

Risk Management Quarterly Report January 1 /2011 – March 31/2011

This Risk Management Quarterly Report reflects outcomes of potential and actual risks identified in this summary for the quarter ending March 31, 2011. The Board of Trustees and the Chief Executive Officer (CEO) reviewed and accessed risks and potential risk through documented activity of the organization reporting and documentation from responsible parties.

1. General Liability: (Reviewed Annually)

Responsibility: Management and Health & Safety Committee

A review of General Liability insurance coverage was completed and approved by the Board of Trustees and the CEO as adequate for the year 2011. General Liability Insurance is reviewed annually.

Status: Adequate General liability Insurance verification is secured for the year ending December 31, 2011. Documentation is on file.

Action Plan: Maintain compliance with general liability requirements annually.

2. Liability Insurance: (Reviewed Annually)

The Board of Trustees and the CEO completed the review of Liability Insurance coverage. They assessed the Liability Insurance as adequate for the year ending December 31, 2011. Liability Insurance is reviewed annually.

Status: Adequate Liability Insurance coverage is secured for the year ending December 31, 2011. Documentation is on file.

Action Plan: Maintain compliance with Liability Insurance regulations annually.

3. Safety Drills: (Reviewed Quarterly)

A review of required emergency preparedness and safety drills was completed by the Board of Trustees and the CEO for the quarterly report ending March 31, 2011 . Emergency preparedness drills are reviewed annually.

Status: No emergency drills were completed during the first quarter of 2011.

Action Plan: Complete all Emergency Preparedness drills as required for the year 2011.

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4. Semiannually Building Inspection (including hazards, signage advising conditions :(Reviewed Quarterly)

The Board of Trustees and the CEO completed the review of Building Inspections and Hazardous Signage Conditions report. Reports indicated no signage advising conditions for the quarter ending March 31, 2011.

Status: All first quarter external and internal inspections reflects no signs of advising conditions. Documentation is on file.

Action Plan: Maintain compliance with semiannually building regulations (quarterly if appropriate).

5. Professional Liability (including Directors and Officers) (Reviewed Annually):

The Board of Directors and the CEO reviewed Professional Liability coverage including Directors 'and Officers' omission and errors.

Status: Adequate Professional Liability Insurance coverage (including Directors and Officers omission and errors) has been secured and verified as adequate coverage for the year ending December 31, 2011. Documentation is on file.

Action Plan: Maintain compliance regulations to maintain adequate professional liability insurance.

6. Medical Services: (Reviewed Quarterly)

Responsibility: Medical Director, Nursing Staff

Medication utilization review for all person served was completed by the Board of Directors and the CEO to ensure that medication use and distribution for all person served for the third quarter ending March 31, 2011.

Medication Errors: (Reviewed Quarterly)

There was on medication error incident that occurred on January 17, 2011. All required documentation and actions taken are on file. Quarter ending March 31, 2011

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Action Plan: The Nursing Director will present incident to QA/PI members. The Nursing Director will provide staff training to ensure staff's understanding of medicating protocols as regulated by the New Jersey State Licensure Board and Federal Regulation. The educational review is to be completed by January 20, 2011. Review control mechanisms to minimize or avoid risks of harm due to medication errors.

Medication Reactions: (Reviewed Quarterly)

There are no reported medication reactions reported for the third quarterly review ending March 31, 2011.

Action plan: Continue to monitor and upgrade control mechanism to ensure that risk exposures are avoided or minimized.

Needle Sticks:

There have been no reported incidents of needle sticks reported for the first quarter ending March 31, 2011.

Action Plan: Continue to maintain control mechanisms to minimize risk exposure. Documentation is on file.

7. Employment: (on-going Annually)

Responsibility: Administrative Supervisor / Clinical Supervisor / Clinic Director: (Reviewed Quarterly)

The Board of Directors and the CEO completed the first quarter Employment Practices review ending March 31, 2010.

The review included ongoing training and supervision

Status: Our quarterly review indicates that on-going supervision and training have occurred as regulated for the first quarter ending March 31, 2011. Documentation is on file.

Action Plan: Maintain employment compliance as require by state and federal Regulations.

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8. Verification of first Source Education: (Verified upon hire).

The Board of Trustees and the CEO, completed a compliance review of first source education verification. This process is on going for all new hires.

Status: Our first quarter review, ending March 31, 2011, reflects that first source verification on all active employees is verified upon hire. Documentation is on file.

