Navigating the Landscape of Abuse Prevention: Strategies for Healthcare Leaders

September 18, 2025

For

Illinois Risk Management Services

PRAESIDIUM

About Praesidium

*Our mission is to help you **protect those in your care** from abuse and to help **preserve trust** in your organization.*

Over **30 years** of experience

Thousands of clients across diverse industries

Completed thousands of **root cause analyses**

Offer complete range of **risk management solutions**

Developed proprietary **abuse risk management model**

Progress is being made...

Standards are higher than ever

20% decrease within the big 6 federated YSO's

Organizations are increasing their transparency and compassion

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But there's still much more
work to be done...

National & Industry Landscape

NATIONAL LANDSCAPE

CLAIMS CONTINUE

- Large losses increasing
- Screening gaps may drive larger payouts

DECREASING BARRIERS FOR SURVIVORS

- Legislation
- SOLs and reviver windows
- Prohibition of Non Disclosure Agreements

INCREASED EXPECTIONS FOR ORGS

- Industry standards at an all time high
- Hard SML market

INCREASED SCRUNITY

- DOJ and AG investigation and oversight
- Court appointed monitors

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PROFESSIONAL SEXUAL MISCONDUCT

THE COSTS OF PSM IN HEALTHCARE

- **Liability Costs**

  - 2025- **$750 Million**: Settlement for Dr. Robert Hadden

  - 2024: **$535 Million**: Verdict against Pavilion Behavioral Health System

  - 2024: **$360 Million**: Verdict against Cumberland Hospital and its former CMO

  - 2023- **$485 Million**: Verdict against Arcadia Healthcare

  - 2021- **$380 Million**: Settlement for Dr. Larry Nassar

  - 2021- **$1.1+ Billion**: Settlement for Dr. George Tyndall

  Average Payout: **$59 Million** (between 2001-2021)
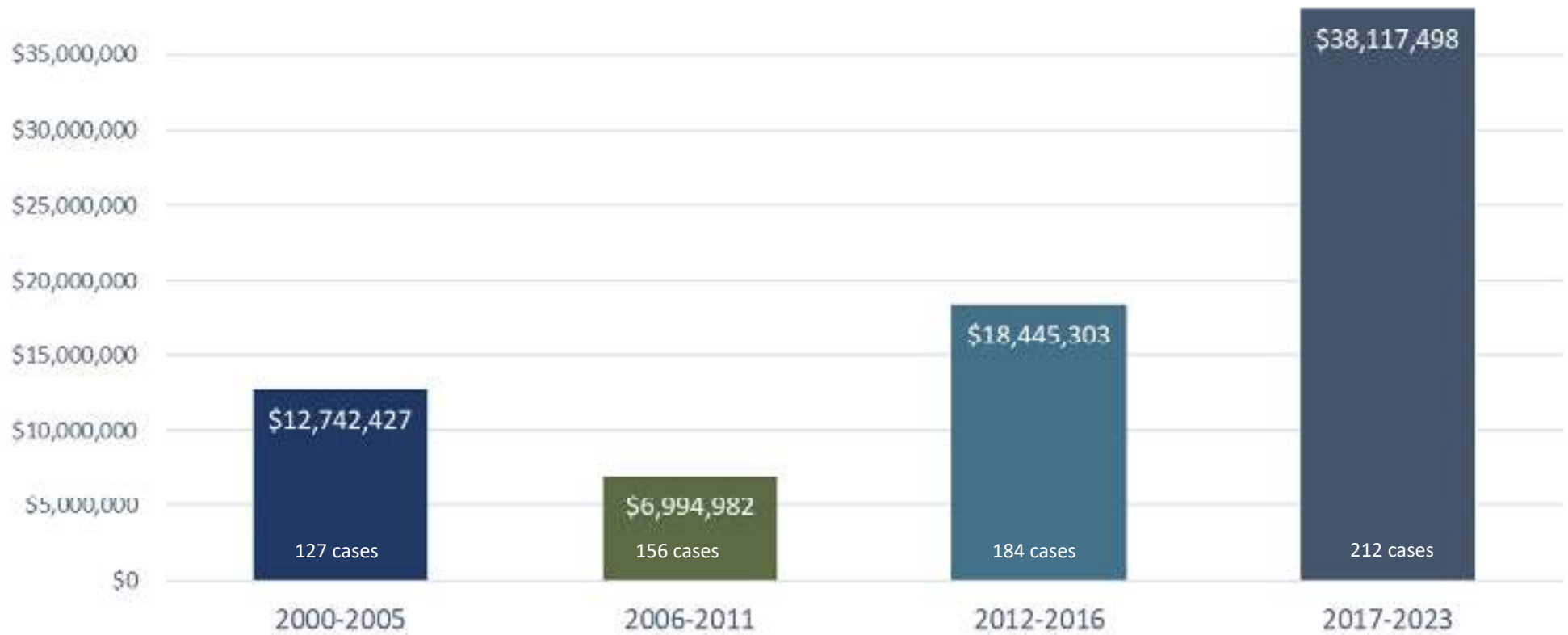
➤ Reputational Costs

