

**Metrics that Matter –  
Demonstrating  
Your Program  
Effectiveness**

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## Objectives

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- Review newest guidance from OIG for program evaluation
- Discuss Elements that demonstrate effectiveness
- Provide examples that highlight metrics that support program effectiveness

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## Why is this Topic Important?

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Department of Justice (DOJ) & the OIG expect organizations to have knowledge of the regulatory risks and demonstrate compliance program efforts to address risk

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Metric reporting can tell the story and get the “aha” moment.....plus can make or break confidence in the compliance program

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New guidance highlights the methods the DOJ/OIG will use to determine program effectiveness

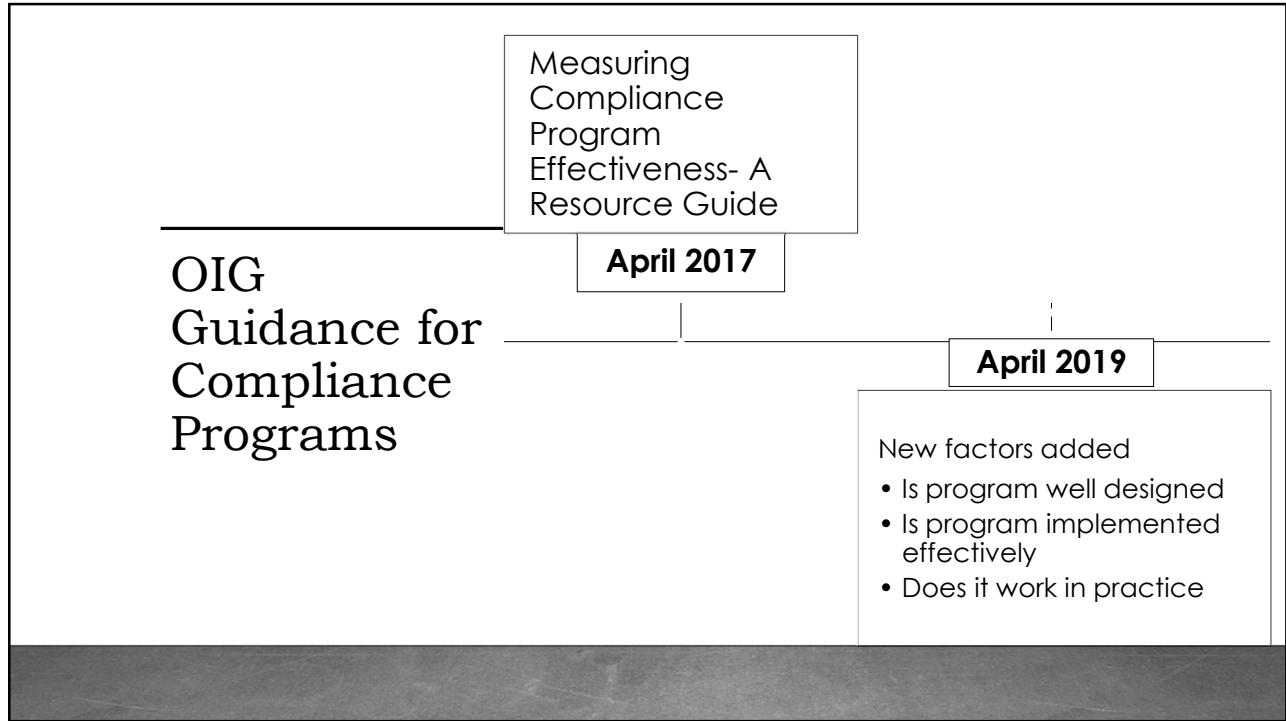
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No longer “enough” to just meet the seven elements – must be able to provide hard/objective evidence of compliance program effectiveness.

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<p>Why is this topic important?</p>	<ul style="list-style-type: none"><li>• Department of Justice (DOJ) &amp; the Office of Inspector General (OIG) expectations</li><li>• Metric reporting can tell the story</li><li>• New guidance highlights the methods the DOJ/OIG will use to determine program effectiveness</li><li>• No longer “enough” to just meet the seven elements</li></ul>
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## Definitions

- **Effectiveness** relates to an outcome that produces a decisive or desired result
- **Performance Metrics** measure an organization’s activities and performance against standards both internally and externally
- **Output** relates to what is being done; volume, quantity, or amount resulting from a process, but it does not answer the question of how well it is working.
- **Outcome** is change, benefit or other effects that happen as a result of the process; it provides information on how well a process is working.

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# Measures

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What methodology do you use to identify, analyze, and address high risk areas?

Does your company devote adequate resources and scrutiny to high risk areas?

Do you regularly review and update your risk assessment?

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# Measures

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How do you know your compliance program is working?

How are violations tracked, sanctioned and reported?

Is your training effective? How do you measure this?

Are you trending your program progress?

