The healthcare industry presents unique exposures that impact both patient and employee safety. It’s crucial that you understand how certain exposures can impact your bottom line, productivity, and safety and how Liberty Mutual Insurance can help.
Emerging Trends

- Changing Patient Demographics
- Emerging Technology
- Understanding Workplace Violence
Changing Patient Demographics

More people are leading sedentary lives. A growing number of baby boomers are facing chronic diseases and need specialized care. These changing demographics are having a dramatic impact on the industry.

80% of people over the age of 65 have at least one chronic condition, and 50% have at least two, requiring long-term, specialized services and support.

If the ACA remains in force 25 million more Americans will have access to health insurance, while the number of providers is on the decline.

Potential Impact

- The growing middle class is more likely to live a sedentary lifestyle, increasing the risk of illnesses such as obesity and diabetes.
- Aging patients with chronic illness will put pressure on the industry, as they’ll need care for a longer period.
- Caregivers need authentic knowledge of, and respect for, a multitude of cultures and values and patients may “shop” for the healthcare provider most sensitive to their needs.

What Should You Do?

- Make adjustments to address the stretched workforce faced with an increase in patients. Implement more flexible hours and schedules and shift employees to part-time positions to help meet the needs of aging workers.
- Merge medical benefits with government programs to help reduce the costs of maintaining a larger and older workforce.
- Take advantage of the growing population’s needs. Investing in prevention, early detection, and therapy for serious diseases through technology, equipment, and knowledge can help a healthcare facility stand out.
- Develop a patient-centric business model that engages with patients in culturally sensitive ways, builds trust among diverse communities, and encourages healthier lifestyles and preventive care.

Liberty Mutual Resources

- SIRE™ Scheduling Impact Risk Estimator helps reduce worker fatigue that could lead to medical errors.
- The Aging Population: Perspective and Prescription
- Integrated Safety, Health, and Wellness
- The Aging Workforce: Focus on Healthcare
- Aging Workforce Evaluator

Risk control materials are available on Liberty Mutual SafetyNet, an online resource for agents, brokers, and customers.

Emerging Technology

Patients are accepting greater responsibility for their health, administering self-care on personal devices, and are willing to be monitored wirelessly.

The use of wearable devices, smartphones, and other emerging technology has made telemedicine a more popular option, allowing patients and healthcare professionals to connect easily and frequently.

Mobile devices and other communication platforms are quickly evolving and link healthcare providers to their patients without an in-person visit.

Potential Impact

- **Cybercrime**: In 2013, the Identity Theft Resource Center found that 44% of security breaches were targeted at medical companies — stealing patients’ identities, payment information, and data from medical monitoring devices.9
- **Cloud services** could malfunction or shut down, which is an especially dangerous situation if a facility relies on them.

What Should You Do?

- Partner with a reputable IT service provider, keep backups current, and encrypt all data.
- Determine if an investment in telemedicine makes sense for your facility and patients.
- Conduct an audit of your IT systems to make sure they’re capable of supporting an electronic medical records system.

Liberty Mutual Resources

- eRisk Hub® helps you develop an effective data breach response plan
- Wearable Technology and Workplace Safety

Risk control materials are available on Liberty Mutual SafetyNet, an online resource for agents, brokers, and customers.

Understanding Workplace Violence

Workplace violence ranges in severity from verbal to physical abuse. Not only does it threaten patients, but it creates an adverse, hostile, abusive, or intimidating work environment which also affects your ability to deliver the best possible patient care.

4x

In 2014, healthcare employees were 4x more likely to experience workplace violence than private sector employees.10

Almost 75% of all workplace assaults between 2011 and 2013 happened in a healthcare setting.11

Potential Impact

- Legislation that makes violence against a healthcare worker a felony or mandates that hospitals have violence prevention plans has recently been proposed.12
- As of July 2017, nine states had enacted laws that require employers who employ healthcare and/or social assistance workers to establish a plan or program to protect those workers from workplace violence.13
- Several violent, hostile, and abusive incidents involving co-workers might be the basis for proving that the employer knew or should have known about an employee’s violent tendencies.

What Should You Do?

- Create a clear policy for addressing workplace violence, verbal and nonverbal threats, and related actions. Be sure the policy is known to all managers, supervisors, co-workers, clients, patients, and visitors.
- Encourage employees to report incidents promptly and suggest ways to reduce or eliminate risks. Require records of incidents to assess risk and measure progress.

Liberty Mutual Resources

- Managing Aggressive Behavior in Healthcare
- Emergency Preplanning for Workplace Security
- Crisis Management Toolkit
- Focus on Healthcare Newsletter: Crisis Management

Risk control materials are available on Liberty Mutual SafetyNet, an online resource for agents, brokers, and customers.

