

Communicating to the Board and Senior Management

Shawn Y. DeGroot, CHRC, CHC-F, CCEP
VP Corporate Responsibility
Regional Health

- * HCCA Update
- * Overview of board and senior management compliance obligations
- * Identifying owners vs. renters
- * Verbal and nonverbal value insight

FEATURE



Lori Strauss *(pictured on left)*
 RN, MSA, CPC, CPC-H, CHC, CHP, CHPC is Chief Corporate Compliance & Privacy Officer, University of Virginia Health System in Charlottesville, VA

Debi Hinson *(pictured on right)*
 MBA, RRT, CHC, CHP, CCEP, CHRC is Vice President—Compliance, Chief Compliance & Privacy Officer with CarePoint Partners in Cincinnati, OH

an interview by Shawn DeGroot

Meet HCCA's newest board members

Shawn DeGroot (SDeGroot1@regionalhealth.com), Vice President of Corporate Responsibility at Regional Health in Rapid City, conducted this interview in February 2012. Shawn will become President, and Debi Hinson (dhinson@carepointpartners.com) and Lori Strauss (ljs6n@virginia.edu) begin their terms as members of the HCCA Board of Directors on May 1, 2012.

SD: Why or how did you choose the field of Compliance as a profession?

LS: I've been intrigued by regulatory issues almost since the start of my health care career as a nurse more than 30 years ago. Compliance

is essentially doing the right thing and following the rules. My initial desire to become a nurse was to help people, and Compliance allows me to help others do the right thing.

DH: Well, actually I didn't choose Compliance; it sort of chose me. In fact, I believe I was born a compliance officer. I was always the kid who had to follow the rules. As I went through school, I was the one the teacher put "in charge" when she left the room. Of course, I wasn't very popular either, but that didn't matter. If there was a rule, it was to be followed. When I entered the career