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## Effectiveness

- Tends to be hard data
- Helps management understand internal trends
- Benchmarks
  - Internal progress
  - National comparative
- Must be timely, specific, measurable, & relevant

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## Effectiveness

- Outcome metrics may help ID needed root cause analysis
- Action plan outcomes
- Using process-oriented reporting may not be enough
- Must show outcome evidence to meet OIG expectations

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## Metrics 101

- Hotline Volumes
- Compliance audits performed
- % employees trained
- Policies developed & reviewed


## Metrics 201

- Hotline + all reported concerns with category, anonymous, substantiation & resolution
- Audit outcomes with paybacks and action plan completion
- Retention of training
- Employee hits on key policies



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## More Metrics

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- Sanction Screening
  - Code of Conduct review and access
  - New Provider, Director, Exec Management specific orientation
  - Time to close/resolve investigations
  - Exit interviews with a compliance concern

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## Culture Survey

- I know why we have a compliance program
- I know who my Compliance Officer is
- I know how to report a concern
- My supervisor cares about compliance
- My supervisor encourages ethical behavior
- I feel comfortable reporting a concern



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Sounds  
GREAT,  
but.....

- Do you know the right questions to ask to pull the meaningful data? Are you comparing apples to apples?
- How available is your objective, measurable data – can you trend it?
- Do you trust the credibility of data internally or from 3<sup>rd</sup> parties?

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Crazy amount of work.....

**YOU DON'T HAVE  
TO BE CRAZY  
TO WORK HERE.  
WE'LL TRAIN YOU.**

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**Where to Focus your Energy**

Pick your top risk areas and pull baseline data with an intention to;

- Build metrics that paints a picture and tells the story
  - shares insights and perspective on key issues
  - provides lively, robust discussion points of key metrics

Your data should provide you and your organizational leadership with overview of the depth of CO knowledge and effectiveness of the compliance program

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## Program Effectiveness Reports

- Tailor to culture of organization
- In line with organization's strategic objectives
- Open investigations/settlements, progress with planned audits, root cause analysis
  - What is the right level of detail?

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## Report Content



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## National Peer Benchmarks

- Training
- Hotline/Reported Concerns
  - Volume
  - Substantiation
  - Anonymous
- Retaliation
- Culture Survey Questions
- Staffing and budget



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- OIG resource guide offers MANY suggestions for audits/metrics to show effectiveness.



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## Policy & Procedure

Code of Conduct:		
1.41	Code of Conduct	Audit: Review dates, board approvals, distribution processes, attestations, survey employees for understanding, conduct focus groups.
1.42	Compliance program awareness and communication	Survey employees to determine the extent to which they know the content of the Standards of Conduct (SOC) and how to access it.
1.43	Integrate mission, vision, values, and ethical principles with code of conduct	Compare code with mission and vision statements to see if it includes elements/statements. Check to see if code is accessible to employees
1.44	Maintenance of code of conduct	Is code written, posted for employees, documented frequency of reviews, and survey/test employees on ability to locate it
1.45	Distribution	Documentation of Code of Conduct distribution tracking and results over past two years for all employees, employed physicians, allied health professionals, independent (contracted) physicians, volunteers and vendors/contractor/consultants in the organization
1.46	Orientation	Audit to ensure all employees receive orientation to the SOC and compliance policies within 30 days of hire.
1.47	Staff understanding of code of conduct and policies and procedures	<ul style="list-style-type: none"> <li>Review test scores after training.</li> <li>Conduct interviews.</li> </ul>

Source: OIG Resource Guide for Compliance Program Effectiveness

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## Program Administration

Culture:		
2.41	Accountability	SURVEY - Does the compliance department have an impact on how you do your job? (Yes/No/Don't know)
2.42	Accuracy and Trust in Monitoring	SURVEY: Do you believe the information from your department is reported with a high degree of integrity and accuracy? (Yes/ No/Don't know)
2.43	Culture	Conduct cultural survey (interviews, confidential surveys, focus groups, etc.) and report findings to compliance committee and board. Review minutes to ensure report out and action plan established.
2.44	Effectiveness of compliance program in the field	Survey of field compliance people
2.45	What is company doing to drive compliance culture?	Surveys. <ul style="list-style-type: none"> <li>What does company incentivize?</li> <li>What does the company promote and look down on?</li> <li>Is compliance program tied to mission, vision, values?</li> </ul>
2.46	Employee comments from "Rounding"	Audit the tracking of what employees report when proactively asked by compliance department (or leadership, etc.) and how this information is managed and reported.

