

**13<sup>TH</sup> ANNUAL**

# 2022 Healthcare Compliance Benchmark Survey



## Executive Summary

This report provides results from the 13<sup>th</sup> annual Healthcare Compliance Benchmark Survey, conducted by SAI360 and Strategic Management Services, LLC. Preparation of the Survey and analysis of the results was by Richard P. Kusserow, former DHHS Inspector General. Objectives of the Survey included gaining a better understanding of the status and progress of compliance program development in the healthcare industry. It included a number of questions related to the current state of healthcare compliance, including demographic data, resource levels, reporting relationships, compliance program operations, challenges, and priorities for 2022. In response to suggestions from 2021 Survey respondents, several questions were added, along with others that were deleted. Findings, along with an analysis of the significance of results, are based upon respondents from organizations ranging from very small entities to large healthcare systems. The largest block of respondents was from hospitals, followed by physician/group practices, clinics, and ASCs, long term care, and behavior health.



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# Survey Highlights

- Arrangements with physicians and other referral sources; claims processing and reimbursement error rates were reported as the top 2022 risk priorities, followed by HIPAA Privacy Security/Compliance and addressing new state and federal laws and regulations.
- Average size of Compliance Offices was 6 with one out of three respondents reported only one full or part time person.
- Half of respondents reported Compliance Office resource levels were remaining at the same level last year. About a third noting some increases and one in five reported decreases.
- Average Compliance Officer experience now exceeds 10 years.
- Seven out of ten reported having recent encounters with enforcement agencies, suggesting it is not if, but when there will be such an event.
- Over 80% of Compliance Offices report responsibility for HIPAA Privacy with about a third reporting having HIPAA Security as well.
- Top Compliance Office improvement priorities reported were improving quality compliance training, better evidencing compliance program, and improved hotline operations.
- Although stressed by the OIG and DOJ, nearly half of respondents reported never having had an independent Program Effectiveness Evaluation.
- Nearly three quarters of respondents reported conducting “root cause analysis” of identified compliance issues, something stressed by the DOJ.
- The pandemic was having a significant to major impact for most on their ability to meet obligations.
- Most organizations rely only upon internal, not independently, information to evidence having a “Culture of Compliance.”



# Overview and Objectives

The 2022 Survey was designed to assist compliance officers in understanding how their compliance program relates to the industry at large. The Office of Inspector General (OIG) and the Department of Justice (DOJ) both note that having an effective compliance program can be a mitigating factor when assessing culpability that could potentially reduce or aggravate penalties and/or settlement terms. As such, it is important to stay abreast of the status of compliance programs, identify best practices, and gain understanding of how others are responding to the ever-changing regulatory and enforcement environment.





## Q1 HEALTHCARE ORGANIZATION TYPE

As with previous surveys, nearly half of respondents identified their organization as a hospital. The second highest category included physician/group practices, clinics, and ASCs. This was followed by SNFs, long term care, and behavior health. With about five percent of respondent reporting being related to pharmacy, pharma, clinical labs, imaging centers, and DME Supply. Another five percent of respondents reported being engaged in managed care.

## Q2 COMPLIANCE OFFICE STAFF LEVEL

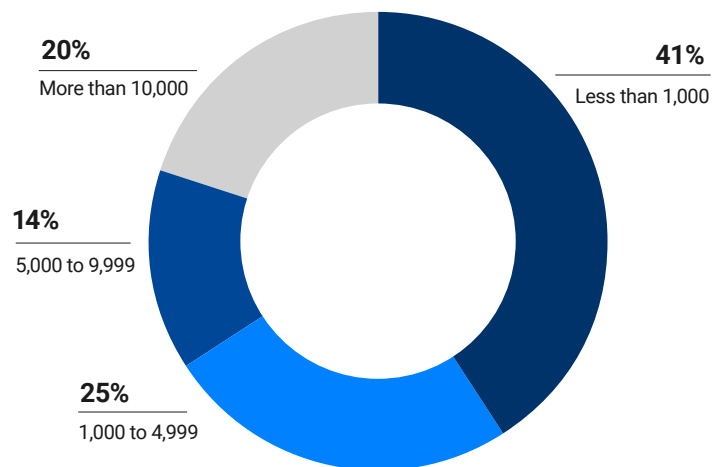
The average size of compliance office staff levels among all organizations responding were 6 people. About four out of ten respondents reported a Compliance Office staff of 2-5 persons. Slightly over one-third reported having 6 or more staff in the Compliance Office. However, three out of ten reported that their compliance office staffing level was one full or part time person. Results certainly are, in part, reflective of the demographics of those participating in the survey. However, with all the complexities and ever-changing regulatory environment, it is difficult to believe a solitary full or part-time compliance officer would be able to adequately meet all the challenges of the function.



Compliance office staff averaged 6 persons



### Q3 HOW MANY EMPLOYEES DOES YOUR ORGANIZATION EMPLOY?



### Q4 2022 COMPLIANCE OFFICE STAFFING LEVELS

Over half of respondents expect that the Compliance Office in staffing level in 2022 would remain at about the same as last year. The remainder were divided evenly between those that reported increases and those that reported decreased staffing or unfilled gaps in staffing levels.

### Q5 HEALTHCARE COMPLIANCE EXPERIENCE

It has been over 20 years since the OIG began publishing their compliance program guidance documents that prompted development of compliance programs. The result of this question evidences the growth in maturity of those working in compliance. The years of experience for the average compliance officer continues to increase to the point that about two-thirds of respondents reported having over 10 years compliance experience. Those with 6-9 years' experience was 14% for responding organizations with a similar number for 1-5 years' experience.

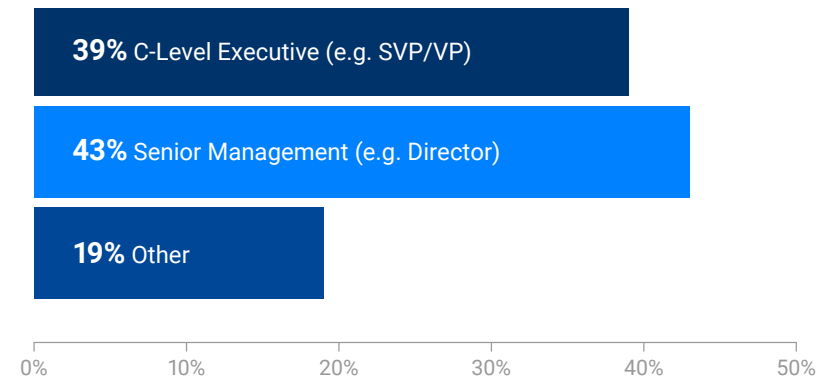


Average compliance experience 10+ years



## Q6 WHAT IS YOUR CURRENT JOB LEVEL?

An important factor by the OIG and DOJ in assessing Compliance Program effectiveness is where in the organization pecking order does the Compliance Officer function. The expectation is that the Compliance Officer should be a high-level executive reporting directly to the CEO. Only four out of ten respondents reported their Compliance Officer to be a C-Level Executive. A slightly larger number reported their Compliance Officer to be a member of Senior Management (e.g., Director Level), which might fall short of what is expected for the position. One out of five reported that the Compliance Officer job level to be at a lower level than Executive or Senior Management, which does not meet the expected standard. Those organizations with Compliance Officers that are not a member of executive leadership, would be challenged to evidence a truly effective compliance program.