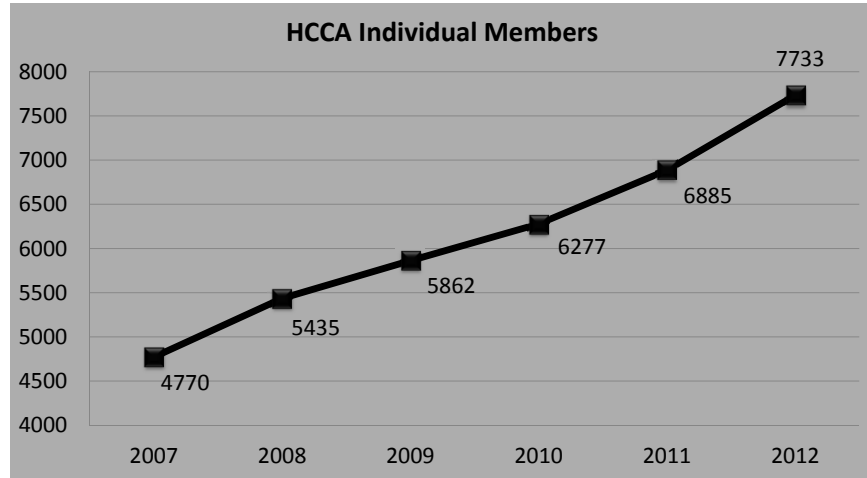
Compliance Today May 2012

www.hcca-info.org 888-580-8373

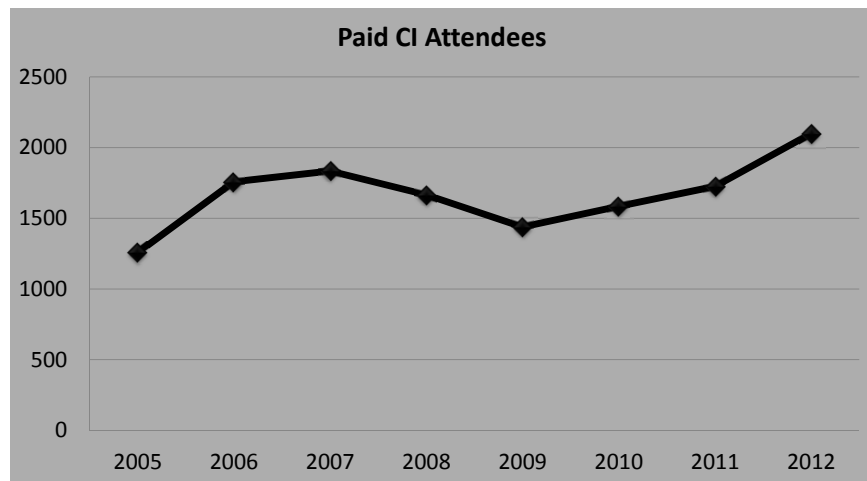
New Membership Database May 16th

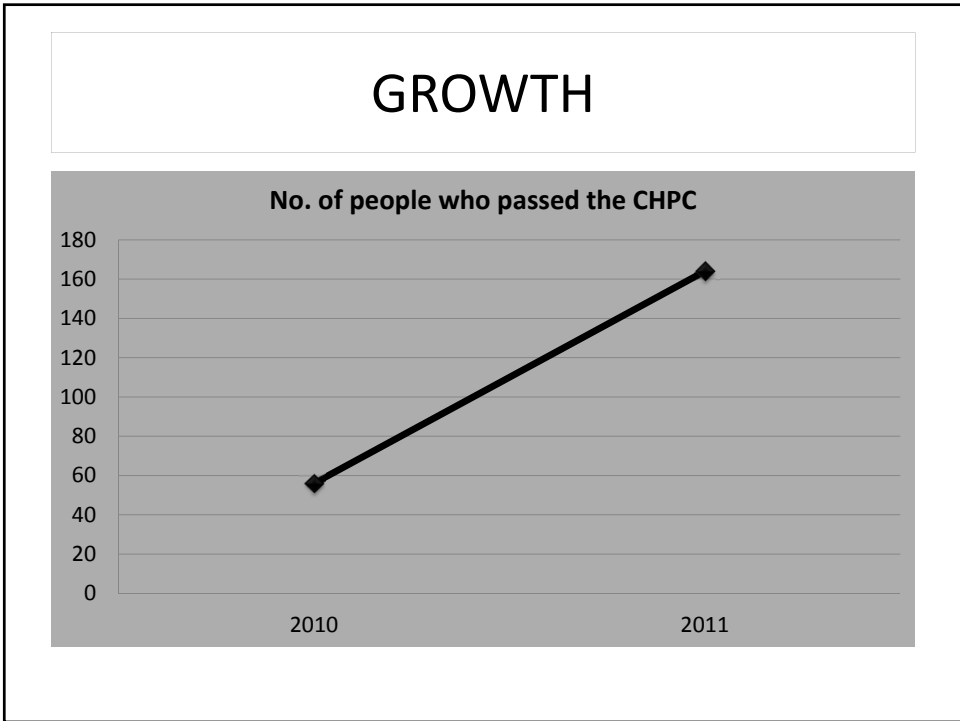
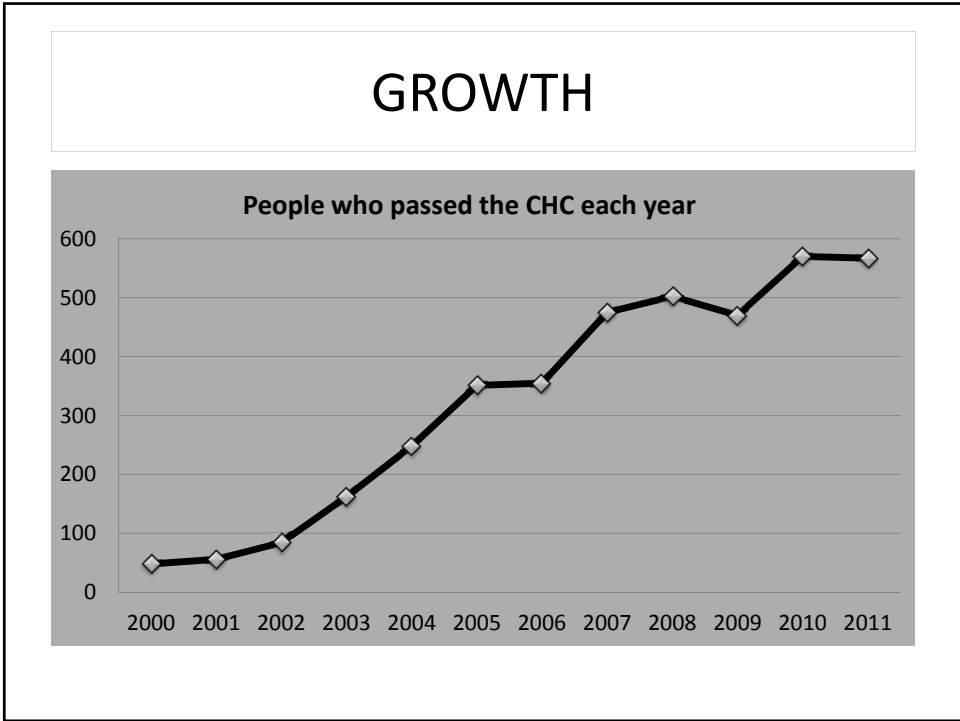
- Tracking of CEU & Renewal of Certifications
- Photos For Online Profile
- Call For Speakers Automated
- Speaker Review Process

