

The Anatomy of an Effective Compliance Committee

Agenda



- 1 Annual Survey Results
- 2 OIG's Guidance/View on Compliance Committee's
- 3 Measuring a Compliance Committee's Effectiveness

Polling Question #1



Does your organization have a compliance committee?

- a) Yes
- b) No
- c) Not applicable or do not know

A blue-tinted photograph of a workspace. In the foreground, a person's hand is pointing at a bar chart on a document. To the left, a pair of black-rimmed glasses rests on the desk. In the background, a laptop is open, and another document with a circular graphic is visible. The overall scene suggests a professional setting focused on data analysis.

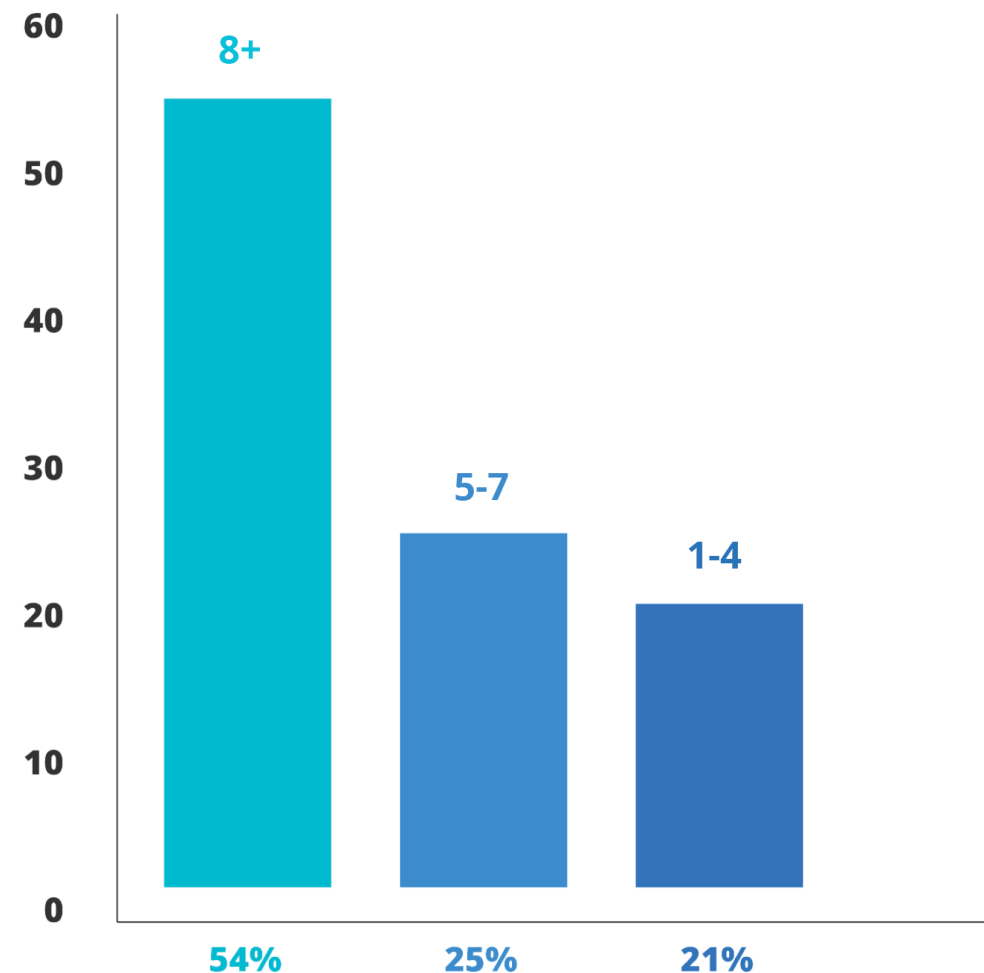
1

Annual Survey Results

Healthicity 2018 Survey Results



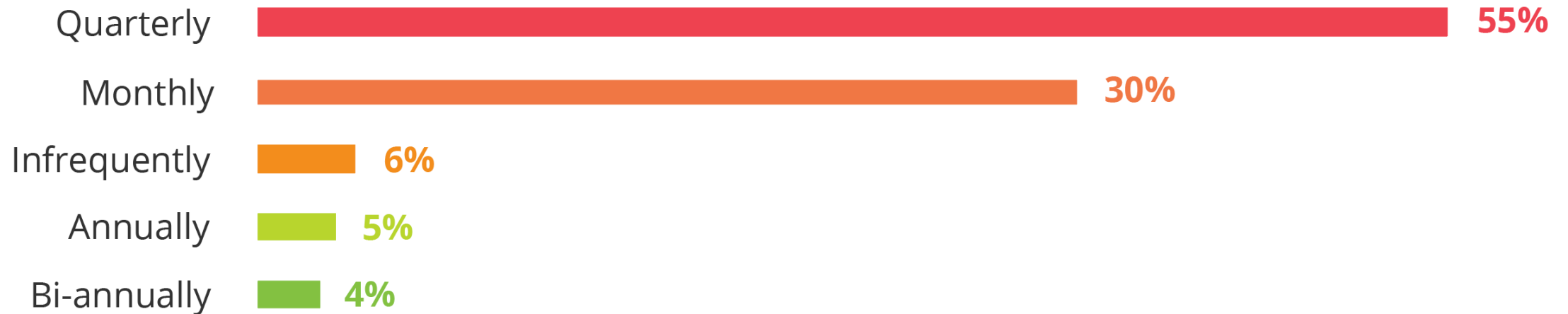
