



2021 Healthcare Compliance Benchmark Survey

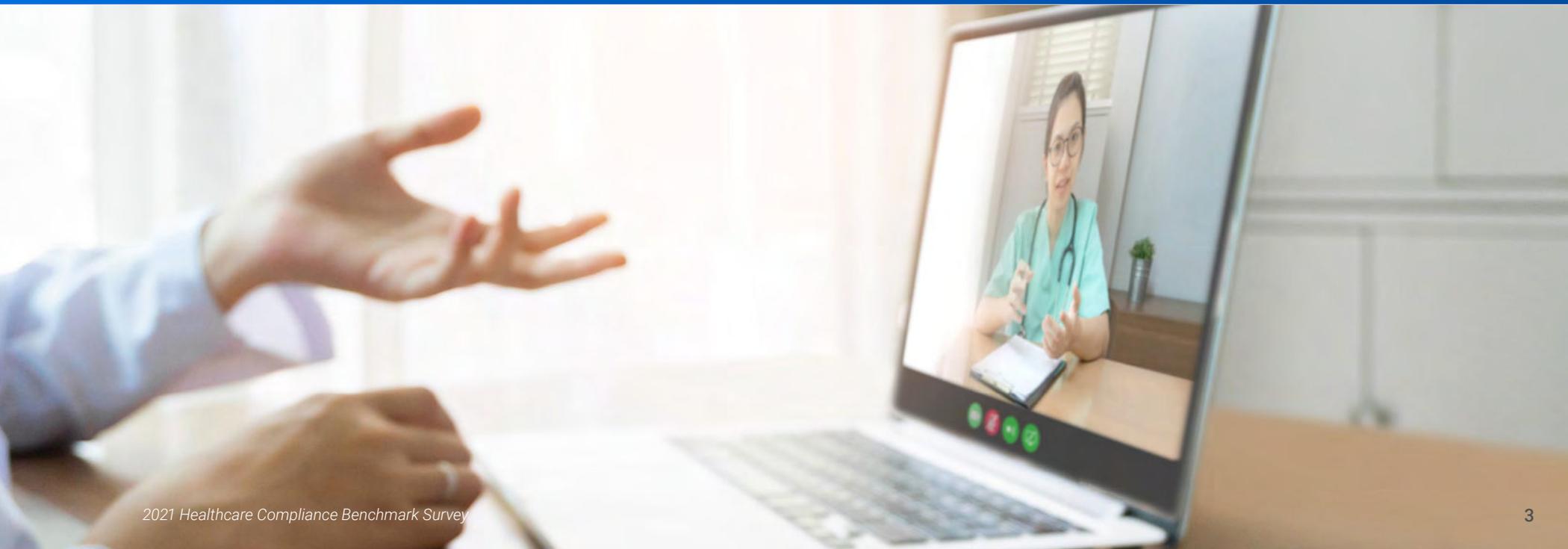
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Executive Summary:

This report provides results from the 12th annual Healthcare Compliance Benchmark Survey, conducted by SAI Global in collaboration with Strategic Management Services, LLC. Richard P. Kusserow, former DHHS Inspector General, provided the analysis of the results. The survey objective was to understand the status and progress of compliance program development in the healthcare industry. The Survey asked various questions relating to the current state of healthcare compliance, including demographic data, resource levels, reporting relationships, compliance program operations, challenges, and priorities for 2021. Upon suggestions

from 2020 Survey Respondents, five questions were added, including two related to the impact of COVID-19 on Compliance Office operations; and three questions were tied to the new DOJ 2020 "Compliance Program Effectiveness Evaluations Guidelines." These findings, and an analysis of the significance of results are based upon respondents from organizations representing nearly every state, ranging from very small entities to large healthcare systems. The largest block of respondents was from hospitals, with the second-largest grouping from behavior health. This was followed by physician practices, hospice, home health, and MCOs.





Survey Highlights:

- There was a drop among those expecting budgetary increases, from one third in 2020 to one fifth in 2021 of respondents. Those expecting decreases went from fourteen to twenty percent since the prior year.
- The average experience of a Compliance Officer is nearly 10 years.
- Over 80% of Compliance Offices report responsibility for HIPAA Privacy, with about a third reporting HIPAA Security.
- The top three Compliance Office priorities for 2021 are (1) Evidencing Compliance Program Effectiveness, (2) Improving Program Manager Ongoing Monitoring, and (3) Increasing Leadership Support.
- As with the past three years, HIPAA security/cybersecurity and privacy have been rated by respondents as the top priority for the compliance program, followed by arrangements with referral sources and “chargemaster” accuracy rising to third place.
- Independent Program Effectiveness Evaluations are stressed by both the OIG and DOJ, with nearly half reporting this done within the last three years. However, four out of ten reported never having this done.
- Three-quarters of respondents reported conducting routine “Root Cause” analysis of identified compliance issues.
- Over half of the Compliance Offices reported the pandemic having a significant to major impact on their ability to meet obligations. The remainder is reporting only minor inconveniences or negligible impact.
- High rates of reported encounters with enforcement agencies indicate it is not if there will be encounters, but when it will happen.
- DOJ “Guidelines,” asks many questions relating to being able to evidence a “Culture of Compliance” with only about 30% of respondents noted using independent means to provide such evidence.



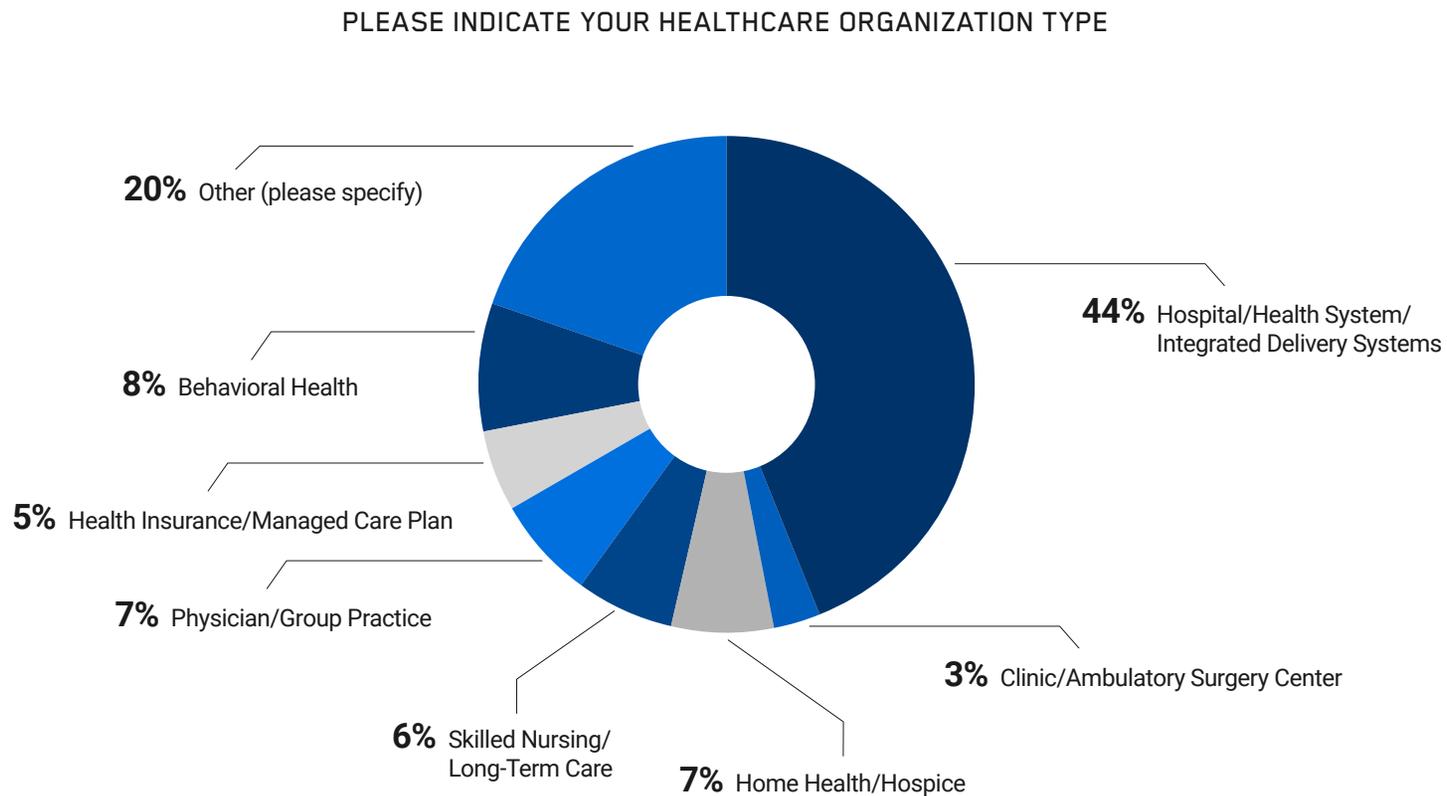
Overview and Objectives

The 2021 Healthcare Compliance Benchmark Survey was designed to help compliance officers understand how their compliance program relates to the industry. The Office of Inspector General (OIG) and the Department of Justice (DOJ) note that having an effective compliance program can be a mitigating factor when assessing culpability, potentially resulting in reduced penalties and/or more favorable settlement terms.



Q1: Healthcare organization type

Nearly half of the respondents were from hospitals; however, in 2021 a growing number of respondents were from other provider areas. The changing demographics of participants suggest that compliance programs are taking deeper root outside the hospital sector.

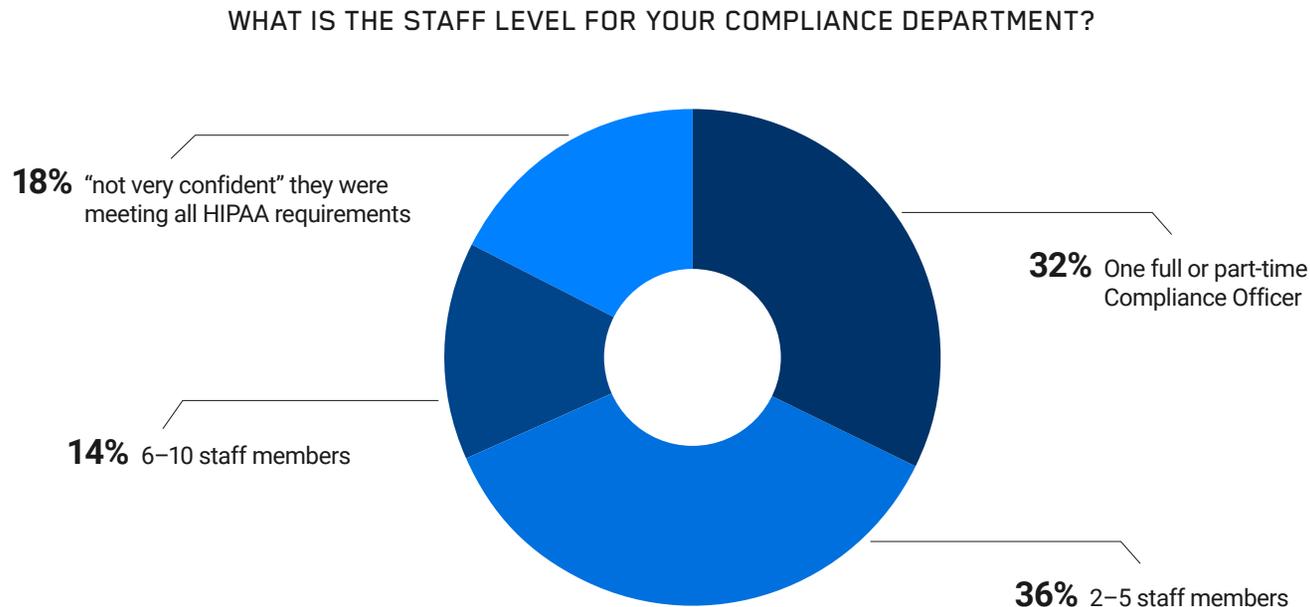




Q2: Staff level of Compliance Department

Compliance office staff averaged 6 persons

The question about Compliance Office adequacy of resources was asked. The responses to this question suggest an average-size compliance office team is 6 people among all organizations responding. This result, along with other information gleaned from the survey, indicates that many compliance offices may be operating with less than adequate resources to meet obligations. About one-third of respondents noted one full or part-time person is using their compliance office. This may, in part, reflect the demographics of those participating in the survey. However, with all the complexities of this ever-changing regulatory environment, it is not likely that a single full or part-time compliance officer can adequately meet all the challenges of the position. 36% of compliance offices indicated they have a team of two to five persons, which was significantly higher than 2020 results and part of a continuing trend. Another trend increase is in offices with six or more staff that jumped from 25% in 2020 to nearly a third this year. For Compliance Offices over ten, the number dropped from 22% to 17%.

