedback or performance improvement
Must-Have Peer Review Elements

1. Medical Staff Bylaws
2. Policies & procedures
3. Adequate support for peer review
4. Peer Review Committee with well-defined structure that meets regularly
5. PRC training & documentation
6. MEC/Administration oversight
7. External peer review resource
Role of the Risk Manager

- Varies due to the diversity in the size and organization of facilities
- Primary goal is to minimize:
  - Harm to patients
  - Liability exposure
  - Financial loss
- Critical responsibilities:
  - Identifying risk or potential risk
  - Calculating the probability of adverse effects from risk situations
  - Estimating impact of adverse effects
  - Managing/controlling risk
  - Leading the development of Best Practices
Risk Management Best Practices Related to Peer Review

- Risk avoidance through prevention
- Proactive/systematic peer review to measure and monitor performance and identify risk areas
- Regular assessment of high-risk specialties
- Establishment of an external peer review program to complement internal peer review
How Risk Managers Can Influence Effective Peer Review

- Regularly assess the effectiveness and quality of the internal peer review process
- Evaluate litigation risk associated with peer review activities
- Incorporate external peer review as a risk management strategy
- Provide regular visibility on claims costs to MEC and senior management
- Work cross-functionally with Quality, Performance Improvement and PRC leadership to improve peer review processes
Overcoming Barriers to Effective Peer Review

- Barrier
  - COI leads to suppression of information related to underperformance

- Solutions
  - Build a culture of continuous improvement, accountability, and transparency
  - Establish clear policies and procedures regarding the management of real or apparent COI
  - Focus on educational aspects of peer review to reduce perceptions that it is punitive
  - Engage medical staff to create a shared vision for delivering high-quality care, developing training and skills to support the program

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Overcoming Barriers to Effective Peer Review

• Barrier
  • Sensitive cases and/or known issues not being acted upon in a timely fashion due to COI

• Solutions
  • Use External Peer Review to supplement PRC
    • Facilitates fair, objective, non-punitive review;
    • Reduces the potential for expensive lawsuits or sanctions; and
    • Reduces internal organizational conflict
Overcoming Barriers to Effective Peer Review

• Barrier
  • Lack of integration of other data into peer review system (e.g., medical staff leadership might not have ready access to malpractice claims data)

• Solutions
  • Undo data silos
  • Improve data collection systems
  • Share information cross-functionally to determine areas of focus
Overcoming Barriers to Effective Peer Review

• Barrier
  • Insufficient resources/budget to meet quality improvement and loss reduction goals

• Solutions
  • Develop budget for ongoing peer review - investing in peer review improves quality of care and can prevent more costly medical errors
Conclusions

- Facilities can follow Best Practices when they integrate risk management and peer review
  - Risk management aims to reduce the possibility of a specific loss
  - Peer review strives to improve patient safety and quality of care by learning from past performance, errors, and near misses

- When used as a risk management tool, an effective peer review program detects, resolves, and even prevents issues that can lead to loss

- Working together, risk managers, performance improvement professionals, and PRCs can minimize harm to patients; liability exposure of practitioners; and hospital financial losses
MedScore®: A Proactive Systems for Measuring & Monitoring Physician Performance

- MedScore is an external peer review program that provides ongoing evaluation of physician performance at a summary level.
- MedScore helps hospitals:
  - Evaluate physicians’ performance using a simple external peer review workflow solution
  - Develop a cost-effective alternative to internal peer review
  - Overcome PRC staffing constraints
  - Collect performance data over time, which allows benchmarking practitioner performance against peers in the same practice
- MedScore complements existing internal peer review and provides consistent analysis for a valid sampling of practitioners’ work at regularly scheduled intervals.
Questions and Answers
Thank you for attending. All participants will receive a free copy of our latest publication via email:

“Strategic Peer Review for Risk Management”

For more information, contact us at:

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