GROWTH

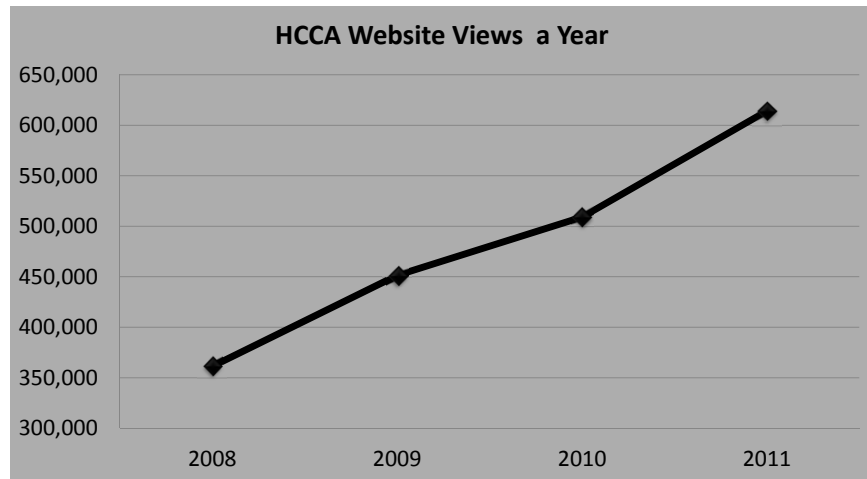


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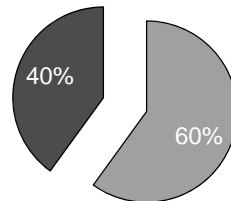


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HCCA Stress Survey

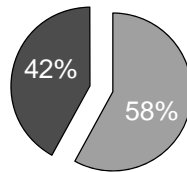
Considered leaving their job



■ Yes ■ No

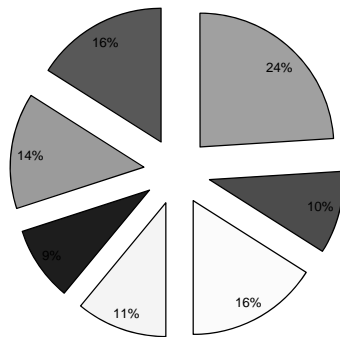
HCCA Stress Survey

Are You In an Adversarial Relationship or Isolated?



■ Yes ■ No

Which of the following causes you the greatest stress?



- Keeping up with new laws and regulations
- Identifying Compliance and ethics risks
- Preventing compliance and ethics violations
- Detecting compliance and ethics violations
- Investigating alleged compliance and ethics violations
- Remediating compliance and ethics violations
- Others

Board Responsibilities

- Compliance effectiveness is dependant on support from the governing body.
 - Attentiveness to compliance issues
 - Allocation of sufficient resources
 - Authority
 - Independence

• *HHS OIG Supplemental compliance Program Guidance for Hospitals, 70 F.R. 5858, 1-31-05*

Board Responsibilities

- **Decision-making & oversight**
- **2007 CR & Health Care Quality:**
A Resource for HC Boards of Directors
 - Active role in evaluating quality of care
 - Oversee integration of quality and compliance
 - Utilize series of questions
 - Operational approach

Effective Governance

- **Proper oversight**
 - Disinterested board members
 - Free from bias (COI)
- **Develop processes**
 - Charter
 - Physician compensation principles based on productivity, years of service, quality, with pre-approved ranges and parameters

Trustee

July/August 2010

“The best boards are active, questioning, even skeptical concerning the hospitals they oversee. They don’t make assumptions, don’t view their jobs in narrow terms, and they don’t shy away from asking tough questions.”

– Dan Levinson, Inspector General, OIG
Trustee, July/August 2010

Senior Management Responsibilities

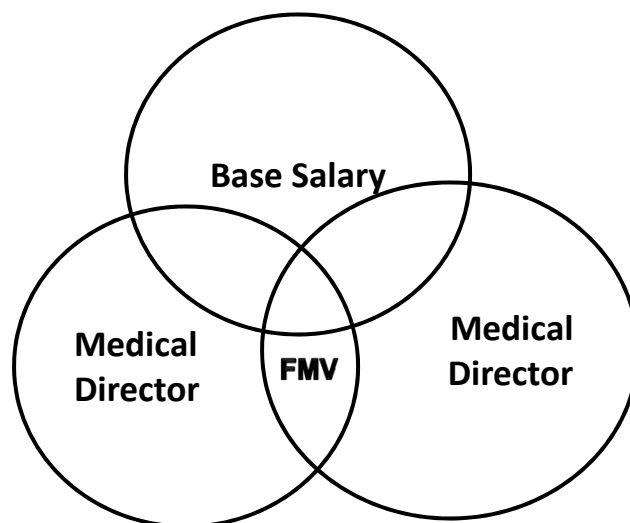
- Owner's vs. Renters
 - Attentiveness to compliance issues
 - Allocation of sufficient resources
 - Authority
 - Independence
- *HHS OIG Supplemental compliance Program Guidance for Hospitals, 70 F.R. 5858, 1-31-05*

