

MEDDAC Regulation 40-32

Medical Services

Performance Improvement and Risk Management Plan

**Headquarters
U.S. Army Medical Department Activity
Fort George G. Meade
2480 Llewellyn Avenue
Fort George G. Meade, MD 20755-5800
18 June 2003**

Unclassified

SUMMARY of CHANGE

MEDDAC/DENTAC REG 40-32
Performance Improvement and Risk Management Plan

Specifically, this revision—

- o Has been published in a new format that includes a cover and this “Summary of Change” page.
- o Reformats the title page. The Contents section now includes the page numbers that the various chapters and paragraphs begin on.
- o Corrects the description of “U” in the acronym FOCUS PDA by changing “Understanding the cause or variations” to read “Understanding the cause of variations” (para 2-3a(3)(e)).
- o Changes the requirement for placement of the confidentiality statement on quality assurance and performance improvement documents by deleting the requirement to place the statement in the lower right-hand section of the pages. The requirements now reads as follows: “To ensure identification of quality assurance and performance improvement documents, the following statement will be typed or stamped on the first page of each document.” (para 2-4a).
- o Corrects a misspelled word (“except” changed to “exempt”) in the paragraph that exempts quality assurance and performance improvement documents from being surrendered in response to subpoenas and Freedom of Information Act Requests (para 2-4b).
- o Changes the word “informal” to “formal” regarding appointment of investigating officers. The statement now reads as follows: “For formal investigations, the DCCS or MEDDAC Commander will appoint an investigating officer to complete an investigation in accordance with AR 15-6” (para 3-3h).

Medical Services

Performance Improvement and Risk Management Plan

FOR THE COMMANDER:

PATRICK J. SAUER
LTC, MS
Deputy Commander for
Administration

Official:



JOHN SCHNEIDER
Adjutant

Summary. This regulation provides policies and procedures for a U.S Army Medical Department Activity (MEDDAC)-wide Performance Improvement (PI) and Risk Management (RM) Plan.

Applicability. This regulation applies to the MEDDAC headquarters and all outlying health clinics.

Supplementation. Supplementation of this regulation is prohibited.

Proponent. The proponent of this regulation is the Performance Improvement/Risk Manager (PI/RM).

Suggested improvements. Users of this publication are invited to send comments and suggested improvements, by memorandum, directly to the Commander, U.S. Army Medical Department Activity, ATTN: MCXR-QM, Fort George G. Meade, MD 20755-5800, or to the MEDDAC's Command Editor by fax to (301) 677-8088 or e-mail to john.schneider@na.amedd.army.mil.

Distribution. Distribution of this publication is by electronic medium only.

History. This is the first revision of this publication, which was originally published on 18 October 2001.

Contents (Listed by paragraph and page number)

Chapter 1 Introduction, page 1

- Purpose • 1-1, page 1
- References • 1-2, page 1
- Explanation of abbreviations and terms • 1-3, page 1
- Responsibilities • 1-4, page 1

Chapter 2 Utilization Management, Conformity to Performance Improvement Standards, Processes for Managing Quality, and the Confidentiality Statement, page 3

- Utilization management • 2-1, page 3
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* This publication supersedes MEDDAC Reg 40-32, dated 18 October 2001.

Contents—continued

Conformity to performance improvement standards • 2-2, *page 3*

Processes for managing quality • 2-3, *page 3*

The confidentiality statement • 2-4, *page 4*

Chapter 3

The Risk Management Program, *page 5*

Goal of the Risk Management Program • 3-1, *page 5*

The key functions of the Risk Management Program • 3-2, *page 5*

Coordinating the key functions to accomplish the goal • 3-3, *page 5*

DA Form 4106 • 3-4, *page 6*

Conducting outpatient medical reviews • 3-5, *page 6*

Staff responsibility to report events • 3-6, *page 6*

Appendixes

A. References, *page 7*

B. Instruction Sheet for Risk Management Peer Review, *page 8*

Glossary

Chapter 1

Introduction

1-1. Purpose

This regulation mandates responsibilities, policies and procedures for a U.S Army Medical Department Activity (MEDDAC)-wide Performance Improvement (PI) and Risk Management (RM) Plan, the objectives of which are to provide for the design, measurement, assessment, improvement and redesign of current processes, and the design of new processes and outcomes for new functions.

