

Best Practice Is To Bake Compliance Into The Fabric Of Any New Healthcare Enterprise

Robbi-Lynn Watnik | August 18, 2022

New healthcare entities continue to emerge, with some being entirely new while others are formed through merging of entities. For most engaged in these endeavors, their thinking, time and effort often do not extend to developing a compliance framework for the organization. In most cases, they lack expertise and experience building compliance programs. As a result, attention is often given to creating a program when it's too late, after intervention by legal and regulatory authorities. Needless to note, creating an effective compliance program is more difficult after the enterprise has developed and principals have settled into their own mode of operation, let alone when it comes under regulatory scrutiny. Inserting compliance into that equation becomes more difficult and it forces unsettling changes.

“Baking” compliance into the fabric of an organization at the front end of its development helps avoid these challenges. It may also help attract new business partners and investors by evidencing the organization’s commitment to perform ethically in a culture of integrity and reliability.

Developing the basic compliance program concepts set forth by the [United States Sentencing Commission](#), along with guidance from the Department of Health and Human Services Office of Inspector General ([OIG](#)) and the Department of Justice ([DOJ](#)) puts the organization on the right course from inception. Creating a Code of Conduct and compliance-related policies can advance the organization’s mission, vision and values, while also advancing the compliance concepts. Implementing other elements, such as a compliance hotline and sanction screening, establishes more of the framework. All these steps can be modified and adjusted as the enterprise grows and matures.

Developing and implementing a compliance program need not be an expensive endeavor. Many new smaller enterprises have opted to outsource the entire compliance program development and implementation to a part-time compliance expert who can serve as a [Designated Compliance Officer \(DCO\)](#). The OIG recognizes acceptability of this approach in its “[Compliance Program Guidance for Individual and Small Group Physician Practices](#).” Having an expert undertake this effort can put the compliance program on a “fast track.” Once the program has been built and implemented, the choice of continuing with a DCO or choosing to engage a fulltime Compliance Officer is always available.

For more information on this topic, contact Robbi Watnik, JD, CHPC (rwatnik@strategicm.com).

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About the Author

Robbi-Lynn Watnik is an attorney, Certified in Healthcare Privacy Compliance (CHPC). She has over 35 years of experience in health care policy, with a special focus on health care compliance and privacy over the last 25 years. Ms. Watnik conducts research and analysis of, and provides guidance on federal regulations around privacy, security, and government health care programs. She has been engaged several times to serve as a Designated Compliance Officer.