➤ Patient Harm

➤ Distrust

➤ Regulatory Scrutiny

➤ Reduced Morale

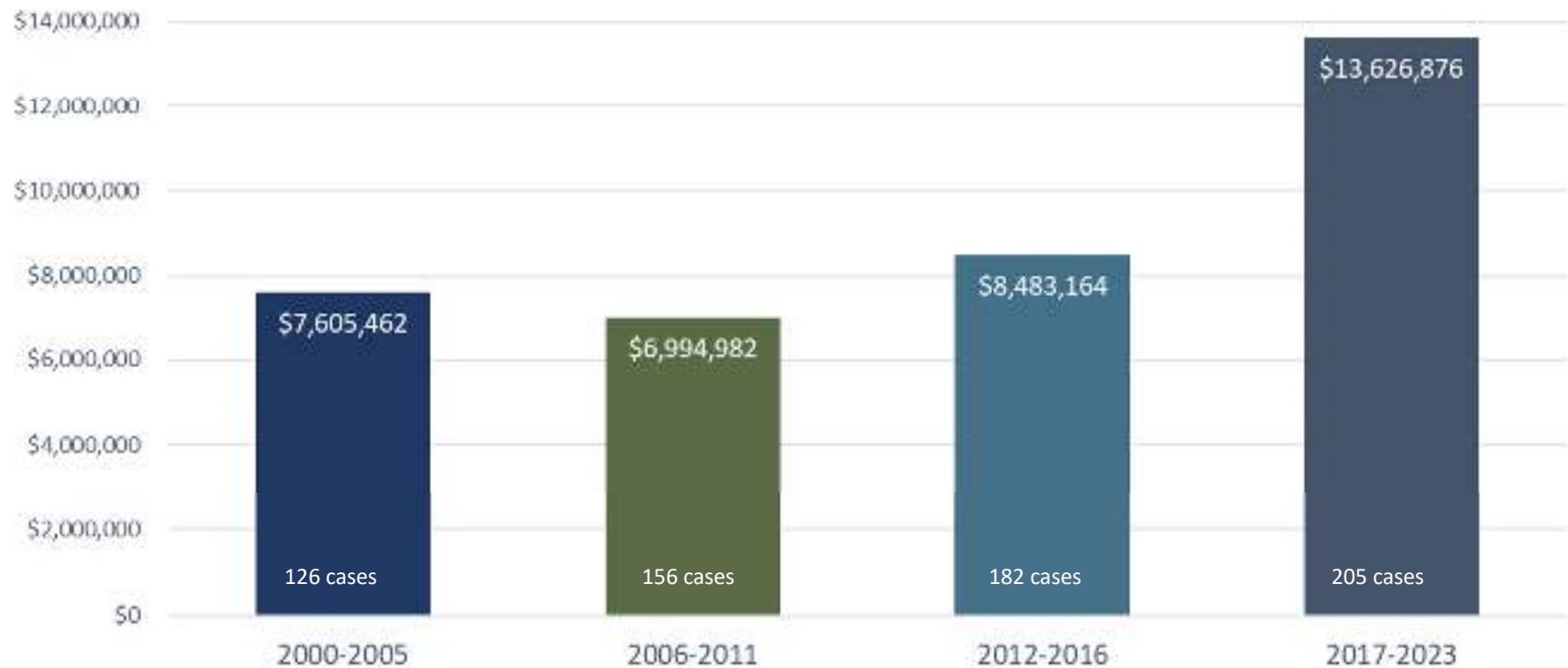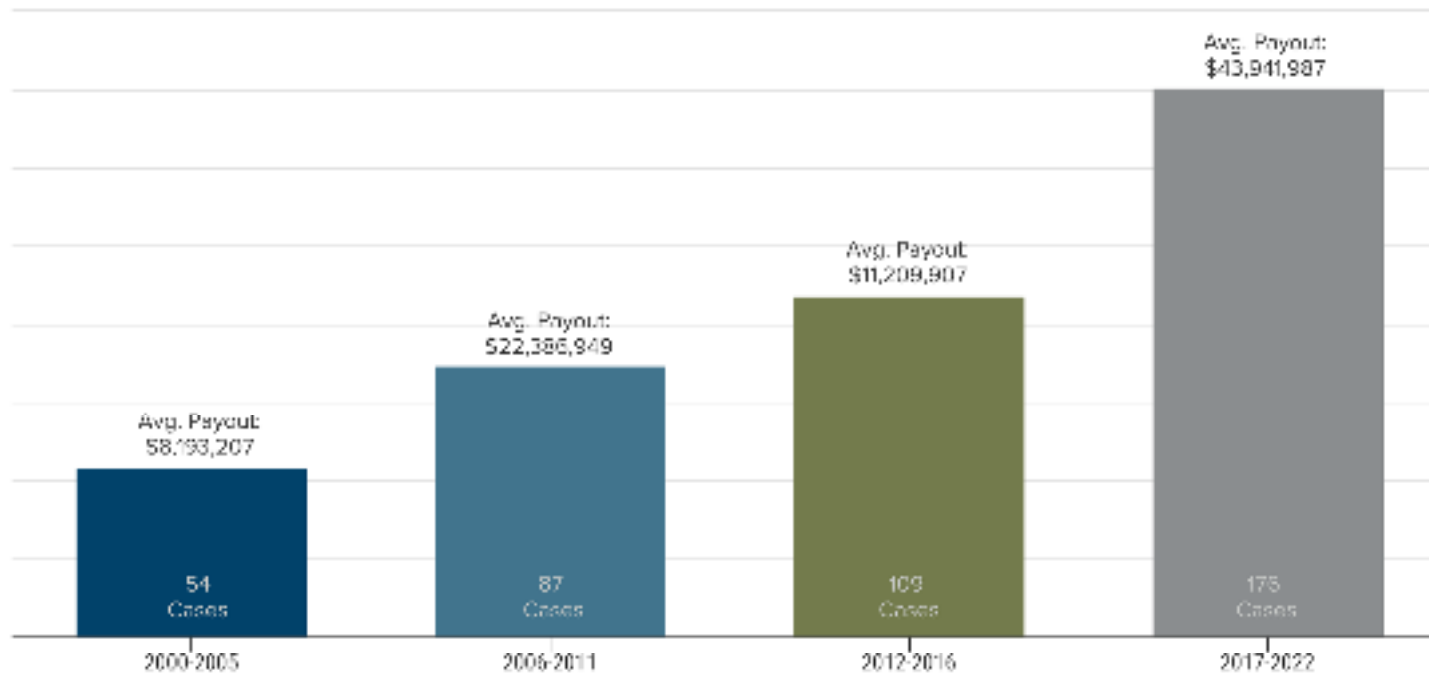PRAESIDIUM

AVERAGE PAYOUTS 2000-2023

N = 679 cases

Period	Average Payout	Cases
2000-2005	$12,742,427	127 cases
2006-2011	$6,994,982	156 cases
2012-2016	$18,445,303	184 cases
2017-2023	$38,117,498	212 cases

AVERAGE PAYOUTS 2000-2023

Removing Outliers – 10 cases with payouts of over $215M (70%-2017-2023)

Period	Average Payout	Cases
2000-2005	$7,605,462	126 cases
2006-2011	$6,994,982	156 cases
2012-2016	$8,483,164	182 cases
2017-2023	$13,626,876	205 cases

LARGE LOSSES PAID ACROSS INDUSTRIES
2000-2022

Avg. Payout: $43,941,987

Avg. Payout $11,209,907

Avg. Payout: $22,386,949

Avg. Payout $8,193,207

| 54 Cases | 87 Cases | 109 Cases | 175 Cases |
| 2000-2005 | 2006-2011 | 2012-2016 | 2017-2022 |

