

# RISK MANAGEMENT PLAN

2020 through 2023



## **PURPOSE**

Phoenix Resource Center, Inc.'s Risk Management Plan is designed to assess and mitigate potential risk factors to our services, stakeholders, staff, and persons served.



The Risk Management Plan was reviewed and adopted by the Co-Founder and Board of Directors in August of 2020. Plans are reviewed and implemented annually. Due to the uncertain climate of COVID-19, the Founders of Phoenix felt a risk analysis as it pertains to a pandemic was critical to include in our current agency's plan.

Phoenix Resource Center, Inc. (Phoenix RC) is committed to long-range risk management planning to ensure service continuity and, therefore, to a formal and periodic risk management process. Specifically, Phoenix RC., is committed to Risk Management to:

- 1) Identify any loss exposures;
- 2) Analyze and evaluate any loss exposures;
- 3) Identify a strategy (including techniques and/or actions) to be taken to counter any
- 4) potential losses or identified exposures;
- 5) Implement the most effective strategy/plan to reduce risk for the Agency;
- 6) Provide ongoing monitoring of any actions taken to reduce risk;
- 7) Report results of actions taken to reduce risks;
- 8) Include the results of risk reduction activities in performance improvement activities.

Phoenix RC., in order to minimize various risks associated with its daily operations, has incorporated policies and procedures to assist in managing the liability associated with delivery of services. This list is not intended to be all inclusive, but represents areas where Phoenix has taken a pro-active stance to help reduce risk in day-to-day operations.

**Risk Management Plan Policy:**

The Executive Officer, or designee, is responsible for ensuring that an annual risk management assessment is conducted and reporting the findings of that assessment to the organization's leadership. The risk assessment will be conducted annually with results:

- 1) Provided to the organization's leadership and
- 2) Incorporated into and clearly documented as part of program planning efforts, performance improvement activities, strategic planning, community advocacy efforts and financial and resource planning efforts.
- 3) Shared on our website and through newsletters

**Areas of Risk:**

Phoenix RC seeks to minimize risk and potential harm to our persons served, staff, and stakeholders. As part of this focus, Phoenix RC leadership prioritized an assessment to include a plan for:

- 1) People (Persons Served, Staff, Referral Sources)
- 2) Work Environment
- 3) Finances & Assets
- 4) Organization and Staff

**Current Assessment:**

This document and the organization’s responses to the following questions provide documentation of the current risk management assessment conducted in accordance with CARF’s accreditation standards pertaining to risk management. The intent of these items is to develop an open-ending and thought-provoking approach to understanding the level of both current and future risks in order to assist Phoenix RC to identify, analyze and resolve known risks. Implementation and monitoring of actions to reduce risk is documented.

The areas of risk were rated as follows:

- 1) Low Risk
- 2) Moderate Risk
- 3) Extreme Risk

Risk Level	Action Required	Possible Examples
Extreme Risk	<ul style="list-style-type: none"><li>• Immediate Action Required</li><li>• Inform Executive Officer, Founders, and Board of Directors</li><li>• Notify staff and/or stakeholders as appropriate in official statement approved by Board of Directors.</li></ul>	<ul style="list-style-type: none"><li>• Loss of life</li><li>• Loss of reputation</li><li>• Legal actions against Phoenix or staff</li><li>• Contract Termination</li></ul>
Moderate Risk	<ul style="list-style-type: none"><li>• Management Mitigation Expected and ongoing monitoring required.</li><li>• Inform Founders</li><li>• Notify staff and/or stakeholders as appropriate in official statement approved by Board of Directors.</li></ul>	<ul style="list-style-type: none"><li>• Serious harm or injury</li><li>• Damaging litigation</li><li>• Loss of referral source</li><li>• Contract Suspension</li></ul>
Low Risk	<ul style="list-style-type: none"><li>• Monitor Risks (no immediate harm or significant impact)</li><li>• Manage using routine procedures within agency</li><li>• Notify staff and/or stakeholders as needed through monthly meetings.</li></ul>	<ul style="list-style-type: none"><li>• Low impact to Phoenix such as change in referral source.</li><li>• Change in service staff.</li></ul>

### **Extenuating Circumstances**

Phoenix RC's community is currently deeply affected by the COVID-19 pandemic. Staff members are concerned for their safety as it pertains to in-home services. Referral sources such as the Department of Family and Children Services have begun working remotely, which has caused a significant decrease in referrals. Phoenix RC currently faces a risk of financial loss and decrease in staff willing to provide continued services. While these circumstances may improve, this is not a risk we anticipated previously. Our current plan reflects our analysis and priorities for our agency as it pertains to these recent events.

### **Analysis Tools**

Phoenix RC chose to utilize a program called iAuditor by Safety Culture. The assessment tools capture areas of low and high risk and include a feature specifically for COVID-19 response.

