

SAI360

14TH ANNUAL

2023 Healthcare Compliance Benchmark Report



Executive Summary

This report provides results from the 14th 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 sector. It included questions related to the current state of healthcare compliance, including demographic data, resource levels, reporting relationships, compliance program operations, challenges, and priorities for 2023. In response to suggestions from past Survey Respondents, several questions were added, and others 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 ambulatory surgery centers (ASCs), long-term care, and behavioral health.



Table of Contents

Q1	HEALTHCARE ORGANIZATION TYPE.....	5	Q21	COMPLIANCE MESSAGING TO EMPLOYEES.....	14
Q2	NUMBER OF EMPLOYEES IN ORGANIZATION.....	5	Q22	EVIDENCING COMPLIANCE PROGRAM EFFECTIVENESS.....	14
Q3	STAFF LEVEL FOR COMPLIANCE DEPARTMENT.....	5	Q23	WHICH STATEMENTS APPLY TO YOUR COMPLIANCE PROGRAM.....	15
Q4	COMPLIANCE STAFF WORK LOCATION.....	6	Q24	ENFORCEMENT AGENCY ENCOUNTERS IN PAST THREE YEARS.....	16
Q5	COMPLIANCE OFFICER EDUCATIONAL BACKGROUND.....	6	Q25	2023 COMPLIANCE PROGRAM PLANS.....	16
Q6	COMPLIANCE OFFICER EDUCATIONAL LEVEL.....	7	Q26	COMPLIANCE PROGRAM'S PERFORMANCE LAST YEAR.....	17
Q7	YEARS OF EXPERIENCE.....	7	Q27	EXECUTIVE LEADERSHIP AND BOARD SUPPORT.....	17
Q8	COMPLIANCE OFFICER JOB LEVEL.....	8	Q28	FREQUENCY OF MEETING WITH THE BOARD.....	17
Q9	TIME TAKEN TO HIRE SOMEONE FOR COMPLIANCE.....	8	Q29	SCOPE AND RANGE OF COMPLIANCE OFFICE RESPONSIBILITIES.....	18
Q10	COMPLIANCE OFFICE BUDGET AND STAFFING LEVELS FOR 2023.....	8	Q30	RESPONSIBILITY FOR IT RISK AND PATIENT DATA PRIVACY.....	18
Q11	FUTURE CAREER PLANS.....	9	Q31	CHANGES IN COMPLIANCE SCOPE OF RESPONSIBILITIES.....	18
Q12	COMPLIANCE OFFICER REPORTING.....	9	Q32	CODE, POLICIES, AND PROCEDURE AVAILABILITY.....	19
Q13	INCLUDED IN THE COMPLIANCE OFFICE.....	9	Q33	COMPLIANCE DOCUMENT ADMINISTRATIVE MANAGEMENT.....	19
Q14	2023 BIGGEST COMPLIANCE OFFICE CHALLENGES.....	10	Q34	FREQUENCY OF EMPLOYEES' COMPLIANCE TRAINING.....	19
Q15	COVID-19 AND LABOR DISLOCATION CHALLENGES.....	10	Q35	EFFECTIVENESS EVALUATION.....	20
Q16	TOP 2023 COMPLIANCE OFFICE PRIORITY.....	11	Q36	INTERGRATED RISK AND COMPLIANCE.....	20
Q17	COMPLIANCE OFFICER ENGAGEMENT IN BUSINESS STRATEGY.....	12	Q37	2023 INITIATIVES BEING CONSIDERED.....	21
Q18	2023 TOP COMPLIANCE RISK CONCERN.....	12	Q38	DATABASES USED IN SCREENING.....	21
Q19	FREQUENCY OF POLICIES REVIEWS AND UPDATING.....	13	Q39	VENDOR SERVICES TO BE USED IN 2023.....	22
Q20	"TONE AT THE TOP" REGARDING COMPLIANCE.....	13	Q40	2023 TOP PRIORITIES FOR IMPROVING.....	22



Objectives and Survey Highlights

The 2023 Survey was designed to assist compliance officers in gaining information on how their compliance program compares with the industry at large. The DHHS Office of Inspector General (OIG) and the Department of Justice (DOJ) both note that the level of compliance program effectiveness can potentially reduce or aggravate penalties and/or settlement terms.

In Our Survey:

- The average Compliance Officer experience was eight years
- Most Compliance Officers report directly to CEO
- Half of Compliance Officers at C-Suite Executive Level
- Only a third of Compliance Officers were actively involved in business strategy development
- One-third reported having only one full- or part-time Compliance Officer with the average of five
- Over half reported Compliance office burdens increasing faster than resources to address them
- Most consider Compliance function as under-resourced and expect staffing to be unchanged
- Top compliance challenges were addressing compliance high-risk areas and resource limitations
- Most plan on conducting compliance reviews and audits of high-risk areas
- Ten percent plan adopting an Environmental, Social and Governance (ESG) program
- Most report the COVID-19 pandemic had significant effect on the workplace
- Only 16 percent reported their staff worked entirely on site
- Most rely on internally generated information to evidence program effectiveness
- Most common enforcement encounters are with OCR and OIG
- Evidencing program effectiveness was top priority for improving the Compliance Program in 2023
- The average length to fill a compliance department job opening was five months

Objectives and Survey Highlights

Q1 HEALTHCARE ORGANIZATION TYPE

As with previous surveys, nearly half of respondents were from hospitals. Following in close order, with each under 10 percent, were SNFs/Long Term Care, Health Insurance/Managed Care Plans, and Physician Practices/Clinics/ASCs. The last two categories had a significant number of respondents from Home Health/Hospice and Clinical/ Imaging Labs. One out of six respondents reported coming from other types of organizations not listed.

