



RISK MANAGEMENT

HEALTHCARE ADVISORY

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Risk Management Considerations for Addiction Treatment Facilities

Addiction treatment providers must take a proactive approach to managing risks inherent to such treatment to ensure the safety of the staff and the individuals they serve. In a residential setting, this includes a comprehensive screening and admission assessment, adequate staff training and supervision, safety and security, a thorough care transition and discharge plan, and facilitation of continuing care. Implementation of the risk mitigation strategies outlined in this article can help organizations manage risk exposures while providing a safer and more supportive environment for sustained recovery and community reintegration.

We encourage you to take the time now, before an incident is reported or a suit filed, to review the following to confirm your facility consistently ‘checks all the boxes:’

Administrative and Operational Policies and Procedures Manual Outlining Safe Practices:

- Do you have written criteria for entry, transition, and exit to and from the program?
- Do you have a screening process that determines the individual’s appropriateness and eligibility for services?
- Do you have a written manual for staff training, education, and competency assessment that corresponds to the scope of services provided?
- Do you have a clearly defined process for suicide screening, assessment, monitoring, and prevention?
- Do you have a written orientation program based on staff roles and responsibilities?
- Does your medication management policy include a comprehensive assessment of medication history?
- What is your process for informed consent and management of refusal and non-adherence to the treatment plan and facility policies and procedures?
- Do you have an elopement prevention policy?
- Do you have a program on safety and security?
- What is your procedure for contraband search and management?
- Do you have a defined criteria for when to use physical, mechanical, or chemical restraints and seclusion?
- Do you have a protocol for visitation?
- Do you have a process for abuse reporting and management?
- Do you have a workplace violence prevention program?

Admission Protocol:

- Do you have a written admission criteria to ensure applicants match the facility's priority population?
- Do you have qualified staff conducting a formal screening and assessment of suicide risk at the time of admission?
- Do you use an evidence-based tool for suicide risk assessment?
- Do you use an evidence-based tool to assess extent and history of alcohol and drug use?
- Do you have guidelines for managing patients with dual diagnosis (Mental Health and Addiction Diagnoses)?
- Do you perform a discharge risk assessment upon admission?
- Do you develop a crisis stabilization plan with the person served – including the involvement of family/support system – when applicable and permitted upon admission? Is the applicant's and family/support system's acknowledgement documented?

Safety and Security:

- Do you perform environmental hazard and safety risk assessments regularly to ensure safety?
- Do you provide Property and Life Safety information to patients and their families at admission?
- Are there written safety plan guidelines in place?
- Do your guidelines for safety assessment include suicide risk re-assessment?
- Do you have guidelines for review of treatment plans?
- Do you have a process for adverse event management?
- Do you have a Crisis Response team?
- How do you ensure that arrangements for healthcare, pharmaceutical, social, and educational services by qualified personnel are in place?
- Do you have a process for coordinating the treatment plan, assigned residential personnel, and appropriate medical support services?
- Do you have protocols/guidelines for patient transport or transfer to another facility?

Discharge Protocol:

- Do you have a contingency plan if a patient is disengaged?
- Do you have written discharge criteria to ensure appropriateness of discharge?
- Do you have a comprehensive Case Management program?
- Do you have a Relapse Prevention program?
- Do you develop an individualized treatment plan that addresses everyone's unique needs and situations with documentation? Is this plan reviewed with the formal written acknowledgement of the patient documented?
- Do you have guidelines for after discharge communication and care coordination to ensure follow-up care and access to community resources and support services?
- Does your discharge plan foster continuity of care (such as communication with the next provider or the facility the patient is being transferred to, referral to outpatient programs, and other community resources)?

Staff Education, Competency, and Training:

- Do your hiring practices meet federal and state requirements?
- Do you conduct pre-hiring background, criminal and Department of Motor Vehicles (DMV) checks prior to hiring and as needed?
- Do you have a process for assessment of staff competency, and do you provide competency-based training for identification of clinical risk factors?
- Does your organization have written staff credentialing and training requirements that ensure staff are appropriate to the level of services provided?
- Does your organization have written job descriptions that outline job requirements, duties, responsibilities, and competencies?
- Does your staff receive supportive supervision, ongoing competency training, and skills development corresponding to the scope of services provided?

