



**What Makes a Compliance Committee Effective?**

**Steve Ortquist, CHC-F, CCEP, CHRC**  
VP, Chief Ethics and Compliance Officer

Anchorage Regional Conference  
March 1, 2013


---

---

---

---

---


---

---

---

**Survey Says . . . .**

- How many have a management level compliance committee?
- How often does your committee meet?
  - Semi-Annually?
  - Bi-monthly
  - Quarterly?
  - Monthly?
  - Weekly?
  - Other?




---

---

---

---

---

---


---

---

**Survey Says . . . .**

Who are the members of your compliance committee?

• Compliance officer?	• COO?
• Compliance staff?	• CFO?
• General counsel?	• Other executive?
• Internal audit?	• Nursing?
• Risk management?	• Physician Representative?
• Human resources?	• HIMS/Coding?
• Privacy officer?	• Information technology?
• Board member?	• Other?
• CEO?	




---

---

---

---

---


---

---

---

**Survey Says . . . .**

- Who chairs your compliance committee?
  - Compliance Officer?
  - General Counsel?
  - CEO/COO?
  - Board member?
  - Other?



---

---

---

---

---

---


---

---

**Survey Says . . . .**

What does your compliance committee get involved in/oversee/discuss?

- Annual compliance plan?
- Risk assessment?
- Compliance training plan and materials?
- Compliance training attendance?
- Policies?
- Resources for compliance?
- Audit results?
- Communication strategies?
- Hotline/reporting mechanism contacts?
- Issues and investigations?
- Corrective action plans?
- Discipline?
- Culture?
- Other?



---

---

---

---

---


---

---

---

**Survey Says . . . .**

- How engaged is your compliance committee?
  - Unbearably engaged
  - Very engaged
  - Engaged enough
  - They wake up occasionally
  - They just don't understand



---

---

---

---

---


---

---

---

**Survey Says . . . .**

- How effective would your committee members say committee meetings are?
  - Extremely effective
  - Very effective
  - A necessary task
  - A good place to catch up on emails
  - What is the compliance officer talking about now?



---

---

---

---

---

---

---

---

**Guidance on Compliance Committees**



---

---

---

---

---

---


---

---

**OIG CPG for Ambulance Suppliers (March 2003);  
OIG CPG for DMEPOS Suppliers (July 1999)**

*“The ambulance supplier should designate a compliance officer and other appropriate bodies (e.g., a compliance committee) charged with the responsibility for operating and monitoring the organization’s compliance program.”*

*“(if such a committee is practicable for the DMEPOS supplier)”*



---

---

---

---

---


---

---

---

**OIG CPG for Hospitals (February 1998)**

- The compliance committee should . . .
  - Advise the compliance officer and assist in the implementation of the compliance program;
  - Analyze the organization's industry, applicable legal requirements and specific risk areas;
  - Assess existing policies and procedures;
  - Work with appropriate departments to develop policies & procedures to promote compliance;



---

---

---

---

---


---

---

---

**OIG CPG for Hospitals (February 1998)**

- The compliance committee should . . .
  - Recommend and monitor (in conjunction with appropriate departments) internal controls to carry out the organization's compliance policies;
  - Determine appropriate strategies & approach to promote compliance and detection of violations (such as through hotlines and reporting mechanisms);
  - Develop systems to solicit, evaluate and respond to complaints and problems.



---

---

---

---

---


---

---

---

**OIG CPG for Hospitals (February 1998)**

- The compliance committee should . . .
  - 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
  - Establish a procedure so that personnel can seek clarification from the compliance officer *or members of the compliance committee* on policies & procedures



---

---

---

---

---

---

---

---

**OIG CPG for Hospitals (February 1998)**

- The compliance committee should . . .  
(Along with the CEO, senior management and governing body) receive reports from the compliance officer on:
  - allegations of suspected non-compliance, and any resulting investigation and its results;
  - compliance audit findings;
  - on the progress of implementation of the compliance program (at least annually).



---

---

---

---

---

---

---

---

**OIG CPG for Hospitals (February 1998)**

“The committee may also address other functions as the compliance concept becomes part of the overall hospital operating structure and daily routine.”



---

---

---

---

---

---

---

---

**OIG CPG for DMEPOS (July 1999)**

“Once a DMEPOS supplier chooses the people that will accept the responsibilities vested in members of the compliance committee, the DMEPOS supplier must train these individuals on the policies and procedures of the compliance program, as well as how to discharge their duties.”



---

---

---

---

---

---

---

---

**OIG CPG for DMEPOS (July 1999)**

"The compliance officer should ascertain patterns that require a change in policy *and forward these issues to the compliance committee to remedy the problem.*"

"The OIG *strongly recommends* that the compliance officer manage the compliance committee."

"The compliance committee is an extension of the compliance officer and provides the organization with increased oversight."



