Developing and Revising Your Organization's Code of Conduct

14 Tips for Compliance Officers

By Richard Kusserow | March 19, 2019

The Code of Conduct (Code) should be a statement of an organization's guiding principles and standards, and it must be revised and updated periodically. The Department of Health and Human Services (HHS) Office of Inspector General (OIG) provides several points that it believes should be included in an organization's Code. As such, when an organization is developing or re-visiting its Code, it is worth reviewing the OIG's guidance on the topic. The following are tips, considerations, and suggestions related to Code development or revision:

1. **Gain buy-in from the top.** All Codes need buy-in and support from the top, beginning with personal involvement and support by the CEO and approval by the Board of Directors. They should provide input during the process of revising or drafting the Code, and ultimately approve the result.

2. **Determine responsibility for Code review and revision.** Most Codes are developed and reviewed under the leadership of an organization's Compliance Officer, in conjunction with key persons across the various operational areas.

3. **The Code will affect policy development.** The Code should serve as the organization's Constitution, outlining basic principles, policies, and standards for the organization to apply universally. The organization's policies should be consistent with the Code, just as laws and regulations must be consistent with the Constitution. Accordingly, the Code should anchor and influence the development of the organization's compliance policies.

4. **Form a committee to assist in Code development/revision.** It is important to gain wide buy-in for the Code. Therefore, organizations should form a committee consisting of individuals across various operational areas to develop, revise, and approve the Code. Support from a cross section of leaders will go a long way in selling the Code to the entire workforce.

5. **Develop a plan.** An organization should set and follow a plan outlining specific time frames and individuals responsible for Code development and revision tasks.

6. **Consider using experts to facilitate the process.** A health care compliance expert can facilitate, guide, and simplify Code development or revision. Experts can direct attention to key concepts that the organization's Code must include. Another advantage to hiring an outside expert is that they can operate independently and help avoid "turf" issues that sometimes weigh down the Code development and update process.

7. **Decide upon size.** Generally, Codes should be about 20 pages or less.

8. **Establishing form and format.** The best practice is to have each section in the Code begin with an introductory statement or guiding principle, followed by bullet point standards in furtherance of that statement.

9. **Determine core content.** The Code should: (a) address all stakeholders including patients, employees, management, regulatory authorities, etc.; (b) include a description of the compliance program and how to contact the Compliance Office by phone and e-mail; and (c) discuss regulatory and legal issues, including compliance with state and federal health care fraud and abuse statutes.

10. **Address reporting of suspected problems.** The Code should clearly state that everyone has an affirmative duty to report any possible wrongdoing. The Code must also clearly outline procedures for handling questions and complaints about compliance or ethics issues, and the channels an individual can use to ask questions or report potential violations. The information should indicate that individuals can report or ask questions anonymously without fear of retribution or retaliation through the organization's hotline.

11. **Decide on manner of dissemination.** Those responsible for drafting and updating the Code should also decide how it will be disseminated throughout the organization. In the case of compliance training, the Code should be covered in some detail, and copies of the Code should be available during the compliance training.

12. **Reference to policies and procedures.** When the Code is changed, revised, or updated, it is important to reference these changes in all related policies to ensure consistency and clarity.

13. **Reading level.** The best practice is to have a Code at a 10th grade reading level.

14. **Acknowledgement and attestation.** The Code should include a form that evidences the employee's receipt of the Code. Another form should be included that allows the reader to attest to their understanding and compliance with the Code's terms. The organization should keep the forms on file.