**FOCUS AREA: PEOPLE****Area of Risk: Persons Served**

Risk Assessed	The state continues to pursue Medicaid funded services, attempting to minimize their overall funding for provider contracted services. While Phoenix RC does maintain Medicaid contracts, these contracts are limited in their scope of service. These Medicaid contracts only cover those individuals who are fully licensed, and do not account for behavior aide services or implementation of services from individuals seeking licensure.
Risk Rating	Low Risk
Management of Risk	Phoenix RC will continue to advocate for the use of state funds for community-based services. In addition, with CARF accreditation Phoenix RC is now eligible to apply for IFI based services, increasing our revenue and scope of services significantly.
Action Plan	Phoenix RC will enroll in the DBHDD Provider Enrollment summit to pursue more information regarding this contract type.
Status	Phoenix RC will check the DBHDD website monthly to track the release of the RFP for DBHDD Tiered Services.

**Area of Risk: Staff**

Risk Assessed	Phoenix RC maintains adequate staff to meet current referral source needs. Currently in the uncertain climate of the pandemic, it is uncertain if staff will require additional days off or extended leave to deal with potential health concerns.
Risk Rating	Moderate Risk
Management of Risk	Phoenix RC will continue to evaluate the need of the staff to take leave during COVID. Staff are required to follow quarantine guidelines during leave. Staff are also required to notify a supervisor of their required quarantine so that any referral needs may be met.
Action Plan	Phoenix Founders and Board of Directors have developed and approved COVID protocols for both staff and referred clients outlining quarantine requirements. This also includes time for leave, and continued financial supports during a staff member's absence.
Status	Protocols have been sent out and will be reviewed quarterly or as needed for additional edits and revisions to meet the changing climate of

**Area of Risk: Referral Source**

Risk Assessed	Phoenix RC referral sources are primarily working from home, creating a unique barrier to networking and soliciting referrals from new DFCS staff.
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Risk Rating	Moderate Risk
Management of Risk	This risk was rated as “moderate” due to its potential to decrease our referral volume. While referrals have improved from the last two months, Phoenix RC staff and leadership must adapt to remote working in conjunction with marketing. Networking is a key component to fostering positive relationships with DFCS staff.
Action Plan	Phoenix RC will facilitate monthly Zoom meetings with essential DFCS staff and referral sources. Phoenix RC will send welcome and informational packets to new staff, which includes information regarding services.
Status	Phoenix RC staff have mailed Haralson County and Polk County boxes to staff. Carroll County will be sent over the next two months.

<b>FOCUS AREA: WORK ENVIRONMENT</b>	
<b>Area of Risk: Building Access</b>	
Risk Assessed	Reasonable security measures are provided at each building. Staff members are trained on appropriate security measures to ensure all facilities remain safe and secure. However, the management team has identified some weakness in building security as follows: The administration building does not have security entrance modifications such as card- key access, but a keypad code only for entering the office.
Risk Rating	Low Risk
Management of Risk	The need for a security access system will be monitored on the risk management guide. An alternative plan will be put in place to lock the doors during early and late work shifts and to have individuals stop and check in with an Operations Manager before moving throughout the office.
Action Plan	Phoenix has already implemented keypads, however, not all doors have keypads installed. Phoenix has security cameras, however, weak Wi-Fi signals tend to interrupt continuous monitoring. As a result, Phoenix has scheduled an update to our internet, including, establishing an independent network for each building. This will minimize monitoring interruption.
Status	Phoenix has ordered two additional cameras to cover areas in which monitoring was lacking. DirecTV has provided a quote for additional routers to be placed in each building.
<b>Area of Risk: Area Availability</b>	
Risk Assessed	Phoenix RC has evaluated the availability of space in our current office structure to meet the needs of privacy and social distancing.
Risk Rating	Low Risk

Management of Risk	Phoenix RC currently has stand-alone offices that effectively separated. Staff have been encouraged to work from home currently, however, are permitted to work at the office with specific safety measures put in place.
Action Plan	Phoenix RC staff will continue to work from home unless required to return to the office to perform job duties. Phoenix RC staff have adapted easily to working from home, and disruption of services has been insignificant.
Status	Phoenix RC administrative staff have split their time between remote and office work. Phoenix Founders and Board of Directors have approved continued remote work.

**Area of Risk: Infectious Disease**

Risk Assessed	Phoenix RC has analyzed our overall ability to keep our offices clean, sanitary, and minimizing infection disease.
Risk Rating	Moderate Risk
Management of Risk	During COVID, Phoenix RC has been fortunate to receive appropriate cleaning, disinfecting, and sanitizing supplies. Phoenix RC has developed positive working relationships with local stores that have secured needed supplies for keeping our office operational.
Action Plan	Phoenix RC will continue to stock enough supplies such as masks, gloves, sanitizing equipment to create a safe and secure environment for families to participate in services at our Phoenix office.
Status	Phoenix RC has enough supplies to maintain safe services. Phoenix RC staff will monitor supplies monthly to ensure this need is met and the risk is minimized.