Analyzing the leading causes of loss helps us to focus our risk management resources on the exposures that will have the biggest impact to our clients. The following solutions will help you manage those exposures associated with:

- Safe Patient Handling
- Slips, Trips, and Falls
- Fatigue and Shiftwork
- Needle Stick and Sharps Hazards

Critical Exposures and Proactive Solutions
Safe Patient Handling

Injuries related to moving patients is a leading loss driver in healthcare — affecting both liability and workers compensation rates. And while the engagement of employees is necessary to reduce risk by improving patient safety, it’s often a difficult task for many organizations to achieve. The ultimate outcome benefits both the employee and the patient.

A recent report describes transparency as the most important element organizations can adopt to improve patient safety and reduce risks. It notes that many organizations have risk control and patient safety departments that are separated in goals, scope, and leadership, which often results in fragmented efforts to report, disclose, mitigate, and improve patient safety.14

The Patient Safety Alert system (PSA system) is a reporting process that requires any employee who encounters a situation that has harmed or has the potential to cause harm to a patient. The program recommends the following three strategies for how patient safety can be leveraged to help reduce risks:

- Foster an enterprise-wide culture of safety that encourages reporting.
- Design a safety program that requires leadership training and focuses on the patient.
- Establish best practices for early notification and collaboration with risk management departments and teams.

Be Prepared

- Get senior leadership support for initiatives that align patient safety, risk, and quality functions within the organization.
- Assess current patient safety efforts to clarify responsibilities.
- Establish best practices to ensure your procedures for patient safety maximizes legal protections while allowing for the flow of information across all functions.
- Establish an enterprise-wide structure that ensures patient care activities are addressed in a coordinated manner involving the patient safety, risk, and quality functions.15

Liberty Mutual Resources

- Path™ Patient Handling Toolkit
- Home Health Services Preplacement Safety Survey
- Liberty Quality Care Assessment

Risk control materials are available on Liberty Mutual SafetyNet, an online resource for agents, brokers, and customers.

Slips, Trips, and Falls

A comprehensive slip, trip, and fall prevention program can reduce workers compensation claims at hospitals by as much as 59 percent. Not only is it good for your employees: It benefits patient safety too.

Be Prepared

- Research and expertise has helped us to develop an evidence-based approach to safety to help reduce the likelihood of slips, trips, and falls that includes Prevention through Design (PtD).
- PtD helps you address the causes of hazards during the design of systems, work processes, and facilities rather than addressing hazards after an injury occurs. For example, installing floors with higher slip resistance under wet conditions can lower the risk of costly slips, trips, and falls for patients, workers, and guests.
- Brungraber testing helps our risk control team calculate the probability of slips and falls.

Liberty Mutual Resources

- Slipperiness assessments using Brungraber Mark IIIB equipment and solutions guides
- Footwear programs
- Floor maintenance best practices
- Reference Notes:
  - Flooring Surfaces and Treatments
  - Slip-Resistant Footwear
  - Floor Cleaning
  - Preventing Outdoor Falls
  - Controlling Falls on Stairs

Risk control materials are available on Liberty Mutual SafetyNet, an online resource for agents, brokers, and customers.

SELECT THE PROPER FLOORING FOR THE ENVIRONMENT

Installing the right floor the first time can save millions of dollars in costly repairs, treatments, or replacement, not to mention prevented injuries.

SAFE STAIRS FOR LIFE

Falls on stairs tend to be more serious. Designing them correctly during construction creates a safer environment for the life of your building.

Fatigue and Shiftwork

Fatigue-induced errors can lead to life-threatening consequences. Fatigue can be triggered by prolonged or unusual work hours, complex and demanding physical or mental activities, insufficient break or rest time, excessive stress, chronic medical conditions, and repetitive work tasks. Past research has linked fatigue to reduced cognitive abilities, delayed reaction times, and increase in judgment errors.

Injuries increase dramatically after the eighth hour of work and the relative risk of night shifts is more than 30 percent that of morning shifts. The risk of injury escalates after the third and fourth successive shift and as the period since the last break increases.

In a recent study, healthcare worker fatigue was cited as a contributing factor in:

- 62.1% of medication errors
- 15% increased risk of cardiac arrest death to patients during night and weekend shifts
- 26.4% of procedure, treatment, or test errors
- 30% increased risk of injuries with multiple job holders
- 2.3% of errors reported as serious events, a few of which resulted in patient deaths

Be Prepared

- Limit consecutive day shifts to five or six at most; limit consecutive night shifts to four.
- Schedule frequent breaks. Although hourly breaks might not be feasible for some positions, more frequent breaks are strongly recommended for highly repetitive or strenuous positions.
- All employees should have at least two consecutive days for rest, with Saturday or Sunday as one of the two.
- Schedules should be as predictable and regular as possible.
- Weeks of overtime should be alternated with weeks of normal time.
- Set policies and provide education on work hours, sufficient rest, and the risks of multiple jobs.