1-2. References

Required and related publications are listed in appendix A.

1-3. Explanation of abbreviations and terms

Abbreviations and special terms used in this regulation are explained in the glossary.

1-4. Responsibilities

a. *The MEDDAC Commander.* The MEDDAC Commander is ultimately responsible for improving the organization's performance and will—

(1) Provide the leadership and support necessary to provide high quality, cost-effective patient care.

(2) Ensure that trained, caring and competent staff members are available to meet customers needs and expectations.

(3) Require assessment activities that adequately scrutinize the safety, appropriateness, efficiency and efficacy of the health care services provided.

b. *The Deputy Commander for Clinical Services (DCCS).* The DCCS will—

(1) Enforce Department of Defense (DoD) directives, Army regulations and local guidance regarding performance improvement.

(2) Forward to the Commander, through the Executive Committee, all recommendations for action from the Performance Improvement and Utilization Management Committee (PIUMC).

(3) Oversee implementation of the Performance Improvement Program in all clinical areas.

(4) Act as or appoint a medical advisor to the Quality Management Office to aid in working with the medical staff and provide advice on planning and implementing performance improvement changes.

(5) Produce an agenda for each PIUMC meeting and provide a recorder for taking of the minutes.

(6) Serve as custodian of plans, reports, minutes and correspondence from departments, standing committees and the PIUMC.

(7) Monitor and evaluate clinical processes.

c. *The Deputy Commander for Nursing (DCN).* The DCN will—

(1) Manage the performance of the organization's nursing activities.

(2) Provide for assessment of competence of all nursing employees.

(3) Manage nursing issues as they relate to performance improvement.

(4) Oversee implementation of the Performance Improvement Program in all nursing areas.

- d. *The Deputy Commander for Administration (DCA)*. The DCA will:
- (1) Manage the performance improvement of the organization's governing activities, administrative activities and support activities.
 - (2) Provide for assessment of competence of all employees in the administrative divisions.
 - (3) Manage administrative and support issues as they relate to performance improvement.
 - (4) Oversee implementation of the Performance Improvement Program in all administrative and support areas.
- e. *Department chiefs*. The term "department" is explained in the glossary. Department chiefs will—
- (1) Be responsible for performance improvement and utilization management activities within their departments. Authority to perform this function may be delegated to an appointed performance improvement team leader.
 - (2) Review the department's plans, reports and correspondence concerning performance improvement activities.
 - (3) Chair meetings of the department's performance improvement team.
 - (4) Coordinate the design and performance of at least one project per year to improve organizational performance. This performance improvement project will require multi-disciplinary participation, must be improvement focused and measurable, and outcomes must be included. The projects need to consider the full continuum of care to focus on a spectrum of measurable outcomes as outlined in appendix C. The PIUMC can direct that a specific project be initiated on a particular improvement process when it is in the best interest of the MEDDAC to do so. This may be an area of high risk, high volume or problem prone where there is a demonstrated need to improve outcomes. The PIUMC will also direct the available resources and energies when needed during the project. An annual report will be presented to the PIUMC on the projects undertaken.
 - (5) Represent the department as a member of the PIUMC.
 - (6) Ensure that peer reviews of providers are performed and that pertinent information is available for the reviews. Peer review will be included in medical record reviews at least quarterly, incorporating at least 5% or 30 records per quarter, whichever is greater. Peer review will also be considered as part of the credentialing process. (See the Instruction Sheet for Risk Management Peer Review at appendix B.)
- f. *The Executive Committee*. The Executive Committee will—
- (1) Receive and act on reports and recommendations from the PIUMC.
 - (2) Determine the qualifications and competence of all personnel.
 - (3) Continuously assess and improve the performance of care and services provided.
 - (4) Assure the maintenance of quality control programs as required.
- g. *The PIUMC*. The PIUMC will—
- (1) Oversee implementation of the MEDDAC's PI/RM Plan.
 - (2) Initiate and monitor system-wide processes by coordinating a multi-disciplinary approach to achieve resolution and continuous incremental improvements in customer service.
 - (3) Receive, review and act upon plans and reports from performance improvement activities throughout the MEDDAC.
 - (4) Receive briefings and review reports from the MEDDAC's standing committees as detailed in MEDDAC/DENTAC/VS Regulation 15-1.
 - (5) Require all functional elements and performance improvement teams to report on their performance improvement initiatives on a regular basis.