How many individuals are on the compliance committee?



Healthicity 2018 Survey Results



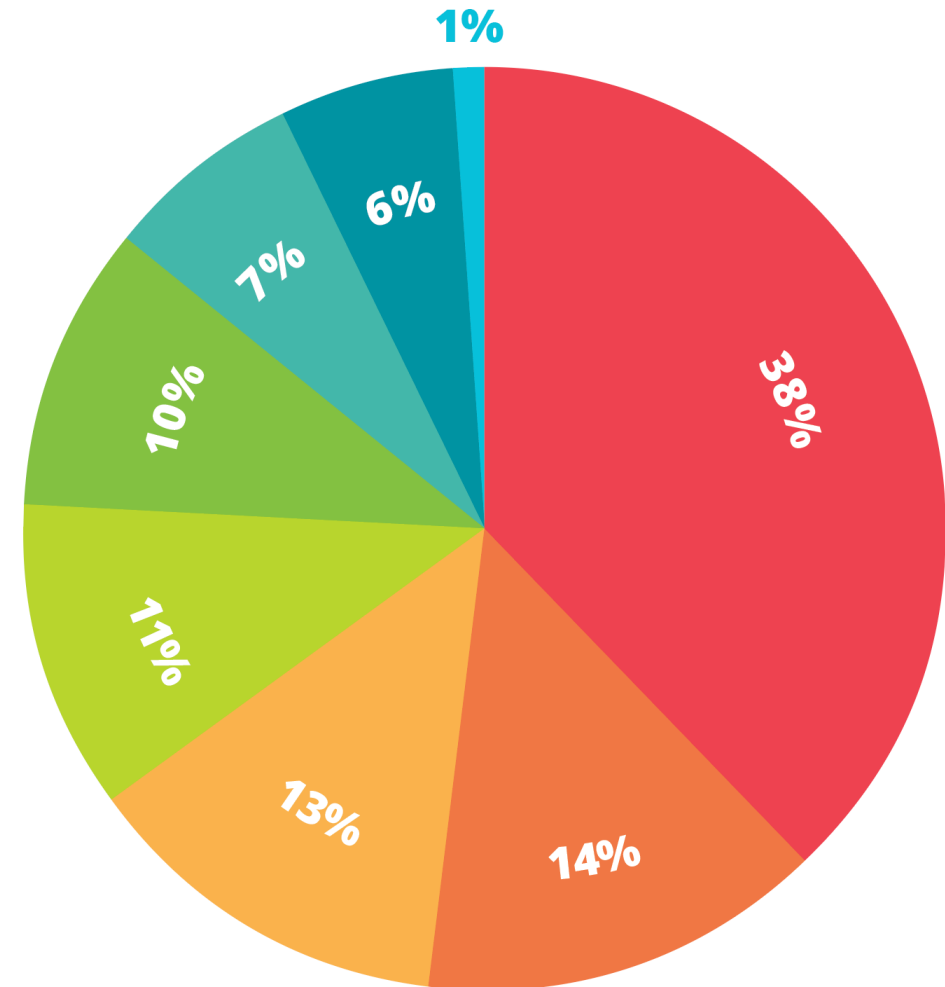
How often does the committee formally meet?



Healthicity 2018 Survey Results



This year, how many times do you anticipate your Chief Compliance Officer will meet with your organization's governing board or highest authority?



A background image of four business professionals in a meeting, overlaid with a solid blue color. The image shows a man and a woman leaning over a table, looking at documents, with another man and woman partially visible in the background.

2

OIG's Guidance/View on Compliance Committee's

OLG Compliance Guidance



“The OIG recommends that a compliance committee be established to advise the compliance officer and assist in the implementation of the compliance program.”