## Q7 WHO SERVES ON THE MANAGEMENT/EXECUTIVE COMPLIANCE COMMITTEE?

Virtually all respondents reported the Compliance Officer as a member. Three quarter of respondents reported that the CEO was a member, which can be considered a best practice in evidencing a top-down commitment to a “culture of compliance.” Over half reported having as members, Human Resources, CFO, Legal and IT. In descending order, around one third reported having Internal Audit, Risk Management, and Program Managers as members. Significant is that the lowest participation rate is among Program Managers. The best practice is to have the Committee membership to include “C” Suite leadership plus a cross section of program managers.



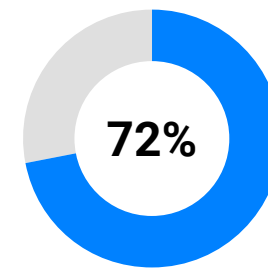


## Q8 WHAT EFFECT HAS THE COVID-19 CRISIS HAD ON YOUR COMPLIANCE PROGRAM?

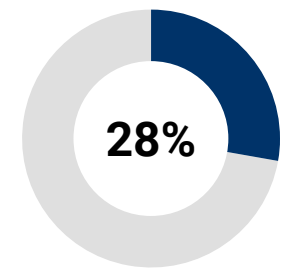
Results for this question mirrored that of last year with over half of respondents indicating that the effect of the pandemic was having a significant to major impact on their ability to meet obligations with slightly less than half reporting only minor inconveniences or negligible impact. Indications were that some of the problems confronting Compliance Offices may be unfilled gaps in staffing.

## Q9 IS IT A STANDARD PRACTICE TO CONDUCT "ROOT CAUSE" ANALYSIS OF COMPLIANCE INCIDENTS?

DOJ Guidelines stressed the importance of conducting "root cause analysis" of identified compliance issues to address any underlying factors that may have contributed to the problem. Although nearly three quarters of respondents reported doing this, it is significant that there are so many organizations that still do not meet this compliance standard.



Yes



No

## Q10 TOP THREE COMPLIANCE CONCERNS

As with the past three years, nearly seven out of ten respondents reported the number one risk area of concern relates to information privacy and security. This is likely driven by the frequency of HIPAA breaches and cyber-attacks in general. Following this risk area, was Accuracy in Claims Processing with a significant drop off to third place for Arrangements with Referral Sources.



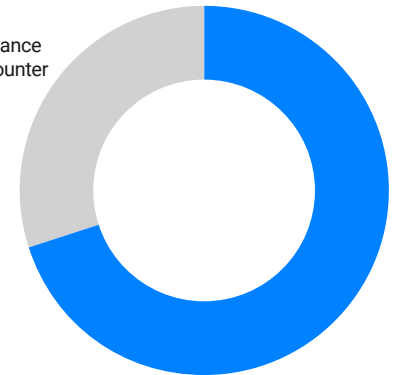
7 out of 10 respondents ranked information privacy & security their #1 area of concern.



## Q11 ENCOUNTERS WITH REGULATORY/ENFORCEMENT AGENCIES IN PAST 2 YEARS

Evidence from the Survey suggest that Compliance Officers should not think in terms of whether there might be encounters with regulatory and enforcement agencies, but when it will occur. Only 30% of respondents reported not having such a compliance issue encounter. About half reported having Data Privacy/Cybersecurity Breach issues. About one quarter reported damage to medical reputation, serious employee litigation, and damaging media reports. One out of six respondents report audit findings that resulted in penalties. One out of 8 reported their organization underwent legal action by the DOJ, OIG or other enforcement agencies.

30%  
No compliance  
issue encounter



## Q12 STEPS TAKEN TO IMPROVE THE COMPLIANCE PROGRAM IN 2022

This question was designed to find out the steps employed by Compliance Officers to improve their compliance program in 2022 with 70% of respondents citing updating compliance related policies and conducting compliance audits of high-risk areas. Over half reported conducting an organization-wide compliance risk assessment. Forty percent reported establishing metrics of compliance program effectiveness. Only about one quarter of respondents indicated engaging an independent compliance program evaluation. One third reported conducting “culture of compliance” related employee surveys. Auditing arrangements with referral sources was the choice least cited.

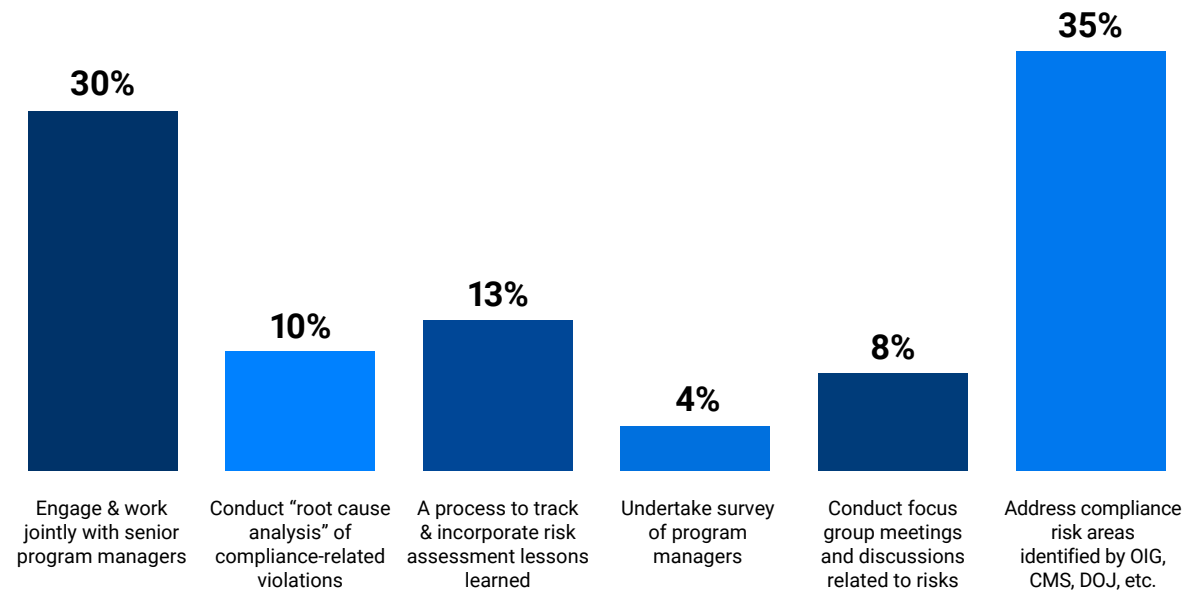
1.	Updating their compliance related policies	70%
2.	Auditing compliance high-risk areas	70%
3.	Organization-wide compliance risk assessment	53%
4.	Establishing compliance program effectiveness metrics	40%
5.	Conducting “culture of compliance” employee surveys	33%
6.	Independent compliance program evaluation	28%
7.	Arrangements with referral sources audits	25%



