

Engaging Temporary Compliance Officers: Costly or Cost-Effective?

[Richard P. Kusserow](#) | December 2022

Key Points:

- **No healthcare organization can afford the risk of a “gap” in Compliance Officers**
- **Finding qualified [temporary experts](#) to fill the gap may be a solution**
- **The key to gaining optimum return on cost is in the terms of the agreement**

The Pandemic caused serious disruption in the labor market that extended to Compliance Offices, where there have been unprecedented retirements and departures for other jobs. In the ever-changing regulatory and compliance environment, no provider can afford to have gaps in coverage of compliance leadership. Rapid degeneration of the program may occur if someone is not responsible for day-to-day compliance management. Filling a gap by designating someone internally is not always a good option, as that individual may likely lack experience and expertise and cannot be expected to recognize and address problems in a timely and professional manner.

A temporary replacement or [Interim Compliance Officer \(ICO\)](#) can efficiently manage the day-to-day operation of the program. However, having an expert on a temporary basis can be *costly or cost-effective*, depending on the terms of the agreement. It is advisable to begin with an analysis of the cost of supporting the full-time Compliance Officer position, including salary, as well as overhead costs (FICA, leave, health, insurance, retirement, and other benefits). A contractor is not an employee and as such there will be none of these overhead expenditures. However, the cost will still likely be higher with an outside expert on a temporary assignment. It may be a matter of making a cost-benefit analysis of the value of an ICO. In making an assessment for this option, consideration should be given to the advantages of using an ICO that include:

- Maintaining Compliance Program continuity while searching for a full-time replacement;
- Immediate availability to address new and emerging compliance issues;
- Prior experience to tackle any work backlogs left by a departing Compliance Officer;
- Expertise in compliance in high-risk areas; and
- Bringing “fresh eyes” to objectively evaluate the program’s status.

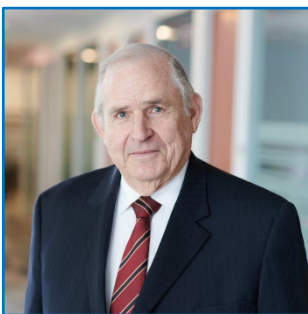
Obtaining Optimum Return on Cost

1. Depending on the organization, an ICO may require less than a full-time expert commitment.
2. Most, if not all work, likely can be performed remotely, avoiding travel costs.
3. ICO cost would be about the same as an Independent Compliance Program Effectiveness Evaluation, and including this in the agreement would be “killing two birds with one stone.”
4. An ICO can provide an authoritative briefing to executive leadership and the board on program status.
5. They can assist in setting qualifications for the Compliance Officer and perhaps assist in vetting candidates.
6. They can provide a “road map” to guide an incoming Compliance Office for an efficient transition.

For more information on this topic, contact Richard Kusserow at rkusserow@strategicm.com.

For answers to compliance FAQs, see <https://www.compliance.com/faqs/>

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About the Author

Richard P. Kusserow established Strategic Management Services, LLC, after retiring from being the DHHS Inspector General, and has assisted over 2,000 health care organizations and entities in developing, implementing and assessing compliance programs.

Be sure to complete the [2023 Healthcare Compliance Benchmark Report Survey](#), sponsored by SAI 360, to be followed up with a complimentary “[Current State of Healthcare Compliance Programs: 2023 Benchmark Survey Results](#)” webinar, March 16, 2023, at 1 PM Eastern, for all participating respondents. Jointly sponsored by SAI360 and Strategic Management Services, the webinar will feature a discussion of best practices and improvements that can be gleaned from the results by Richard Kusserow, former HHS Inspector General, and CEO of Strategic Management Services.