Effective Governance & Senior Management

- Oversee physician integration activities
- Educate the board
 - Compensation trends & labor market trends
 - Stark and Anti-kickback statutes
 - IRS 990 requirements
 - Intermediate sanctions and penalties
 - New Regulations on the horizon: Sunshine Act

Effective **Governance & Senior Management**

- **FMV:** quantitative analysis of the arrangement
- **Commercial reasonableness:** broader business facts that support the basis for the arrangement.
 - Compliance due diligence impact



**Average Compensation for hospitalists has grown
19.3% since 2006**

2006 Survey

\$182,652

2007 Survey

\$190,450

2008 Survey

\$194,078

2009 Survey

\$202,309

2010 Survey

\$208,925

2011 Survey

\$217,858

Effective
Governance & Senior Management

- Determine in advance which arrangements
 - <75% or <90%
 - Proactive involvement, FMV and as a benefit to the organization
 - Due diligence, legal and compliance
 - Auditing and monitoring

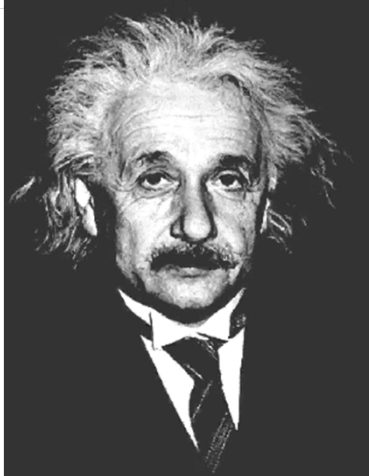
What's next?

- Confirm obligations and commitment
 - Core oversight under duty of care
- Reality of current enforcement environment
- Increased FCA exposure
 - Liability in avoiding repayment, false statement no longer needed
 - Retention of an overpayment could violate the established duty or obligation to pay

Patient Protection and Affordable Care Act (PPACA) 2010

- Civil and criminal penalties
- Key officers, executives and board members
Individual accountability
- Fraud and abuse risk areas
- Exposure can be dramatically reduced with an effective compliance plan
- Increase Qui Tam activity

Verbal & Nonverbal Communication



Verbal and Nonverbal Communication

- What we say is important = Verbal 7%
- Nonverbal 93%
 - Voice tone, pitch and speed = 38%
 - Higher the pitch, less credibility
 - Posture
 - Gestures
 - Facial expressions and eye movements

Nonverbal Communication

- Center for non-verbal studies, Spokane, WA
- YouTube: Secrets of Body Language
History.com

*“Jerry, the throat-clear is a nonverbal
indication of doubt.”*

—George (Seinfeld, 1998)

Nonverbal Communication

- 1960 Nixon vs. Kennedy
 - 1st Televised debate with 70 million people watching
 - Nixon refused makeup
 - Radio vs. TV
- 1973 President Nixon
 - Hands behind his back
 - Retreating at the podium

Nonverbal Communication

- Clinton, Arafat & Barack (Israel & Palestine)
 - Appeared united, strong and powerful
 - Door
- Shaking of hands
 - Politicians jockey to be on the left
 - If not, pat the back and lead the person, or grab their elbow

Nonverbal Communication

- Hillary & Bill Clinton
 - Soft, slouched to embracing and game pointing
 - Classic charisma, gestures on the beat until under pressure: pointing one way looking another
- B. Spears and Paris Hilton
- Police Officers are trained on danger signs
 - Wolf or a sheep: How a person sits, walks and talks indicate who you are.

Nonverbal Communication

- Blade the body, billow the shirt, twitch your thumb
- Danger signals:
 - Driver gets out of the car
 - Closes his jacket
 - Hands in pocket
 - Dances around to show control
 - Claps his hand

Nonverbal Communication

- Research with seven universal expressions and now used as templates:

Happy	Sad
Anger	Fear
Surprise	Contempt
Disgust	

Nonverbal Communication

- Analytical Interviewing: Marion Jones: Track & field star (allegations of drug use)
- Micro-expressions: Arnold with facial movements inconsistent with what is said

Nonverbal Communication

- 93% of message must be heard
 - Genuine and direct
 - Voice intonation and speed
 - Eyebrows up are surprise, eyebrows down or creased is anger/worry
 - Face, head and body should be aligned
 - Shaking your head
 - Mouth pull
 - Gesture on the beat when making a point



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