## Q13 METHODOLOGIES TO IDENTIFY, ANALYZE, & ADDRESS COMPLIANCE RISKS

The number one option selected by respondents was addressing compliance risk areas identified by OIG, CMS, DOJ, etc. This was followed by engaging and working jointly with senior program managers. After that there was a major drop off with choices in declining order to be:

- a. Having a process for tracking and incorporating risk assessment lessons learned
- b. Conducting “root cause analysis” of compliance related violations
- c. Conducting focus group meeting to discuss related risks
- d. Surveying program managers





## Q14 HOW ARE COMPLIANCE RISK ASSESSMENT RESULTS USED IN MANAGING RESULTS?

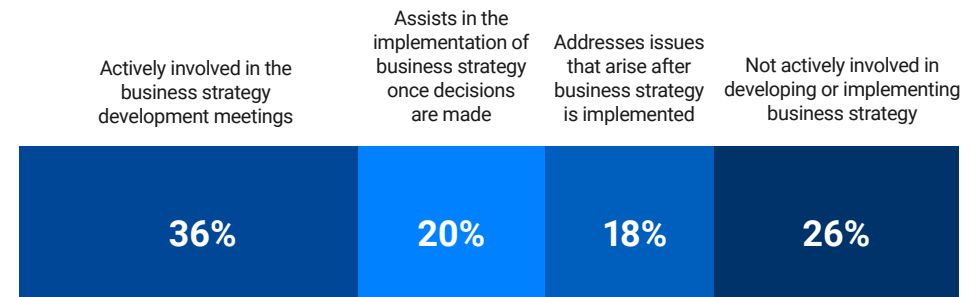
Three quarters of respondents reported their organization assess risk assessment results by:

1. Incorporating identified risk issues in annual compliance/ internal audit work plan
2. Updating policies and procedures to improve internal controls
3. Modifying and enhancing compliance training on identified risk issues

About half of respondents reported increasing ongoing monitoring and testing of risk area controls, reporting to compliance oversight committees, tracking and addressing “red flag” issued identified, and creating metrics to monitor risks. Only about 7% had not developed or implemented a process for following up on identified risks.

## Q15 COMPLIANCE OFFICER INVOLVEMENT IN ORGANIZATION BUSINESS STRATEGIES

The DOJ Guidelines clearly expect an effective compliance program should have the Compliance Officer participating and providing the compliance perspective at business strategy meetings. One quarter that indicated the Compliance Officer is not actively involved in developing or implementation of business strategies. This is something that would raise a “red flag” to either the DOJ or OIG should they become involved in reviewing the compliance program.





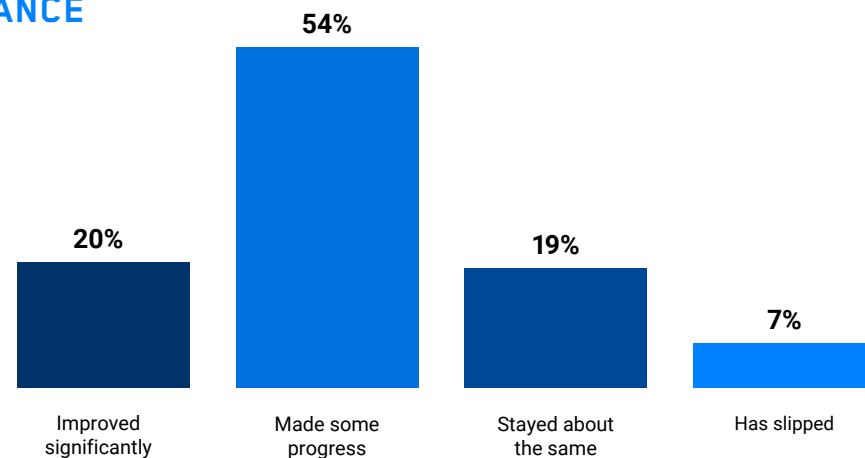
## Q16 METHODS BY WHICH COMPLIANCE PROGRAM COSTS ARE MEASURED

The OIG Compliance Guidance places considerable attention on whether the Compliance Program is being funded appropriately and budgeted. About one third of respondents reported that their organization actively measures compliance costs, leaving nearly two thirds responding in the negative. This is an interesting result considering how much attention the OIG in their compliance guidance placed upon adequate resourcing of the program and having the budgets being reviewed and approved to support what is needed to be done. Failure to be able have evidence for this information or a process by which budgetary standards are established would be considered problematic in reviewed by the OIG or DOJ.

## Q17 HOW COSTS OF OPERATION OF THE CORPORATE COMPLIANCE PROGRAM ARE DEFINED WHEN DETERMINING BUDGETS OR ARTICULATING PROGRAM VALUE

Nearly half of respondents reported that direct operating costs are used in determining budgets and articulating program value. One out of 6 reported that the cost of compliance related initiative is considered in program operation expenses. One out of ten reported that vendor and outside consultant to the compliance program are considered in the program costs and another similar response level note cost of compliance tools, program and training are included.