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INSTITUTIONAL FAULTS

N = 398 cases

Avg. Payout

General Negligence	48%	$17.7M
Negligent Supervision	23%	$53.9M
Negligent Hiring	13%	$40.8M
Negligent Retention	8%	$17.5M
Negligent Training	5%	$23.2M
Negligent Investigation	3%	$3.9M
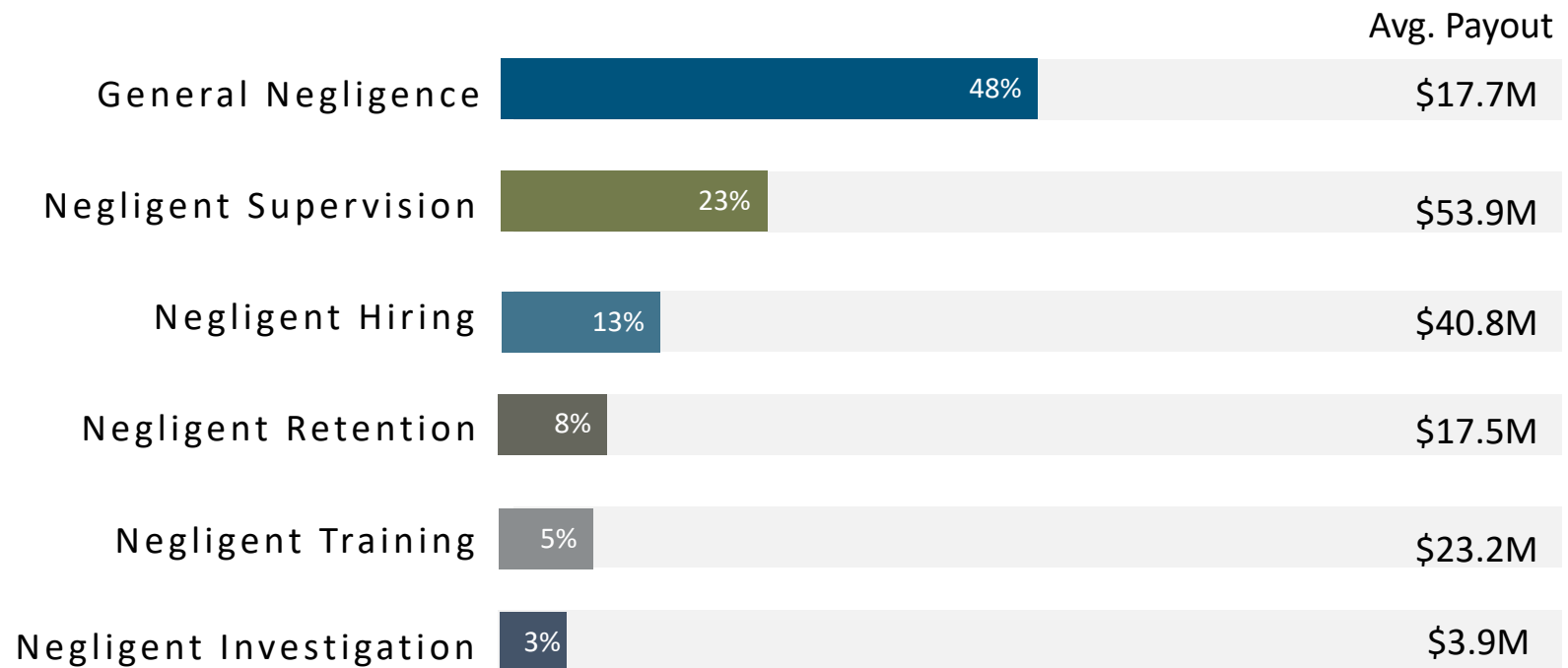
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LOSSES OVER TIME BY CATEGORY

	PRIOR TO 2000	2000-2005	2006-2011	2012-2017	2018-2023
Youth to Youth	3%	11%	12%	14%	12%
Adult to Youth	85%	72%	64%	53%	46%
Adult to Adult	12%	18%	24%	33%	42%
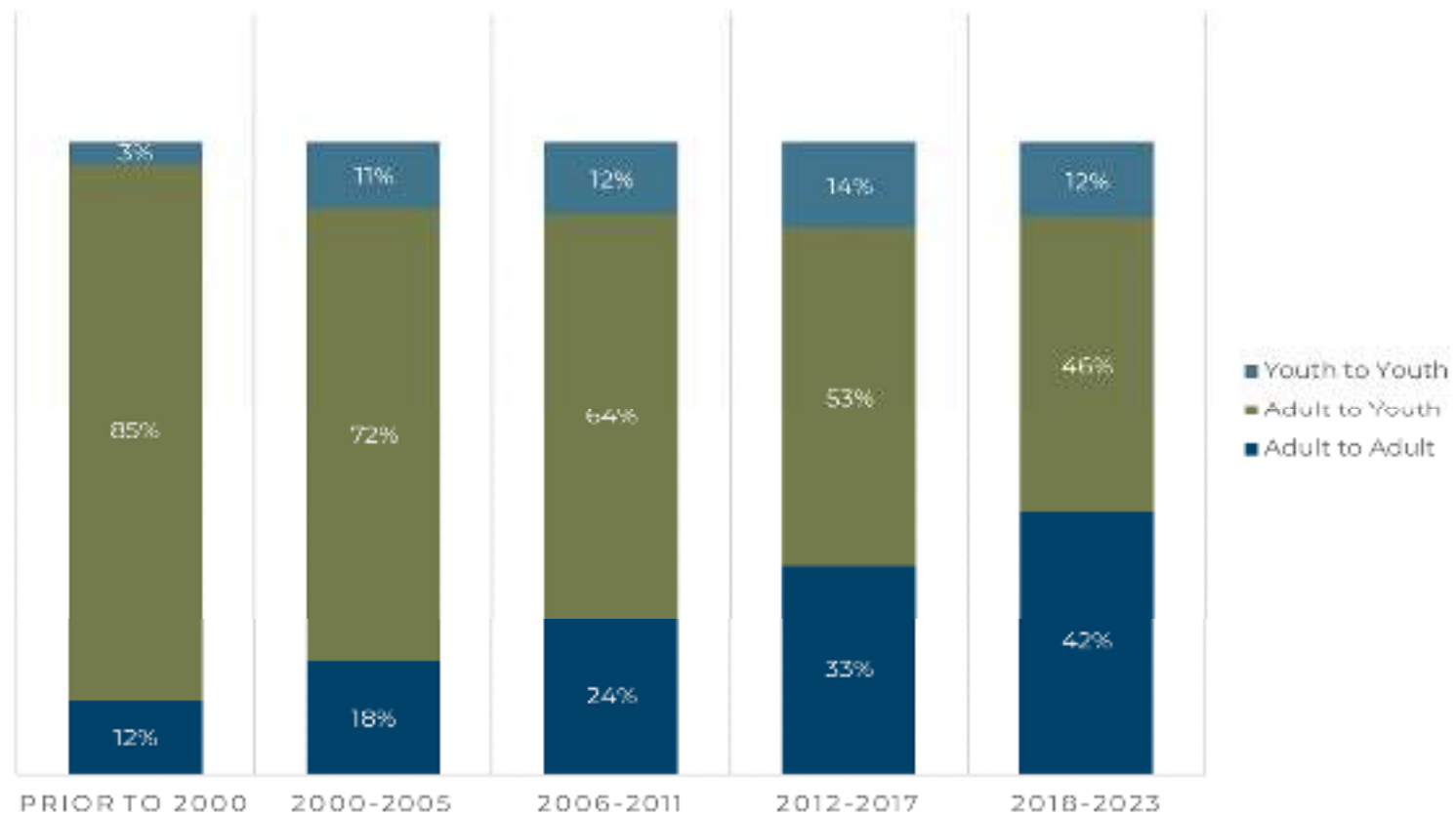
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2024
SML CARRIER BENCHMARKING SURVEY