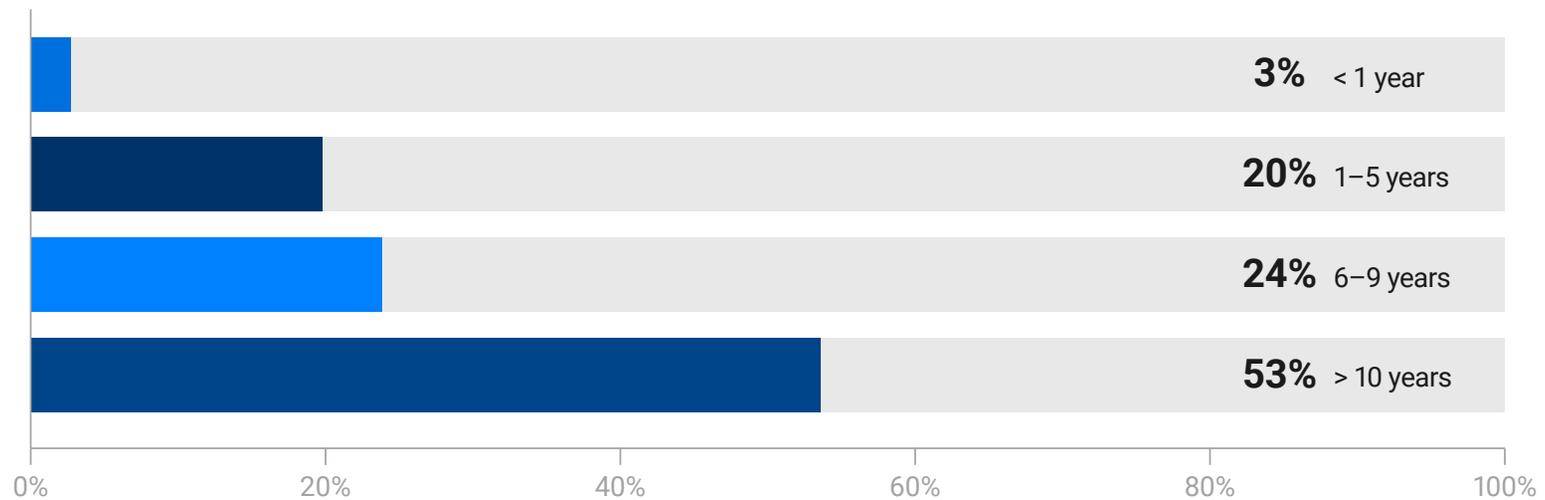




Q3: Compliance experience level

It has been over 20 years since the OIG began publishing their Compliance Guidance documents, defining the seven standard elements of a compliance program for those in the healthcare sector. The result of this question evidences the growth in maturity of the Compliance Officer. The years of experience for the average compliance officer continue to increase and now approaches 10 years.

WHAT'S THE TOTAL NUMBER OF YEARS YOU HAVE BEEN IN A JOB WITH HEALTHCARE COMPLIANCE RESPONSIBILITIES?



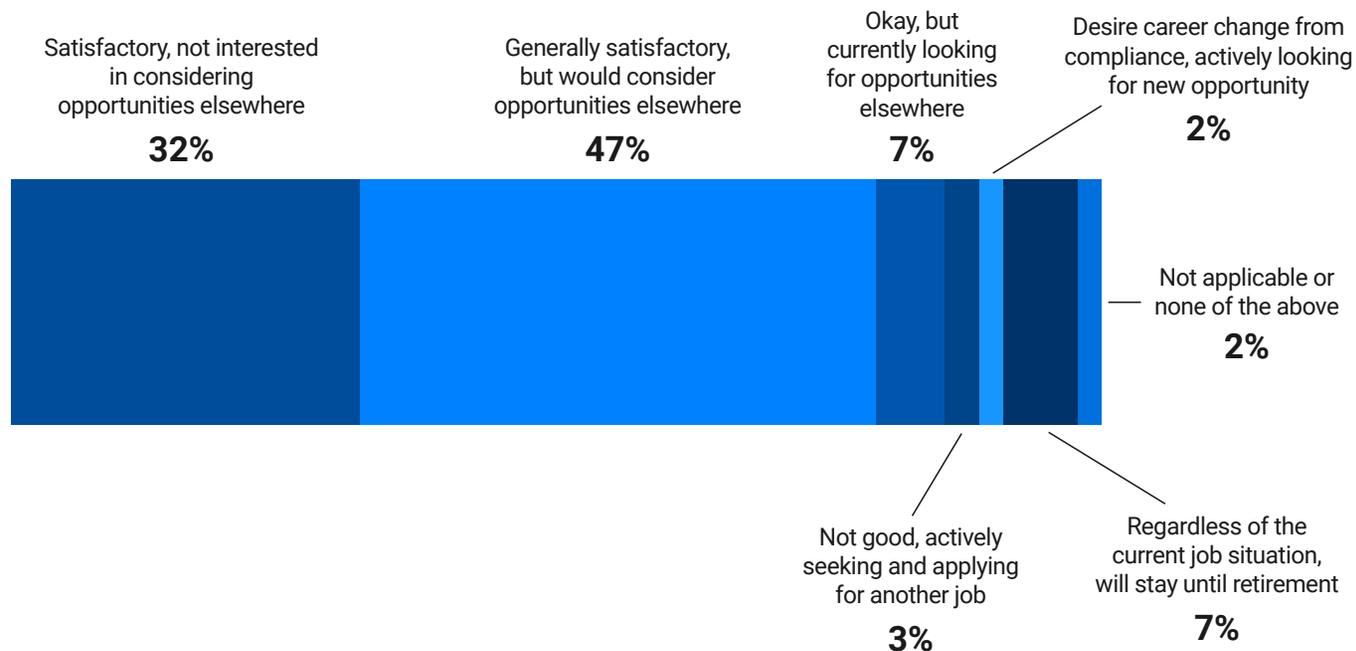


Q4: Compliance job satisfaction

57% of Compliance Officers would or are considering other opportunities

Although respondents suggested that most Compliance Officers are satisfied with their current job, even in the face of many challenges, survey results indicate that most would consider opportunities or actively seeking another position or opportunity. This may help explain the growing number of organizations actively seeking Compliance Officers to fill gaps with their incumbent departure. About one third of respondents reported satisfaction with their current work situation and were not considering opportunities elsewhere. Forty-seven percent reported general satisfaction but would consider options elsewhere, with another 8% okay with the current situation but still looking for other opportunities. About 3% reported their current situation as not good and actively sought and applied for other jobs. Only 7% responded that regardless of the current work situation, they plan to stay put until retirement. Only about 2% were working on getting out of compliance.

SELECT THE STATEMENT THAT BEST DESCRIBES YOUR CURRENT WORK SITUATION





Q5: Who serves on the Management/Executive Compliance Committee?

More than three-quarters of those responding named the Compliance Officer. Others cited were the CEO, Legal Counsel, COO, Internal Auditor, HR, Program Managers, Risk Management, and Finance in descending order.

Compliance Officer

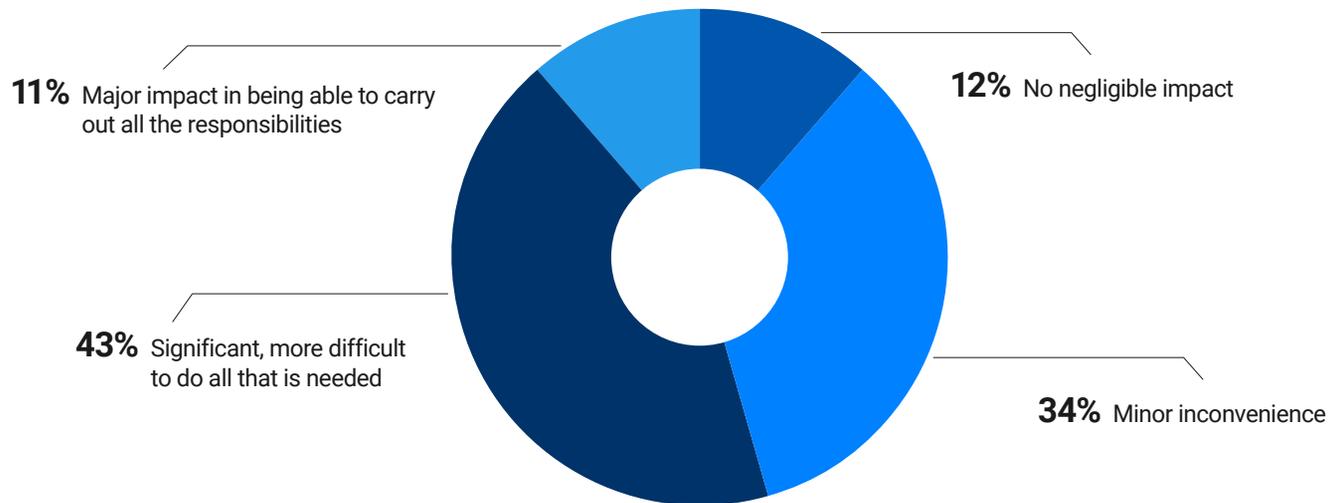
75%



Q6: What effect has the COVID-19 crisis had on your Compliance Program?

Participating respondents to the 2020 Survey Results webinar were asked to identify questions that were not very useful and could be eliminated from the survey, as well as what questions would be useful in adding. At that time, the COVID-19 pandemic was underway, and this question was added in response to suggestions. Over half of respondents indicated that the pandemic's effect was having a significant to major impact on their ability to meet obligations, with 47% reporting only minor inconveniences or negligible impact.

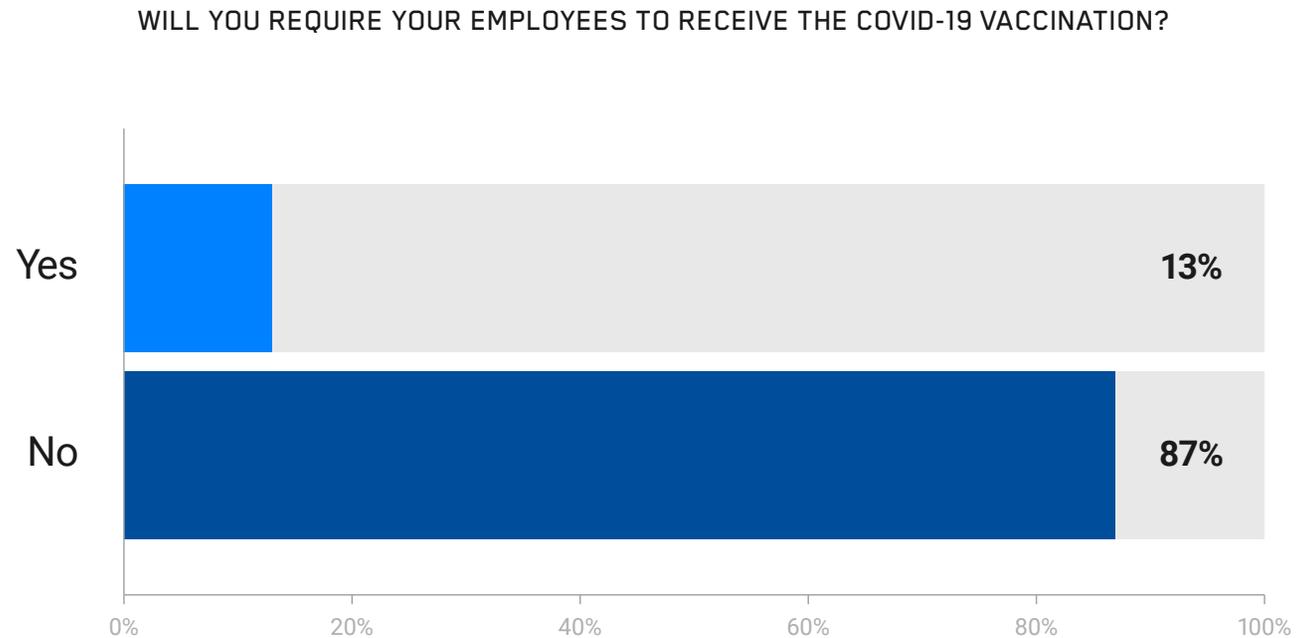
WHAT EFFECT HAS THE COVID-19 CRISIS HAD ON YOUR COMPLIANCE PROGRAM?





Q7: Will you require your employees to receive the COVID-19 vaccinations?

This is another question added in response to 2020 respondent suggestions. The result was 87% of respondents answering no, with only 13% yes.

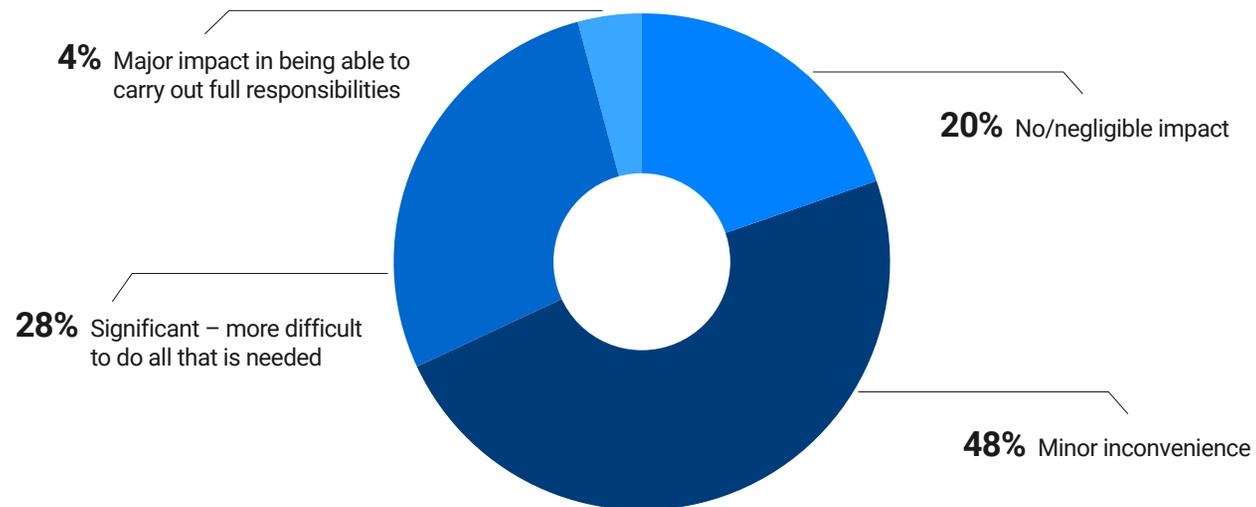




Q8: Do you expect managing vaccinations would causes changes in your workplace?

This is the third question added related to the COVID-19 pandemic in response to respondent suggestions. More than two-thirds of respondents reported only minor inconvenience or no negligible impact. One-third report it would have significant impact to do all that is needed to carry out responsibilities.

WOULD YOU EXPECT MANAGING VACCINATIONS WOULD CAUSE CHANGES TO YOUR WORKPLACE?