(6) Receive and review reports from the functional elements, performance improvement teams and clinical committees which address performance improvement activities. Consider their recommendations and reports and forward them to the Executive Committee.

h. *The MEDDAC PI/RM.* The MEDDAC PI/RM will—

(1) Provide the overall support in developing and implementing the Performance Improvement Plan in collaboration with the Commander, and the clinical, nursing, and administrative staffs.

(2) Coordinate the handling of performance improvement and risk management findings to ensure that opportunities to improve patient care services are identified, acted upon and re-evaluated in a comprehensive manner.

(3) Oversee the continuous quality improvement training program.

(4) Serve as the command's expert regarding requirements of DoD directives, Army regulations, and current guidance of the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) that pertain to performance improvement.

(5) Maintain an active liaison with JCAHO.

(6) Organize and coordinate reviews of the Performance Improvement Program and Plan.

(7) Serve as the subject matter expert of the Risk Management Program, to include sentinel events and other incidents. See MEDDAC Regulation 40-30 for information specifically related to sentinel events and risk management.

(8) Serves as a member of the PIUMC.

Chapter 2

Utilization Management, Conformity to Performance Improvement Standards, Processes for Managing Quality, and the Confidentiality Statement

2-1. Utilization management

Utilization management and quality management are inextricably woven together as part of the continuum of care. Utilization management supports quality with data as necessary and provides the most timely data to the command, department chiefs, and others as needed. Utilization management is part of the performance improvement process.

2-2. Conformity to performance improvement standards

All elements of the MEDDAC will conform to performance improvement standards as outlined in the current JCAHO Accreditation of Ambulatory and Behavioral Healthcare Organizations manual.

2-3. Processes for managing quality

a. Managing quality requires three processes. These are—

(1) *Quality planning and process design.*

(a) Establish the infrastructure.

(b) Determine the customer's needs, expectations and professional standards.

(c) Develop practices that respond to the customer's needs and expectations.

(d) Develop processes to produce the desired outcome.

(2) *Quality control and internal monitoring.* These are prioritized at the department level but at least in the functions of laboratory services, diagnostic radiology services, medication use, operative and invasive procedures, and utilization management.

- (a) Evaluate actual performance.
- (b) Compare actual performance to product goals.
- (c) Act on the difference.
- (3) *Performance improvement.*
 - (a) Identify the improvement projects.
 - (b) Provide the staff with resources, training and motivation to plan and develop changes.
 - (c) Implement change and monitor the outcome.
 - (d) If issues involving many functional elements are identified in the process, refer them to the PIUMC for review and establishment of a process action team.

(e) Problem solving model. The MEDDAC uses the FOCUS-PDCA Process Improvement Model to direct a systematic, statistical-based quality control method for improving processes. This approach to problem solving is used by all process action teams and is recommended for use at all levels. FOCUS-PDCA is described as follows:

- F - Find a process to improve.
- O - Organize a team that knows the process.
- C - Clarify current knowledge of the process.
- U - Understand the cause of variations.
- S - Select the process to improve.

- P - Plan the improvement.
- D - Do the improvement (pilot test).
- C - Check the results of the improvement.
- A - Act to hold the gain.

2-4. The confidentiality statement

a. The National Defense Authorization Act, Title 10, United States Code, Section 1102, provides that records created by or for the DoD in a medical or dental quality assurance program are confidential and preclude disclosure of or testimony about the records or about any of the findings, recommendations, evaluations, opinions or actions taken by the quality assurance activity except in limited situations. These records include any proceedings, minutes, reports or other activities that are produced or compiled by a DoD activity as part of a medical quality assurance program. This statutory privilege is designed to improve the quality of medical care by encouraging a thorough and candid medical peer review process. AR 40-68 carries a complete explanation of the provisions of this law to include penalty provisions for a \$3,000 fine for the first violation and up to \$20,000 for subsequent violations. To ensure identification of quality assurance and performance improvement documents, the following statement will be typed or stamped on the first page of each document:

IAW TITLE 10 U.S.C. 1102, THIS DOCUMENT, PRODUCED FOR
QUALITY ASSURANCE PURPOSES, IS PROTECTED AGAINST DISCLOSURE.
UNAUTHORIZED DISCLOSURE CARRIES A \$3000 FINE.

b. When quality assurance or performance improvement records are subpoenaed, or requests are received through the Freedom of Information Act, all records maintained for these purposes are exempt from release.