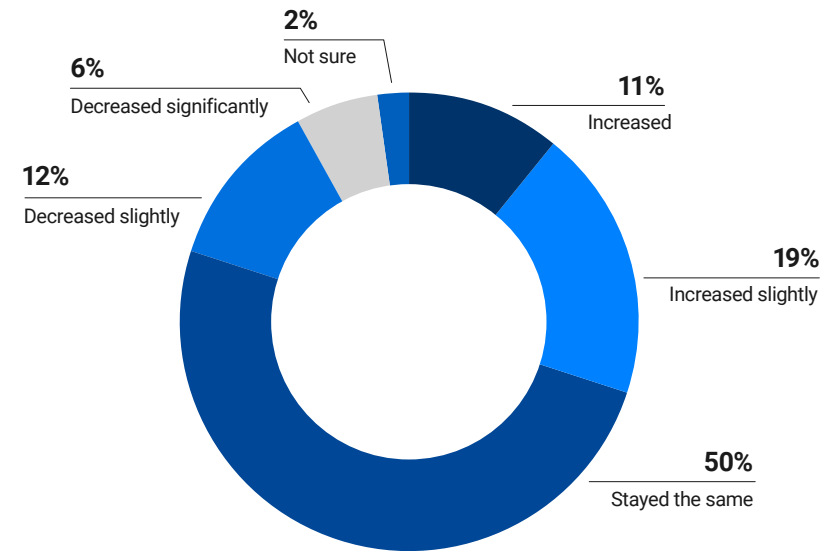
## Q18 COMPLIANCE PROGRAM'S PERFORMANCE OVER THE LAST YEAR





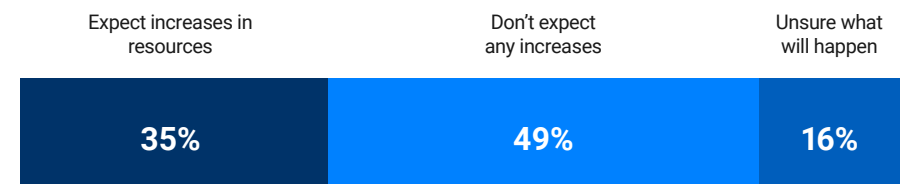
## Q19 RESOURCE LEVELS FOR THE COMPLIANCE PROGRAM IN THE LAST YEAR

As with other recent surveys, half of Compliance Officers reported their resource level remained at the same level as last year with about a third noting some increases. Only about one in five respondents reported decreases.



## Q20 EXPECTED RESOURCE LEVELS FOR THE COMING YEAR

To accomplish the mission of building and operating an effective compliance program there must be adequate budgetary resources. This question focused on expected resources for 2022. A slightly more than a third of respondents reported expected increases in resources, with nearly half reported they don't expect any increases. The balance reported being unsure as to what will happen. Given the combination of increasing responsibilities, elsewhere in the Survey, as well as a time of heightened enforcement by government agencies, it is likely that many compliance offices may be feeling a strain in meeting their obligations.





## Q21 DESCRIPTION OF HOW THE CURRENT WORK SITUATION IS DEFINED

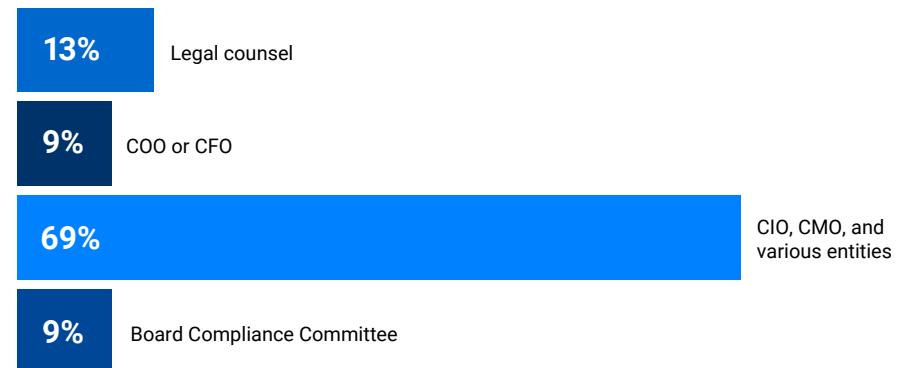
Although respondents suggested that most who are engaged in compliance are satisfied with their current job, even in the face of many challenges, survey results indicate that nearly half of respondents would consider opportunities elsewhere or are actively seeking another position or opportunity. This may help explain the growing number of organizations that are actively seeking Compliance Officers to fill gaps with the departure of their incumbent. About one-third of respondents reported satisfaction with their current work situation and were not considering opportunities elsewhere. A similar number reported general satisfaction but would consider opportunities elsewhere with ten percent okay with the current situation but are looking for another opportunity. Eight percent responded that regardless of the current work situation, they plan to stay put until retirement.



Although the great majority are satisfied with their current situation, nearly half of respondents would consider opportunities elsewhere.

## Q22 TO WHOM THE COMPLIANCE OFFICER REPORTS ON A DAY-TO-DAY BASIS

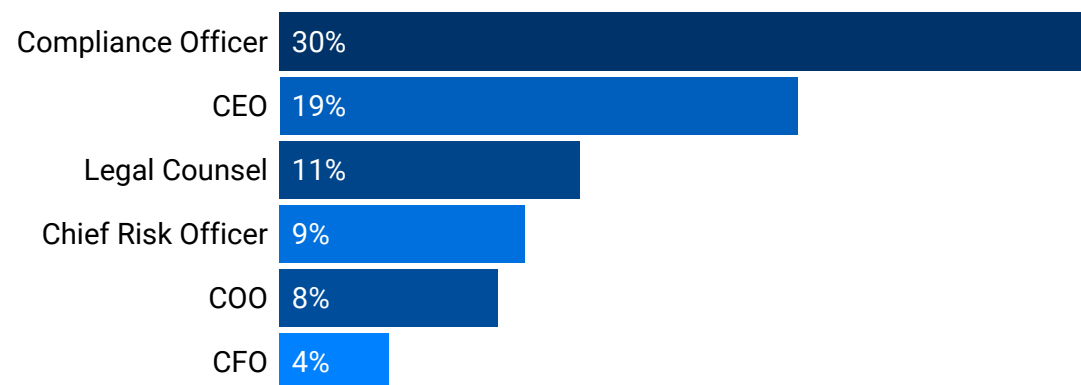
The OIG compliance guidance and U.S. Sentencing Commission guidelines call for the compliance officer to report directly to the CEO. Over half of respondents stated that their organization follows that guidance (up 5% from last year). However, many organizations continue using others to oversee the compliance program, including 13% (down 2%) of respondents that indicated their Compliance Officer reported to legal counsel, which is contrary to the position of both the OIG and DOJ, who they consider as advocates for 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 a wide variety of answers including the CIO, CMO, split reporting between various entities, and more. About 9% reported day to day management by the board, which also is not a good answer as compliance is a management, not Board oversight function.