Action Plan: Maintain regulatory compliance

9. Background Checks: (Reviewed upon hire):

To ensure Licensure compliance, the Board of Trustees and the CEO completed a review of background checks for the quarter ending March 31, 2011.

Status: All employee background checks have been completed and verified for the quarter ending March 31, 2011. This process is on going for all new hires. Documentation is on file.

Action plan: Maintain Licensure compliance

10. Directors' and Officers' (Internal (Control))

Responsibility: Board of Trustees': Executive Director / Administrative Director / Independent Auditor/ accountant / Bookkeeper.

The Board of Directors and the CEO completed an internal audit to ensure that adequate internal controls are in place to maintain organizational financial solvency.

Status: The Board of Trustees and the CEO determined that adequate controls were secured to ensure financial solvency for the year ending December 31, 2011. Documentation is on file.

Action Plan: The availability and spending of funds will be monitored and crosschecked by the bookkeeper, Independent Auditor, CEO and the Board of Trustees. Reconciliation of Financial records are documented quarterly by the organization's accountant. Documentation is on file.

10. Segregation of Duties: (Reviewed Annually)

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The Board of Trustees and the CEO completed a review of control mechanisms that ensures Segregation of duties. Control mechanisms are approved by the Board of Trustees and the CEO as adequate for the year December 31,2011.

Status: Segregation of Duty controls is in place as required for the year ending December 31, 2011. Documentation is on file.

Action Plan: Maintain required control mechanisms to ensure financial solvency.

11. Sound Cash Controls Monitored: (Reviewed Annually):

A review of Sound cash controls was completed by the Board of Trustees and the CEO to ensure that appropriate personnel, including independent auditors are maintaining on going monitoring and that control practices are in place to ensure financial solvency.

Status: Sound cash control mechanisms were reviewed and assessed as adequate for the year ending December 31, 2011. Documentation is on file.

Action Plan: Maintain cash controls mechanisms to ensure financial solvency. Mechanisms reviews are on going to ensure desired functionality.

12. Multiple Signatories: (Reviewed Annually)

A review of multiple signatories was completed by the Board of Trustees and the CEO to ensure that multiple Signatories control mechanism are in place that will reduce or avoid loss by theft and misappropriation of funds.

Status: Adequate Multiple signatories' practices are in place for the year ending December 31, 2011. Documentation is on file.

Action Plan: Maintain multiple signatory control practices.

13. Monthly Reconciliation of Accounts by independent Auditor:

The Board of Directors and the CEO completed a review of monthly reconciliation of account activity to ensure that practice remains consistent and the desired outcomes are being met.

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Status: Monthly reconciliation of accounts is completed as required for the quarter ending March 31.2011. Documentation is on file.

Action Plan: Maintain regulatory compliance by on going outcome monitor

14. Employment Practices:

**Responsibility: Board of Trustees / Management Authority
/Administrative Supervisor / Hiring policies.**

The Board of Trustees and the CEO completed a review of employment practices to ensure that Equal Employment Operations (EEO) and the Labor Board regulations are being met and are consistent with New Jersey State Labor Laws.

Action Plan: Maintain EEO practices and New Jersey State Labor Board regulations.

15. Equal Opportunity Equal Employment Opportunity (EEO) adherence to Policy:

The Board of Trustees and the CEO completed a review for the first quarter ending March 31, 2011 of our employment practices. The review is to ensure compliance to the New Jersey State Law that is consistent and compliant with practices set forth by the Labor Board and laws governing EEO practices..

Status: Our hiring practices do not support discrimination, which is reflected in our hiring practices, wages and work assignments. Our records reflect no discrimination in our hiring and staffing practices. This process requires on going monitoring of employment practices. For the period ending March 31, 2011 our hiring practices are consistent with all regulatory bodies. Documentation is on file.

Action Plan: Maintain compliance to EEO and N.J. State Labor hiring practices.

16. Incident and Sentinel Event Reporting and Analysis: (Review Quarterly).

The Board of Trustees and the CEO completed a review of our incident and sentinel event reporting and analysis capabilities. The primary focus is to ensure that control mechanisms are in place to minimize or avoid loss or harm. The review indicates that we are in compliance with all regulations for the first quarter ending March 31, 2011.

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Status: Education on incident and sentinel event reporting and analysis is completed upon hire and is mandated annually. Documentation is on file.

Action Plan: Maintain on going education and training to strengthen control Mechanism and to ensure that mechanisms are adequate to produce the desired outcome.