---

---

---

---

---

---

---

---

**DMPOS (July 1999)  
and Hospice (Oct 1999)**

. . . compliance committee members and compliance officer [should] demonstrate the following personality traits: high integrity, good judgment, assertiveness, and an approachable demeanor, while eliciting the respect and trust of employees . . .



---

---

---

---

---

---

---

---

**SELF REPORTING  
OIG CPG for DMEPOS, Hospice,  
LTC, Hospitals (supp),**

"If the compliance officer, *compliance committee*, or a member of senior management discovers credible evidence of misconduct from any source and, after a reasonable inquiry, believes that the misconduct may violate criminal, civil, or administrative law, the nursing facility should promptly report the existence of the misconduct to appropriate Federal and State authorities."



---

---

---

---

---

---


---

---

**OIG CPG for Third Party Billing  
(December 1998)**

- A committee onto one's self . . . .

"The OIG recognizes that smaller billing companies may not be able to establish a compliance committee. In those situations, the compliance officer should fulfill the responsibilities of the compliance committee."



---

---

---

---

---

---


---

---

**OIG Supplemental CPG  
for Hospitals (January 2005)**

"Every effective compliance program necessarily begins with a formal commitment to compliance by the hospital's governing body and senior management. Evidence of that commitment should include . . . identification of a . . . compliance committee *vested with sufficient autonomy, authority, and accountability to implement and enforce appropriate compliance measures.*"

"Is there an active compliance committee, comprised of trained representatives of each of the relevant functional departments, as well as senior management?"



---

---

---

---

---


---

---

---

**CIA's: What does the OIG expect?**

- The Committee shall support the Compliance Officer in fulfilling his/her responsibilities (e.g., shall assist in the analysis of (organization's) risk areas and shall oversee monitoring of internal and external audits and investigations);
- The Compliance Committee shall meet at least quarterly.



---

---

---

---

---


---

---

---

**CIA's: What does the OIG expect?**

- Updates of compliance committee's activities to board (inclu. board certifications of compliance program effectiveness *"to the best of its knowledge and belief"*);
- Implementation reports include names and positions of committee members, and annual reports detail any changes; and
- Stipulated penalties (\$2,500/day) for failing to establish a committee.



---

---

---

---

---

---

---

---

**What Makes for an Effective Committee?**



---

---

---

---


---

---

---

---

- A clear mission/purpose
- Belief in the mission/purpose
- Assignments and accountability
- Clear sight to the end game
- Measurable outcomes & reporting
- Knowledgeable committee members
- Benchmarking
- Effective leadership
- Planning
- Appropriate resources
- Periodic evaluation/assessment
- Recognition of accomplishments
- Follow through
- Fun



---

---

---

---

---

---


---

---



**Assure the Committee Understands Scope of its Authority & Responsibility**

- Compliance Committee Charter
  - Who adopts the charter/grants authority *and responsibility* to the committee?
  - Has the charter been reviewed and discussed with the committee?
  - Does anyone oversee the compliance committee?
    - Reporting (Minutes or otherwise) to Board or CEO?
    - Plan for interaction between board and committee oversight roles



---

---

---

---

---

---


---

---

**Compliance Committee Governance**

Committee Charter should address:

- Purpose of the committee
- Membership
- Frequency of meetings
- Quorum for action
- Responsibilities of the chair
- Required documentation (e.g., agendas and minutes for meetings)



---

---

---

---

---


---

---

---

**Assure the Committee Understands Scope of its Authority & Responsibility**

- Are outcomes measurable and reportable?
- Does the committee participate in any training on its responsibilities or on areas of oversight or focus?
- How do committee members take individual responsibility for outcomes?



---

---

---

---

---


---

---

---

**The Right Stuff – (OIG CPG for Hospitals 1998)**

“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.”



---

---

---

---

---

---

---

---

**What Makes for an Effective Committee Meeting?**



---

---

---

---

---


---

---

---

**Effective Committee Leadership**

- Planning
  - What will the committee address?
  - Annual meeting planner
  - Are materials timely distributed in advance of meeting?
  - Do committee members understand obligation to review materials?
- Insist on committee attention (no email)



---

---

---

---

---


---

---

---

**Effective Committee Leadership**

- Provide appropriate level of detail to committee
  - Executive summary vs. full report
- Ask questions to generate interaction/response
- Get comfortable with silence
- Call for action
- Know when to involve experts
- Keep the big picture in view



---

---

---

---


---

---

---

---

**Documentation: If it isn't documented it wasn't done**



---

---

---

---

---


---

---

---

**Committee Documentation**

- Learn the art of meeting minutes
  - Record actions & significant conversation
- Follow up matrix



---

---

---


---

---


---

---

---



**QUESTIONS &  
DISCUSSION**



---

---

---

---

---

---

---

---