Q2 NUMBER OF EMPLOYEES IN ORGANIZATION

Nearly half of respondents reported their organization had 1,000 or fewer employees with about one-third between 1,000 to 4,999. The remaining 20 percent reported over 5,000. The results were very similar to those of 2022.

Q3 STAFF LEVEL FOR COMPLIANCE DEPARTMENT

About 30 percent of respondents reported having only one full or part time Compliance Officer to manage the program. Forty percent reported having two to five compliance staff with the remaining 30 percent over six staff. Results suggest the overall average was about five. 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 not likely that a single full or part-time Compliance Officer can adequately meet all the challenges, especially if also responsible for HIPAA Privacy.

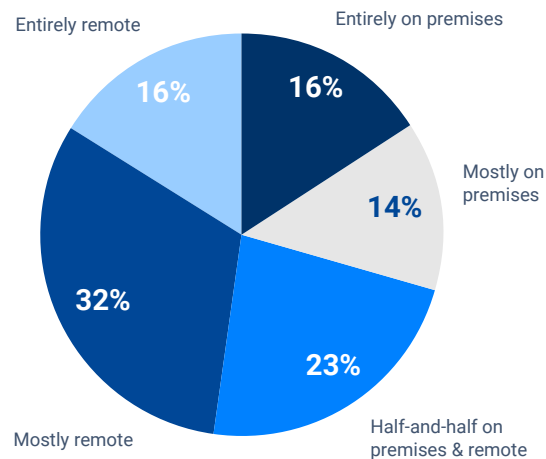


Q4 COMPLIANCE STAFF WORK LOCATION

It is universally recognized that the recent COVID-19 pandemic had significant effect on the workplace. Most organizations had to consider staff working remotely. This question was designed to determine the status of staff location in performing their work. Nearly half of respondents reported that compliance staff were working mostly or entirely remotely. Thirty percent reported work was entirely or mostly on premises. That left about a quarter that had the staff splitting their time roughly half on premises and half remotely.



Only 16% had staff working entirely on premises

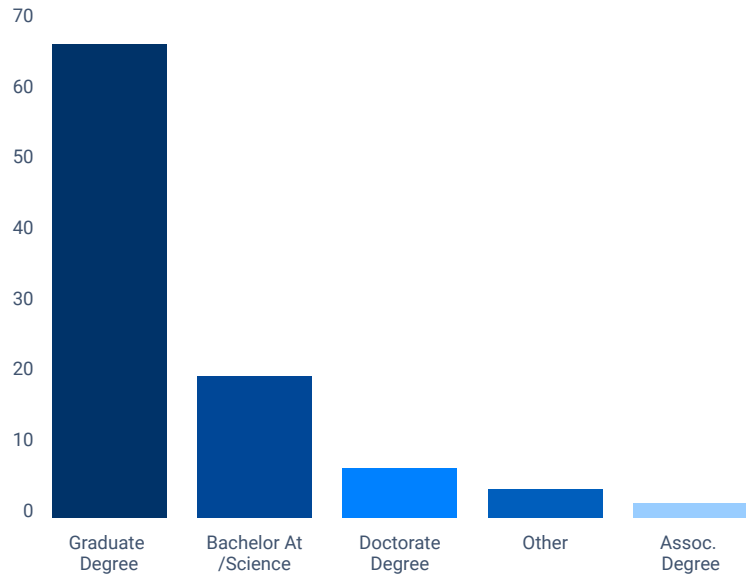


Q5 COMPLIANCE OFFICER EDUCATIONAL BACKGROUND

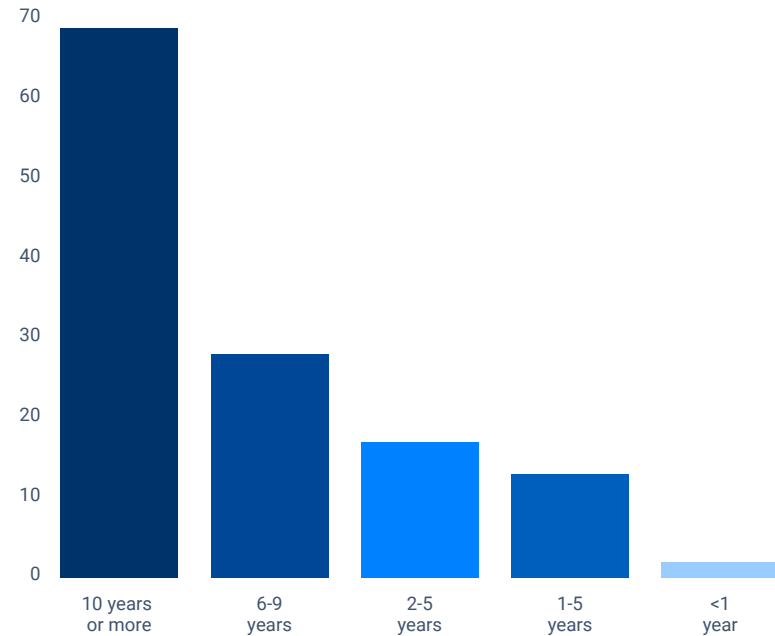
About one in three respondents reported the Compliance Officer having legal education. This was followed by Medical/Nursing/Clinical; and Business Administration, each at 22 percent. Audit/Finance was reported by 12 percent. The reminder, at around five percent each, were Government/Public Administration, Personnel Management, and Arts/Science.



Q6 COMPLIANCE OFFICER EDUCATIONAL LEVEL



Q7 YEARS OF EXPERIENCE WITH HEALTHCARE COMPLIANCE RESPONSIBILITIES



It has been over 20 years since the Office of Inspector General (OIG) began publishing guidance documents that prompted development of compliance programs. Answers to this question evidences the growth in maturity of the Compliance Officer position. More than two-thirds of respondents reported having 10+ years of compliance experience with an average of at least eight years.