17. Disciplinary Action: (includes Termination, suspension, verbal and written warnings). (Reviewed Annually).

The Board of Trustees and the CEO are responsible to ensure that all disciplinary action taken is consistent with New Jersey State Labor laws. The Board of Trustees and the CEO completed a review of staff disciplinary actions that were taken by Paterson Counseling Center for the year ending March 31, 2011.

Status: There were no terminations in the first quarter ending March 31, 2011.

Action Plan: Maintain compliance with New Jersey State Labor laws and the EEO.

18. Corporate Compliance Program: (Reviewed Annually)

The Board of Trustees and the CEO completed a review of Cooperate Compliance activity to ensure that actions taken for possible employee conflict resolutions were appropriate, followed appropriate procedures and was handled within acceptable time fame.

Status: There were no complaints filed with the Corporate Compliance Officer during the first quarter ending March 31, 2011.

Action Plan: Maintain corporate compliance regulations

19. Liabilities of Employees: (Occupational Accidents (falls, tripping, training, etc.):

Responsibility: Board of Trustees / Management Authority / Supervisors / Health and Safety Committee.

The Board of Trustees and the CEO completed a review of internal and external inspections to ensure that control mechanisms that will protect the health and safety of all stakeholders are adequate to minimize or avoid loss or harm.

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The Board of Trustees and the CEO reviewed all control mechanisms that support an incident/accident free work environment.

Status: There are no incidents or accidents filed for the first quarter ending March 31, 2011. This process requires on going monitoring by the Health and Safety Committee. Documentation is on file.

Action Plan: Maintain safety controls to minimum or avoid or minimize loss or harm.

20. Intruders: (Violence, staff, clients, others)

The Board of Trustees and the CEO is responsible for completing a review of intruder reports filed for the first quarter ending March 31, 2011. The focus is to ensure that all precautions and safety control mechanisms are in place, appropriate and minimize or avoids loss or harm.

Status: There are no reports of intruders filed for the quarter ending March 31, 2011. Security is provided by active Paterson Police Officers. The officers are stationed by the entrance door and are on site during client service hours. Additional locks have been installed in restricted areas. ADT security systems are used to alarm the safe where medication is stored and to provide security when the building is not in use. The alarm system provides a direct alarm to the local police department and selected on call staff Members. Documentation is on file.

Action Plan: Maintain on-site security systems, including active Paterson Police Officers, adequate ADT alarm systems and on going staff education and training in emergency preparedness.

21. Confidentially Breach:

The Board of Trustees and the CEO is responsible to ensure that control mechanisms are adequate to minimize loss or harm related to a breach of client or staff confidential information

Status: There were no complaints filed by clients or staff documenting breach of confidentiality issues for the first quarter ending March 31, 2011.

Action Plan: Maintain controls mechanism systems. Continue on-going staff education that is consistent with the confidentiality law 42 CFR Part 2 and Health Insurance Portability and Accountability Act (HIPPA)

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22. Death or Loss:

The Board of Trustees and the CEO cross-referenced events that could possibly cause death or loss with established control mechanisms and practices that are in place to minimize or avoid exposure. The completion of the review documents that adequate control mechanisms and organizational business practices are in place.

Status: There were no incidents of death or loss filed during the first quarter ending March 31, 2011.

23. Non Business Incidents: (Responsibility Board of Trustee, Management Authority).

The Board of Trustees and the Management Authority completed a review of non-Business Incidents. Their focus is to ensure that control and monitoring mechanisms are in place and adequate to avoid or minimize loss or harm .

Status: There are no Non-Business Incidents filed in the first quarter ending March 31, 2011.

Action Plan: Maintain safety and monitoring control mechanisms.

24. Exposure to Hazardous Waste or Body Fluids:

Responsibility: Security including All Staff

A review of exposure to hazardous waste and body fluids practices review was completed by the Board of Trustees and the CEO ending March 31, 31, 2011, to ensure that the health and safety of persons served, staff members, family members, visitors and others stakeholders remain on a high alert environment in the facility. Mandatory education on exposure to Hazardous Waste or Body Fluids is completed during orientation upon hire and will be continuous annually.

Status: The review reflects that all employees have received on going education as regulated. Protective gear and tamper proof storage areas are identified and is accessible to trained personnel only. Bio-hazardous waste is stored and disposed in accordance with OSHA and infectious diseases controls regulations.

