



VICTORIAN MANAGED INSURANCE  
AUTHORITY

*Taking care of risks*

**RISK**management

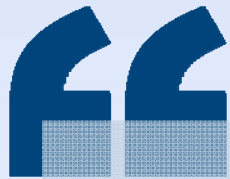


Clinical Governance & Risk Management in Aged Care  
VHA Governance & Service Quality Conference  
19 - 20 May, 2010

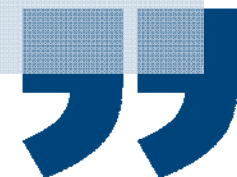
**Patrick Ow, Risk Management Advisor, VMIA**



## The context



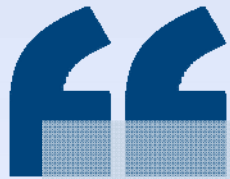
Aged care providers are concerned with the increase in regulatory burden in recent years driven by an apparent **‘zero risk’ approach** by the Department.



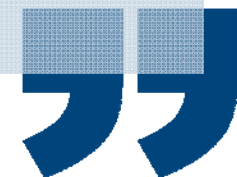
(Source: Productivity Commission 2009, Annual Review of Regulatory Burdens on Business: Social and Economic Infrastructure Services, Research Report, Canberra, p.22)



## The alternatives



Risk controls can be operated  
within organisations **or** imposed  
by external regulators.



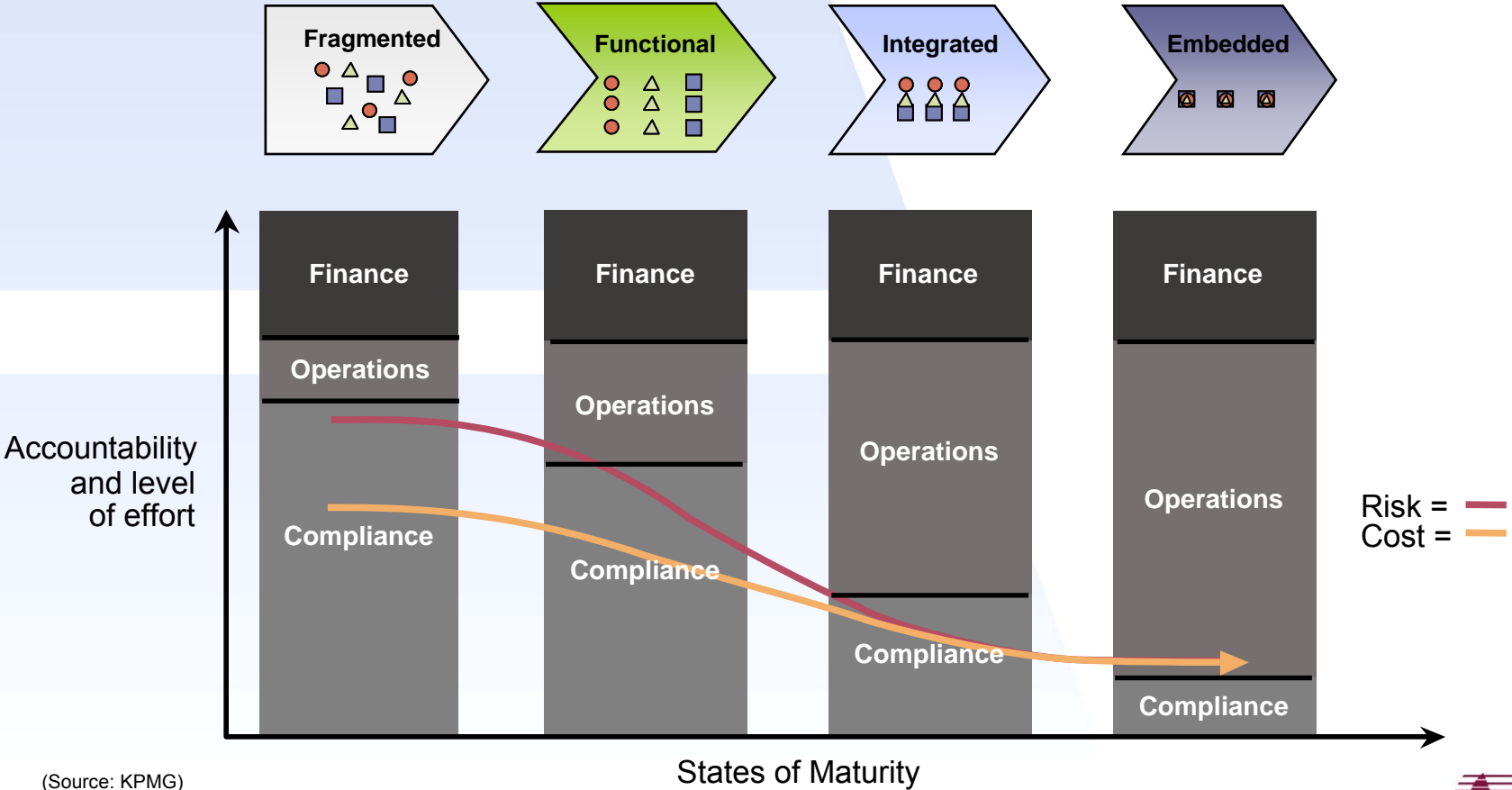
(Source: Baldwin R, Hutter B, Rothstein H. Risk Regulation, Management and Compliance: a Report to the BRI Inquiry. The London School of Economics and Political Science, London, UK (2000))



## Effective governance

**Effective risk management develops the appropriate control environment** and it is this control environment that provides reasonable assurance that client services will be delivered within an acceptable level of risk in **compliance** with regulatory and accreditation requirements.