Q8 COMPLIANCE OFFICER JOB LEVEL

The OIG and DOJ, when assessing Compliance Program effectiveness, look to the job level of the Compliance Officer within the organization. The expectation is that the Compliance Officer needs to be a high-level executive reporting directly to the CEO. Respondents split almost evenly between those reporting the Compliance Officer as a C-Suite Executive Level and those that were characterized as a member of senior management (e.g., Director Level). Organizations that fail to have a Compliance Officer in a senior executive leadership role will face challenges when trying to evidence a truly effective compliance program.

48% C-Level Executive (e.g. SVP/VP)

48% Senior Management (e.g. Director)

4% Other

Q9 TIME TAKEN TO HIRE SOMEONE FOR COMPLIANCE

With the onset of the COVID-19 pandemic, there was major disruption in the labor market. In what has been coined the “Great Resignation,” millions of employees quit their jobs. In addition, the retirement rate soared as many took early career exits. The healthcare sector was particularly hit hard, including among compliance offices.

The result has been widespread staffing shortages, resulting in untenable workloads for many compliance officers and their staff. This question was designed to determine how long it takes to hire someone. About half reported not having a hiring need recently, but for those who did, respondents reported it took an average of five months for a recruitment.

Q10 COMPLIANCE OFFICE BUDGET AND STAFFING LEVELS FOR 2023

Nearly six out of ten respondents expect the Compliance Office staffing level to remain at about the same as last year with 20 percent anticipating an increase and 10 percent expecting a decrease.





Q11 FUTURE CAREER PLANS

Two-thirds of respondents reported planning to continue their current career track. Only 10 percent indicated seeking a new compliance opportunity elsewhere, leaving three percent moving outside of compliance. The big question mark is with about 20 percent reported as being undecided about their current career plans.

Q13 INCLUDED IN THE COMPLIANCE OFFICE

Eight out of ten respondents reported direct operating costs are included in their budget with two-thirds including reporting that compliance-related initiatives were included. A majority reported that costs for vendors, outside consultants, and compliance tools and programs were included in their budget. However, only four out of ten report the inclusion of training costs in the budget.



80%
direct operating costs included in budget

Q12 COMPLIANCE OFFICER REPORTING

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. However, 17 percent stated reporting was to Legal Counsel, which is contrary to the position of both the OIG and DOJ, which they consider Legal Counsel as advocates for the organization and not as parties who can be counted upon to voluntarily disclose promptly violations of law and regulation to appropriate authorities. Ten percent of respondents had the Compliance Officer reporting directly to the Board with the remaining 20 percent reporting to a variety of other senior executives.

CEO/President	53%
COO	3%
Legal Counsel	17%
Board of Trustees	10%
CRO/CIO	2%
Senior VP	8%
Other	5%

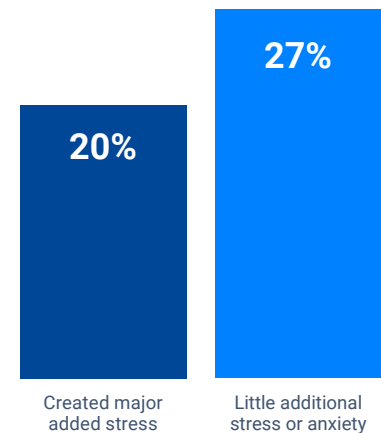


Q14 2023 BIGGEST COMPLIANCE OFFICE CHALLENGES

The top compliance challenge cited by one in four respondents as their biggest 2023 challenge was being able to address compliance high-risk areas. One in five respondents noted addressing resource limitations. A slightly fewer number of respondents cited meeting changes in the regulatory/enforcement environment. One out of eight cited coordination with other control functions (HR, Legal, Audit, Risk Management, etc.). The two remaining categories with significant result were improving senior management relations and hiring qualified staff. The biggest change from the previous year was increase of those who cited the challenges in the relationship with leadership.

Q15 COVID-19 AND LABOR DISLOCATION CHALLENGES

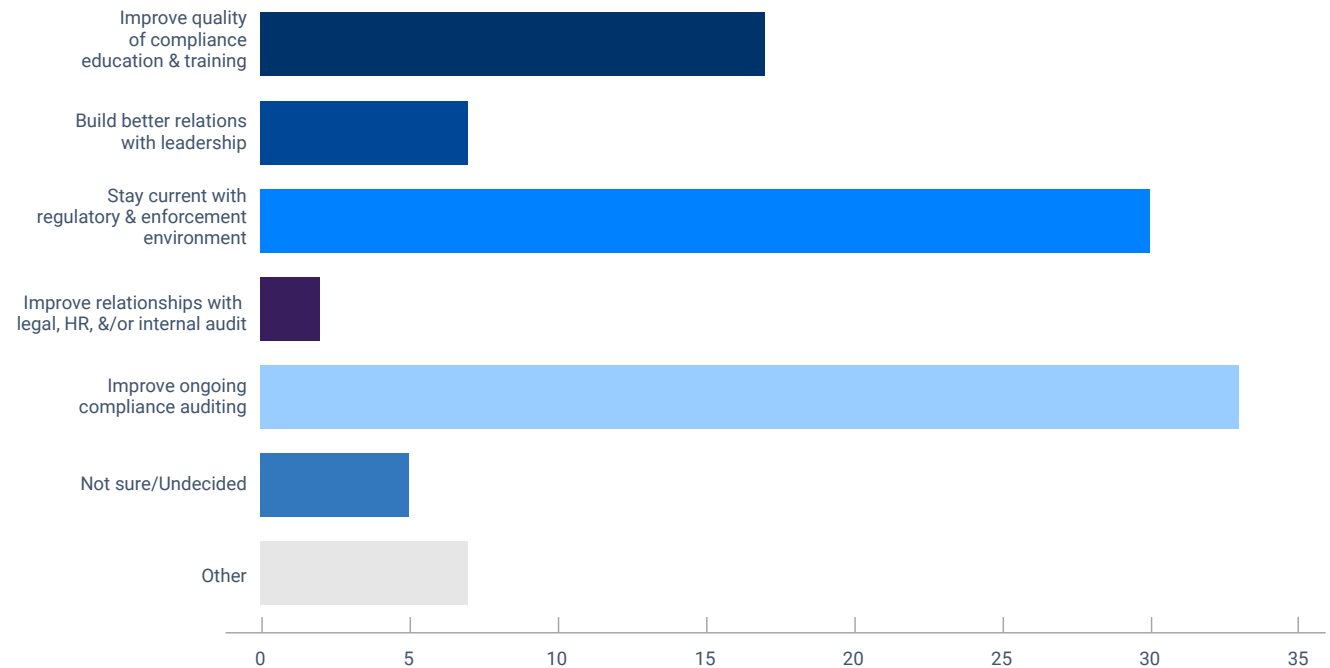
Past participants in the survey asked that this question be added to enable better understanding of the impact of the pandemic on compliance operations. About 20 percent of respondents reported the pandemic created major added stress and anxiety that impacted on the work. About half reported only moderate level of added stress that was manageable, and one quarter reported little additional stress or anxiety.