Inaugural Survey distributed September 2022

13 Carrier Responses

Second Survey distributed October 2024

17 Carrier Responses (21% increase)

All responses anonymous

All respondents provide SML at some level:

- 41% provide standalone SML coverage
- 88% offer SML within primary limits
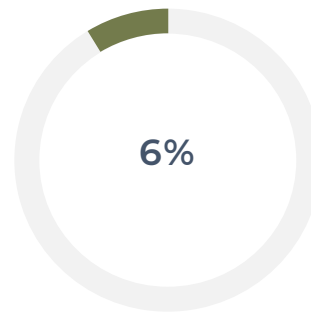- 13% offer SML into excess policy limits

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What to expect in the market three years from now?

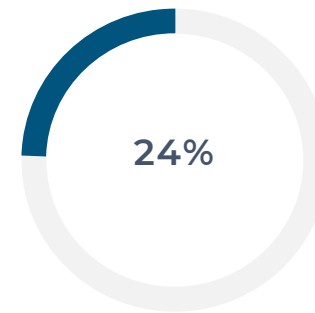Praesidium asked: What do carriers expect in the market over the next three years in terms of the availability and terms of SML coverage?

59%
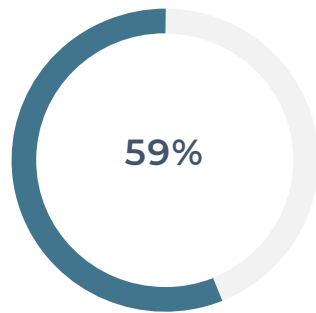
Market will Harden

6%

Market Stays the Same

24%

Market will Open Up

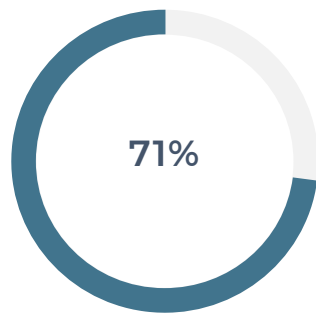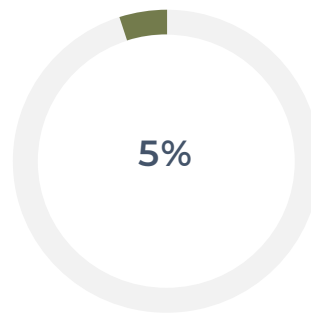*(International markets)*

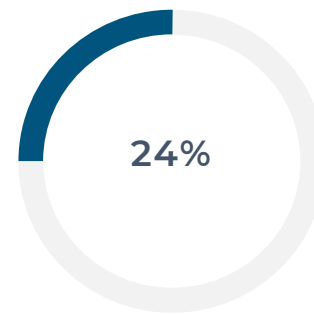# FUTURE UNDERWRITING EXPECTATIONS

Praesidium asked to fill in the blank:

We expect underwriting requirements to _____ in the next three years with regard to the abuse prevention risk control practices an organization has in place to obtain SML coverage.

71%

5%

24%

Increase
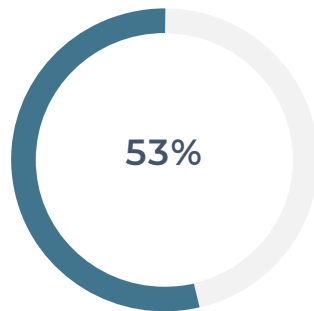
Decrease

Remain the Same
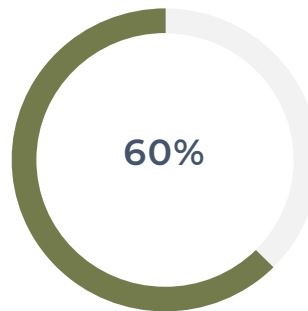
UNDERWRITING EXPECTATIONS

THIRD-PARTY ACCREDITATION

Praesidium asked: If an outside expert publicly accredited an organization as meeting or exceeding best practices in abuse prevention, would that status positively impact their ability to access SML coverage?
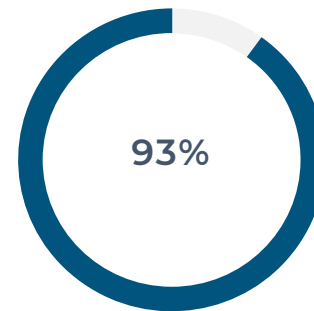
94% said yes.

We asked how so?

53%	60%	93%
More Likely To Offer a Lower Premium	More Likely To Offer Higher Limits	More Likely To Offer Any Coverage

FINANCIAL PAYOUTS
BY INDUSTRY

HEALTH CARE	FAITH-BASED	K-12 SCHOOLS	SOCIAL SERVICES	YOUTH DEVELOPMENT
AVERAGE: $59,331,175	**AVERAGE:** $15,975,673	**AVERAGE:** $6,288,219	**AVERAGE:** $7,059,679	**AVERAGE:** $8,198,969
MEDIAN: $2,400,000	**MEDIAN:** $2,000,000	**MEDIAN:** $1,650,000	**MEDIAN:** $2,775,000	**MEDIAN:** $1,456,250
LARGEST PAYOUT: $852,400,000	**LARGEST PAYOUT:** $660,000,000	**LARGEST PAYOUT:** $139,250,000	**LARGEST PAYOUT:** $165,972,503	**LARGEST PAYOUT:** $120,000,000

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PRAESIDIUM CASE ANALYSIS

- 94 public lawsuits filed 2002-2021

- Private and public institutions, including academically-affiliated

- Average payment $59 million

- 98% male offenders (avg age 45 yrs)

- 78% female victims

- 30% involved repeated interactions and abuse

- 58% of cases healthcare facility was aware of allegations prior

Source: First Do No Harm (Praesidium 3-Part Blog)