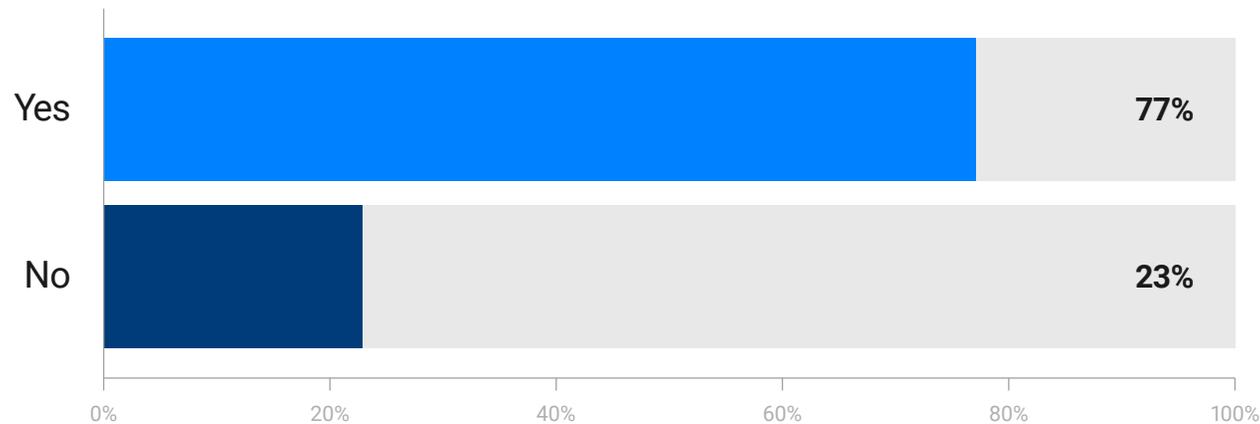




Q9: Is it a standard practice to conduct and track “root cause analysis” of compliance incidents?

Respondents in 2020 suggested that questions be added in response to the new 2020 DOJ “Compliance Program Effectiveness Evaluation Guidelines.” This asks a question stressed by DOJ as to whether organizations focus only on persons responsible for wrongdoing; or follow up on compliance incidents and issues identified to determine the “Root Causes” that should be addressed to reduce the likelihood of future similar problems. Over three-quarters of respondents reported doing this, with the remainder saying no.

IS IT A STANDARD PRACTICE TO CONDUCT AND TRACK "ROOT CAUSE ANALYSIS" OF COMPLIANCE INCIDENTS?

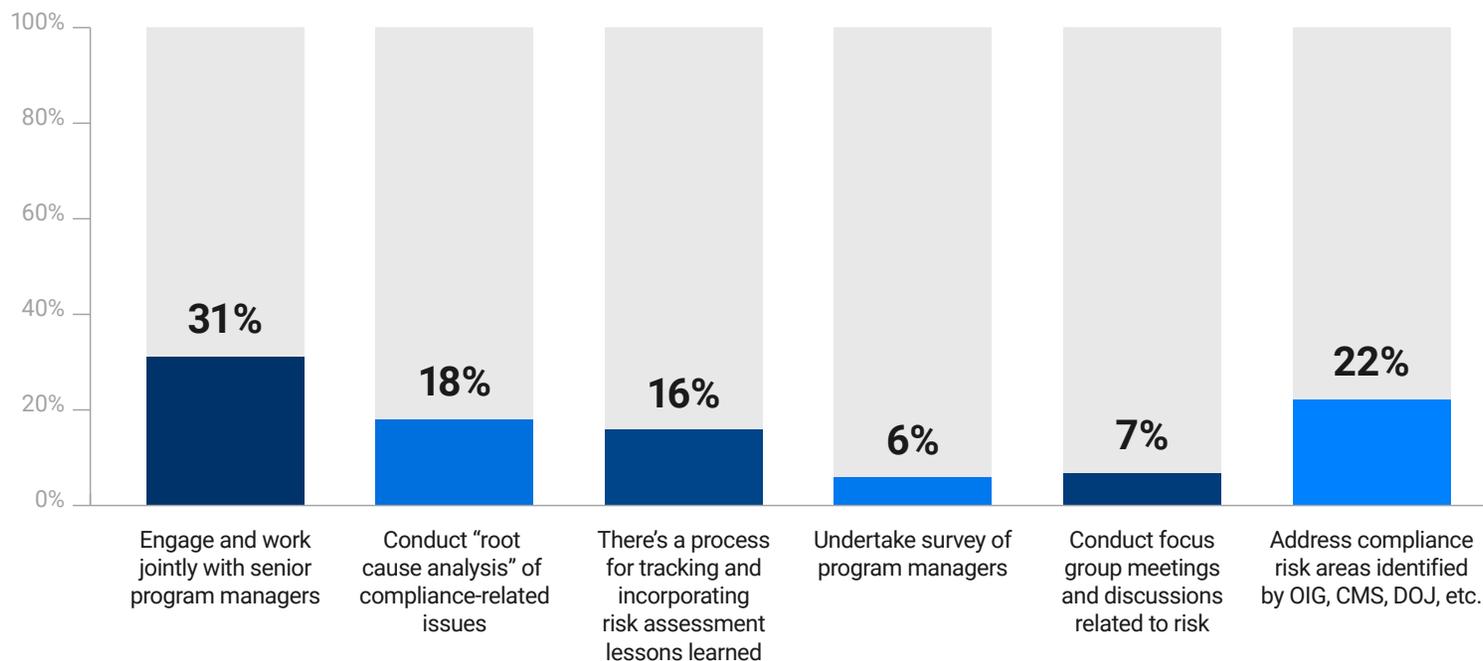


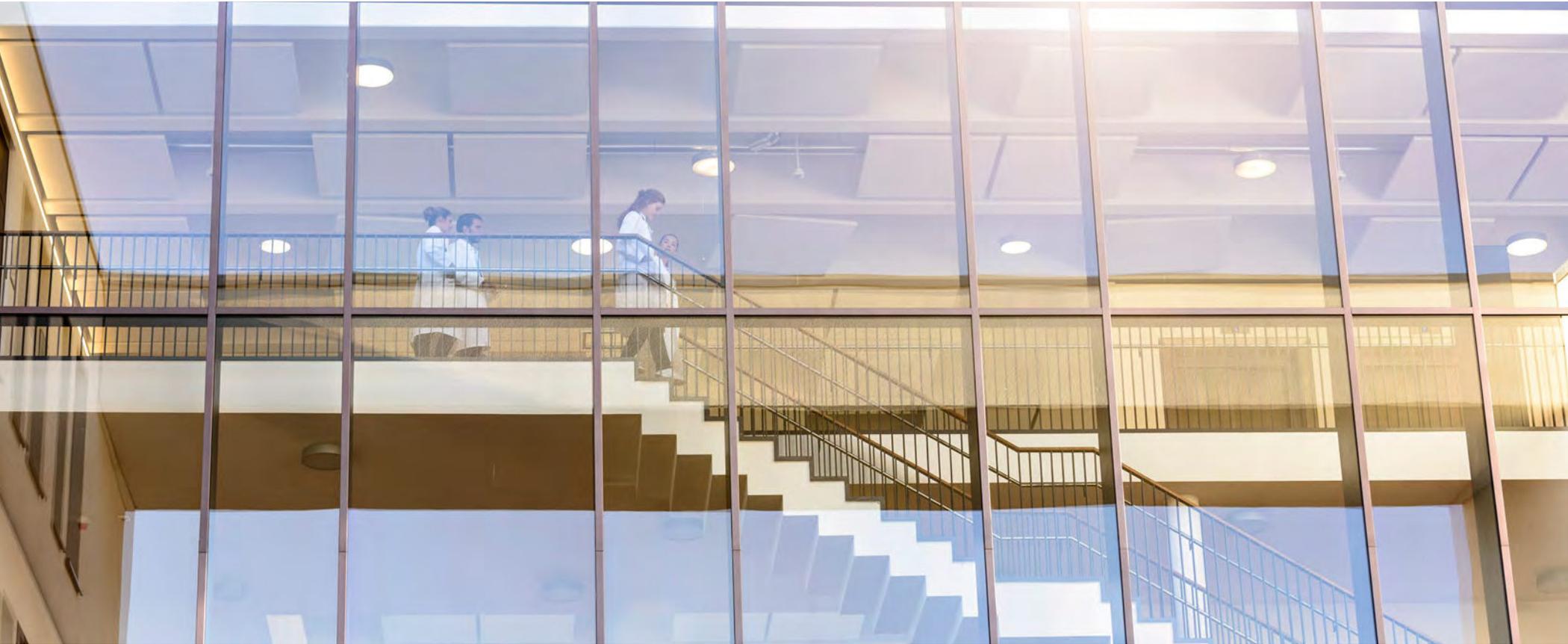


Q10: What methodology is used to identify, analyze, and address the risks facing your organization?

Nearly one-third responded they are engaged and work jointly with senior program managers to identify and address compliance risks. Slightly over one-fifth addresses this by focusing on compliance risk areas identified by government agencies. Slightly less than one-fifth engage in “root cause analysis” as the primary way to address identified risks. Another sixteen provided a similar answer by tracking and incorporating risk assessments from lessons learned. Others responded by noting that they conduct focus group meetings to discuss identified risks or undertake a survey of program managers of their identified risks.

WHAT METHODOLOGY IS USED TO IDENTIFY, ANALYZE, AND ADDRESS THE RISKS FACING YOUR ORGANIZATION?
(SELECT THE CHOICE THAT BEST ANSWERS THE QUESTION)





Q11: How are compliance risk assessment results used?

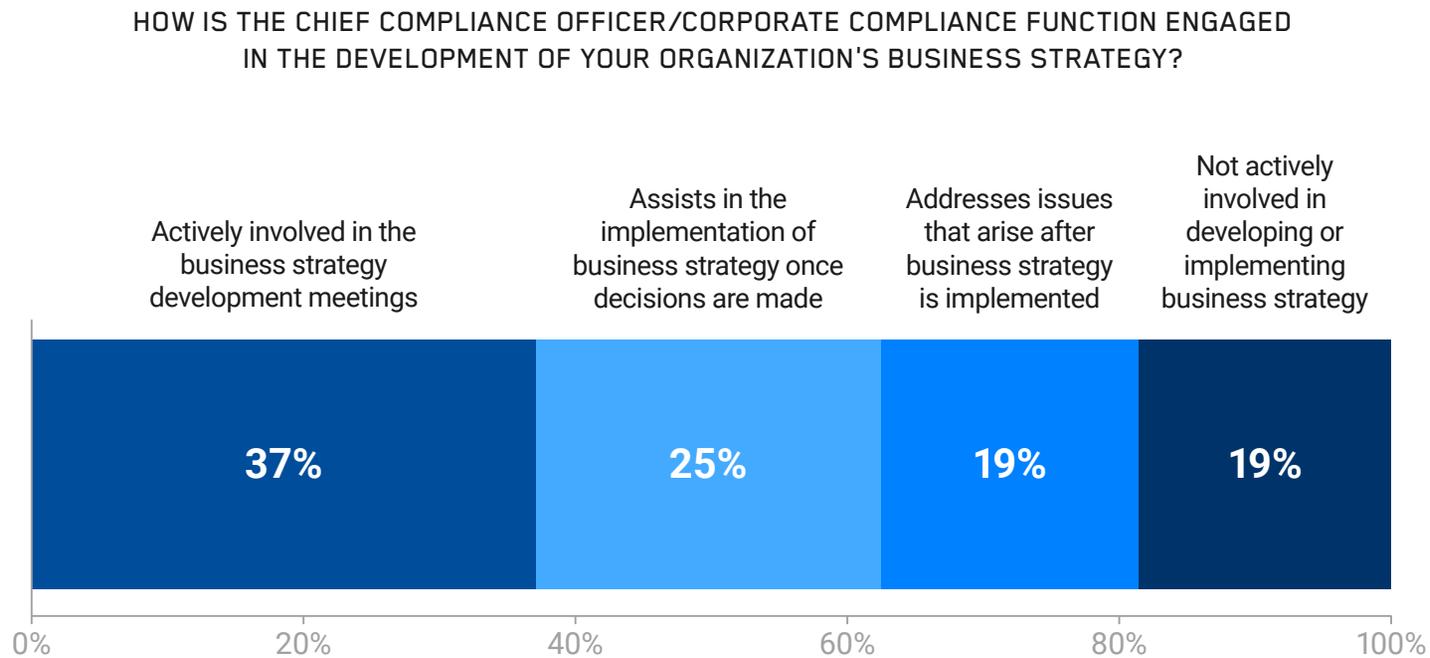
Respondents indicated that risk assessment results are used in the following, by descending order:

1. Update policies and procedures to improve internal controls
2. Modify and enhance compliance training on identified risk issues
3. Incorporate identified risk issues in annual compliance/internal audit work plan
4. Ongoing reporting to compliance oversight committees on identified risks
5. Track and address “red flag” issues identified from risk assessments
6. Engage in a process to understand and address control weaknesses
7. Create metrics to monitor risks identified



Q12: Compliance Officer involvement in business strategy development

The critical takeaway from results to this question is that only slightly more than a third are actively involved in business strategy development, which the DOJ believes is essential in determining organizations' level of commitment to compliance. Other responses, noted below in descending order, move further away from that:

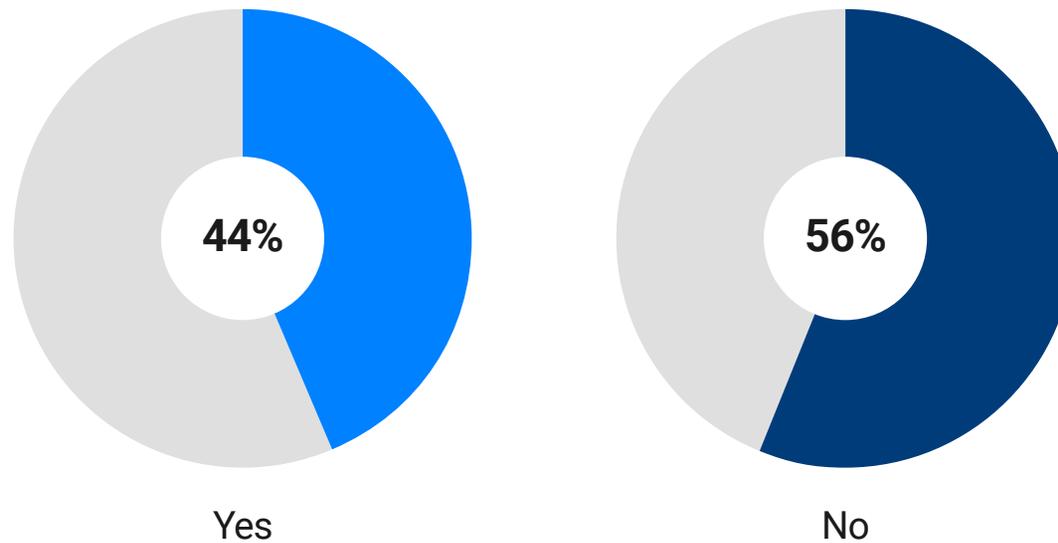




Q13: Are Compliance Program costs measured?