Q16 TOP 2023 COMPLIANCE OFFICE PRIORITY

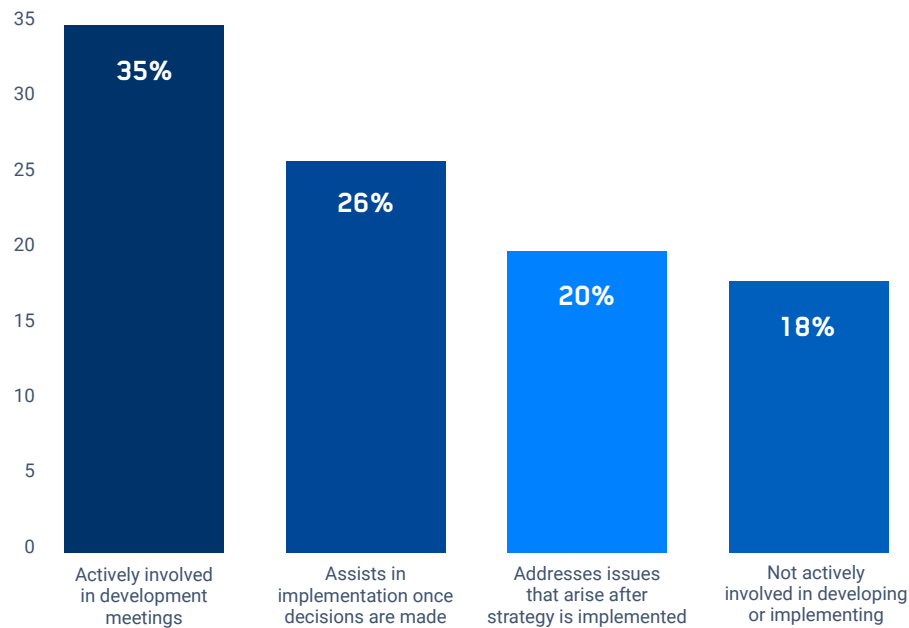
The 2023 top priority for improving the compliance program cited by one-third of the respondents was improvement in conducting ongoing compliance auditing. Thirty percent cited staying current with changing regulatory and enforcement environment. Following at 17 percent was improvement in quality of compliance education and training. Seven percent cited building better relationships with leadership. Seven percent cited building better relationships with leadership. Seven percent cited building better relationships with leadership.





Q17 COMPLIANCE OFFICER ENGAGEMENT IN BUSINESS STRATEGY

The key 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 important in evaluating commitment by organizations to compliance. This is the same level as found in the 2022 Survey. One quarter responded that the Compliance Officer assists in implementation of business strategy once decisions are made, which is six points higher than last year. One out of five reported the Compliance Office addresses the issues that arise after business strategy is implemented. Nearly one out of five reported not actively involved in either the development or implementation of business strategies, which would raise a “red flag” to either the DOJ or OIG.



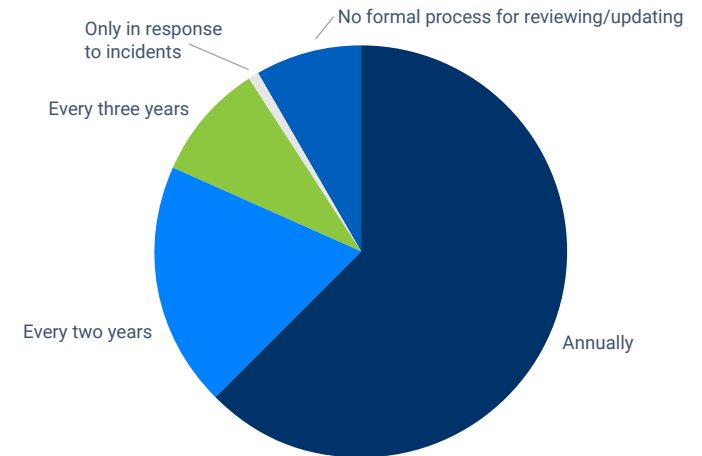
Q18 2023 TOP COMPLIANCE RISK CONCERN

Over one-third cited the top 2023 risk concern involved responding to new federal and state laws and regulations. One quarter of respondents reported information privacy and cybersecurity as their top concern, an area of high-ranking concern for the last four years, likely driven in response to the frequency of HIPAA breaches and cyberattacks. Following this risk area, was Claims Processing Accuracy cited by 14 percent of respondents. There continues to be a drop in priority for Arrangements with Referral Sources at eight percent, although this area continues to be the predominant basis for enforcement actions by the DOJ and OIG.