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WHAT PUTS ALL HEALTHCARE PROFESSIONALS AT RISK

- Over identifying with a client
- Not recognizing when (not if) you have "favorites" or when (not if) there is an attraction
- Is overly protective of a client
- Not thinking you're at risk
- Stress
- Experiencing anxiety or depression
- Facing rejection or disappointment
- Coping with personal loss
- Loneliness

- Feels unappreciated and unrewarded for hard work
- Drug and excessive alcohol use
- Lack of peer and supervisor support
- Lack of supervision
- Working with vulnerable clients
- Working with clients with poor boundaries
- Working in a secluded area
- Intimate procedures and discussions
- Does not accept support

THE CHALLENGE

- Competing demands

- Low frequency high effect

- A human problem: "Good people" do bad things

- Complacency and compliance

    "All of our staff undergo background checks"

    "We're all professionals"

    "We know everyone here"

    "We've never had a serious incident"

    "We're regulated by other entities"

WHY IT'S CHALLENGING TO MANAGE ABUSE RISK

- Low frequency & high effect

- Human problem

- Assume everyone understands professional ethics and boundaries with patients

- High stress, burnout, difficult patients

- Assume exposures limited to professions with sensitive exams

- Over rely on chaperone/assistant procedures in physical interactions

- Reporting barriers exist

- Over rely on termination when concerns arise

Abuse is PREVENTABLE

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Opportunities for Prevention

Winters, G.M., Jeglic, E.L., Johnson, B.N., Chou, C. *The prevalence of sexual grooming behaviors among survivors of childhood sexual abuse.* Child Abuse & Neglect, Vol. 154 (August 2024).

99% OF ABUSE CASES

99% of adult survivors of child sexual abuse report experiencing at least 1 grooming behavior while in contact with their abuser.
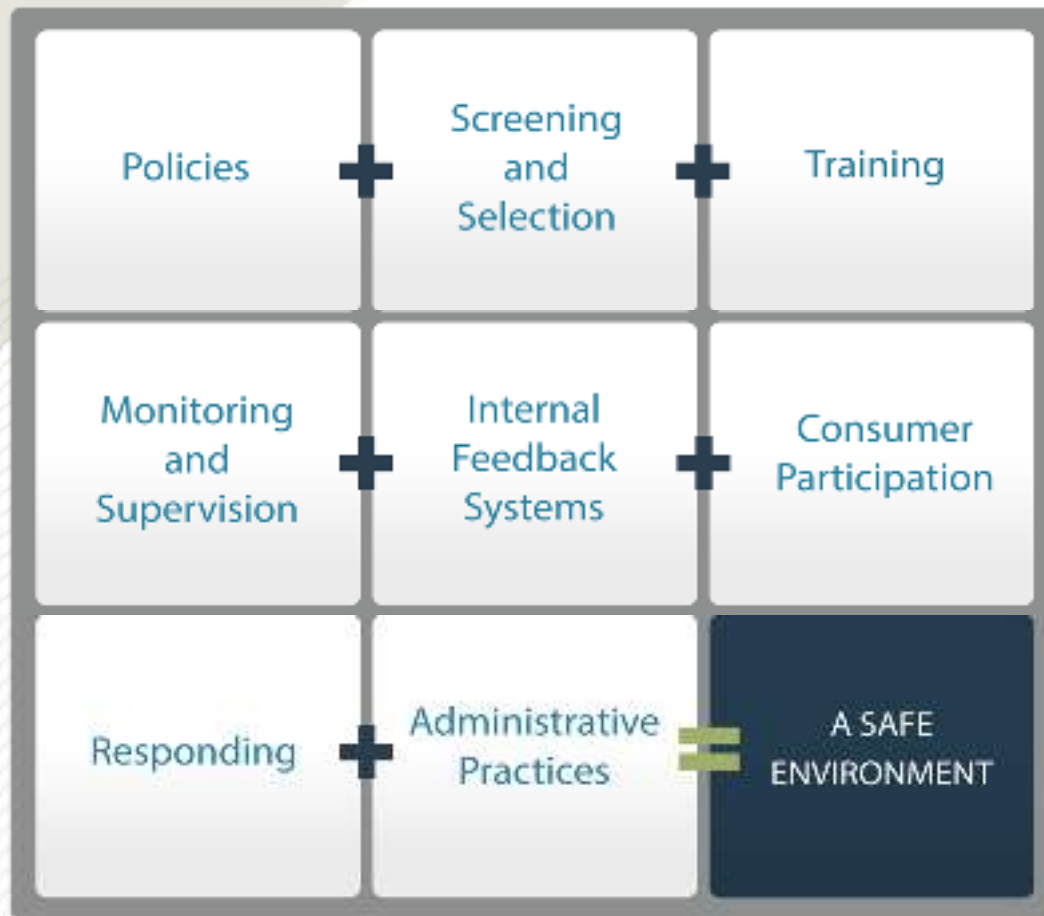
14 GROOMING BEHAVIORS

Survivors report experiencing an average of 14 grooming behaviors.

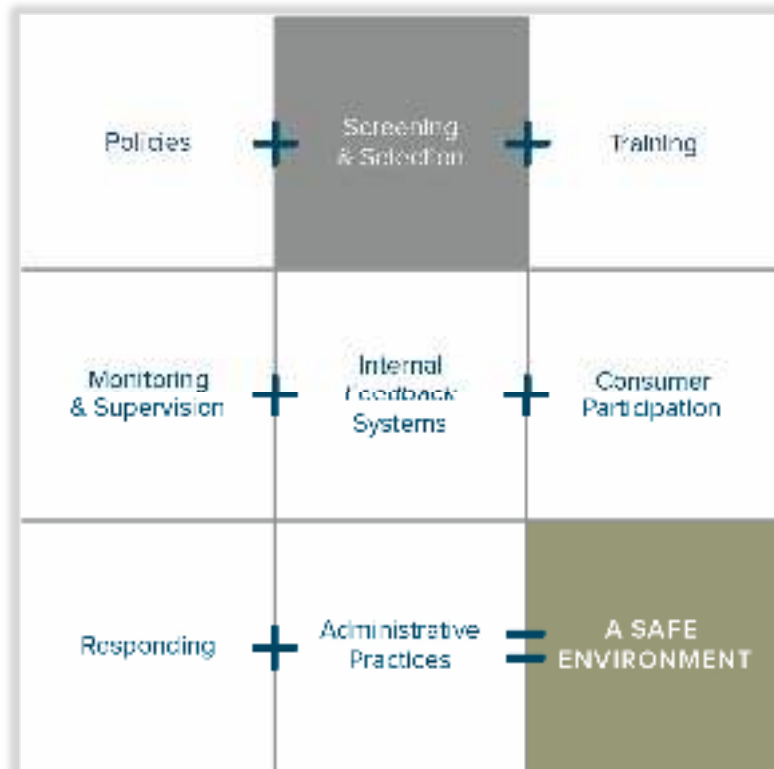Warning signs are opportunities for prevention.