OIG Compliance Guidance



“The compliance committee benefits from having the perspectives of individuals with varying responsibilities in the organization, such as operations, finance, audit, human resources, utilization review, social work, discharge planning, medicine, coding and legal, as well as employees and managers of key operating units.”

Polling Question #2



How many individuals are on your compliance committee?

- a) 1-2
- b) 3-4
- c) 5-6
- d) 7+
- e) N/A or Don't Know

OIG Compliance Guidance



The committee's functions should include:

- Analyzing the organization's industry environment, the legal requirements with which it must comply, and specific risk areas
- Assessing existing policies and procedures that address these areas for possible incorporation into the compliance program
- Working with appropriate departments to develop standards of conduct and policies and procedures to promote compliance with the institution's program

OIG Compliance Guidance



Continued...

- Recommending and monitoring, in conjunction with the relevant departments, the development of internal systems and controls to carry out the organization's standards, policies and procedures as part of its daily operations
- Determining the appropriate strategy/approach to promote compliance with the program and detection of any potential violations, such as through hotlines and other fraud reporting mechanisms

OIG Compliance Guidance



Continued...

- Developing a system to solicit, evaluate and respond to complaints and problems
- The committee may also address other functions as the compliance concept becomes part of the overall operating structure and daily routine

OIG Compliance Guidance



- The compliance committee should also develop several independent reporting paths for an employee to report fraud, waste or abuse so that such reports cannot be diverted by supervisors or other personnel.

OIG Compliance Guidance



- An effective compliance program should also incorporate periodic (at least annual) reviews of whether the program's compliance elements have been satisfied. The reviewers should...present written evaluative reports on compliance activities to the CEO, governing body and members of the compliance committee on a regular basis, but no less than annually.

Polling Question #3



How frequently does your compliance committee meet?

- a) At least once a year
- b) At least twice a year
- c) At least four times a year
- d) 5 or more times a year
- e) N/A or Don't Know

A background image showing a group of people in an office setting, with one person in the foreground holding a tablet. The entire image is overlaid with a semi-transparent blue filter.

3

Measuring a Compliance Committee's Effectiveness

OIG Effectiveness Guide



Measuring Compliance Program Effectiveness: A Resource Guide

ISSUE DATE: MARCH 27, 2017

*HCCA-OIG Compliance Effectiveness Roundtable
Roundtable Meeting: January 17, 2017 | Washington, DC*



Element 1: Standards, Policies, and Procedures



1.12 Compliance documentation operations manual

- Compliance or other oversight committee to review annually to ensure it is up to date.

1.15 Policy approvals

- Create list of policies, review committee and board minutes to ensure all approvals have been obtained.

Polling Question #5



How involved is your compliance committee in overseeing or approving compliance policies?

- a) Not at all
- b) Somewhat, but limited
- c) Significantly involved
- d) N/A or Don't Know

Element 2: Compliance Program Administration



2.9 Active involvement of compliance committee members

- Track percentage of attendance of each compliance committee member over the last year

2.10 Assure that the compliance oversight committee goals and functions are outlined

- Review charter of committee

Element 2: Compliance Program Administration



2.11 Committee structure

- Review documentation of structure of committees as well as charters. Ensure no conflicting charters.

2.12 Compliance committee composition and attendance

- Review charter and minutes to assure attendance.

Element 2: Compliance Program Administration



2.13 Cascade administration of compliance program throughout the organization

- Different operational areas give some certification/disclosure to the compliance office

2.14 Composition of Compliance Committee

- Review organizational chart to validate correct composition

Element 2: Compliance Program Administration



2.15 Effectiveness of compliance committee meetings

- Keep executive report card by member qualitative/quantitative with indicators of contribution on topics

2.16 Engagement

- In the last two years, have the compliance committee meetings been held in accordance with the charter?

Element 2: Compliance Program Administration



2.17 Engagement of Directors/Managers

- Review committee structure to evaluate how directors/managers are participating in Compliance Operational Committee(s) meeting includes agenda, minutes, attendance and reports from subcommittees

Element 2: Compliance Program Administration



2.18 Executive Leadership engaged in Compliance Program

- Review frequency of meetings, membership, attendance, agenda and minutes over the past year of the Compliance Executive Committee to include all members of the Senior Executive team receiving information directly from the Compliance Officer

Element 2: Compliance Program Administration



2.43 Culture

- Conduct cultural survey (interviews, confidential surveys, focus groups, etc.) and report findings to compliance committee and board. Review minutes to ensure report out and action plan established.