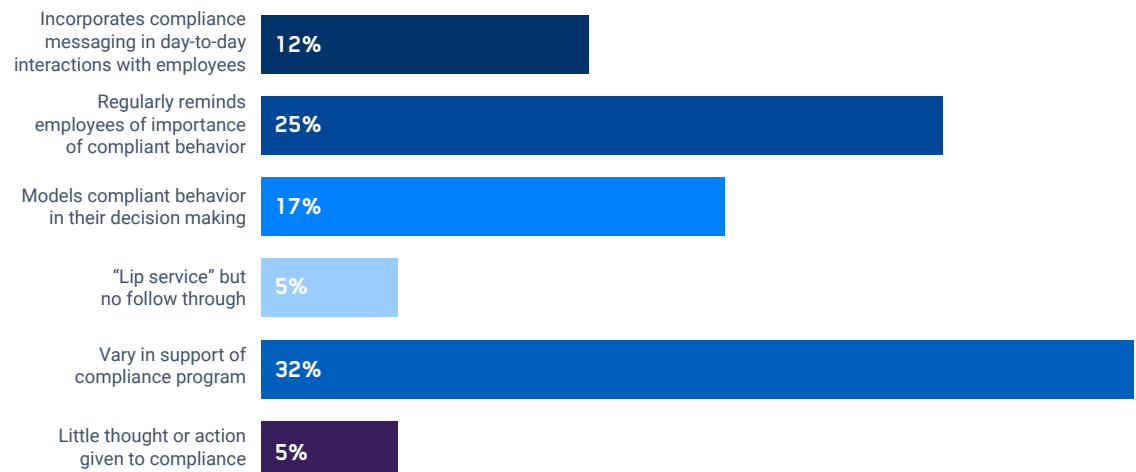
Q19 FREQUENCY OF CODE AND COMPLIANCE POLICIES REVIEWS AND UPDATING

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 code of conduct and compliance program-related policies should undergo annual reviews. There has been a growing number of respondents who reported meeting that annual review benchmark. Over the last three years, it has gone from half to over 60 percent. About 38 percent of respondents reported conducting reviews every two or three years, a major jump from 22 percent in 2022. For the remainder that reported no formal process, as needed, or other, consider taking action to better align with expectations.



Q20 "TONE AT THE TOP" REGARDING COMPLIANCE

Having a strong compliance "tone at the top" is stressed by both the DOJ and OIG. Its importance was underscored by new policy statements from the DOJ in 2022. Over half of respondents reported positively regarding "tone at the top," which is almost identical to that of 2022. However for those 45 percent reporting "tone at the top" in more negative terms, this could be a significant challenge for evidencing compliance effectiveness.





Q21 COMPLIANCE MESSAGING TO EMPLOYEES

Both the DOJ and OIG stress the important of having multiple channels of compliance communications. This question seeks to provide information as to methods being currently employed. Eight out of 10 respondents cited email messaging as a communication channel and over half cited special compliance events and activities. Half cited business unit meeting, followed closely by newsletters. One-third reporting having town hall meetings concerning compliance. Twenty-eight percent noted video and/or audit messaging. Results clearly evidence that Compliance Offices have seen the benefit of using multiple channels to promote the Compliance Program.



8^{out}
of 10
cited email
messaging

Q22 METHODS FOR EVIDENCING COMPLIANCE PROGRAM EFFECTIVENESS

In descending order beginning with the highest result was:

1. Audit Results
2. Ongoing Monitoring Reports
3. Results from Investigation
4. Internal Compliance Checklist Reviews
5. Training Testing
6. Surveying Employees
7. Independent Compliance Program Evaluations
8. Claims Processing Error Reduction

The results indicate the great majority use internally generated data to evidence compliance program effectiveness.



Q23 WHICH STATEMENTS APPLY TO YOUR COMPLIANCE PROGRAM

This question was designed to gain insights to the status of the compliance program and the issues being confronted at the outset of 2023.

Compliance office burdens are increasing faster than resources to address them	55%
Compliance function is under-resourced	52%
Compliance Officer is not at the same level as Legal Counsel	32%
Compliance Officer is not fully accepted as part of the senior management team	31%
Ongoing monitoring process by managers is ineffective in mitigating compliance risks	30%
Compliance Officer authority is limited in addressing compliance weaknesses	24%
Employees don't apply the lessons of compliance training in their work	21%
Having growing concern about Compliance Officer exposure to liability	18%



Q24 ENFORCEMENT AGENCY ENCOUNTERS IN PAST 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” it will happen. Results from the survey provide 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. The most likely encounter with regulatory agencies would involve the DHHS Office of Civil Rights (OCR) regarding HIPAA privacy breach disclosures. One-third reported having encounters with the OCR. Another third reported encounters with OIG auditors or investigators. In third place, 20 percent reported encounters with state agencies (primarily Medicaid Fraud Control Units). Encounters with the DOJ were reported by 16 percent, with a variety of other government agencies being reported by eight percent.

Q25 2023 COMPLIANCE PROGRAM PLANS

The top area reported by most respondents for 2023 plans was conducting compliance reviews and audits of high-risk areas, along with conducting an organization-wide risk assessment. Following this was to review, strengthen and update compliance-related documents (code, policies). Slightly less than half of respondents reported planning evaluation of their past identified patterns, review of third-party arrangements, or conducting a compliance survey of employees. About a third of respondents plan to improve coordination of risk management function, evaluate compliance monitoring by program managers, review arrangements with referral sources, and assess claims processing quality assurance program. Only about 10 percent report planning adoption of ESG programs.