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Paradigm for Prevention

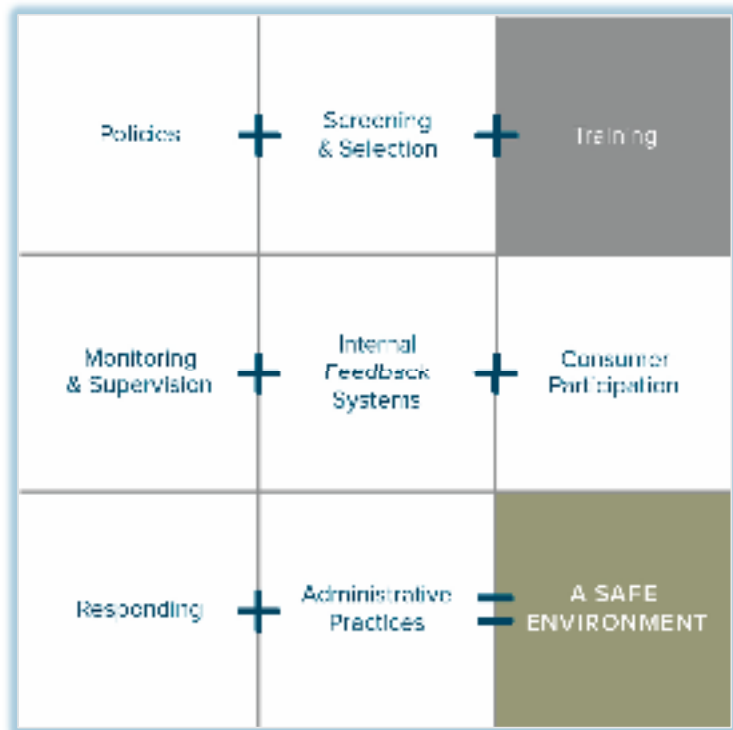Praesidium Safety Equation®

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THE BACKGROUND CHECK DELIMMA

ORGANIZATIONS CANNOT RELY ON BACKGROUND CHECKS ALONE

- ➢ Multistate Criminal Background Check
- ➢ National Sex Offender Registry Check
- ➢ Social Security Number Trace
- ➢ County Criminal Records Search

What are other checks you can/could do for a more well-rounded view of applicants?

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Training is the Glue

Training Best Practices

- Who: Everyone who has access to patients

- When: At start and annually

- What:

  - Scope of the problem

  - Red-flag behaviors

  - Preventing false allegations

  - Managing high-risk activities

  - Chaperone procedures

  - Reporting red-flag behaviors and suspected abuse

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SUPERVISE: PEOPLE, ACTIVITIES & SPACE

Supervise Activities:

☑Chaperone procedure

☑Transports

☑Bathroom & personal care activities

☑Overnight programs

☑Bedroom use
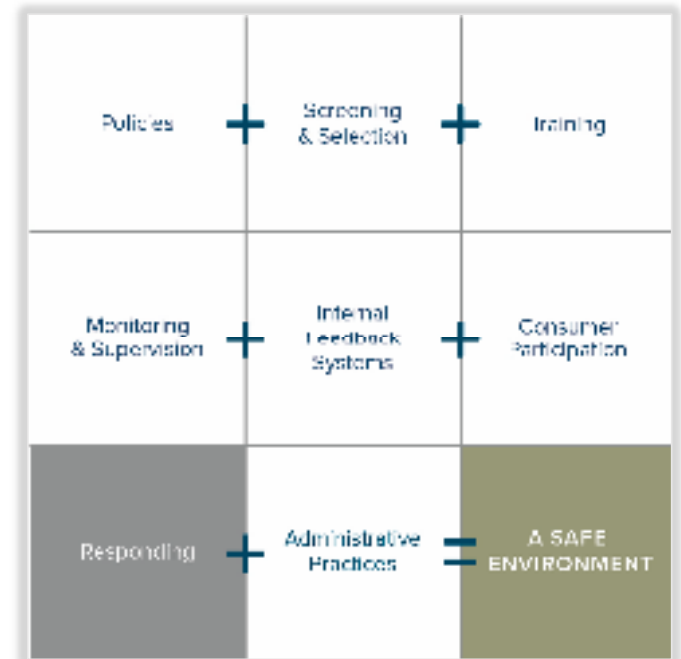
☑Mixed aged groups

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A FOCUS ON RESPONSE

Three essential responding procedures:

1. Red-flag behaviors

2. Patient to patient

3. Suspicions of abuse

Three components to an effective response:

1. Compassion

2. Transparency

3. Confidence

Resource: Providing a Compassionate Response

SCAN ME

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CREATING A CULTURE OF SAFETY

