# Checklist: Board Oversight of the Healthcare Compliance Function

According to the April 2015 report *Practical Guidance for Health Care Governing Boards on Compliance Oversight*, a board “must act in good faith in the exercise of its oversight responsibility … including making inquiries to ensure: (1) a corporate information and reporting system exists and (2) the reporting system is adequate to assure the Board that appropriate information … will come to its attention timely and as a matter of course.”

The report provides these specific recommendations.

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| **√** | **Recommendation**  |
| \_\_\_ | Use public compliance resources, such as the Federal Sentencing Guidelines (Guidelines), OIG’s voluntary compliance program guidance documents, and OIG Corporate Integrity Agreements. * A wealth of compliance information can be found at on the OIG’s [compliance page](http://oig.hhs.gov/compliance/), and the Federal Sentencing Guidelines are published by the [U.S. Sentencing Commission](http://www.ussc.gov).
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| \_\_\_ | Put forth a meaningful effort to review the adequacy of existing compliance systems and functions and ensure that hospital management is aware of the resources listed above. |
| \_\_\_ | Develop a *formal plan* to stay abreast of the ever-changing regulatory landscape and operating environment. |
| \_\_\_ | With respect to regulatory and compliance matters, raise the level of substantive expertise by adding to the board, or periodically consulting with, an experienced regulatory, compliance, or legal professional. |
| \_\_\_ | In charters or other organizational documents, define the interrelationship of and draw functional boundaries for the audit, compliance, and legal functions. |
| \_\_\_ | Set and enforce clear expectations for receiving particular types of compliance-related information from various members of management. |
| \_\_\_ | Consider conducting routine “executive sessions” — i.e., excluding senior management — with leaders of the compliance, legal, internal audit, and quality functions to encourage more open communication about the status of the compliance program and any related issues. * Those individuals could meet with the board separately on occasion to discuss the level of cooperation among their respective departments.
* Conducting those sessions on a regular basis avoids the suspicions that can arise when they are called only when problems arise.
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| \_\_\_ | Ensure that management and the board have strong processes for identifying risk areas, that management consistently reviews and audits risk areas, and that management develops, implements, and monitors appropriate corrective action plans. |
| \_\_\_ | Support the concept that compliance is “a way of life” by, for example, requiring that compliance metrics be made a factor in annual performance reviews and incentive programs.  |

The bottom line: “Every Board is responsible for ensuring that its organization complies with relevant Federal, State, and local laws.”

*Source:* Adapted from Office of Inspector General, U.S. Department of Health and Human Services, Association of Healthcare Internal Auditors, American Health Lawyers Association, and Health Care Compliance Association, [*Practical Guidance for Health Care Governing Boards on Compliance Oversight*](http://oig.hhs.gov/newsroom/news-releases/2015/guidance-release2015.asp), April 2015.