1. Review/Update Compliance Related Documents (e.g., Code and Policies)
2. Conduct Compliance Reviews/Audits of High-Risk Areas
3. Conduct Organization-wide Compliance Risk Assessment
4. Evaluate Past Identified Compliance Issues for Patterns
5. Review Arrangements with Referral Source
6. Employee Compliance Survey
7. Improve Risk Management Coordination
8. Evaluate Program Manager Compliance Monitoring
9. Claims Processing Compliance Assessment
10. Adopt ESG Compliance Program



Q26 COMPLIANCE PROGRAM'S PERFORMANCE LAST YEAR

Despite the added challenges of the pandemic, three-quarters of respondents reported the compliance program underwent improvement with one quarter saying it stayed about the same or slipped. This mirrors last year's answers.



Q27 EXECUTIVE LEADERSHIP AND BOARD SUPPORT

One quarter of respondents reported support from executive leadership and board has improved significantly. Half reported making some progress in support. One quarter reported it was about the same or may have slipped some.

Q28 FREQUENCY OF COMPLIANCE OFFICER MEETING WITH THE BOARD

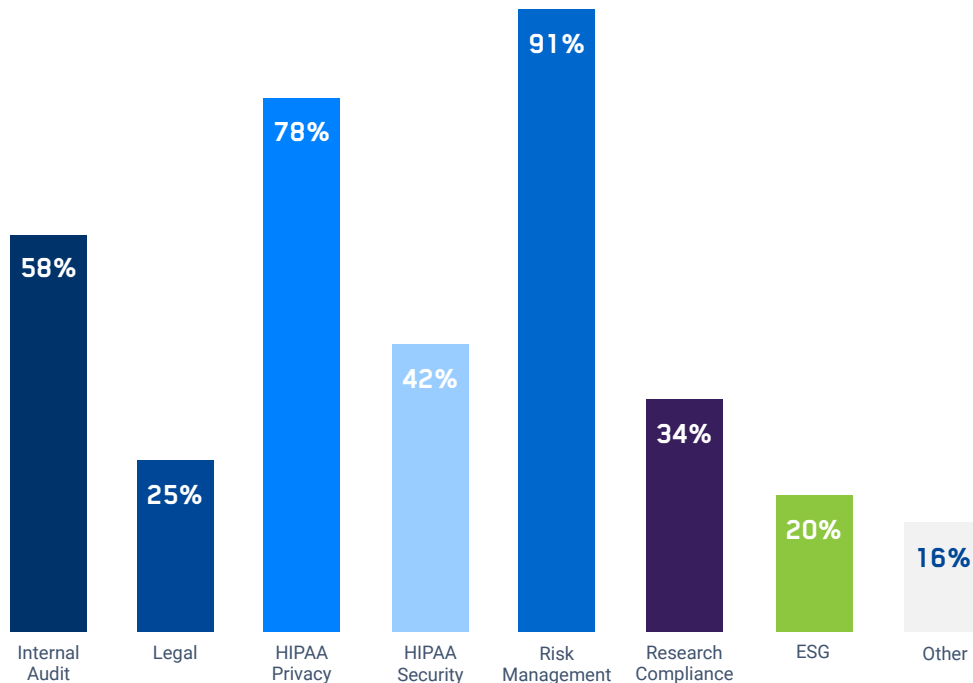
Fifty-eight percent of respondents reported their Compliance Officer meets with the Board at least quarterly, which is the best answer for organizations who want to demonstrate effectiveness. However this was significantly lower than the two-thirds reported in 2022. Meeting more often may involve the 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 its commitment to a culture of compliance. The 14 percent that state the meetings with the Board are only as needed or that there is no oversight or direct meetings with the Compliance Office, would be viewed as evidence of an ineffective Compliance Program.

70%	Annually
68%	Quarterly
14%	Monthly
8%	Never
7%	As needed



Q29 SCOPE AND RANGE OF COMPLIANCE OFFICE RESPONSIBILITIES

Many organizations view the Compliance Office as a convenient party to take on a variety of other duties as organizations tighten their budgetary belts. Care should be taken in assuming new responsibilities beyond the traditional compliance duties, especially where it risks undermining the compliance program. 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.



Q30 RESPONSIBILITY FOR IT RISK AND PATIENT DATA PRIVACY

This question was added to determine the level of involvement of the Compliance Office with Information Technology (IT) and data privacy compliance. Nearly six out of 10 respondents cited responsibility lies with IT or Chief Information Security Officer. Only one out of 10 respondents included this area as a Compliance Officer responsibility. About one in five linked this responsibility to the Chief Privacy Officer. The best practice is to separate HIPAA Privacy and Security. Most organizations have the Privacy piece under the Compliance Officer and Security with IT management.

Q31 CHANGES IN COMPLIANCE SCOPE OF RESPONSIBILITIES

A significant majority of respondents reported no significant recent changes; however, four out of 10 respondents report the scope of responsibilities has increased with only three percent saying it has been reduced. This suggests that the rapid movement of HIPAA Privacy under compliance has settled and no major new trend in assigning new responsibilities is underway now.



Q32 EMPLOYEE AVAILABILITY TO THE CODE, POLICIES, AND PROCEDURES

The ease of access by employee to the code and compliance policies is stressed in the DOJ Guidelines. It is expected by both the DOJ and OIG that there should be multiple methods for ensuring employee access and awareness of available written guidance. This question provides information as to how organizations are meeting this expectation. The three most common methods for making the code and policies available to employees in descending order were (a) during compliance training, (b) at new employee orientation, and (c) posting on the organization Intranet. A few reported disseminations via emails.