Fifty-six percent of respondents reported that compliance program costs are not measured, leaving a minority of forty-four percent saying yes. This is an exciting result considering how much attention the OIG has placed upon adequate resourcing of the program and budgets being reviewed and approved to support what is needed to be done in their compliance guidance.

DOES YOUR ORGANIZATION ACTIVELY MEASURE COMPLIANCE COST(S) TO YOUR ORGANIZATION?

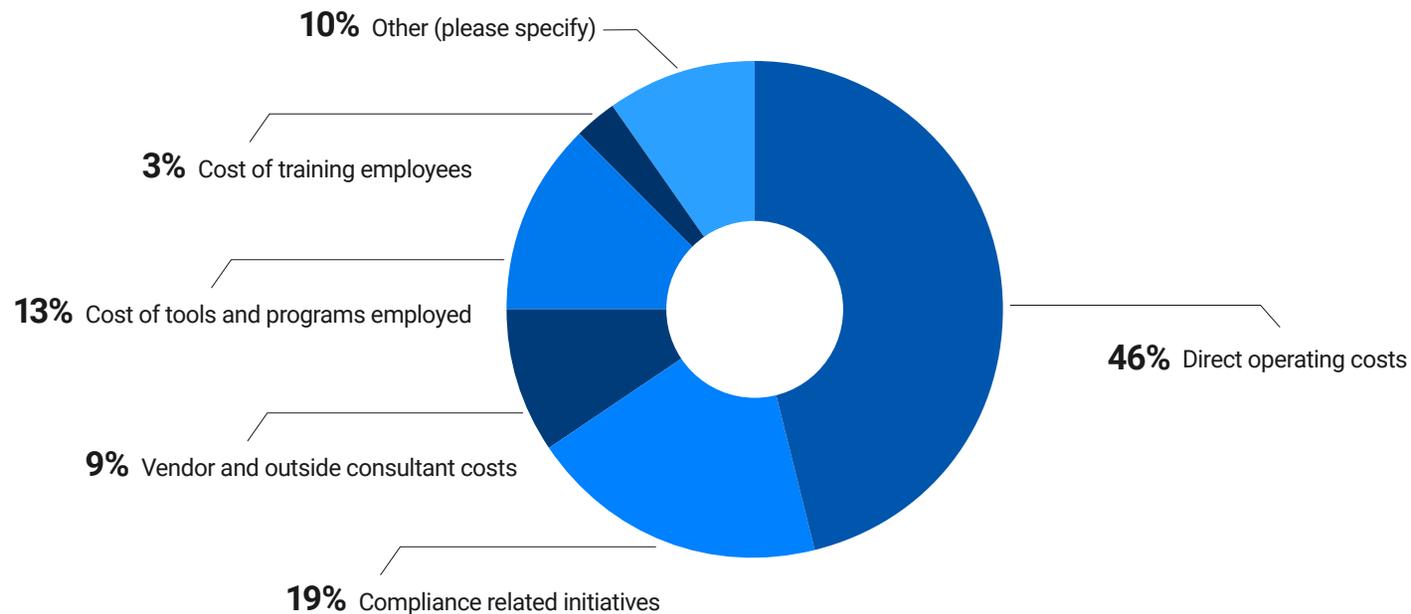




Q14: How are Compliance Program costs measured in your organization?

The OIG Compliance Guidance places considerable attention on whether the Compliance Program is being funded appropriately and budgeted. Slightly less than half of the respondents noted that only direct compliance office operations were considered in measuring costs. One out of five noted compliance-related initiatives were included, while thirteen percent noted the cost of tools and programs employed as being included. One out of ten included vendor and outside consultant costs in calculating overall costs. Only three percent included the cost of training employees as being considered. However, the time and cost for this are most likely one of the costliest parts of maintaining a compliance program.

WHICH OF THE FOLLOWING CONSIDERATIONS DOES YOUR CORPORATE COMPLIANCE FUNCTION TAKE INTO ACCOUNT WHEN DEFINING COMPLIANCE PROGRAM COSTS, DETERMINING BUDGETS OR ARTICULATING PROGRAM VALUE?

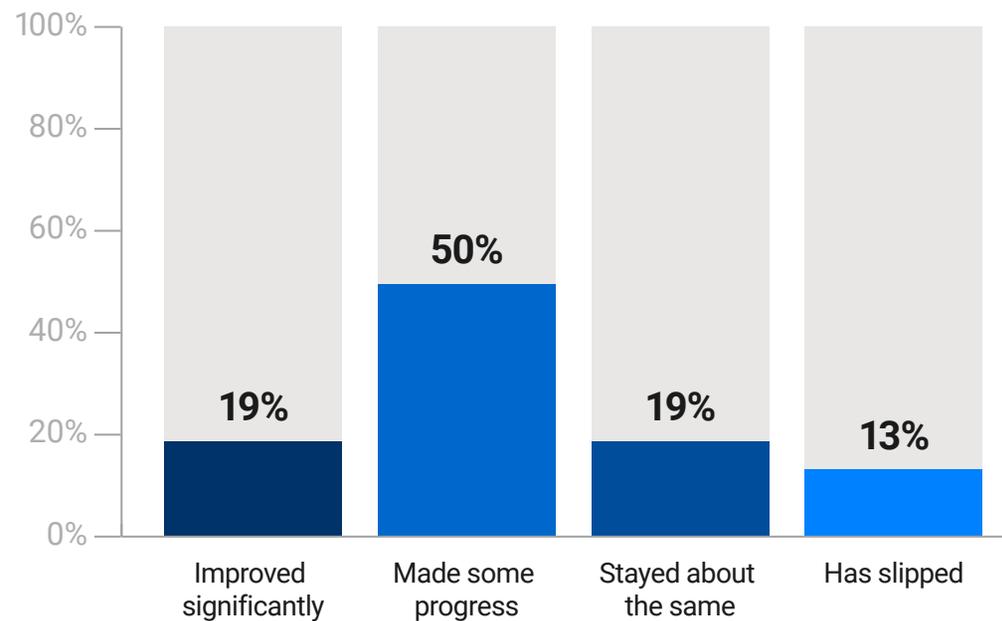




Q15: Compliance Program performance since last year

Results suggest that most Compliance Officers believe their program is improving, despite growing responsibilities and management expectations. There were significant changes in response from 2020, including the fact that those reporting progress in their program dropped from 80% to 69%, while those indicating their program has slipped in the last year went from only 3% to 13%. Those reporting that the program was about the same went from 17% to 19%.

REGARDLESS OF THE REASON(S), PLEASE CHECK WHICH OF THE FOLLOWING BEST APPLIES TO YOUR COMPLIANCE PROGRAM'S PERFORMANCE OVER THE LAST YEAR.

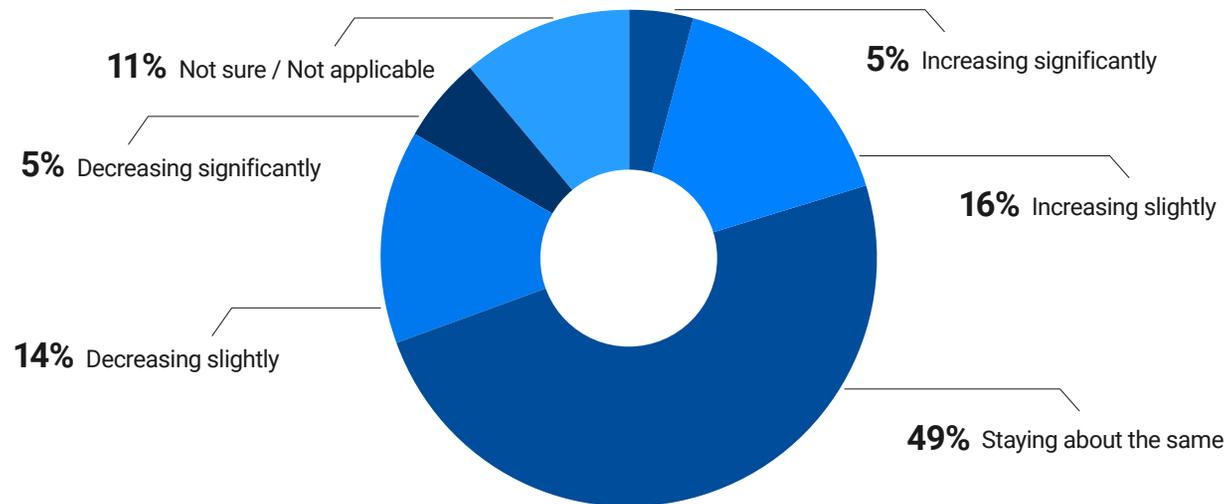




Q16: Compliance Program budget

To accomplish the mission of building and operating an effective compliance program, there must be adequate budgetary resources. In contrast, respondents reported a drop this year from one third to one fifth among those expecting significant or slight increases. In comparison, those expecting decreases went from fourteen to twenty percent. Given the combination of increasing responsibilities, noted elsewhere in the survey, as well as a time of heightened enforcement by government agencies, it is likely that most compliance offices are stretching their limited resources.

WHICH BEST DESCRIBES YOUR ORGANIZATION'S COMPLIANCE PROGRAM BUDGET FOR THIS COMING YEAR?

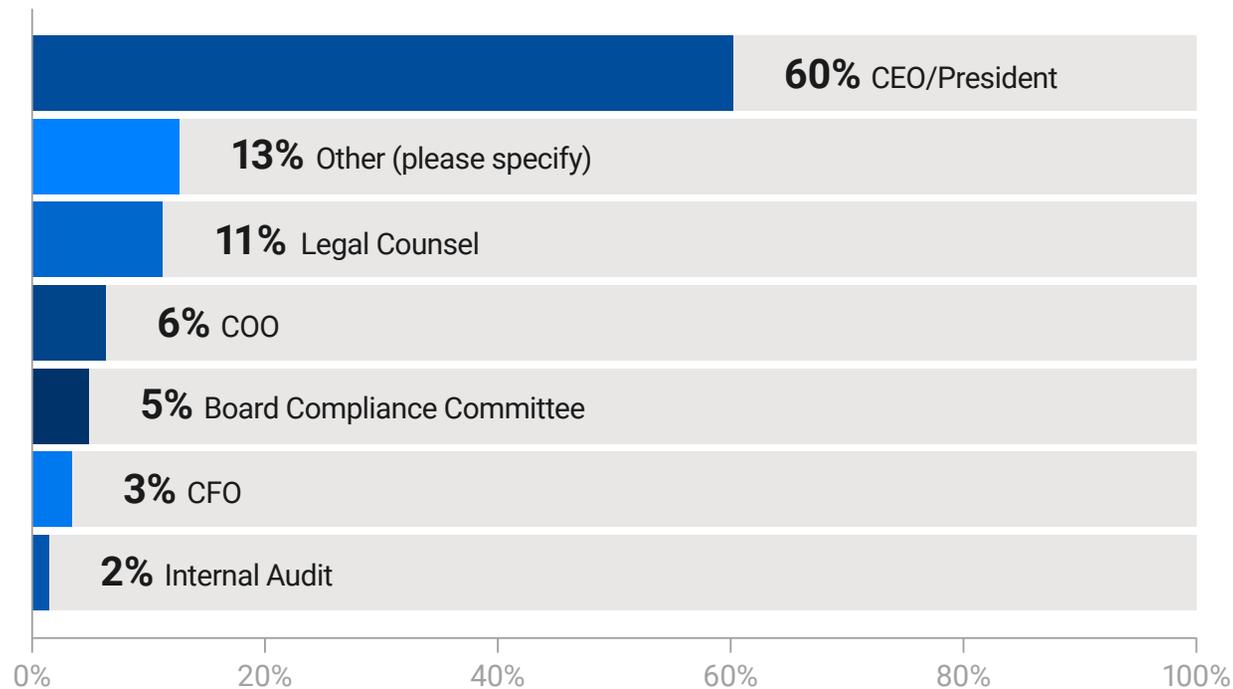




Q17: To whom Compliance reports

The OIG compliance guidance and U.S. Sentencing Commission guidelines call for the compliance officer to report directly to the CEO. Results were almost the same as 2020, with half of the survey respondents stating that their organization follows that guidance. However, many organizations continue using others to oversee the compliance program, including 15% of respondents that indicated their Compliance Officer reported to legal counsel, which is contrary to the position of both the OIG and DOJ, which considers legal counsel as advocates of the organization and not independent gatherers of fact and evidence, who would voluntarily disclose violations of law and regulation to appropriate authorities. Reporting to the COO or CFO was 9%. Many respondents provided myriad answers including the CIO, CMO, split reporting between various entities, and more. About 8% reported day-to-day management by the board, which is not a good answer as compliance is a management, not a Board oversight function.

TO WHOM IS YOUR COMPLIANCE OFFICER DIRECTLY RESPONSIBLE ON A DAY-TO-DAY BASIS?