## Q23 THOSE PRIMARILY RESPONSIBILITY FOR MANAGING THE ORGANIZATION'S RISK STRATEGY

The OIG and DOJ believes the Compliance Officer should actively participate in risk strategy planning, but not be responsible for it. This question seeks to identify the person viewed as most responsible for leading in this effort. Results indicate that there are considerable differences among organizations as to who should lead this effort. Results also suggest that enterprise-wide risk management and regulatory risk management may be confused. The latter is part of the former, but the reverse is not the case. Clearly clinical, financial, and other areas with risks would not logically fall within the expertise and capabilities of the Compliance Office. Yet, by far the highest score for risk management responsibility (29%) had the Compliance Officer responsible, followed by Legal Counsel (11%).

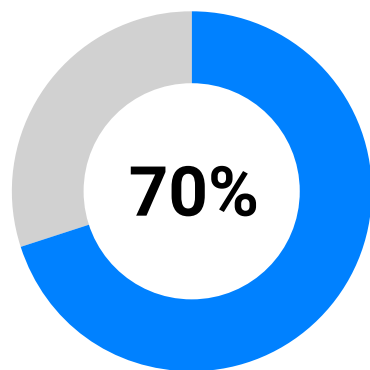
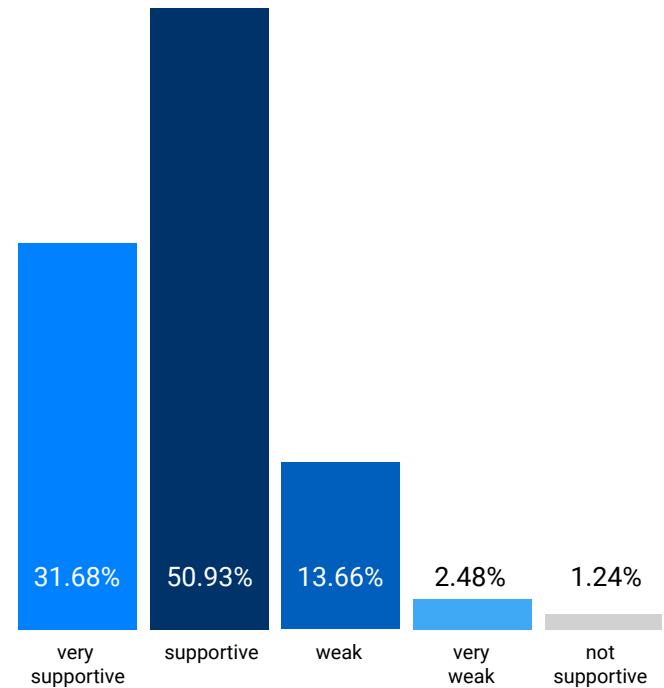






## Q24 EXECUTIVE LEADERSHIP AND BOARD SUPPORT

There were about 83% of respondents reporting executives and the Board as being supportive, which was consistent with results from 2019, 2020, and 2021 surveys. Only about 16% reported weak or no support. The OIG and DOJ made it clear that top leadership has responsibilities for support of the compliance program, and 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.



**70%**

**Yes**

Has enough authority

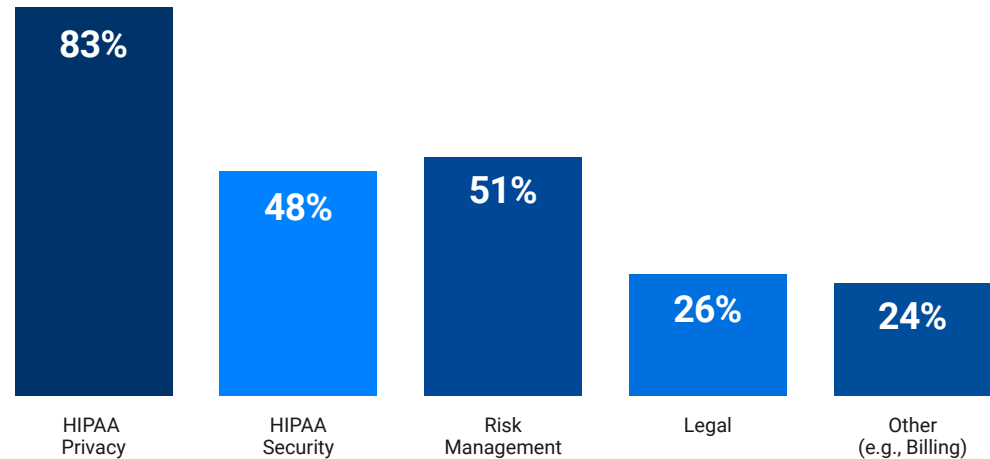
## Q25 ADEQUACY OF COMPLIANCE OFFICER AUTHORITY TO PERFORM DUTIES & RESPONSIBILITIES

Respondents were asked whether their Compliance Officer has enough authority to meet the obligations of the office. Results for this question was 70% responding in the positive with 30% indicating the negative. These results were unchanged from 2020 and 2021 levels. The fact that so many respondents answered this negatively suggests some compliance program would not be able to evidence being effective to outside enforcement agencies.



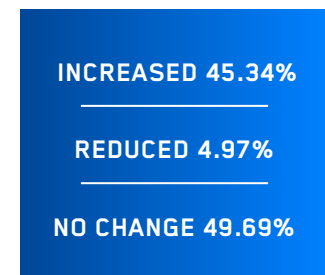
## Q26 SCOPE OF THE COMPLIANCE OFFICE FUNCTION AND RESPONSIBILITIES

Many organizations view the Compliance Office as a convenient party to take on a variety of 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 with 82% being reported as such for 2022. Nearly half reporting having HIPAA Security as well, which is not considered a best practice, in that it is more aligned to IT. Over half of respondents reported Internal Audit as part of the Compliance Office. Over one quarter reported responsibility of Legal Counsel being part of the Compliance Office, which is contrary to the stated position of both the OIG and DOJ and something that can create what is viewed as conflict of interest. Over half of the respondents place Risk Management as being the responsibility of the Compliance Office. Other areas identified as being under the scope of responsibility of the Compliance Office were claims general overall compliance, processing, billing and coding, revenue management, etc.



## Q27 HAS THE SCOPE OF THE COMPLIANCE OFFICE RESPONSIBILITIES CHANGED RECENTLY?

Results indicate that for many Compliance Officers the trend for accretion of duties and responsibilities are continuing. Coupling the results from this question to expected resource levels in 2022, suggest there may be a growing problem for many Compliance Officers in meeting their obligations and responsibilities.