Q33 COMPLIANCE DOCUMENT ADMINISTRATIVE MANAGEMENT

Both the DOJ and OIG find it 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. Two-thirds of respondents reported their organization having policy management software or comprehensive document management software to meet this challenge. About one third reported doing this manually or not having a formal process.

Q34 FREQUENCY OF EMPLOYEES' COMPLIANCE TRAINING

Development and implementation of regular education and training programs are one of the seven critical elements of a compliance program. The OIG calls for training for all employees at new employee orientation and annually thereafter. It has reinforced this message by mandating this in Corporate Integrity Agreements. About eight in 10 respondents reported this standard was being applied in their organization. Sixteen percent reported annual compliance training only. Five percent reported either training is provided periodically as needed, or there is no training.



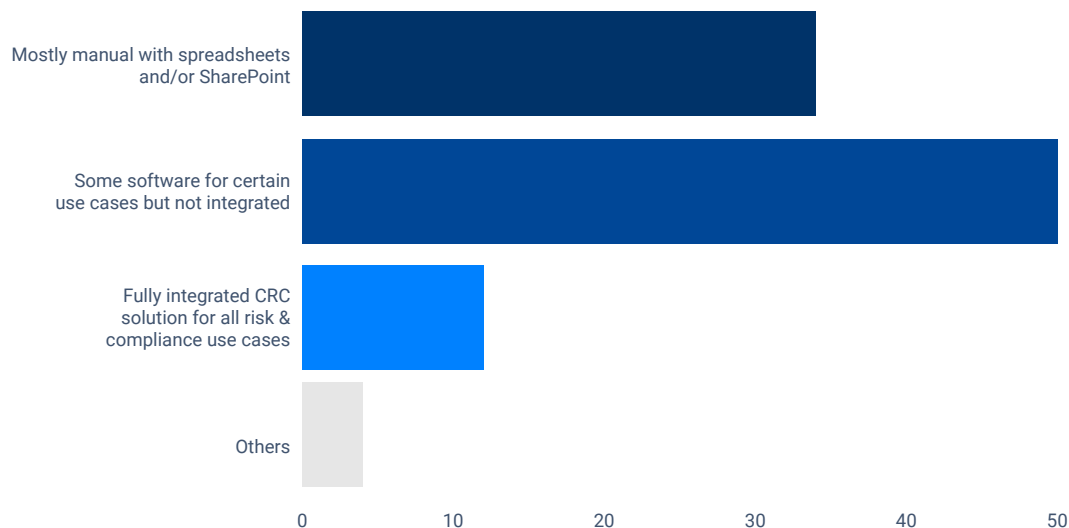


Q35 LAST TIME AN EFFECTIVENESS EVALUATION OF THE COMPLIANCE PROGRAM WAS INDEPENDENTLY EVALUATED BY OUTSIDE EXPERTS

Four out of ten respondents reported having an independent evaluation of their compliance program within the last three years. Another 12 percent reported having it done more than three years ago. However, nearly half of respondents noted that it has never been conducted or they are 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 suggest many organizations would have difficulty providing such evidence.

Q36 DEGREE TO WHICH ORGANIZATION IMPLEMENTED INTERGRATED RISK AND COMPLIANCE

This question provides additional information concerning compliance document management. Answers to these related questions provide evidence of a strong trend to automate compliance and risk management documents.





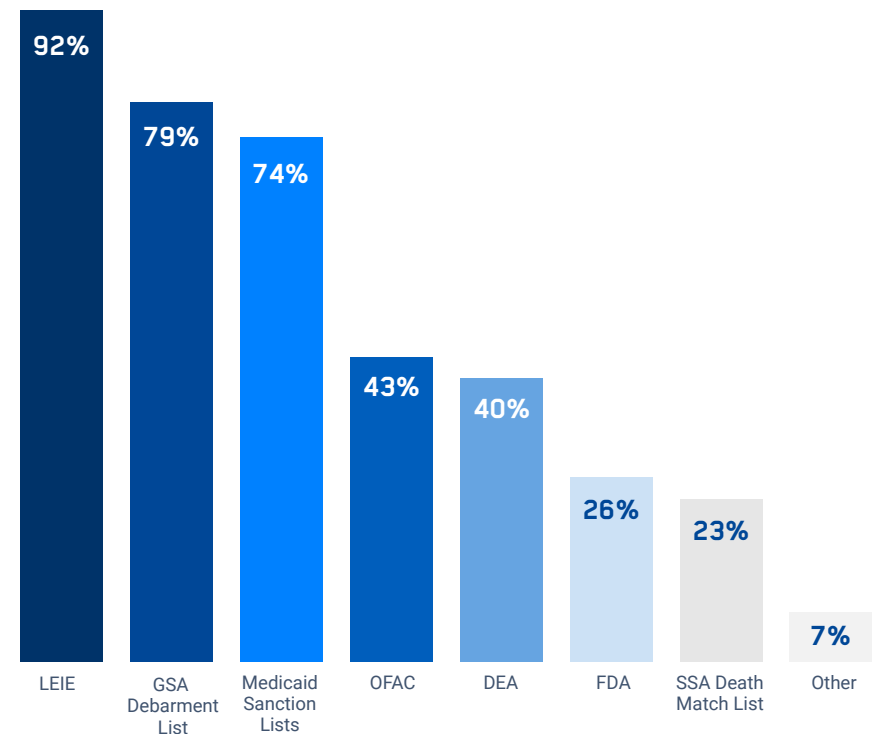
Q37 2023 INITIATIVES BEING CONSIDERED

This question was seeking information as to the direction by which Compliance Offices were planning to use their resources in 2023. Two-thirds of respondents cited improving ongoing compliance monitoring and auditing. This was followed by over half of respondents reporting HIPAA Privacy and Security assessments and evaluations. Four out of 10 respondents reported planning enterprise compliance risk assessments and conducting employee compliance surveys. One-third of responses indicated intent to have an independent compliance gap analysis or effectiveness evaluation. About one in four reported plans for reviewing arrangements with referral sources and evaluation of claims processing. Only one out of seven indicated the intent to develop an ESG compliance program.