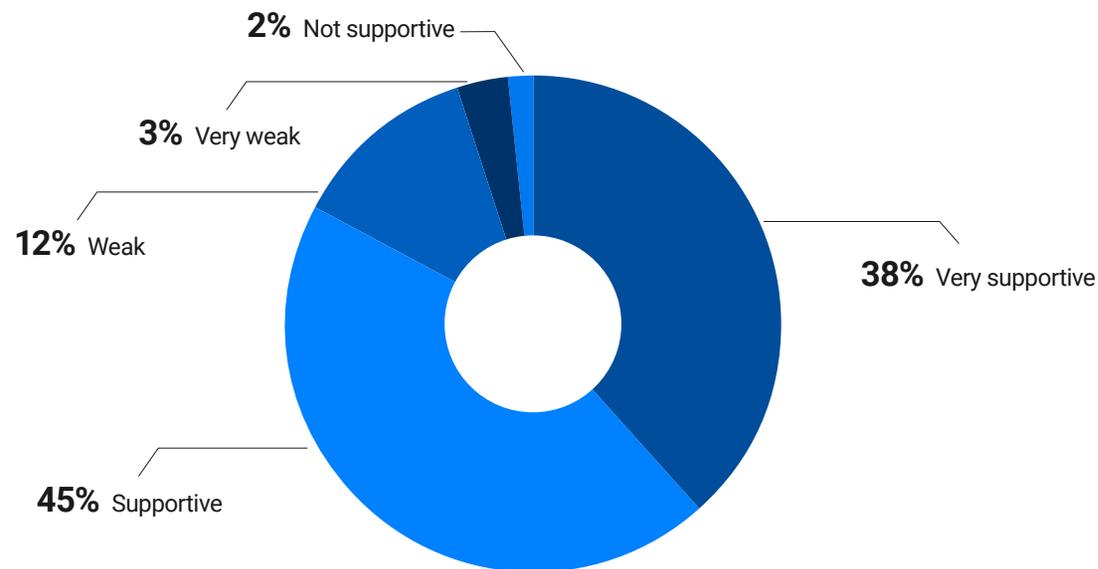




Q18: Compliance Program executive and board support

There was little change from the 2019 and 2020 survey that has 83% of respondents reporting executives and the Board as supportive. Only about 16% reported weak or no support. The OIG and DOJ made it clear that top leadership has responsibility for support of the compliance program. When organizations fail to evidence this support, they face potential adverse actions by the government. The OIG has added provisions to their Corporate Integrity Agreements (CIAs) mandating executives' and Board members' attestations/certifications regarding meeting their oversight obligations. One way to evidence they are not negligent is by active involvement in an oversight committee.

WHICH OF THE FOLLOWING STATEMENTS BEST DESCRIBES THE SUPPORT RECEIVED FROM YOUR EXECUTIVE LEADERSHIP AND BOARD?

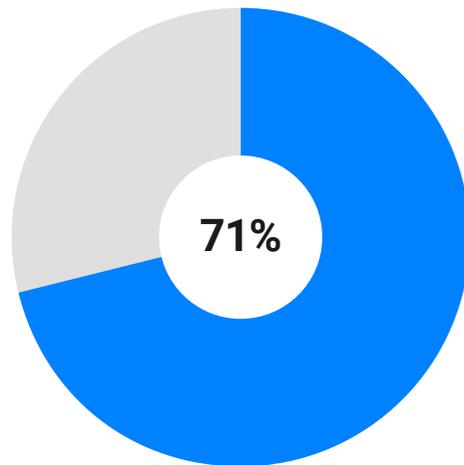




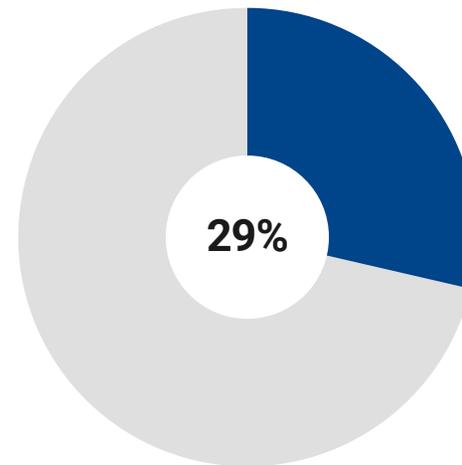
Q19: Adequacy of Compliance Officer authority

Respondents were asked whether their Compliance Officer has enough authority to meet the obligations of the office. Results for this question were 71% responding in the positive with 29% indicating the negative. The positive results were the same as in 2020.

IN YOUR OPINION, DOES THE COMPLIANCE OFFICER HAVE ENOUGH AUTHORITY TO PERFORM THE DUTIES AND RESPONSIBILITIES OF THE JOB APPROPRIATELY AND INDEPENDENTLY?



Yes



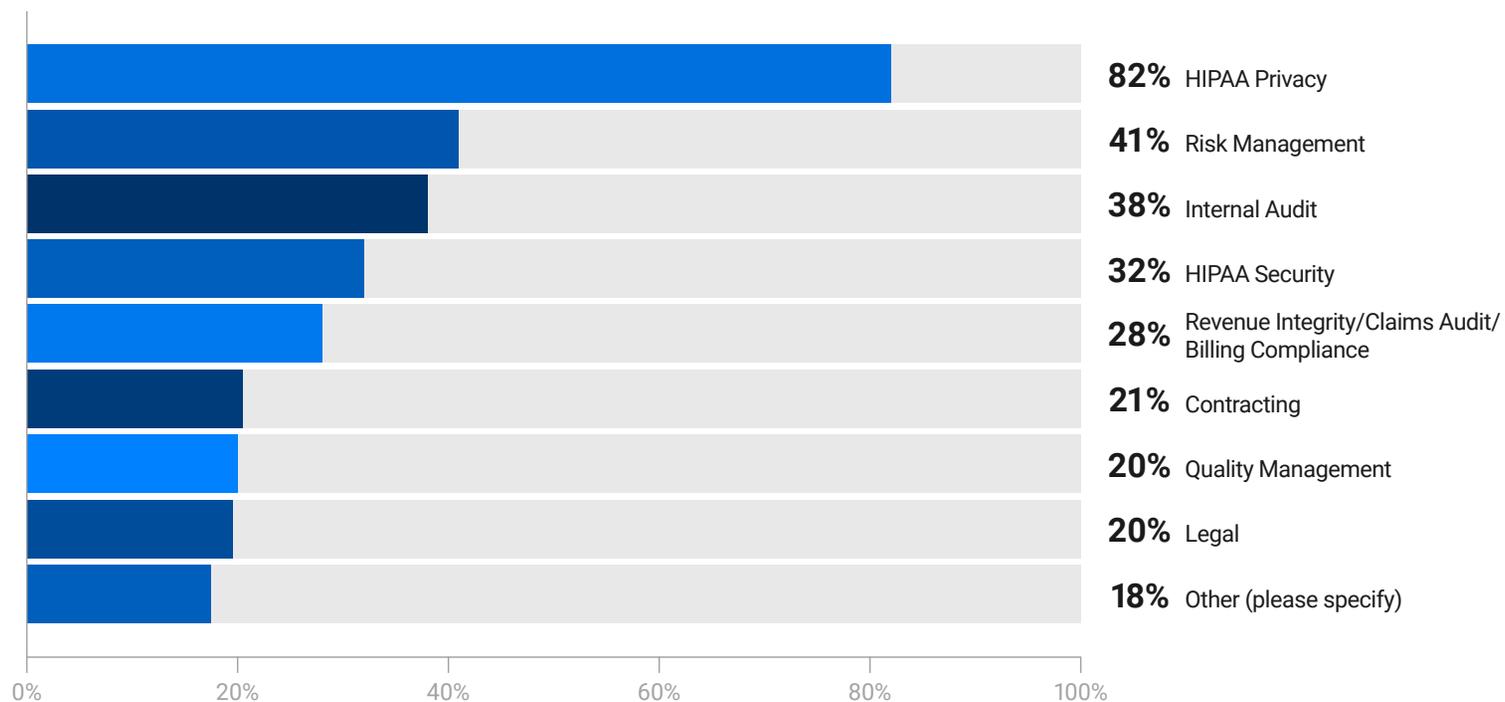
No



Q20: Compliance Office responsibilities for other areas

Many organizations view the Compliance Office as a convenient party for various other duties as organizations tighten their budgetary belt. Care should be taken in assuming new responsibilities beyond the traditional compliance duties, especially where it risks undermining the compliance program. Survey results report the continuing trend of having HIPAA Privacy being assigned to the Compliance Office. In 2020, 75% reported this being the case, with that number rising to 82% in 2021, with about a third reporting HIPAA Security. Nearly four in ten report responsibility for Internal Audit and Risk Management. One quarter reported having responsibility for Revenue Integrity. Claims Audit and Billing Compliance were reported by 20% as being a Compliance Office responsibility. One out of five reported responsibility for Quality Management. One out of five, a slight increase in 2021, reported Legal Counsel's responsibility as part of the Compliance Office, contrary to both the OIG and DOJ's stated position.

DOES YOUR COMPLIANCE OFFICER HAVE RESPONSIBILITY FOR OTHER AREAS? (CHECK ALL THAT APPLY)





Q21: Greatest Compliance Office challenges

Respondents ranked the top three challenges for the Compliance Office in 2021 as (1) managing ongoing auditing of high-risk compliance areas; (2) Getting program managers to focus on compliance risks in their area; and (3) Engaging leadership support for the compliance program. After that, there was a significant drop with evidencing compliance program effectiveness next in line with another drop off to hiring and managing staff, conducting internal investigations, developing, and delivering compliance training coordinating with other functions (HR, LC, etc.), code of conduct and compliance policy management and. The results show that Compliance Officers focused more on mission-driven problems than internal process-related matters.

TOP THREE: Managing ongoing auditing of compliance high-risk areas
Getting program managers to focus on compliance risks
Engagement of leadership support in their area

CURRENTLY, WHICH OF THE FOLLOWING ARE THE GREATEST CHALLENGES FOR THE COMPLIANCE OFFICE FOR 2021?
(PLEASE SELECT YOUR TOP THREE IN ORDER OF PRIORITY, WHERE 1 IS THE MOST CHALLENGING.)

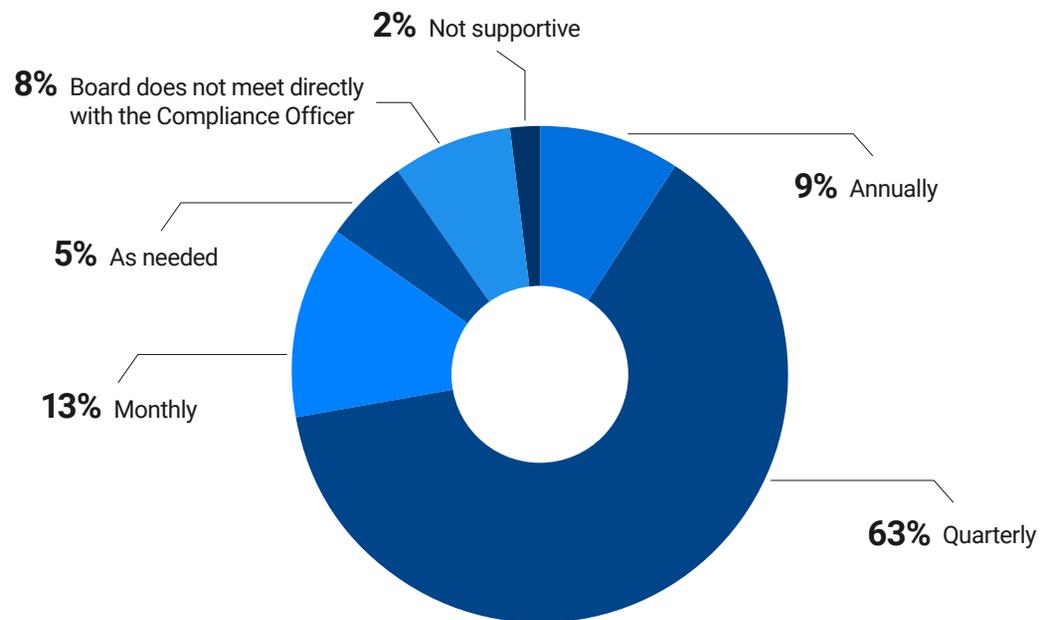




Q22: Frequency that Compliance Officer meets with the board

About two-thirds of respondents reported their Compliance Officer meets with the Board at least quarterly, which is a good answer. Meeting more often may involve the Board too profoundly in areas of management oversight responsibility.

HOW FREQUENTLY DOES YOUR COMPLIANCE OFFICER MEET WITH THE BOARD?





Q23: Top four 2021 challenges for the Compliance Program

The top four compliance challenges remain the same from last year but in different order of priority. All received scores relatively close to one another. The number one compliance program challenge reported by respondents for 2021 is getting program managers to improve ongoing monitoring of their risk areas, followed by obtaining enough resources to meet obligations, ensuring organization compliance with laws and regulations, and gaining better support from executive leadership. The two challenges that ranked lowest were getting more coordination/cooperation with Human Resources and gaining better support from the Board.

- TOP FOUR:**
- Getting program managers to improve ongoing monitoring of their risk areas
 - Obtaining enough resources to meet obligations
 - Ensuring organization compliance with laws and regulations
 - Gaining better support from executive leadership

RANK THE FOLLOWING IN TERMS OF CHALLENGES FOR YOUR COMPLIANCE PROGRAM IN 2021 .