## Q28 GREATEST CHALLENGES FOR THE COMPLIANCE PROGRAM FOR 2022

The top compliance challenges remain the same from last year, but in different order of priority with one exception. The top four received scores fairly closed to one another. The number one compliance program challenge reported by respondents for 2022 is “further engagement of leadership support.” Jumping into second place was “hiring, training, and retaining staff”, which likely was as result of the impact of the pandemic. In third place was “getting program managers to focus on compliance risks in their areas.” In fourth place was “managing ongoing auditing of compliance high risk areas.” The drop down to the second-tier results included evidencing “Compliance Program effectiveness, Code of Conduct and compliance policy management, coordinating with other functions (HR, Legal, program mangers), developing/delivering compliance training programs. The third tier and receiving the fewest points was conducting internal investigations.”

## Q29 FREQUENCY OF COMPLIANCE OFFICER MEETING WITH THE BOARD

About two-thirds of respondents reported their Compliance Officer meets with the Board at least quarterly, which is the best. Meeting more often may involve the Board too deeply in areas of management oversight responsibility; and meeting less frequently like annually is not sufficient to be convincing that the Board is meeting its compliance oversight responsibilities and evidencing their commitment to a culture of “compliance.” The 16% that state the meetings with the Board are only as needed, or that there is no oversight or direct meetings with the Compliance Office, it would be viewed as evidence of an ineffective Compliance Program.

66.04%	Quarterly
11.95%	Monthly
6.92%	Board does not meet directly with Compliance Office
6.29%	Annually
6.29%	As needed
2.52%	There is no Board oversight committee



## Q30 FREQUENCY OF REVIEW & UPDATING OF CODE OF CONDUCT AND COMPLIANCE-RELATED POLICIES

The OIG has been clear that a truly effective compliance programs 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 must undergo annual reviews. For the 2021 Survey, a little over half of respondents reported meeting that annual review benchmark, however for 2022, this number rose to 58%. Roughly one quarter of respondents reported reviews every two or three years. For the remainder reported no formal process, as needed, or other, they should consider reviewing this process to bring it better in line with expectations. For those that don't have a document management system of some type should consider developing one.

58.39%	Annually
22.36%	Every 2–3 years
8.70%	As needed
5.59%	No formal process for review
3.11%	Other
1.86%	Quarterly
0.00%	In response to incidents
0.00%	Never

## Q31 HOW THE CODE OF CONDUCT, POLICIES AND PROCEDURES ARE MADE AVAILABLE TO EMPLOYEES

Easy access to the Code and compliance policies is stressed in the DOJ Guidelines. Both the DOJ and OIG expect that there should be multiple methods for ensuring employee access and understanding about available written guidance. This question provides information as to how organizations are meeting this expectation. The best answer is the posting on the organization's intranet and nine out of ten respondents cited this was being done in their organization. Seven out of ten also noted that these documents were provided as part of new employee orientation and nearly two thirds stated that they were provided during ongoing compliance training. One out of four noted that they were provided via email. Also frequently cited was the document management system.



## Q32 HOW COMPLIANCE DOCUMENT ARE MANAGED

It is extremely important that organizations keep their written compliance guidance documents up to date, tracking changes/revisions, and storing rescinded or old versions. This question focused on how this is done by organizations. Nearly half of respondents reported their organization having policy management software to meet this challenge. The trend over the years has been for more organization to use such tools to assist in managing documents. Three out of ten conduct annual manual review. About one out of seven respondents noted periodic reviews were made as needed. Only about one in ten reported not have any formalized review process.

NEARLY 1/2 have policy management software

3 OUT OF 10 conduct annual review

1 OUT OF 7 periodic reviews as needed

1 OUT OF 10 no formalized review process

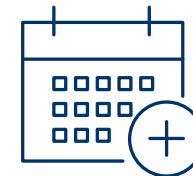
## Q33 FREQUENCY OF COMPLIANCE TRAINING PROVIDED TO EMPLOYEES

The OIG in their compliance guidance suggests that compliance training should be at time of engagement and annually thereafter. Eighty-three percent of respondents reported that this standard was being applied in their organization. Another ten percent reported annual compliance training only. Five percent reported training is provided periodically, as needed. The balance of answers was at orientation only, no training.

**80%**  
AT ENGAGEMENT  
AND ANNUALLY

## Q34 LAST TIME AN INDEPENDENT COMPLIANCE PROGRAM EFFECTIVENESS EVALUATION WAS CONDUCTED

Four out of ten respondents reported having an independent evaluation of their compliance program within the last three years. Another 17 percent reported having it done over three years ago. However, forty-three percent of respondents noted that it has never been done or not sure if it had ever been done. The OIG Compliance Program Guidance and DOJ Guidelines look for independent review and evidence regarding the status of the Compliance Program. Results on this question suggests that many organizations would have difficulty providing such evidence.



40% WITHIN LAST  
THREE YEARS

17% OVER THREE  
YEARS AGO

43% NEVER BEEN DONE/  
UNSURE IF EVER DONE



## Q35 INITIATIVES ARE BEING CONSIDERED FOR 2022

This question was seeking information as to the direction by which Compliance Offices were planning to use their resources in 2022. The top four areas identified by respondents were the same as for 2022. They were (1) HIPAA Privacy and Security Assessment and Evaluation, (2) Improving program manager's ongoing monitoring of their risk areas, (3) Building a more robust ongoing auditing program, and (4) Enterprise-Wide Regulatory Risk Assessment. After these selections there was a significant drop off to the second tier that included Independent Compliance Program Effectiveness Evaluation, Independent Compliance Review of Arrangements with Physicians. The lowest results were for Independent Evaluation Claims Processing and Independently Developed/ Administered Compliance Surveys.

## Q36 COMPLIANCE OUTSOURCING

Respondents reported a continued movement to outsource certain compliance related services. About 70% use a hotline vendor, 60% using a sanction screening/checking service, and about 10% reporting outsourcing compliance risk assessments and compliance training. The biggest change was the increase from 1% to 7% of respondents reporting using compliance surveys. Outsourcing investigations and compliance evaluation/testing were in last place. Elsewhere in the survey, respondents rate services provided by vendors with high confidence.