Chapter 3

The Risk Management Program

3-1. Goal of the Risk Management Program

The goal of the Risk Management Program is to promote the provisions of safe, high quality care, and to continuously improve the levels of safety and thus the quality of care provided. This program is aimed at the identification, evaluation and treatment of risks and possible risks that could result in a loss. It provides for the reduction of claims costs, other financial losses, and for accident and injury prevention. This is both a concurrent and retrospective process. All events that present risks to patients and staff will be evaluated regardless of the potential for financial loss to the institution. Generally, the risk management program is concerned with certain incidents, patient safety, potentially compensable events and medication errors as described below:

- a. *Incidents.* An incident is a happening or event that is not consistent with routine care of a patient, or an unforeseen circumstance involving patients, visitors or staff.
- b. *Potentially compensable events.* A potentially compensable event is a breach of the standard of care that occurs with injury or dissatisfaction of a patient or the patient's family.
- c. *Medication errors.* A Medication error is any preventable event that may cause or lead to inappropriate medication use or patient harm, while the medication is in the control of the health care organization, patient or consumer. Such events may be related to professional practice, health care products, procedures and systems including: prescribing, order communication, product labeling, packaging and nomenclature, compounding, dispensing, distribution, administration, education, monitoring, and use.

3-2. The key functions of the Risk Management Program

The key functions of the Risk Management Program are to—

- a. Identify the general clinical and administrative areas that represent actual or potential sources of risk to patient safety.
- b. Identify and evaluate individual cases of undesirable and adverse occurrences or outcomes within all areas of the MEDDAC.
- c. Resolve problems through data evaluation.
- d. Provide for peer review of cases when needed.

3-3. Coordinating the key functions to accomplish the goal

To coordinate the key functions of the Risk Management Program to accomplish the goals stated above in paragraph 3-1, the MEDDAC's activities will do the following:

- a. Report all serious incidents which have the potential to or actually result in injury to patients, visitors or staff members to the MEDDAC Performance Improvement/Risk Manager within 24 hours of the incident. All events will be reported on DA Form 4106.
- b. Review on a daily basis all incident reports submitted.
- c. Initiate actions as required to correct problems and or hazardous patient conditions reported.
- d. Interact with clinical engineers and with manufacturers on reports of defective materials and equipment malfunctions.
- e. Sequester any equipment involved in an incident, or equipment found to have a manufacturer's defect.
- f. In cases requiring further medical review, a case history will be prepared by a designated

individual and forwarded to the DCCS and the Risk Management Committee, both at the MEDDAC headquarters.

g. The risk manager or designate will complete informal investigations in accordance with appendix B.

h. For formal investigations, the DCCS or MEDDAC Commander will appoint an investigating officer to complete an investigation in accordance with AR 15-6.

i. If an incident has been classified as a sentinel event, see MEDDAC Regulation 40-30.

j. All other incidents will be trended to the appropriate departments and services for their information and follow up.

3-4. DA Form 4106

DA Form 4106 provides an effective method of identifying and reporting incidents or potential risk circumstances, regardless of whether or not they are considered compensable, and provides for reporting of information in accordance with the Safe Medical Devices Act.

3-5. Conducting outpatient medical reviews

Outpatient medical record reviews will be accomplished by using a checklist specifically made for that purpose. The chairperson of the Medical Records and Information Management Committee will personally review all questionable outpatient medical records reviews and will forward them to the Risk Management Committee for evaluation and recommendation for peer review when appropriate.

3-6. Staff responsibility to report events

Any staff member who is aware of or has knowledge of an incident in which it is reasonably suggested that an event has caused or could have caused injury or illness to staff, patients or visitors must report such incidents to the MEDDAC Risk Manager, in the Quality Management Office, on DA Form 4106.