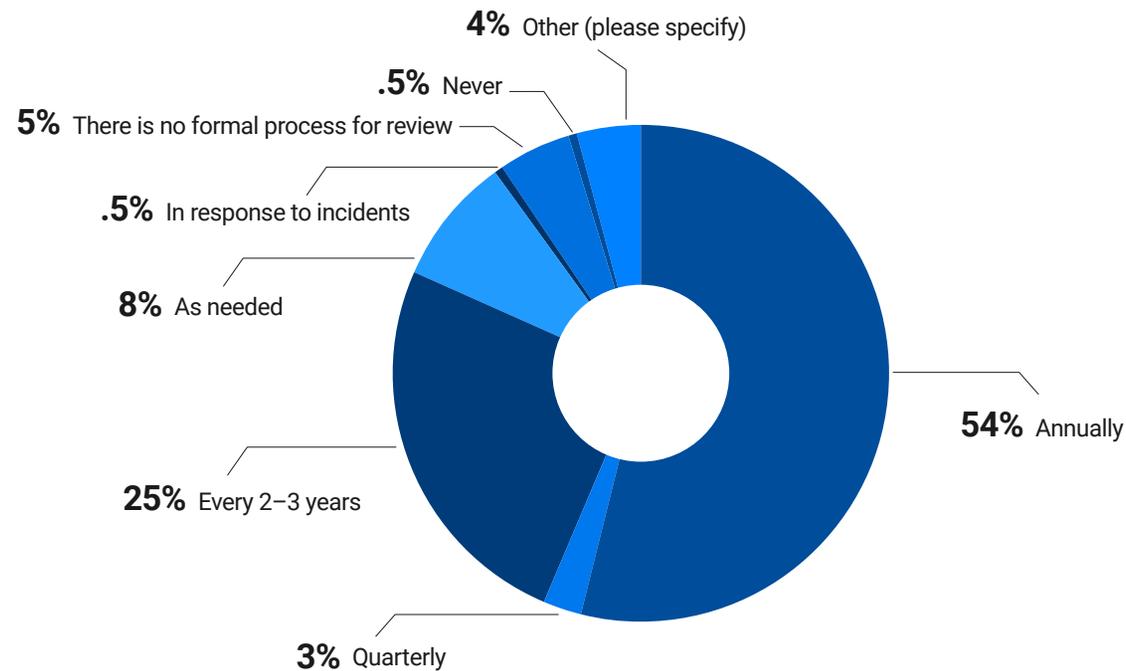




Q24: Frequency code and compliance policies reviewed/updated

The OIG has been clear that a truly effective compliance program keeps written compliance guidance up to date. This position is reinforced in CIAs that mandate that the code of conduct and compliance program-related policies undergo annual reviews. A little over half of the respondents reported meeting that annual review benchmark, slightly above 2020 responses. However, that also results in about half not meeting that standard and should consider changing their reviewing requirements. Also, consideration might be given to employing an automated system to assist in document management.

HOW OFTEN ARE YOUR CODE OF CONDUCT AND COMPLIANCE-RELATED POLICIES REVIEWED AND UPDATED?

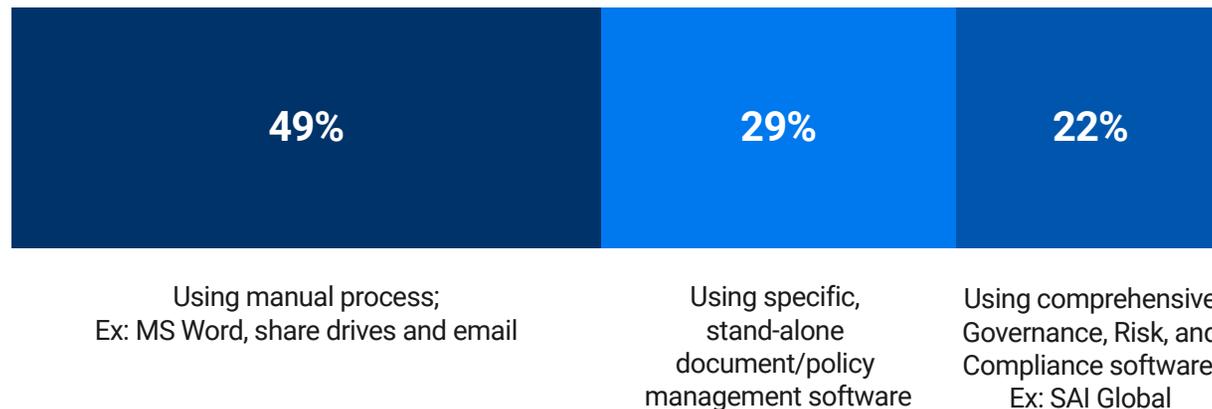




Q25: Compliance document management

Controlling and managing compliance-related guidelines and procedures are among the most challenging areas for compliance officers. The failure to keep track of rescinded or revised policies is another common problem with potential liability consequences. Developing compliance policies in an ad hoc manner and lack of policy tracking can result in overlapping or duplicate policies, potentially creating significant liability. Managing compliance-related policies manually with hard copies in a binder or through spreadsheet software is not advisable, as it can invite problems and potential liability. It is far more efficient and economical to find tools that can assist in policy management. An organization can protect its people and reputation only by ensuring a formal policy management process is in place to create, distribute, and update necessary policies and procedures. The trend has been for organizations to use software to better help manage the process. Nearly half of respondents reported they were manually managing, with the remaining half report using management software systems. Manually managing compliance documents can be a risky, time-consuming, and complex process.

WHAT TYPE OF TECHNOLOGY DO YOU USE TO FACILITATE COMPLIANCE DOCUMENT MANAGEMENT AT YOUR ORGANIZATION?

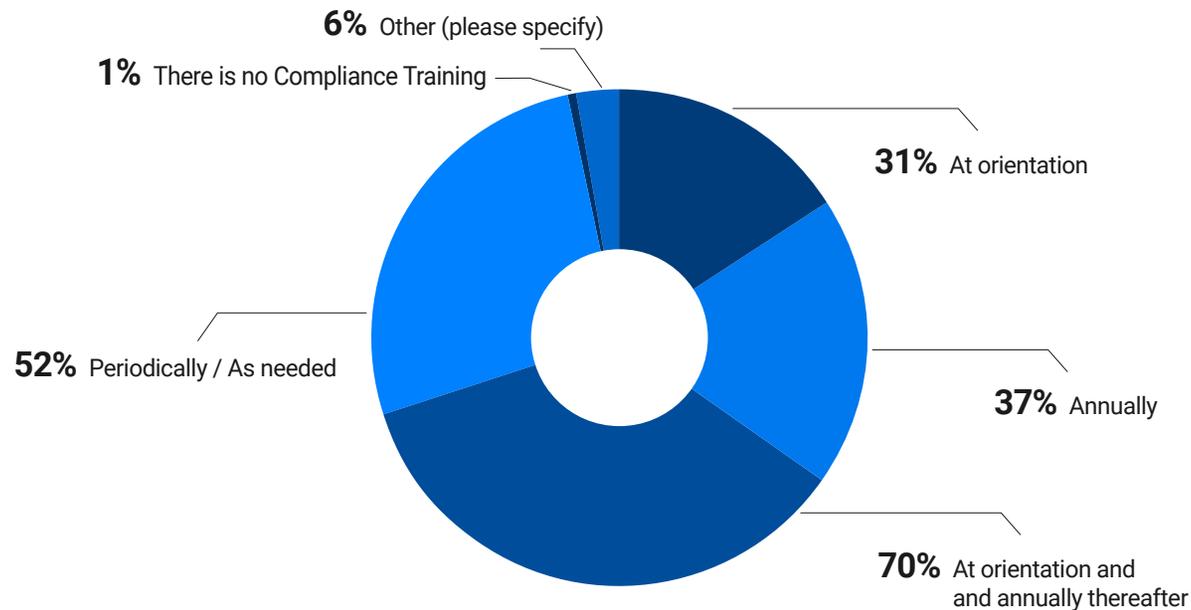




Q26: Compliance education and training

Development and implementation of regular compliance education and training programs are among the seven critical elements of an effective compliance program. The OIG states: “At a minimum, comprehensive compliance programs should include...the development and implementation of regular, effective education and training programs for all affected employees...The compliance officer’s primary responsibilities should include...developing, coordinating, and participating in a multifaceted educational and training program that focuses on the elements of the compliance program...” They go on to say that training should take place at new employee orientation and annually after that. Seventy percent of respondents reported meeting that best practice. Many reported at orientation only, with others noting it is done annually.

HOW OFTEN IS COMPLIANCE TRAINING PROVIDED TO YOUR EMPLOYEES? SELECT ALL THAT APPLY.

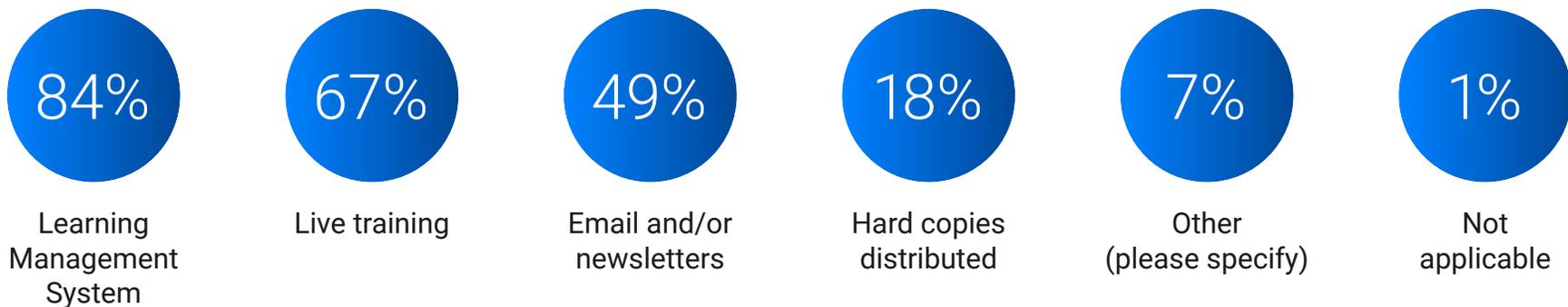




Q27: Methods for delivering compliance training

A key question is how the compliance training program was provided to employees. Over the last several years, respondents have been reporting increased use of learning management systems with 84% of respondents now reporting that they use this method. Two-thirds reported using live compliance training, with a similar number reporting they also use emails, newsletters, and hard copy distribution as part of the compliance message delivery. These results indicate that most organizations are now employing multiple methods for delivering training. It is noteworthy that live training is also the most expensive and time-consuming method. On the other hand, one of the benefits of learning management systems is that they often provide measurement tools to determine training effectiveness, such as employing tests/quizzes.

HOW IS COMPLIANCE TRAINING DELIVERED TO YOUR EMPLOYEES? SELECT ALL THAT APPLY.

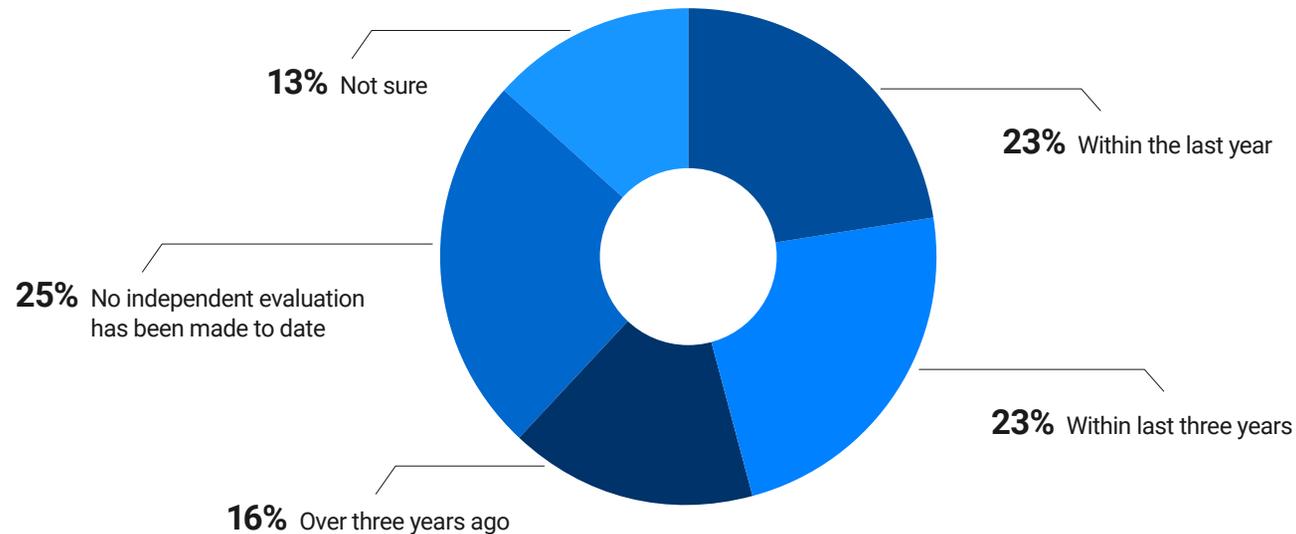




Q28: When the Compliance Program effectiveness last independently evaluated

Nearly half of respondents reported an independent evaluation of their compliance program within the last three years. Another 16% reported having had an independent evaluation over three years ago, with 38% noting it has never been done. Independent compliance program effectiveness evaluations are growing in importance and have been reinforced repeatedly by the OIG and other regulatory bodies and by the DOJ “Compliance Program Effectiveness Evaluation Guidelines.” Using checklists and self-evaluation tools can be helpful for ongoing monitoring but lack credibility with government oversight agencies.

WHEN WAS THE LAST TIME AN INDEPENDENT EVALUATION WAS CONDUCTED ON THE EFFECTIVENESS OF YOUR COMPLIANCE PROGRAM?

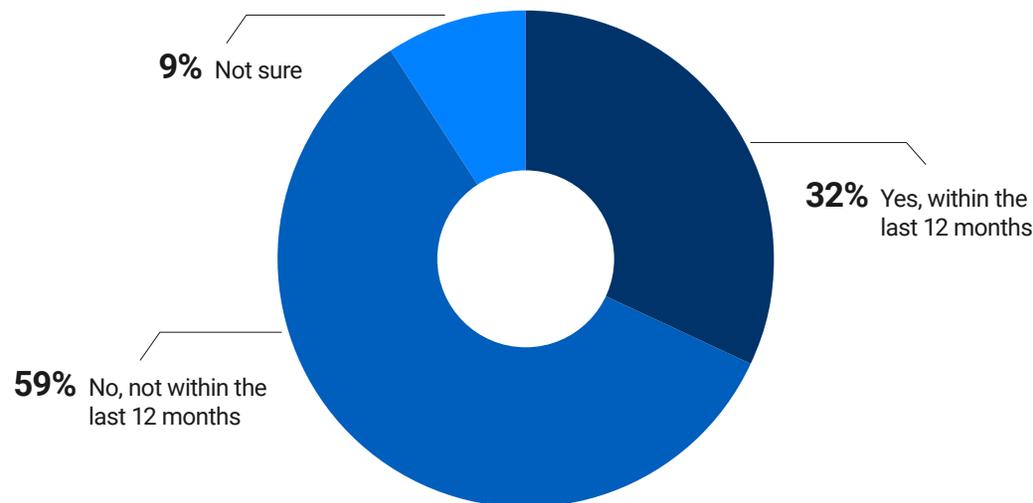




Q29: Has there been a recently conducted independent employee survey as part of measuring Compliance Program effectiveness?