Leadership is committed and vocal

Standards are clear

Standards are enforced

Everyone knows safety is a part of their job
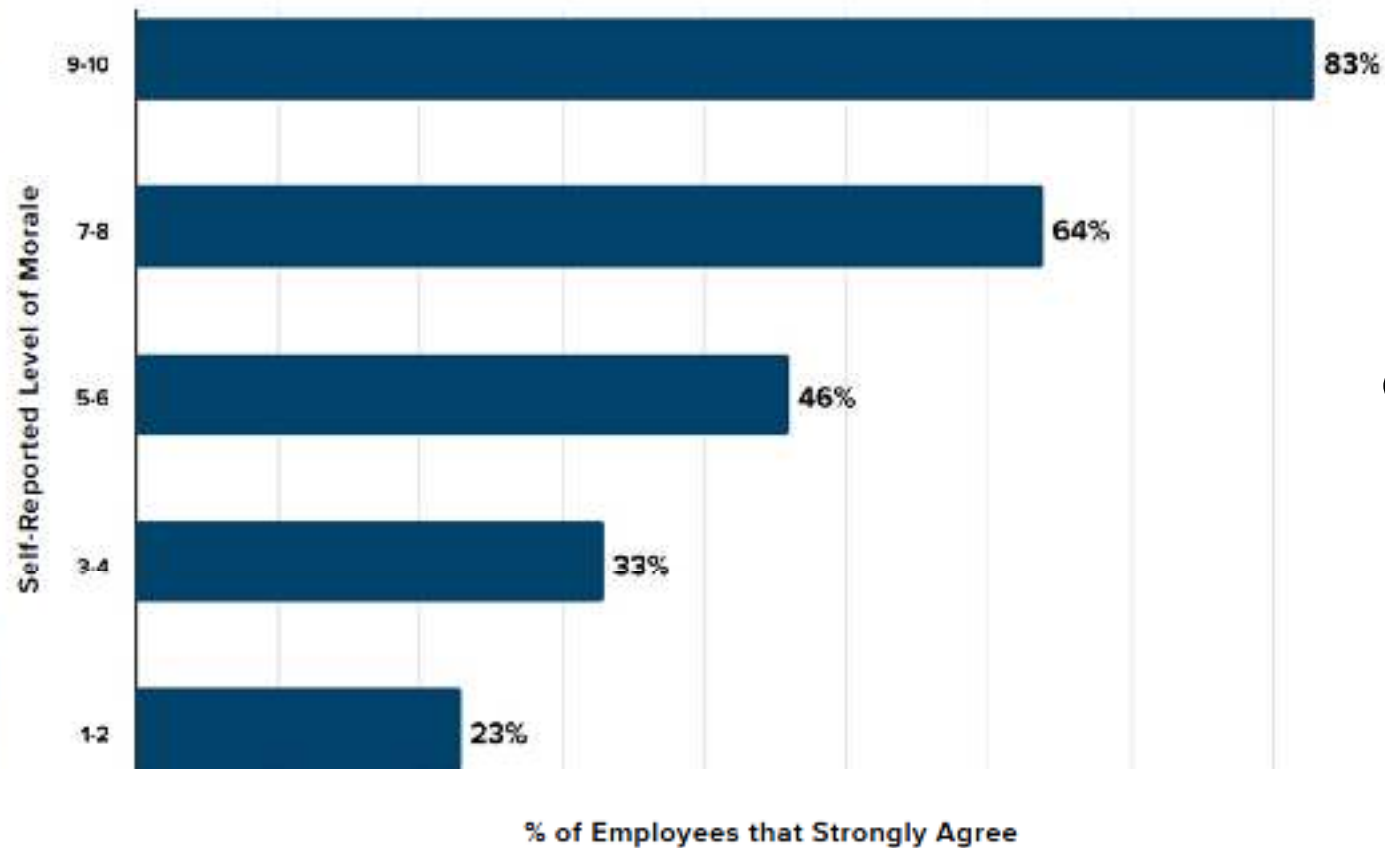
Everyone takes warning signs seriously

Everyone reports concerns

Employee engagement is high

Figure 5
CULTURE OF SAFETY SURVEY RESULTS
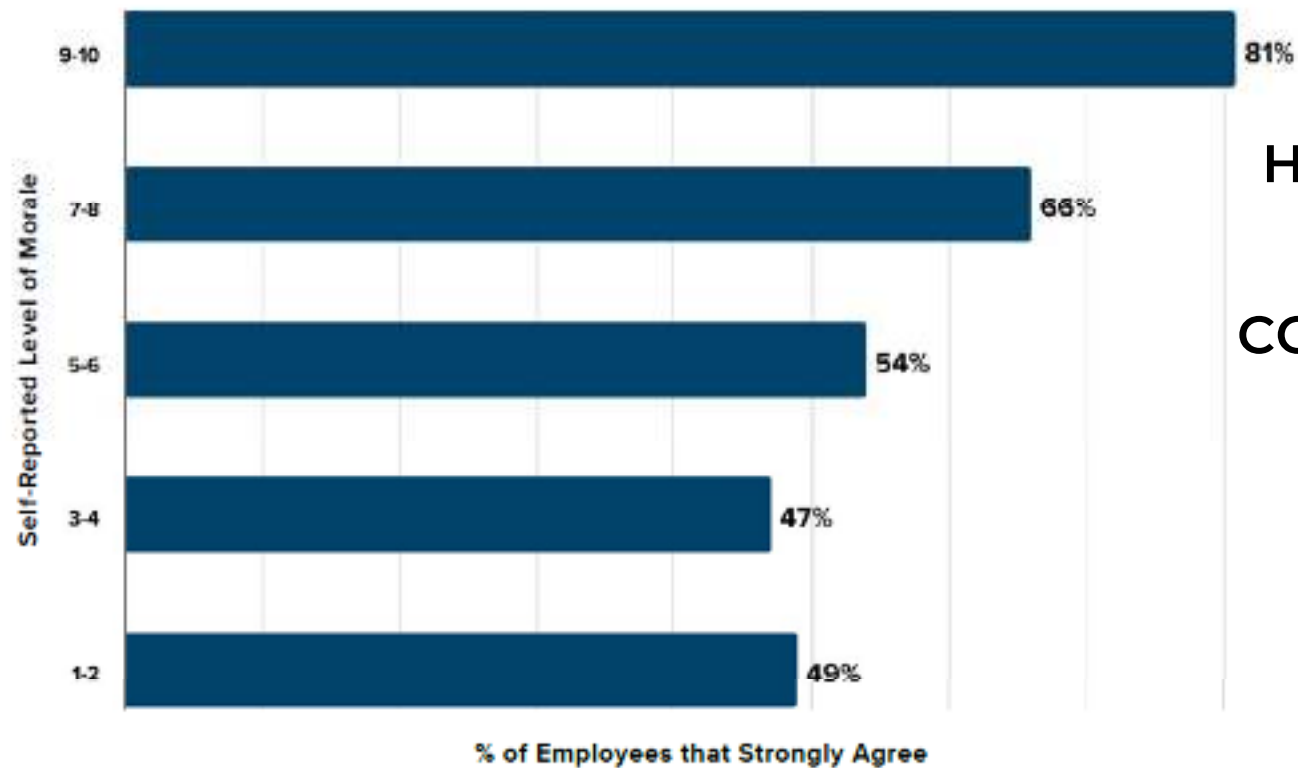*"The organization would take my concerns related to the safety of consumers seriously"*

Self-Reported Level of Morale

- 9-10: 83%
- 7-8: 64%
- 5-6: 46%
- 3-4: 33%
- 1-2: 23%

% of Employees that Strongly Agree

HOW & WHY THESE CULTURE COMPONENTS MATTER

Praesidium, (2025). 2025 Praesidium Report.
https://hubs.ly/Q03ghznv0

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Figure 4
CULTURE OF SAFETY SURVEY RESULTS
"The Organization's Policies for Abuse Prevention Have Been Clearly Communicated"

Self-Reported Level of Morale:
- 9-10: 81%
- 7-8: 66%
- 5-6: 54%
- 3-4: 47%
- 1-2: 49%