## Q37 TYPES OF COMPLIANCE COMMUNICATION CHANNELS THAT HAVE BEEN ESTABLISHED

Virtually all reported having established compliance communication channels with the great majority offering multiple reporting avenues as called for by the OIG. Eighty-five percent of respondents reported a direct reporting channel to the compliance office. Nearly three quarters reported availability of web-based reporting. In addition, sixty percent cited a hotline answered by an operator and having email reporting. Over half reported having a voice mail reporting system to the compliance office.

## Q38 HOW A "CULTURE OF COMPLIANCE" IS EVIDENCED

Respondents requested adding a 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." Nearly 60% of respondents reported relying only internally generated information to evidence their "culture of compliance", rather than independent evidence by parties outside the control of the organization. If the DOJ or OIG were investigating an organization, they would give little credence to internally generated information that was not supported by independent outside reviewers. Only twenty percent of respondents cited results from independent compliance program evaluation and ten percent from independently administered compliance culture survey results. Fourteen percent reported not being able to provide independent evidence.

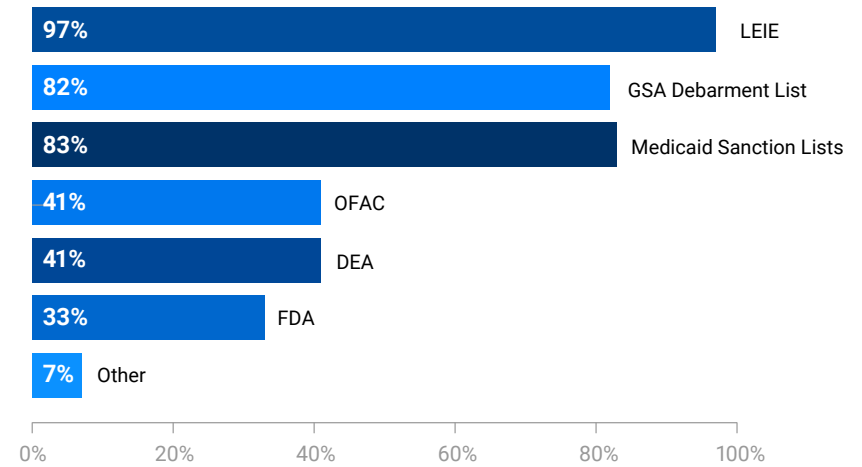
## Q39 ENCOUNTERS WITH GOVERNMENTAL AUTHORITIES IN THE LAST THREE YEARS

It is widely recognized that regulatory and legal enforcement activities have been increasing over the last few years. What is clear from the response to this question is that it is not if there will be an encounter with government authorities, but when. Nearly half reported encounters with OCR as result of a privacy breach. Four out of ten respondents reported self-disclosure of overpayments. Nearly a third reported having a government audit or investigation. One out of four reported receiving a "demand letter" from a government agency or contractor. Seventeen percent reported disclosures to the DOJ, OIG, CMS, or a state enforcement agency. Seven percent reported being involved in settlement agreement with the DOJ and six percent with the OIG. 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.



## Q40 SANCTION SCREENING DATABASES

Sanction screening against the OIG LEIE is not; and CMS also calls for screening against the GSA Excluded Party List System (EPLS) and Medicaid sanction databases. There are other sanction databases that organizations choose for screening. This year the trend for increased focus by organization on sanction screening continues. All the following percentages increased from 2021.



## Q41 CONFIDENCE LEVEL ON HOW COMPLIANCE-RELATED AREAS ARE BEING HANDLED

This question was designed to gain insights into the level of confidence that compliance-related issue areas are being managed. Ranking as the area of highest confidence is the effectiveness of the hotline program and accuracy of sanction screening, and quality of compliance education and training, all are areas commonly involve outsourcing to vendors. Also ranking high is commitment to compliance by executive leadership and the board and legal compliance with physician arrangements. However, the more significant information is found when looking at the areas of lowest confidence level of compliance related areas. The areas where confidence was relatively lower included (a) evaluation of compliance risk areas, (b) compliance oversight of ancillary service, and (c) ongoing auditing of high-risk areas.





## Q42 TOP PRIORITIES FOR IMPROVING YOUR COMPLIANCE PROGRAM IN 2022

The top three priorities identified by respondents for improving the compliance program in 2022 were providing quality compliance training, evidencing compliance program effectiveness, increasing hotline operation efficiency. Following that was improving compliance auditing. After that there was a bunching up for program manager ongoing monitoring, gaining increased support for the compliance program, revising/updating compliance documents, training/documenting compliance investigations, improving board reporting, and upgrading sanction screening. Improving compliance risk assessments drop off as the low score.

<b>1.</b>	Providing quality compliance training	45
<b>2.</b>	Increasing hotline operation efficiency	44
<b>3.</b>	Evidencing CP Effectiveness	43
<b>4.</b>	Improve compliance auditing	36
<b>5.</b>	Revising/updating compliance documents	33
<b>6.</b>	Program Manager Ongoing Monitoring	31
<b>7.</b>	Gaining increased support for the compliance program	31
<b>8.</b>	Tracking/documentation of compliance investigations	31
<b>9.</b>	Improving Board reporting	30
<b>10.</b>	Upgrading sanction screening	29
<b>11.</b>	Improving Compliance Risk assessments	18