Consider How the Controls Above Could Change the Following Outcomes

The following case studies are for illustrative purposes only and are not intended to be a summary of, and do not in any way vary, the actual coverage available to a policyholder under any insurance policy.

Case Scenario #1:

A young adult patient was admitted to a residential drug treatment program and, having completed the program, was discharged to a sober living home and outpatient treatment. Days later he died of a drug overdose. The parents filed a wrongful death lawsuit against both treatment facilities and their insurers. The parents alleged negligent referral of the patient to a facility that provided a lower level of care. The case settled for over a half million dollars.

Case Scenario #2:

A patient was admitted to a California substance abuse and detox facility. The patient consistently broke sober living rules, exhibited concerning behavior, and refused to listen to advice. The patient eloped from the facility and the facility immediately contacted the local police who returned him. He was later transferred to a second facility in Arizona, which was under the same ownership. He eloped twice from this facility. The Arizona facility contacted police after the first elopement but allegedly failed to contact the police after the second elopement. Two days after the second elopement, the patient was struck and killed by a train. The patient's family filed suit against the Arizona facility and the case settled for \$250,000.

Case Scenario #3:

A patient was voluntarily admitted to an inpatient sub-acute detoxification facility. Staff were informed by a family member accompanying the patient at admission that the patient was actively suicidal. The facility assured the family that 15-minute safety checks would occur. The patient was wearing a belt at the time of the admission and the belt was not removed. The room the patient was in had environmental hazards including a lack of breakaway hooks and fixtures, and a bathroom door that had a lock. Suicide safety checks were conducted every 30 minutes, *not* every 15 minutes. The patient was found unresponsive on the day of admission after hanging himself with his belt. The family filed suit with a demand exceeding \$3M.

Case Scenario #4:

A family was awarded \$77 million in a recent addiction treatment case.¹ According to the lawsuit, the decedent, who also had been suffering from bipolar disorder, was forced out of the addiction treatment center for having a cell phone, a violation of the facility's policy, and was transferred to a sober living facility.

Days later, the patient was reported dead after being hit multiple times by several vehicles while he laid naked on a highway. In some interviews conducted after the verdict, the decedent's family identified various gaps in care processes, including lack of staff training and competency, inappropriate medication management, failure to address co-occurring disabilities (dual diagnosis), and a lack of discharge protocols and communication.

While these cases illustrate the most catastrophic scenarios, they serve to highlight common themes and risk management considerations along the recovery process continuum. To ensure that the integrity of the programs and services provided at recovery residences is upheld, always follow the evidence-based practice standards that have been developed by accrediting organizations including the Commission on Accreditation of Rehabilitation Facilities (CARF), the Joint Commission (TJC), and the National Alliance for Recovery Residences (NARR). Adhering to these standards promotes safe and high-quality care and services, compliance with state and federal regulations, and continuous improvement of services and processes.

Conclusion

Addiction treatment providers have the duty to provide a safe and supportive environment for individuals struggling with substance use disorders. Understanding the inherent hazards associated with providing care and services to this vulnerable population can reduce addiction treatment providers' risk exposure. The risk mitigation strategies provided in this article can assist organizations to mitigate complaints, reputational damage, regulatory compliance allegations, and the risk of malpractice claims.

Resources

- CARF. Behavioral Health Standards Manual. 2021.
- NARR. Recovery Residence Quality Standards. 2015
- TJC. National Patient Safety Goals Effective July 2023 for the Behavioral Health Care and Human Services Program. 2023.

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¹ Jones, Valencia. Family awarded \$77 million in addiction treatment center case. CW69 Atlanta. September 8, 2022. [Family awarded \\$77 million in addiction treatment center case - CW Atlanta \(cbsnews.com\)](https://www.cbsnews.com/news/family-awarded-77-million-in-addiction-treatment-center-case/)

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