**FOCUS AREA: FINANCES & ASSETS**

**Area of Risk: Fraud and Waste**

Risk Assessed	Phoenix RC has analyzed how the corporate compliance program strives to be effective in preventing fraud, waste, and abuse. Identify any known weaknesses and describe what changes need to be made.
Risk Rating	Low Risk
Management of Risk	Phoenix RC has a strong internal control system and comprehensive fiscal policies and procedures. Policies and procedures are reviewed annually to ensure each remain relevant to reduce the potential for fraud and abuse. Billing audits are conducted at quarterly to ensure that billing procedures are ethical and accurate.
Action Plan	Phoenix RC conducts monthly and quarterly billing audits to ensure that staff are billing accurately and effectively. Phoenix RC staff are also asked to contact the Compliance Officer with any known instances of financial fraud and waste. Notifications can be made anonymously.



Status	Phoenix RC staff are notified of Compliance Officer contact information and protocols weekly.
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**Area of Risk: Loss of Contracts**

Risk Assessed	Phoenix RC currently maintains statewide contracts with the Department of Human Services and the Department of Juvenile Justice. These contracts comprise the majority of our services.
Risk Rating	Low Risk
Management of Risk	Phoenix RC has maintained contracts for the last several years and serves on the Advisory Committee for the state. While we evaluate this risk as low, if contracts were lost for whatever reason, it would be detrimental to our ability to maintain our business.
Action Plan	Phoenix RC will monitor contract deliverables and compliance quarterly.
Status	Phoenix RC continues to maintain contracts successfully.

**Area of Risk: Reduction in Funding**

Risk Assessed	Phoenix RC reviewed the potential risk of reduction in funding through our Promoting Safe and Stable Families (PSSF) grant.
Risk Rating	Low Risk
Management of Risk	Phoenix RC has successfully PSSF funding for the last several years. This funding, however, is not guaranteed each year and could be reduced or eliminated depending on state funding.
Action Plan	Phoenix RC will seek out additional grant funding opportunities to supplement PSSF funding.
Status	Phoenix RC has applied for the Community Foundation Grant to supplement any potential future loss or change in PSSF funding.

**FOCUS AREA: ORGANIZATION & STAFF**

**Area of Risk: Health and Safety Protocols**

Risk Identified	Phoenix RC’s health and safety program should appear effective in identifying possible risks and hazards. Identify the effectiveness of the health and safety program and list all problem areas along with any corresponding plan of corrective action.
Risk Rating	Low Risk
Management of Risk	Phoenix RC has adopted further infection disease protocols in response to the COVID-19 pandemic.
Action Plan	Phoenix RC has continued to monitor state and CDC guidelines to meet necessary quarantine and infectious disease responses.

Status	Phoenix RC has continued to notify staff and persons served of infectious disease protocols to minimize risks.
<b>Area of Risk: Insurance Coverage</b>	
Risk Identified	Phoenix RC has continued to review the organization’s insurance coverage to protect the organization’s assets and protect the organization’s personnel in the event of a lawsuit.
Risk Rating	Low Risk
Management of Risk	Phoenix RC maintains, as required by our contracts, the following insurance coverage: <ul style="list-style-type: none"> <li>• Commercial/General liability - 1 million per occurrence/3 million aggregate</li> <li>• Agency Automotive - 1 million per occurrence/3 million aggregate</li> <li>• Professional Liability -1 million per occurrence/3 million aggregate</li> <li>• Worker’s compensation is required, and the amount would be determined by your insurance agency in accordance with the total number of staff you have.</li> <li>• All Certificates of Liability (at the bottom Certificate Holder section) must list DFCS as the certificate holder with the following information: <ul style="list-style-type: none"> <li>○ Georgia Department of Human Resources 2 Peachtree St NW Atlanta, GA 30303</li> </ul> </li> </ul>
Action Plan	Phoenix RC continues to monitor insurance requirements. Phoenix RC insurance coverage has been independently managed by Insurance Associates of Carrollton for the last several years.
Status	Phoenix RC insurance coverage is audited by the Department of Human Services annually.
<b>Area of Risk: Accreditation</b>	
Risk Identified	Phoenix RC has successfully maintained its 3-year accreditation standards. Phoenix RC leadership has analyzed the potential risk of loss of accreditation.
Risk Rating	Low Risk
Management of Risk	Phoenix RC leadership monitors CARF requirements quarterly and more often depending on the area of standard.
Action Plan	Phoenix RC leadership will continue to facilitate quarterly meetings to review the status or agency’s ability to meet CARF standards.
Status	Phoenix RC has maintained its standards successfully.