Action Plan: Maintain OSHA compliance and control mechanisms to minimize or avoid Loss or harm due to exposure to Bio-Hazardous Waste or Body Fluids. Our focus is to maintain ongoing education and trainings that are consistent with OSHA

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standards of Risk Management Exposure to hazardous waste. On going education and training is mandatory.

25. Maintenance Contract on Major Equipment: (Quarterly)

Responsibility: Board of Trustees / Executive Director

A review of Maintenance Contracts on Major Equipment was completed by the Board of Trustees and the CEO and was assessed as being adequate on all necessary equipment for the quarter ending March 31, 2011. Their focus is to ensure uninterrupted daily operations due to a lack of necessary equipment.

Status: All necessary Maintenance Contracts on Major Equipment are secured for the quarter ending March 31, 2011.

Action Plan: Maintain maintenance contracts on major equipment. This process is to be reviewed annually. (Quarterly when appropriate).

26. Liability to Person (s) Served: (abuse, neglect, and exploitation)

The Board of Trustees and the CEO completed a review of liability to persons served for the quarter ending March 31, 2011. The purpose of the review is to ensure that risk control mechanisms are adequate and secured to protect the health, safety and the well being of persons served. This process consists of a review of client complaints, grievance, appeals filed input from staff members, other stakeholders and other clinical indicators, if appropriate.

Status: There have been no reported incidents of abuse, neglect or exploitation filed by clients or staff for the quarter ending March 31, 2011. Liability to person (s) served is reviewed annually. (as needed when indicated)

Action Plan: Maintain on going staff education and training to ensure that the organization zero tolerance for attitudes unbecoming and unprofessional service provisions. Education includes focus and understanding of consequences for failure to adhere to the facility's Rights of Person (s) served policy. This process is on going and is reviewed accordingly.

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27. Property Loss: (Reviewed Annually)

The Board of Trustees and the CEO completed a review of property loss for the quarter ending March 31, 2011. The focus of the organization is to maintain a safe and protected environment for all stakeholders while on site.

Status: There was no property loss filed in the quarter ending March 31, 2011.

Action Plan: Identify select areas for personal property storage. Maintain and monitor control mechanism to ensure that precautions are adequate.

28. Vehicle Related Loss:

The Board of Trustees and the CEO completed a review of Vehicle Related Loss to ensure that the organizational policies and protocol is consistent and with New Jersey State Motor vehicle regulations and is adequate to insure protection of personal items and the well being of all while in use.

Status: There is no reported Vehicle Related Loss for the quarter ending March 31, 2011. This process requires on going monitoring.

Action Plan: Maintain monitoring and control mechanism to minimize or avoid loss and to maintain the well being of all while vehicle is in use.

29. Contractual Liability:

The Board of Trustees and the CEO completed a review of Contractual liability for the quarter ending March 31, 2011. The focus of the review is to ensure that Contractual Liability is documented and is adequate to minimize or avoid loss to Paterson Counseling Center. Contractual Liability is the responsibility of all independent contractors. Independent contractors must submit documentation of contractual liability insurance before contracts are approved. The CEO approves contracts.

Status: Independent contracted service providers provided proof of liability coverage before entering into a business agreement with Paterson Counseling Center for the quarter ending March 31, 2011. Documentation is on file.

Action Plan: Maintain verification of Liability Insurance on all independent contractors prior to entering in to contractual agreement.

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30. Loss of Reputation (All Staff)

The loss of our reputation would impact our organization's ability to remain a comprehensive vibrant service provider. The results of loss of reputation could mean a loss of funding source, clientele, staff members as well as the support of community members and other stakeholders.

Status: In March 2009, we received a three-year accreditation from the Commission of Accreditation on Rehabilitation Facilities (CARF). We continue to stride for excellence in service provision while alleviating the stigma methadone usage.

Action Plan: We will maintain our three-year CARF accreditation by maintaining all standards of care set forth by CARF. Through our performance improvement plan and strategic planning process, we will continue to enhance the quality of services and to maintain the highest standards of care set forth by Center Substance Abuse Treatment (CSAT), The Division Addiction Services (DAS), The Division of Human Services DHS and the Commission of Accreditation on Rehabilitation Facilities (CARF).

This Risk Management Plan will be monitored for performance improvements annually.

- Risk Management controls requiring quarterly and semiannually monitoring will be evaluated as scheduled. A review of our Risk Management Plan will be updated to ensure inclusion of new regulations and the addition of new risks that are identified throughout the course of operations.

This plan will be evaluated, monitored and approved by the Board of Trustees and the CEO annually.