Surveying of employees is one of the OIG recommended methods in their Compliance Program Guidance, and is also included in the 2020 DOJ Compliance Program Effectiveness Evaluation Guidelines. The number answering positive on this question jumped from 22% last year to 32% in 2021, the increase perhaps influenced by the DOJ including this in their Guidelines. There was a corresponding decline of those answering in the negative from 72% to 59%. Results from a professionally developed and independently administered survey can provide a compelling report to the compliance oversight committees, and to any outside authority questioning the program. Indications from elsewhere in the survey indicated that many might favor developing and administering surveys internally. However, this is not a best practice because their validity and reliability are in question.

HAS THERE BEEN A RECENTLY CONDUCTED INDEPENDENT EMPLOYEE SURVEY AS PART OF MEASURING COMPLIANCE PROGRAM EFFECTIVENESS?





Q30: Initiatives being considered for 2021

Results from this question are presented in descending order of choice by respondents. It is noteworthy that the lowest five priorities involve independent evaluations, something stressed by both the OIG and DOJ:

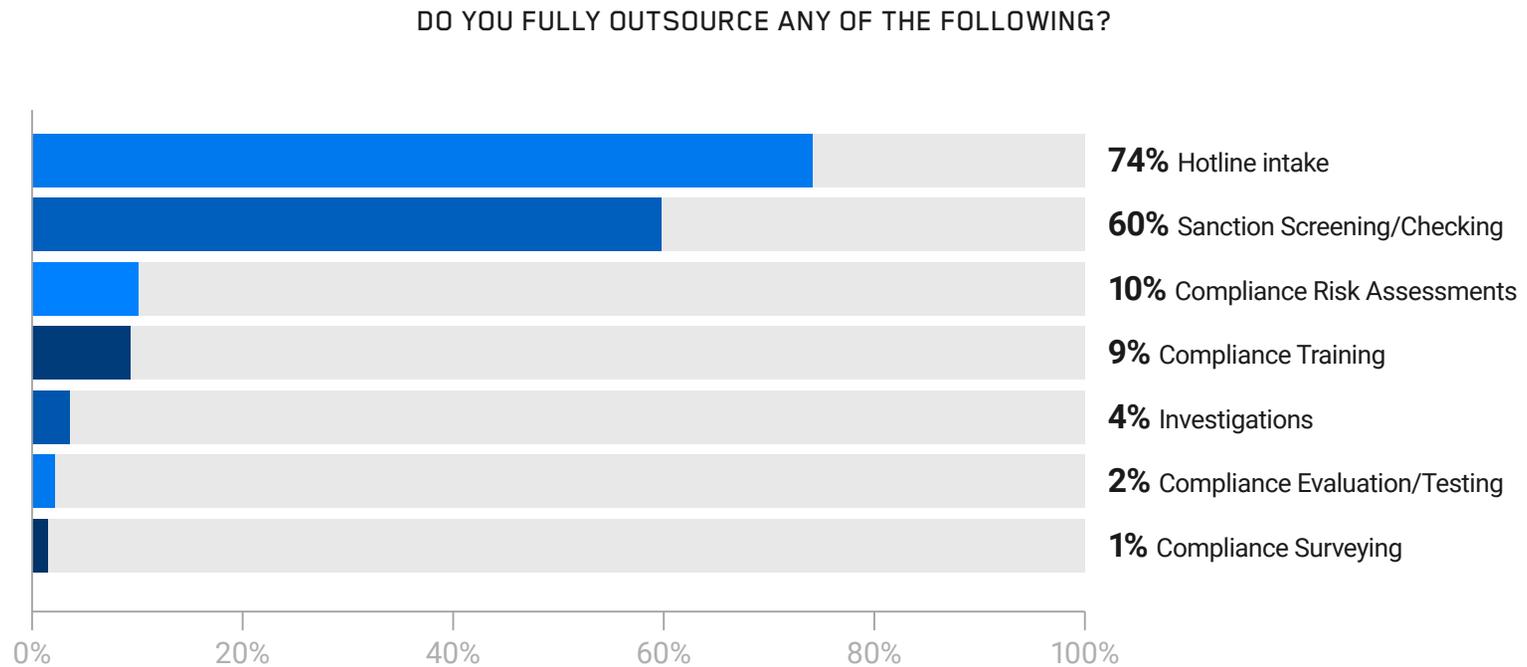
WHICH OF THE FOLLOWING INITIATIVES ARE BEING CONSIDERED FOR 2021? (CHECK ALL THAT APPLY)

1. Improving program manager's ongoing monitoring of their risk areas
2. HIPAA Privacy and Security Assessment
3. Building a more robust ongoing auditing program
4. HIPAA Security/Cyber-Security Compliance Evaluation
5. Enterprise-Wide Regulatory Risk Assessment
6. Implement software/technology tools to assist with program management
7. Independent Compliance Program Gap Analysis
8. Independent Compliance Program Effectiveness Evaluation
9. Independent Evaluation Claims Processing
10. Independent Compliance Review of Arrangements with Physicians
11. Independently Developed/Administered Compliance Surveys



Q31: Outsourced services

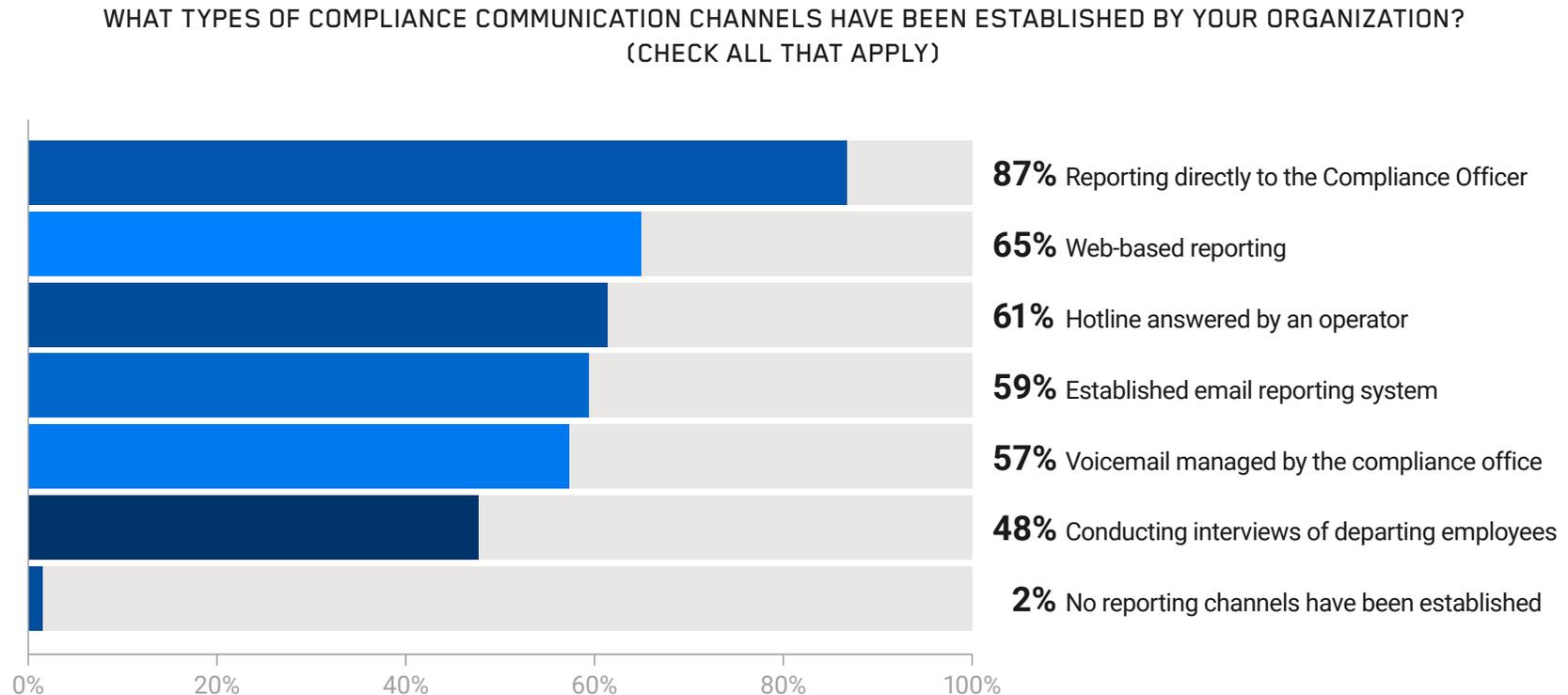
Results from respondents evidence a continued movement to outsourcing certain compliance-related services.





Q32: Compliance communication channels

There was very little change in the last few years concerning available compliance communication channels. The OIG Compliance Guidance documents call for multiple channels of compliance communication. Evidence from respondents suggests this is the case with most organizations. Nine out of ten respondents reported a direct reporting channel to the compliance office. In addition, over half of respondents cited other available challenges to be a hotline answered by an operator, web-based reporting, email reporting, compliance voice mail hotline, and interviews of departing employees. Less than 2% reported no compliance reporting channels.

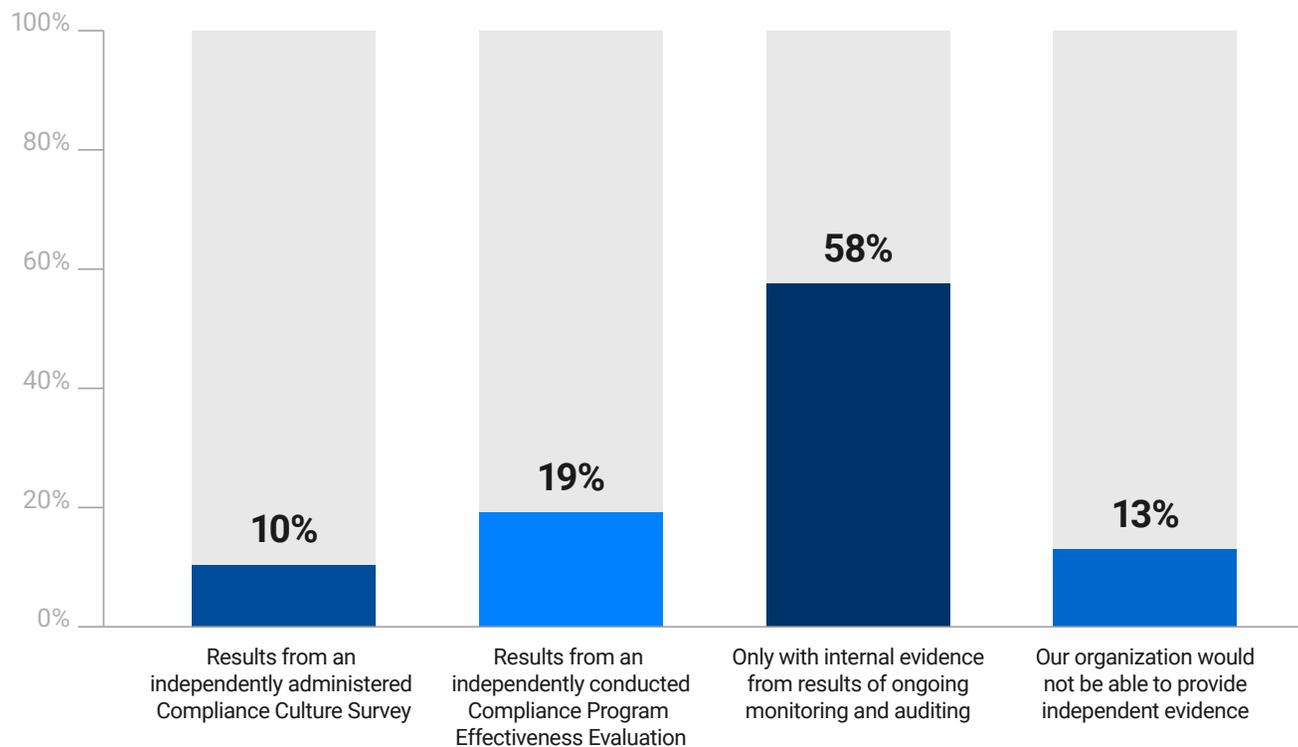




Q33: How is a “culture of compliance” evidenced?

Respondents suggested adding this question in response to the 2020 DOJ “Compliance Effectiveness Evaluation Guidelines” that had many questions relating to organizations being able to evidence a “Culture of Compliance.” Consideration should be given because since the DOJ would only raise these questions with organizations found to have violated the law, there would be little credibility for representations or internally generated reports by the Compliance Officer or organization. Yet, most respondents’ evidence relied on internally generated information rather than independent evidence by parties outside the organization’s control.

DOJ COMPLIANCE PROGRAM EFFECTIVENESS EVALUATION GUIDELINES REQUIRES INDEPENDENT EVIDENCE OF A “CULTURE OF COMPLIANCE.” HOW WOULD YOUR ORGANIZATION BE ABLE TO PROVIDE SUCH EVIDENCE?





Q34: Encounters with government authorities in last three years

It is widely recognized that regulatory and legal enforcement activities have been increasing over the last few years. What is clear from this question's response is that encounters with government authorities are increasing. These results are a warning bell to all Compliance Officers that regulators and enforcement officials are right around the corner, necessitating increased efforts on ongoing monitoring and auditing to mitigate exposure of compliance-related risk areas.

WHICH OF THE FOLLOWING ENCOUNTERS WITH GOVERNMENTAL AUTHORITIES HAS YOUR ORGANIZATION HAD IN THE PAST THREE YEARS? CHECK ALL THAT APPLY.