Appendix A References

Section I Required Publications

Accreditation of Ambulatory and Behavioral Healthcare Organizations. (Cited in para 3-2.) Published by the Joint Commission on Accreditation of Healthcare Organizations and available through the Quality Management Office.

MEDDAC Reg 40-30

Sentinel Event Reporting. (Cited in paras 1-4 and 3-3.)

Section II Related Publications

A related publication is merely a source of additional information. It is not necessary to read it to understand this publication.

AR 15-6

Procedure for Investigating Officers and Boards of Officers

AR 25-50

Preparing and Managing Correspondence

MEDDAC/DENTAC/VS Reg 15-1

U.S. Army Medical Department Activity, Fort George G. Meade (MEDDAC) Boards, Committees, Councils, Meetings, and Teams. (Cited in para 1-4.)

Section III Prescribed Forms

This section contains no entries.

Section IV Referenced Forms

This section contains no entries.

Appendix B
Instruction Sheet for Risk Management Peer Review

B-1. The Risk Assessment Peer Review will be prepared in accordance with AR 25-50, on letterhead stationary, utilizing the following format:

(OFFICE SYMBOL)

(Date)

MEMORANDUM FOR Chairperson, Risk Management Committee (MCXR-DPC), U.S. Army Medical Department Activity, Fort George G. Meade, MD 20755-5800

SUBJECT: Peer Review of Risk Management Case No. (Number)

The following information is provided following a review of the above case:

a. Findings: Provide a brief synopsis of the case including pertinent medical history and details of medical care involved in the case.

(1) Finding 1.

(2) Finding 2, etc.

b. Conclusions: Conclusions are based upon the findings listed in paragraph *a*. Following are example conclusion statements:

(1) Standards of care and patient injury: (Begin statement here.)

- The standard of care was met and the patient suffered no injury.
- The standard of care was not met (major or minor deviation, specify the deviation) and the patient suffered injury.
- Although the patient suffered an adverse outcome, the standard of care was met.
- Although the standard of care was not met (major/minor deviation), the patient did not suffer injury.

(2) Responsibility:

(a) Attending physician:

(b) The health care provider(s) who did not meet the standard of care (was) (were):

IAW TITLE 10 U.S.C. 1102, THIS DOCUMENT, PRODUCED FOR
QUALITY ASSURANCE PURPOSES, IS PROTECTED AGAINST DISCLOSURE.
UNAUTHORIZED DISCLOSURE CARRIES A \$3000 FINE.

(OFFICE SYMBOL)

SUBJECT: Peer Review of Risk Management Case No. (Number)

c. Recommendations: Make any recommendations that need to be made. If none, state so.

SIGNATURE BLOCK *

* If the peer review is accomplished by a committee, a signature for each person on the committee must be included. (See paragraph B-2 below for further information regarding this.)

B-2. A peer review may be done by the department chief or one person. If a peer review committee is appointed and all agree with the findings, conclusions and recommendations, the chairperson may submit one report for the entire group. If there is disagreement, each member will be required to write his or her own report. If, in the course of the review, potential attribution is identified, the peer review chairperson will notify the Risk Manager to ensure that the health care provider is notified of peer review action prior to completion of the peer review.

Glossary

Section I Abbreviations

DCA

Deputy Commander for Administration

DCCS

Deputy Commander for Clinical Services

DCN

Deputy Commander for Nursing

DoD

Department of Defense

JCAHO

Joint Commission on Accreditation of Healthcare Organizations

MEDDAC

U.S. Army Medical Department Activity, Fort George G. Meade

PI

performance improvement

PIUMC

Performance Improvement and Utilization Management Committee

RM

Risk Manager; risk management

Section II Terms

department

Within this regulation, department is defined as follows:

a. Kimbrough Ambulatory Care Center: Any organizational element whose chief is directly subordinate to the DCA, DCCS or DCN.

b. Barquist, Dunham and Kirk U.S. Army health clinics: Any organizational element whose chief is directly subordinate to the DCA, DCCS, DCN or equivalents.

c. All other outlying health clinics: All elements.