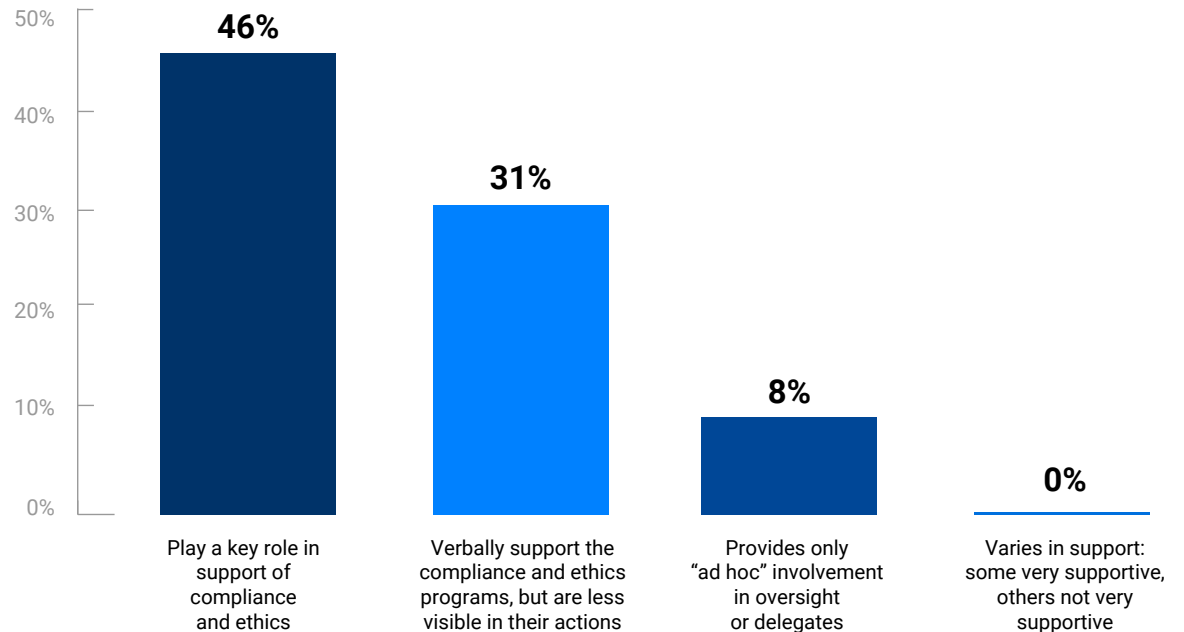


## Q43 TOP COMPLIANCE RISK PRIORITIES TO BE ADDRESSED FOR 2022

Nearly six out of ten respondents listed their top risk priority to be addressed in 2022 to be arrangements with physicians and other referral sources. Claims processing error rates and reimbursement claims processing taken together was clearly the second top priority. These two categories correspond to the top healthcare enforcement priorities for the DOJ and OIG. This was followed by HIPAA Privacy Security/Compliance and addressing new state and federal laws and regulations. The other topic that drew a lot of attention was Conflicts of Interest. The results show that Compliance Officers focused more on mission-driven problems than internal process-related matters.

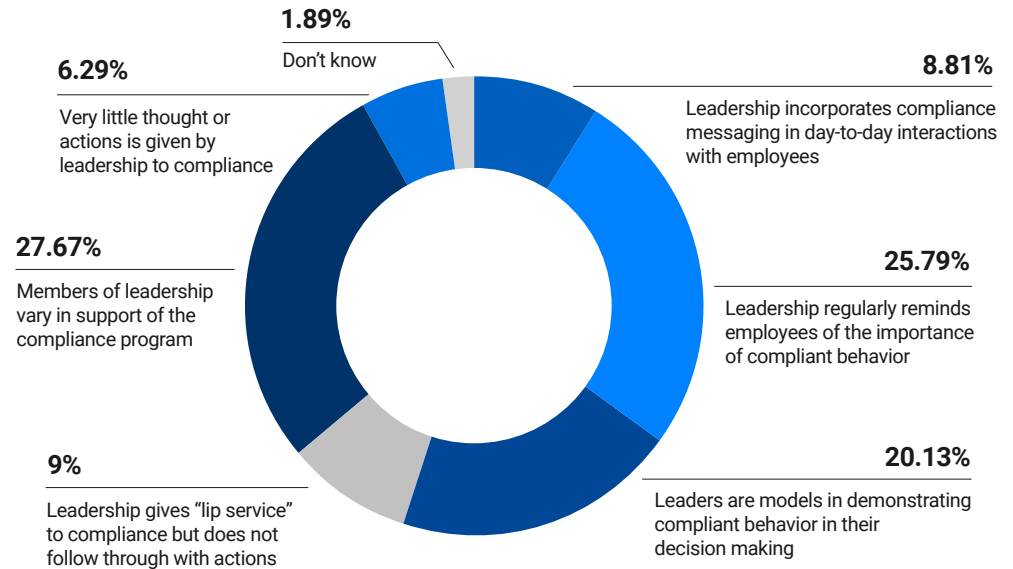
## Q44 EXECUTIVE LEVEL COMPLIANCE TONE

A little less than half of respondents noted executive leadership plays a key role in compliance and ethics with the majority giving varied level of support. Nearly one third reporting that they give verbal support, but less visible in their actions supporting it. The remaining reported executives providing “ad hoc” involvement in oversight or delegates or verbally only support the compliance and ethics programs but are less visibly in their actions.





## Q45 "TONE AT THE TOP" REGARDING COMPLIANCE



## Q46 COMPLIANCE MESSAGING TO EMPLOYEES

Both the DOJ and OIG stress the importance of having multiple channels of compliance communications. This question seeks to provide information as to methods being currently employed. Eight out of ten respondents cited email messaging as a communication channel, half cited as using newsletters or at business unit meetings. Four out of ten have special compliance events as a messaging channel. Over one third cited town hall meetings. Three out of ten provide video and/or audio messaging. This clearly evidences that Compliance Offices have seen the benefit of using multiple channels to promote the Compliance Program.



## Q47 MANAGEMENT/EXECUTIVE COMPLIANCE COMMITTEE BUSINESS

This question was designed to gain understanding as to the issues that are addressed at management/executive compliance committee meetings. The first involves the five that were cited by forty percent or more by respondents. Thereafter respondent citation drops to about one third for the next six. The results in descending order were:

1. Identifying compliance risk areas

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2. Reviewing, revising and updating compliance policies

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3. Developing and implementing compliance work plans

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4. Annual review of compliance program effectiveness assessing business risks

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5. Undertaking compliance risk management activities

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6. Identifying risk indicators and analysis of patterns and trends for compliance

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7. Developing compliance education and training programs

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8. Reviewing output of key compliance performance indicators

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9. Developing compliance education and training programs

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10. Reviewing and approving Compliance Program budgets

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11. Assessing needed staffing levels and resources for the compliance office

## Conclusion

Over the last thirteen years of the Compliance Benchmark Survey, responsibilities and expectations for the compliance officers continues to increase especially as they assume responsibility for other functions, resulting in added challenges. Respondents this year reported a continuation of this trend, but without corresponding increases of budget and staff. Compliance offices evidence they are staying very lean to meet their obligations. Respondents indicated increased reliance and confidence in using vendor services (hotline, sanction-screening, e-learning). 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 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 is that many organizations have yet to focus on being able to address DOJ Guideline issues.





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Strategic Management Services, LLC (Strategic Management) has for the last 30 years has focused exclusively on healthcare compliance, before the OIG issued any formal compliance program guidance documents for the industry. The CEO is Richard P. Kusserow, who had served eleven years as DHHS Inspector General. The firm has assisted over 3,000 thousand healthcare organizations and entities with compliance advisory services, including compliance program development, evaluation, management, and enhancement. It has been selected as an Independent Review Organization and Compliance Expert by dozens of organizations under Corporate Integrity Agreements. Strategic Management also operates the Compliance Resource Center (CRC) that provides tools for compliance officers, including hotline and sanction-screening services.

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