2.59 Risk Assessment Cycle

- Audit adherence to risk assessment cycle. Annual documented risk assessment has been communicated to oversight committee.

Element 2: Compliance Program Administration



2.60 Risk based work plan that covers compliance plan elements with board approval and regular reporting on those projects to board

- Compliance Committee and board minutes review

2.64 Compliance work plan

- Audit to ensure the work plan is developed and implemented and it is followed-through and outcomes are reported to compliance committee or to governing body

Polling Question #6



How much ownership of your organization's compliance program is held by the compliance committee (i.e., compared to the compliance officer or other person/entity)?

- a) None at all (the committee is basically there to check a box)
- b) Minimal real ownership
- c) Significant ownership
- d) Complete ownership (they rock!!)
- e) N/A or Don't Know

Element 5: Monitoring, Auditing, and Internal Reporting Systems



5.6 Reporting System: Hotline/Direct contacts

- Document review, audit. Are hotline calls or matters brought to the attention of the compliance department (direct contacts) categorized, trended, and reported to the compliance committee and board level committee?

Element 5: Monitoring, Auditing, and Internal Reporting Systems



5.12 Demonstration of a formal compliance program

- Document review. Is there identification of prioritization of key compliance indicators; reporting and escalating to compliance oversight committee?

5.26 Written escalation process

- Documentation review. Is there a written procedure to determine at what point a matter must be reported to the board, committee, or government agency?

Element 5: Monitoring, Auditing, and Internal Reporting Systems

5.36 Participation of business leadership in risk resolution

- Verify that risk reporting is going to business leadership; routine inclusion of risks at compliance committee; assessment of effective follow-up when risk resolution is off-track.

5.39 Approval process of work plans

- Review minutes of Board and Compliance Committee meetings.

Element 5: Monitoring, Auditing, and Internal Reporting Systems

5.45 Completion rate for compliance work plan

- Audit or document review. Were the items on the work plan completed by the due date? If not, do compliance committee and board level committee minutes reflect discussion about this? If work plan was changed, is there compliance committee and board committee documentation to support this?

Element 5: Monitoring, Auditing, and Internal Reporting Systems

5.46 Periodic reviews of monitoring and auditing plan

- Document review. Is monitoring and auditing plan reviewed periodically at the compliance committee and board level committee to make sure it is still fit for purpose and focused on high-risk areas for the organization?

5.60 Reporting of audit results Process review.

- Documentation review. Are audit results reported to operations? Compliance Committee? Governing body?

Element 5: Monitoring, Auditing, and Internal Reporting Systems

5.62 Accountability of corrective action

- Review agendas, minutes and reports to compliance committee on corrective action plans.

5.67 Reporting of untimely corrective actions

- Validation audits/follow-up audits. If there are un-timely corrective actions, are they reported to the compliance committee and governing body?

Polling Question #7



When it comes to issue/incident escalation and resolution, how helpful is your compliance committee?

- a) Not at all (they don't want to hear it)
- b) Occasionally helpful
- c) Almost always helpful
- d) They are the model of perfect support (they rock!!)
- e) N/A or Don't Know

Element 6: Discipline for Non-Compliance



6.1 Fairness and consistency in disciplinary process

- Sample – audit. Is the disciplinary action policy consistently followed? Does the compliance committee review and measure fairness and consistency in policy application?

6.4 Decision-making parties

- Audit personnel files. Policy review. Is there a disciplinary action committee approach to review results of investigation and previous actions and to make decisions?

Element 6: Discipline for Non-Compliance



6.22 Oversight

- Review minutes for number of disciplinary actions for compliance and HIPAA violations in last year reported to the Compliance Committee (dashboard)

Element 7: Investigations and Remedial Measures



7.13 Investigation categorization process and trending

- Documentation review and audit tracking system. Are investigations being categorized so they can be tracked, trended and reported to compliance committee, senior management and board?

Element 7: Investigations and Remedial Measures



7.43 Business leaders are accountable for follow-up to investigations

- Verification that investigative report is shared with those responsible for follow-up. Closure reports are provided to Compliance Committee.

7.47 Accountability

- Review how corrective action plans are tracked; Review how corrective action plans are reported to Compliance Executive Committee

Element 7: Investigations and Remedial Measures



7.54 Accountability/Structure

- Obtain a list of ad hoc committees formed around specific compliance issue over the last 2 years

Polling Question #8



What is the greatest need or area of improvement your compliance committee could use?

- a) They need more commitment/ownership
- b) They need to meet more often
- c) They need training in compliance
- d) They need a backbone/spine
- e) Other



Questions?