

HCCA



**HEALTH CARE
COMPLIANCE
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Letter from the CEO

Editor's note: Roy Snell gave the following speech at the Annual HCCA Member Meeting during the 2010 Compliance Institute in Dallas.

I would like to first take this opportunity to thank our outgoing President, Julene Brown, for her dedication and commitment; and I very much look forward to working with our new President, Jenny O'Brien. I would also like to thank our outgoing board members Greg Warner, Steve Ortquist, and Karen Murray. These people have contributed tremendously to the success of this organization and we have had a lot of success.

Please help me to thank our outgoing board members. Finally, I would like to welcome our new board members: Brian Flood, Cathy Boerner, and Margaret Hambleton.

Our auditors audit 150 professional associations each year. They estimate that our financial success last year put us in the 99th percentile of all professional associations. Despite the economy and big cuts in travel and education budgets, we had one of our best years ever. We have 170 more attendees at this meeting than last year. We seem to be recovering from the economic setback of the last couple of years.

In the past year, HCCA membership grew 5% to 6,400 and SCCE [The Society of Corporate Compliance and Ethics] grew almost 20% to 1,800. We have more than 2,100 certified compliance professionals in health care and research. A full 83% of our budget goes to member programs; 17% of our budget goes to administrative costs. This ratio is one of the best in the industry. It is because our board and our staff run a non-bureaucratic organization.

As a result of the forward thinking of our board, we now have the world's largest compliance social networking system, including Twitter, Facebook, LinkedIn, and our own social network. We now have over 10,000 people involved from all over the world.

Our own social network, HCCA NET, has 5,600 members and 11,000 content contributions—such as ideas, questions, answers, comments, and documents—have been shared among those individuals. These

people are networking 24/7/365. If you are not involved, you are going to miss out on important information. Our vendor says that we have one of the most active social networks of any association in the country. This is despite the fact that others, like the MGMA [Medical Group Management Association], have many more members than HCCA.



By all accounts, we are doing very well. We owe this to our staff, our board, and our volunteers. Please help me to congratulate the entire organization for its success.

There is more. I could talk for 30 minutes about our accomplishments, but I would rather take the rest of this membership meeting, not to talk about where we have been, but rather, where we are going. We have yet to face our biggest challenge.

There are several organizations that are trying to define our new profession. There are several other professions trying to define our profession, such as Audit, Legal, Risk, and Ethics. I find a common thread among most of them: They are conflicted, and they have very little knowledge about the life of a compliance officer and the role of a compliance program. Compliance is hot and everyone wants in on the act.

Some of these groups trying to define our profession are one fifth of our size. They are getting the ear of important people on how to define our profession, because they represent all industries, not just health care. The American Association of Corporate Counsel started a compliance group that grew to 1,600 members in one year. If the corporate counsel of this country define the role of the compliance officer, what this profession will become will be markedly different from where its headed now.

How many of you feel that that the compliance officer should be independent and free from conflict of interest?

How many of you think compliance officers should have unlimited access to all available information to complete their jobs?

How many of you feel that the compliance officer needs to be free to implement all elements of an effective compliance program as described in the Federal Sentencing Guidelines [FSG]?

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Health care leads the way in many of these categories. I can assure you that other industries, such as financial services, are seriously limited with respect to the aforementioned questions. The answers to the questions I just asked may seem blindingly obvious to you. The terrifying thing is that the answers to those questions are not blindingly obvious to the compliance professionals in some other industries.

In this country, the Audit department function is consistently defined among all companies. There is very little variation on issues, such as resources, independence, access to information, etc. in Audit departments from company to company. A standard for their profession has evolved.

I can assure you that the compliance function in this country is not standardized among industries. It soon will be. What standard will evolve? Will the mythology of an industry that has limited responsibility, authority, and resources evolve to be the standard for all industries?

HCCA is the largest compliance association on planet Earth, but often we have no seat at the table, because multi-industry associations are deemed more representative of the compliance profession. Those who are being asked to “represent” the compliance profession have an extremely distorted view of the profession. Some are focused on ethics, or risk, or audit, or GRC, rather than the Seven Elements as described in the FSG. Almost all other multi-industry compliance organizations that are getting a seat at the table are shoving compliance to the back of the room in favor of their pet theories.

In 2001, we sent a letter to the USSC [United States Sentencing Commission] asking to have our President, Greg Warner from the Mayo Clinic, have a seat at the table when the USSC revised Chapter 8 of the FSG. No document in this country is more important to the

compliance profession than Chapter 8 of the FSG. In my opinion, it is more important than all other compliance documents combined. We were denied participation, despite the fact that we had more members than any other compliance organization in the world. Why? Because we were “just health care.”