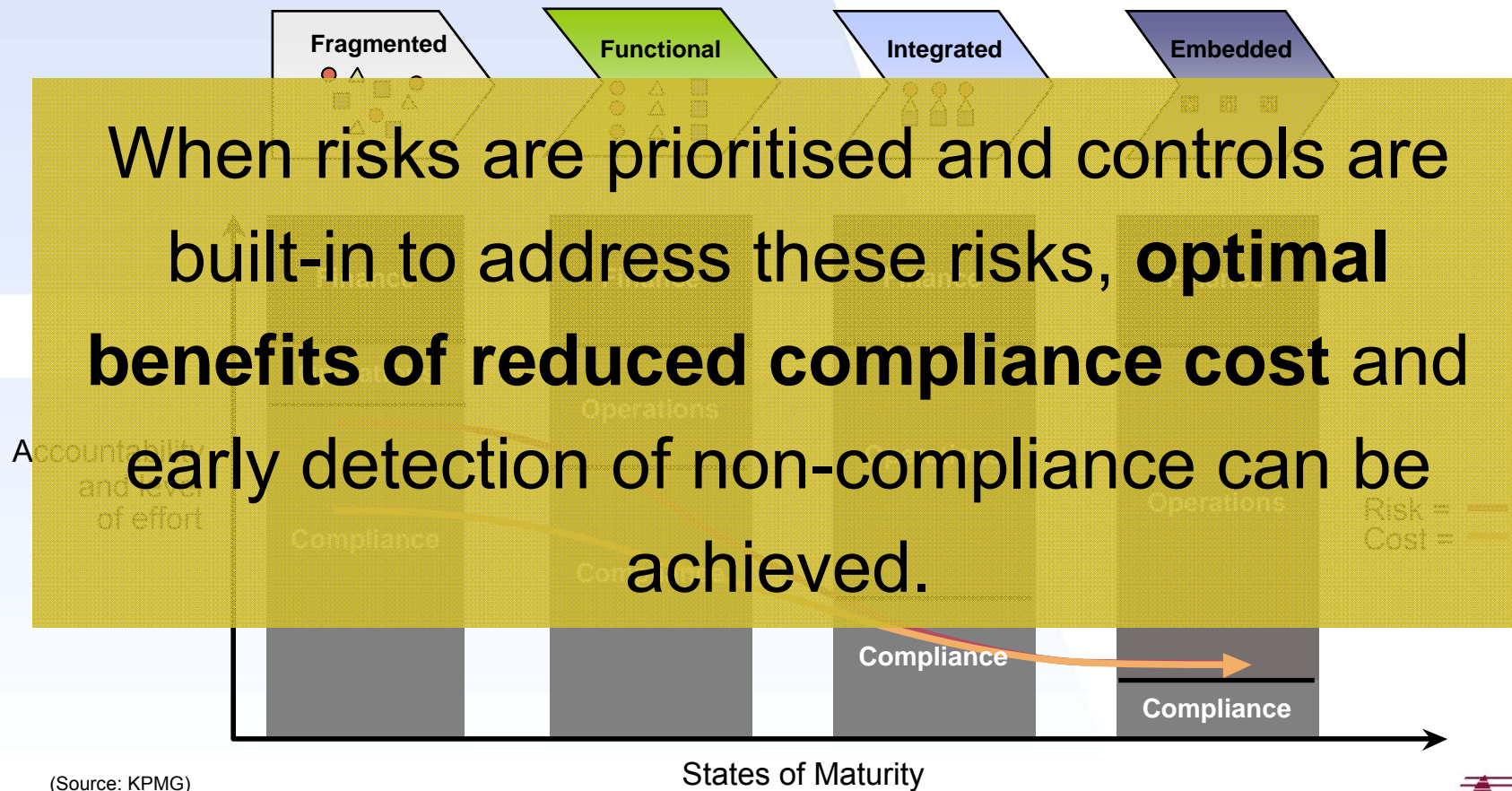
# Risk maturity reduces cost



(Source: KPMG)



# Risk maturity reduces cost



(Source: KPMG)

## Group discussion

What are the barriers to apply  
“whole-of-organisation” risk  
management framework to aged  
care services?

How can we improve our risk  
management maturity to reduce  
our compliance cost?