% of Employees that Strongly Agree

HOW & WHY THESE CULTURE COMPONENTS MATTER

Praesidium, (2025). 2025 Praesidium Report.
https://hubs.ly/Q03ghznv0

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Figure 3
CULTURE OF SAFETY SURVEY RESULTS
"The Organization's Policies for Abuse Prevention Have Been Clearly Communicated"
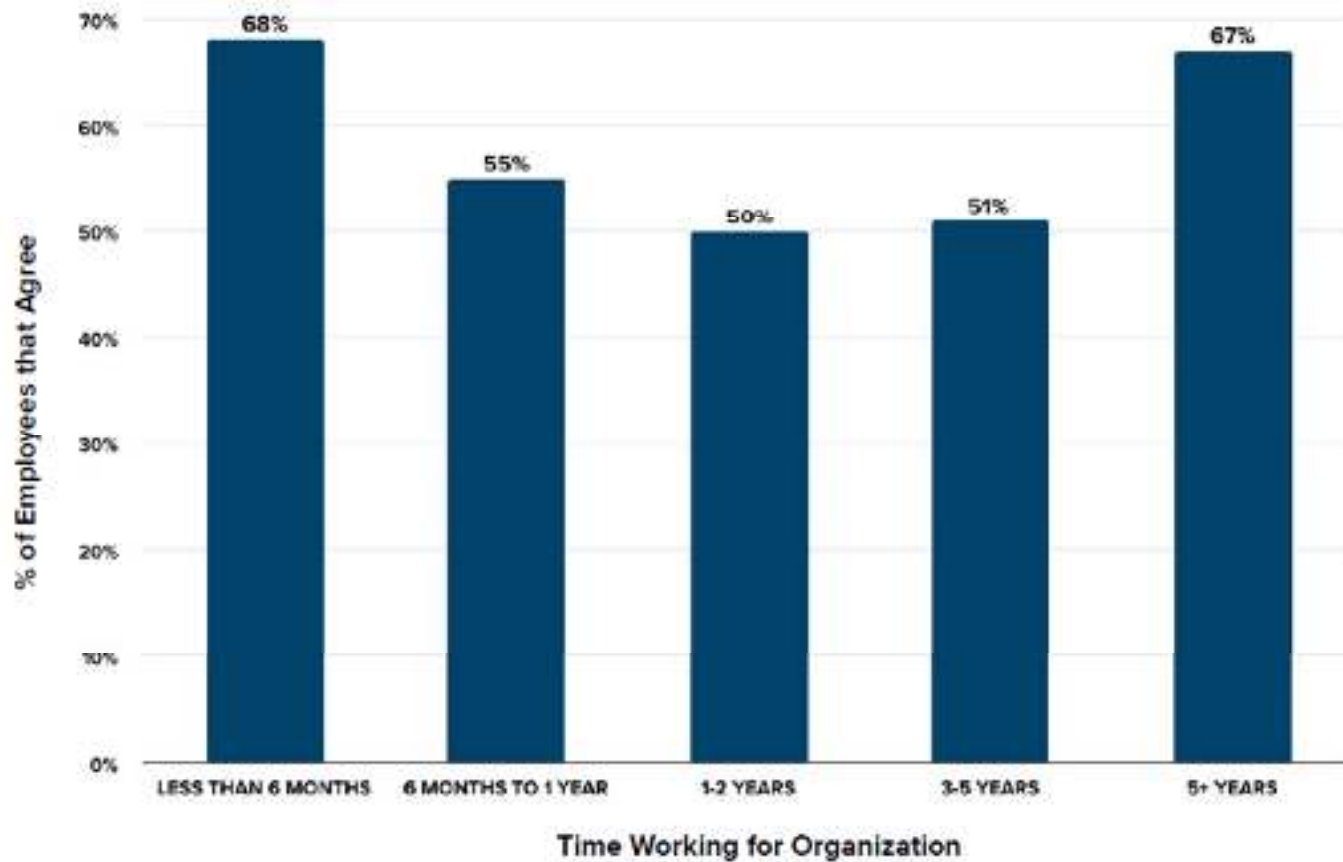
HOW & WHY THESE CULTURE COMPONENTS MATTER

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Where to Start?

1. **Policies:** Enhance professional boundaries policies.

2. **Training:** Ensure employees are trained on the prevention and response of suspected abuse.

3. **Screening:** Ensure credentialing and screening process match level of access.

4. **Monitoring & Supervision:** Strengthen supervision protocols for high-risk activities (Access, Privacy & Control).

5. **Consumer Participation:** Create a robust patient education and feedback loops.

6. **Internal Feedback Systems:** Minimize barriers for reporting.

7. **Responding:** Expand response procedures to include red flag behaviors that don't raise to the level of abuse.

8. **Administrative Practices:** Ensure leadership understands and is committed to a culture of safety.

Source: Prevention Tips for Creating a Culture of Safety in Healthcare Organizations
Source: First Do No Harm (Praesidium 3-Part Blog)

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Commitment

1. Does your present dictate your future or does your future dictate you present?

2. Has your organization formed a committee charged with evaluating your abuse risk management practices?
   o Who has ownership?
   o Have they received specialized training or a specialized certification?

3. Has your organization sought outside expertise to evaluate your abuse risk management practices?

4. How have you incorporated the prevention of abuse within your current ERM system?

5. Does senior leadership get regular information related to your organization's efforts to prevent and respond to incidents?

6. What resources have you allocated to ensure your practices can be implemented?

7. How do you ensure what's been done is in place and effective?

CULTURE JOURNEY: THREE C'S

COMPLACENCY »» COMPLIANCE »» COMMITMENT

Ignorance

✓ Denies an abuse could happen

✓ "We know everyone"

✓ Hopes past success will prevent future abuse

✓ Few standardized procedures

✓ Focuses on the past

Pride

✓ Uses regulatory requirements as standards of care

✓ Focus on reacting to abuse rather than preventing it

✓ Still struggles with reporting

✓ Minimizes red-flag behaviors

✓ Focused on the present

Humble

✓ Board and leadership involvement

✓ Yesterday's success does not guarantee tomorrow's

✓ Errs on the side of danger

✓ Seeks external confirmation & assistance

✓ Has a Vision for "what's next"

SCALABLE SOLUTIONS

ASSESS

- General Consultation
- Policy Analysis
- Management Systems Review
- On-site Risk Assessment
- Praesidium Assessment Tool

PREVENT

- Model Policies and Development Support
- Background Screening Services & Toolkits
- Training for Individuals & Teams
- Certified Praesidium Guardian

RESPOND

- Crisis Response Toolkit
- Praesidium Helpline
- Crisis Consultation

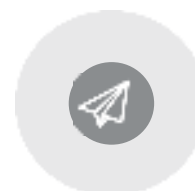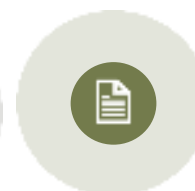## PRAESIDIUM
ACCREDITATION

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THANK YOU!

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