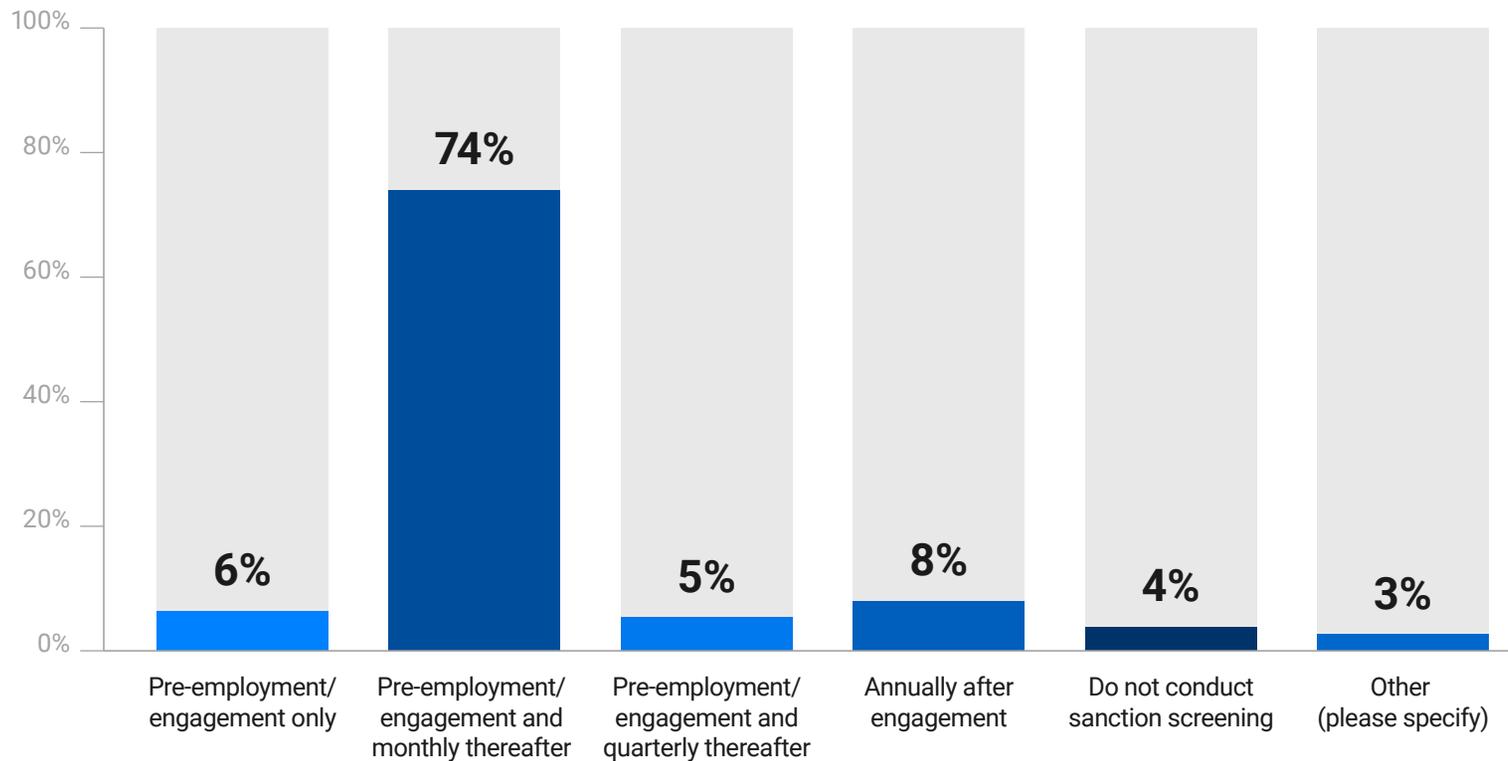




Q35: Frequency of sanction screening

Respondents were asked about screening those with whom they engage against sanction databases. Three-quarters of respondents noted their organization screens individuals/entities before engagement and then monthly after that, which is the best practice standard. Of the remainder, 6% screen only pre-employment/engagement; 5% screen before engagement and quarterly thereafter; 2% annually after the engagement, and 4% reported not conducting the screening.

HOW OFTEN DO YOU CONDUCT SANCTION/EXCLUSION SCREENING OF COVERED INDIVIDUALS AND ENTITIES?





Q36: Planned outsourcing for 2021

Respondents were split down the middle on planned outsourcing in 2021, with half indicating no new plans for it. The remaining half cited the following outsourcing being planned (in descending order selected):

DOES YOUR ORGANIZATION HAVE ANY OUTSOURCED SERVICES PLANNED FOR THIS YEAR? (CHECK ANY THAT APPLY)

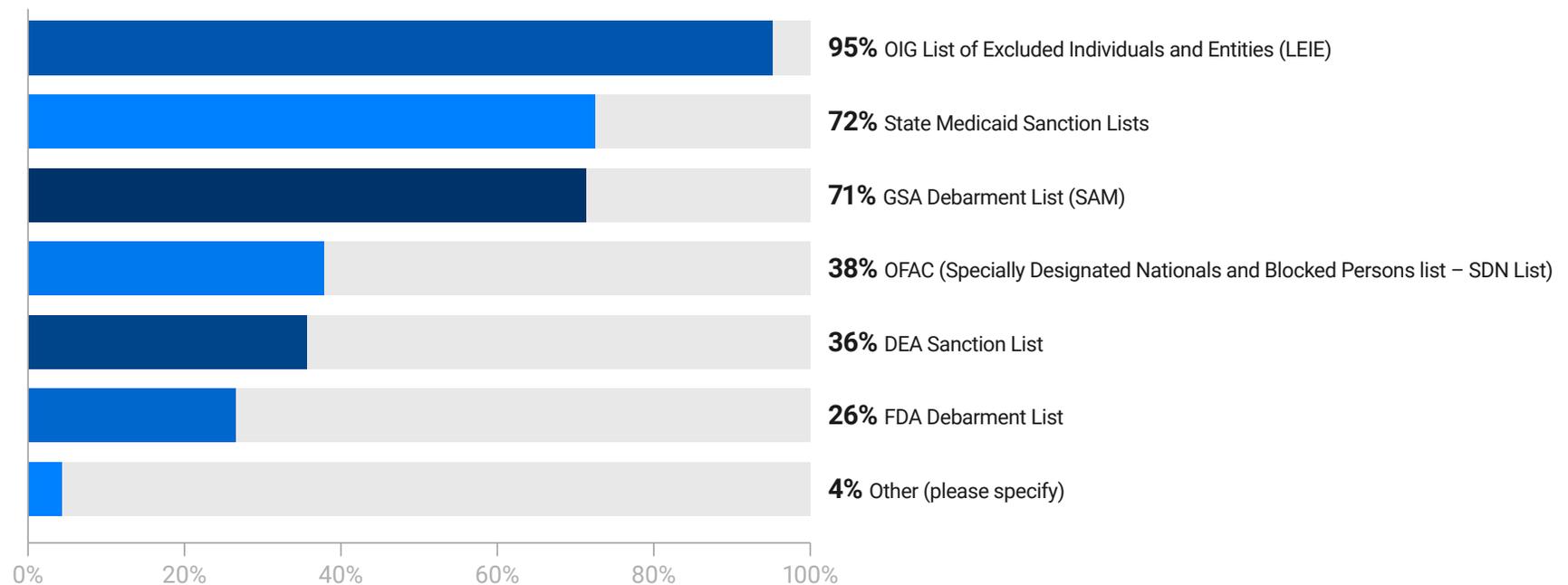
1. Compliance Program Effectiveness Evaluation
2. Compliance Document Management System
3. Evaluation/Updating of Compliance Related Documents
4. Compliance Program Training
5. New Hotline Vendor
6. Compliance Program Gap Analysis
7. Employee Compliance Benchmark Knowledge Survey
8. Interim or Designated Compliance Officer/Staff
9. Compliance Investigation Training Program
10. Board Compliance Expert
11. Enhanced Sanction Screening Service
12. Employee Compliance Benchmark Culture Survey



Q37: Databases used for sanction screening

Sanction screening against the OIG LEIE is optional, and CMS also calls for screening against the GSA Excluded Party List System (EPLS) and Medicaid sanction databases. The decision by healthcare organizations to screen other databases is discretionary, not mandated. In deciding what additional screenings are needed, organizations must do their cost-benefit analysis as to their merits.

WHICH DATABASES DO YOU SCREEN AGAINST? (CHECK ALL THAT APPLY.)





Q38: Rank confidence level in compliance related area

This question was designed to gain insights into the level of confidence that compliance-related issue areas are being managed. Ranking as the highest confidence area is the accuracy of sanction screening, followed by the hotline program, both of which are primarily by using vendors. Also ranking high is the commitment to compliance by executive leadership and the Board. However, the more important information is found when looking at the lowest confidence level of compliance-related areas. The areas where confidence was relatively lower included evaluating compliance risk areas, oversight of ancillary service compliance, and ongoing auditing of high-risk areas. These are the weaknesses that warrant the most attention.

RANK YOUR CONFIDENCE LEVEL OF HOW YOUR ORGANIZATION IS HANDLING EACH OF THE COMPLIANCE-RELATED AREAS BELOW FROM 1-5, WITH "1" BEING THE HIGHEST CONFIDENCE AND "5" BEING THE LEAST CONFIDENT.

1. Accuracy of Sanction-Screening	35%
2. Effectiveness of Hotline Program	26%
3. Executive Leadership Compliance Commitment	25%
4. Quality of Compliance Education/Training	20%
5. Legal Compliance of Physician Arrangements	21%
6. Claims Processing System	14%
7. Ongoing Auditing of Compliance High-Risk Areas	12%
8. Evaluation of Compliance Risk Areas	10%
9. Oversight of Ancillary Services Compliance	7%
10. Ongoing Monitoring of Compliance High-Risk Areas	5%



Q39: Top three priorities for improving the compliance program

The top three priorities for improving the compliance program in 2021 as identified by respondents were identical to those reported in the 2020 survey. They were evidencing compliance program improvement, improving compliance auditing, and gaining increased support for the compliance program. The following list is in descending order, based upon respondent reports.

PLEASE SELECT YOUR ORGANIZATION'S TOP PRIORITIES FOR IMPROVING YOUR COMPLIANCE PROGRAM IN 2021.
(CHECK TOP THREE)

1. Evidencing CP Effectiveness high priority
2. Program Manager Ongoing Monitoring
3. Increase leadership support
4. Revising/updating compliance documents
5. Improve compliance training
6. Improve compliance auditing
7. Compliance investigation management
8. Increasing hotline efficiency
9. Improving Board reporting
10. Implementing software/technology tools
11. Upgrading sanction screening



Q40: Top three high-risk priorities for 2021

As in the past three years, nearly 60% of respondents identified HIPAA Security and Privacy as a top high priority. Physician arrangements also remain in second place. However, chargemaster accuracy moved ahead of claims processing accuracy in third place.

The rankings are listed in descending order:

1. HIPAA Security/Cyber-security/HIPAA Privacy	58%
2. Arrangements with referral sources	44%
3. Chargemaster Accuracy	43%
4. Claims Processing Accuracy	36%
5. Physician at Teaching Hospitals (PATH)	25%
6. Executive/Board level behavior	25%
7. Cost Reports	14%
8. Research Compliance	15%
9. Emails/Social Media	9%
10. Conflicts of Interest	25%
11. EMTALA	20%
12. Responding to the Opioid Crisis	0%

First Priority:

HIPAA Security/Cyber-security/
HIPAA Privacy

Second Priority:

Arrangements with referral sources

Third Priority:

Chargemaster accuracy

About SAI360 from SAI Global

SAI360 is a leading compliance solution among US healthcare companies. SAI Global helps organizations proactively manage risk to create trust and achieve business excellence, growth, and sustainability. We offer an integrated platform for healthcare companies that:

- Is purpose-built for healthcare compliance
- Reduces risk, maximizes resources, and ensures audit-readiness
- Provides ethics and compliance learning courses and tools
- Automates core compliance processes
- Enables configurable workflows that serve as a “virtual compliance coordinator”

About Strategic Management Services

Strategic Management Services, LLC (Strategic Management) was founded in 1992 by Richard P. Kusserow, who had served eleven years as DHHS Inspector General. The firm is a pioneer in healthcare compliance and was the first consulting firm to focus on it – before the government had even issued any formal compliance program guidance documents for the industry. The firm has assisted over 2,000 healthcare organizations with regulatory compliance services, such as the development of compliance program infrastructure, evaluation of compliance programs, the standard of conduct development and reviews, compliance training programs, hotline setup, risk assessments, claims data analysis, assistance with the CIA requirements, IRO duties, and litigation support. Strategic Management also operates the Compliance Resource Center (CRC) that provides tools for compliance officers, including hotline and sanction screening services.

Concluding Comments

Over the last 12 years of the Compliance Benchmark Survey, there has been an increase in the responsibilities and expectations of compliance officers, especially as they assume responsibility for other functions which results in added challenges. Respondents this year reported a continuation of this trend, but without corresponding increases in budget or staff. Compliance offices indicate they are staying very lean to meet their obligations. Respondents indicated increased reliance upon vendor tools (hotline, sanction screening, e-learning) to meet obligations. This is consistent with industry trends to focus on core responsibilities using internal staffing and to use vendors to assist with ancillary needs. The experience level among Compliance Officers continues to increase. Despite OIG compliance guidance, relatively few are reported having their compliance program independently measured for effectiveness, relying instead on self-assessments, checklist tools, internally generated surveys, and the like. Only a few organizations use professional testing and surveying for employee compliance understanding and commitment; most rely upon informal and internally generated processes. Indications from respondents are that many organizations have as yet focused on addressing DOJ Guideline issues.



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About SAI360

SAI360 is the leading ESG cloud provider connecting GRC, EHS, Sustainability and Learning. Our SAI360 platform streamlines workflow and drives outcomes through flexible, scalable, and configurable modules. Our integrated approach sets us apart, helping organizations thrive, create trust, understand their impact, and achieve resilience for over 25 years. SAI360 is headquartered in Chicago, with operations and customers across the globe. Discover more at sai360.com.