1. Improve Ongoing Compliance Monitoring and Auditing 69%
2. HIPAA Privacy and Security Assessment 52%
3. Enterprise Risk Regulatory Assessment 43%
4. Employee Compliance Survey 42%
5. HIPAA Security/Cybersecurity Evaluation 40%
6. Arrangement Review 27%
7. Claims Processing Compliance Evaluation 25%
8. Independent Compliance Program Effectiveness Review 24%
9. Develop ESG Compliance Program 14%

Q38 DATABASES USED IN SCREENING

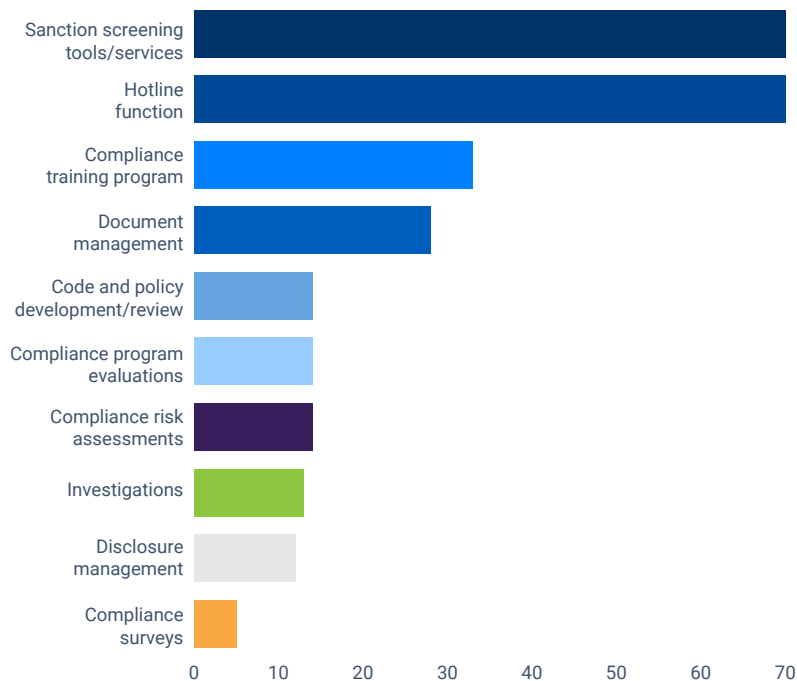
Sanction screening against the OIG List of Excluded Individuals/Entities (LEIE) is not optional. The Centers for Medicare & Medicaid Services (CMS) also call for screening against the General Services Administration Excluded Party List System (EPLS) and Medicaid sanction databases. There are also other sanction databases that organizations choose for screening. This year the trend for increased focus by organizations on sanction screening continues.





Q39 VENDOR SERVICES TO BE USED IN 2023

Results from respondents evidence a continued movement to outsourcing certain compliance related services. Seven out of 10 use a hotline vendor and a sanction screening/checking service. One-third of respondents reported using a vendor for compliance training programs. Nearly 30 percent cited using vendor document management services. Outsourcing compliance evaluations, risk assessments, code development/reviewing all were cited by about one in seven respondents.



Q40 2023 TOP PRIORITY FOR IMPROVING THE COMPLIANCE PROGRAM

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. These are areas commonly involving outsourcing to vendors. Also ranking high is commitment to compliance by executive leadership and the board, as well as 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.

TOP PRIORITIES IN DESCENDING ORDER

1. Evidence of Compliance Program Effectiveness
2. Compliance Risk Assessment Process
3. Ongoing Compliance Auditing
4. Compliance Training
5. Program Manager Ongoing Compliance Monitoring
6. Revising/Updating Compliance Related Documents
7. Compliance Issue Management/Documentation
8. Board Compliance Reporting
9. Upgrading Sanction Screening Process

Conclusion

For the past 14 years, the Compliance Benchmark Survey has been employed to measure compliance professionals on the state of their compliance program, plans and expectations for the future, and impact of changes on their operations. An integral part of the survey involves tracking trends. Results this year continue to evidence increased responsibilities with little increases of budget and staff. Also, results indicate added challenges presented by the recent pandemic. Respondents reported continued reliance and confidence in using vendor services (hotline, sanction-screening, training). The experience level among Compliance Officers continues to increase. Despite OIG and DOJ stated position for periodic independent credible evaluation of compliance program effectiveness, relatively few are reported having followed that advice in recent years, relying instead on self-assessments, checklist tools, internally generated surveys, and the like. Data from the 2023 Survey also evidence that organizations are far more likely to encounter enforcement agency involvement as result of failures with HIPAA compliance than from all other authorities combined.





Founded by Richard Kusserow, who served as Inspector General for the U.S. Department of Health and Human Services for 11 years, Strategic Management is the nation's leading healthcare compliance consulting firm. As the first firm to focus on corporate compliance initiatives, Strategic Management has assisted over 3,000 healthcare organizations with the development, implementation, management, evaluation and enhancement of their compliance programs for over 30 years. The firm also works with organizations to perform compliance risk assessments, conduct claims analysis and arrangement reviews, provide litigation support, and serve as the IRO or Board Compliance Expert to organizations under Corporate Integrity Agreements. Strategic Management also has the Compliance Resource Center which provides a comprehensive suite of services geared for improving Compliance Program operations and sustaining long-term compliance applicable laws and regulations, including hotline, policy development, & sanction screening. See [compliance.com](https://www.compliance.com).

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](https://www.sai360.com).