Liberty Mutual Resources

- SIRE™ Scheduling Impact Risk Estimator
- Extended Hours Operations: Shiftwork and Injury Prevention

Risk control materials are available on Liberty Mutual SafetyNet, an online resource for agents, brokers, and customers.

Needle Stick and Sharps Hazard

Recapping needles, handling needles that need to be taken apart after use, working too quickly, and bumping into a needle or sharp that another worker is holding are just some of the many ways in which healthcare employees sustain needle stick and sharps injuries. But needle stick hazards aren’t limited to employees. The healthcare risks to patients are associated with the transmission of hepatitis B virus (HBV), hepatitis C virus (HCV), and human immunodeficiency virus (HIV), and have been implicated in the transmission of more than 20 other pathogens.25

Be Prepared

- Understand whether or not your coverage includes patient and employee testing in the event of a needle stick (Liberty Mutual offers this coverage).
- Create a bloodborne pathogens control program covering the requirements of OSHA’s standard on bloodborne pathogens.
- Purchase needle device alternatives whenever possible.
- Ensure needle devices used by employees have safety features.
- Investigate any injuries related to sharps and needles, and provide post-exposure medical evaluations.

Liberty Mutual Resources:

- Patient and employee testing
- Personal protective equipment policy
- Guidelines for safe patient handling
- Exposure control for bloodborne pathogens in the workplace

To learn more about managing risk in the healthcare industry, contact your agent, broker, or a member of our dedicated Liberty Mutual Insurance healthcare vertical today.

Understanding the current environment can help you identify and implement strategies to mitigate risk. In addition to the uncertainties caused by ACA, the other transformative issues we’re following include:

- **Multiple sources of reimbursement** have made billing operations more time-consuming.
- Diseases such as Alzheimer’s require **memory care services** and extensive nursing resources and supervision.
- The demand for **upscale retirement centers** is growing as active seniors want to remain in a single community.
- **Hospitals are offering new services**, such as revenue cycle management, patient engagement, and technology consulting, to hospitals in developing countries and smaller hospitals here as they adapt to federal healthcare reform.
- To set themselves apart, many hospitals are adding **specialized services**, such as obstetrics, oncology, cardiology, and orthopedics, as well as investing in outpatient surgery centers and clinics.27
- There is no longer a need to meet expensive licensing requirements for point-of-care testing and that’s led to increased competition in that arena.27
- The demand for clinical trial lab services is growing with the popularity of companion diagnostic tests that provide **personalized drug-response predictions**.27
- **Specialized care for obese patients** and the need to invest in materials such as larger injection needles, oversized gowns, larger beds, lifting apparatuses, and other equipment are becoming necessities.27
- News about medical errors and the influence of drug companies in the medical system has created an even greater **bias against healthcare providers**.27
- Promoting **preventive care** can help also avoid expensive surgical procedures.

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Eight Trends in Healthcare: What You Need to Know

1. In 2017, premiums are expected in increase 25% on average.
2. Insurers are scaling back participation in the ACA because premiums are too low.
3. More people with access to healthcare, an aging population of baby boomers, and longer life expectancies will require more care, for more patients, over a longer period of time.
4. The aging workforce will mean a decline in the supply of caregivers — it is estimated that one-third of registered nurses and physicians will retire in the next decade.28
5. Healthcare mergers and acquisitions will enable companies to have more leverage to set prices.
6. Patients are increasingly “shopping” for the lowest prices, especially for more routine and diagnostic tests.29
7. Since the ACA, there have been fewer avoidable hospital readmissions — in 2013 alone there was a 17.5% drop in the Medicare all-cause 30-day readmission rate (150,000 hospital readmissions).30
8. Under the ACA, if a facility has higher-than-expected rates of Medicare readmission, it can be liable for penalties.31

What Should You Do?
Contact your agent, broker, or a member of our specialty healthcare team. We offer a customized insurance program tailored to the unique needs of your healthcare organization.

Key Coverages

Workers compensation
- Sharps/needle stick program

General liability (outpatient only)
- Reasonable force
- Bodily injury to co-employees
- Mobile medical offices
- Blanket additional insured when required by written contract

Property
- Real and personal property or your patients or residents
- Patients and residents emergency evacuation
- Equipment breakdown
- Access to premises
- Valuable papers, records, and medical equipment
- Inland marine

Crime

Employee benefits

Professional

Auto
- Lessor — additional insured and loss payee
- Hired auto physical damage
- Business personal property
- Rental reimbursement
- Loan/lease payoff

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The illustrations, instructions, and principles contained in the material are general in scope and for marketing purposes. Our risk control services are advisory only. We assume no responsibility for: managing or controlling customer safety activities, implementing any recommended corrective measures, or identifying all potential hazards.

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