Health care compliance professionals were going to be left out of a lot of discussions, because they were “just health care.”

We did not have a seat at the table to help define the standard model for implementing compliance programs across industries. Many of those who were representing our profession at that table had never worked a day in their lives as compliance officers.

Let me tell you why that is a bigger problem than it seems on the surface.

Just take one other industry for example. The financial services industry compliance professionals are responsible for a fraction of the laws and regulations that affect their industry. Because of a stifling regulation that affects their compliance professionals, their jobs are limited. Many of them are not familiar with or interested in the FSG Seven Elements, because they are not asked to implement a comprehensive compliance program.

They fill out paperwork and check boxes. They are deemed to have an administrative role and have little authority. To many, they are considered a cost and a burden. Those looking on think that is the way all industries’ compliance programs work. Therefore, compliance programs are costly and have little benefit. Because of people like Bernie Madoff, the financial services industry has received a lot of attention. Many important people think that is commonplace. The SEC just hired a compliance officer and gave her the same limited job

definition and reporting relationship.

Many industries have a limited view of the role of the compliance professional. Many industries think compliance should report to the Legal department.

The reason we should have a seat at the table is because health care compliance professionals are knowledgeable and have implemented comprehensive compliance programs. We don’t want the business community to adopt a limited compliance methodology.

Like Audit, our profession will someday become standardized. HR [Human Resources], Audit, Legal, and the Finance department all were in as much disarray as our young profession is. Now they are all standardized.

Which industry’s model will become the standard?

This is why our board, 5 years ago, started the Society of Corporate Compliance and Ethics. It is a multi-industry compliance and ethics professional association.

It now represents 55 industries, including manufacturing, transportation, retail, etc. — virtually every industry. It includes members such as Microsoft, Boeing, and McDonalds.

Today, there are 1,800 members of SCCE, making it the largest organization of its kind in the United States.

SCCE and HCCA have a combined membership of 8,200. Together our organization is now larger than all other compliance professionals’ organizations in the world.

Combined, we have almost 3,000 certified compliance and ethics professionals. Five years

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THE HEALTH CARE COMPLIANCE ASSOCIATION ANNOUNCES 2010 Officers of the HCCA Board of Directors

HCCA 2010 EXECUTIVE COMMITTEE



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**DANIEL ROACH, JD, HCCA Non-Officer Member of
Executive Committee, Vice President Compliance and
Audit, Catholic Healthcare West**

"We are fortunate to have amassed a dedicated and gifted Board of Directors committed to HCCA's mission." —Roy Snell, CEO, HCCA



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ago, our board set out to build the world's largest multi-industry compliance association, and they have succeeded. They did so for many reasons. The preeminent reason is so that the compliance profession can determine the fate of the compliance profession.

We now have a seat at the table. As the world's largest multi-industry compliance and ethics organization, we will have a strong voice. In fact, it has already happened.

The USSC recently set out to update Chapter 8. They were putting their changes out for comment. I received a call from the Associate General Counsel of the USSC. He was familiar with us because we asked him to speak at the annual SCCE meeting. He said "We are looking forward to your comments." He called before this was released to the press.

Then, I find out that about five organizations had been asked to come and testify in front of the Commissioners on the proposed changes, including the Association of Corporate Counsel. We were not one of them. This time I called my

contact with a different story than the one we had in 2001. I wondered how they could leave out the world's largest multi-industry compliance organization. I told him we have done more training on the Sentencing Guidelines than any other organization in the world. I told him that we had the most certified compliance professionals in the world. I told him that we represent almost all industries. I mentioned that we now had members in 25 countries. He said the panels were full, but that he would look into it.

An hour later he called back and told me they had added a panel and we were in.

We now have a seat at the table because our board, 5 years ago, met for our annual strategic planning meeting. At that meeting, they put forward plans to build the world's largest compliance and ethics organization, SCCE.

In 1996, our board set out to build the most effective, content-rich health care compliance professional association in the world, HCCA. They got it done. Today you are attending the largest compliance professional meeting in the world.

In 2000, Debbie Troklus and the Compliance Certification Board, set out to build the best compliance credentials in the world. The CHC is now required or preferred by 85% of all our health care member organizations.

In 2005, our board set out to build the largest multi-industry organization in the world. Together, HCCA and SCCE are larger than all other compliance and ethics professional organizations in the world.

We now need to lead the effort to ensure that the standardization of the compliance profession among industries is done effectively. With SCCE, that is now a possibility. We have a seat at the table. We have more experts in the field of compliance than any other organization. We can make a difference. The compliance professional will be defining the compliance profession. We owe a great deal of thanks to our board, our staff, and our volunteers. I can assure you that we have a lot of work left to do. As they have before, I am sure that our board, our staff, and our volunteers will get this done. ■