Source: OIG Resource Guide for Compliance Program Effectiveness

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## Audit/Monitor and Internal Reporting

<i>Reporting System:</i>	
5.1	Accessibility of reporting system Interviews. Surveys. Ask employees and managers if the reporting system is accessible to them. Is it available in languages that are most spoken in the organization?
5.2	Adherence to 60-day overpayment rule Review incident tracker; ensure days to open or days to close do not exceed that timeframe. Track efforts to identify; status benchmarks specific days to completion.
5.3	Trust in the system Survey - Do you feel you can freely report ethics and compliance issues without fear of retaliation from managers? (Yes/No/Don't Know).
5.4	Reporting and Investigation Process Review external benchmarking reports (# of calls, time it takes to close cases, anonymous, etc.).
5.5	Reporting system – compliance response to reporters Document review. Focused groups and speaking with employees about hotline. <ul style="list-style-type: none"> <li>• Are calls made through reporting system responsive to reporters?</li> <li>• Are policies followed regarding the response to reports received?</li> <li>• Are reports responded to on regular intervals and updated appropriately?</li> </ul>
5.6	Reporting System: Hotline/Direct contacts Document review, audit. <ul style="list-style-type: none"> <li>• Are hotline calls or matters brought to the attention of the compliance department (direct contacts) categorized, trended, and reported to the compliance committee and board level committee?</li> <li>• Are there tracking, trending and reporting of how these matters have been resolved?</li> </ul>
5.7	Reporting to compliance (hotline, report to the compliance officers, etc.) Reports reflect communication methods (call, anonymous, email, direct, etc.)?

Source: *OIG Resource Guide for Compliance Program Effectiveness*

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## Questions to be prepared to address

- Is the scope and adequacy of the compliance program aligned to the size and complexity of the organization?
- Does the scope and adequacy of the compliance program align with well recognized programs at similar companies? (benchmarking)
- What has changed in the regulatory landscape that could affect the scope and adequacy of your compliance program?
- Is your compliance program appropriately resourced to achieve a level of scope and adequacy we expect?
- Do you need a compliance expert as a board member to advise your Board?

Source: *Practical Guidance for Healthcare Boards*

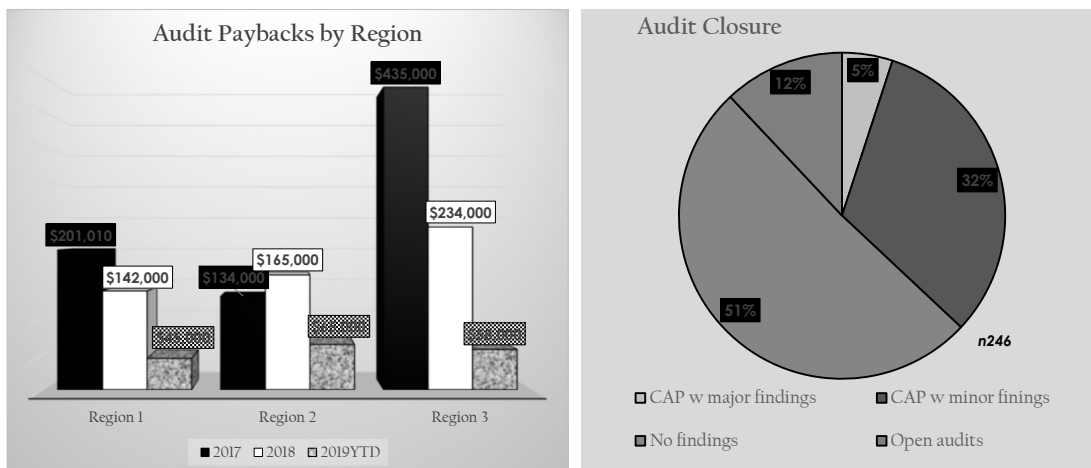
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## How to use data

- Trend output by market, service lines, highest risk
- Judge progress in reducing or eliminating potential risk areas
- Identify where to allocate resources and provide training
- Show strengths as well as weaknesses
- Results provide the “what” but may not tell the “why”

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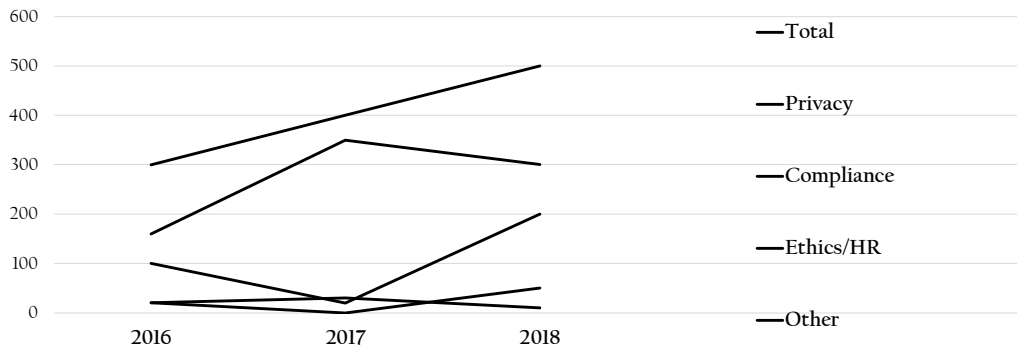
## Audits & Monitoring (examples)



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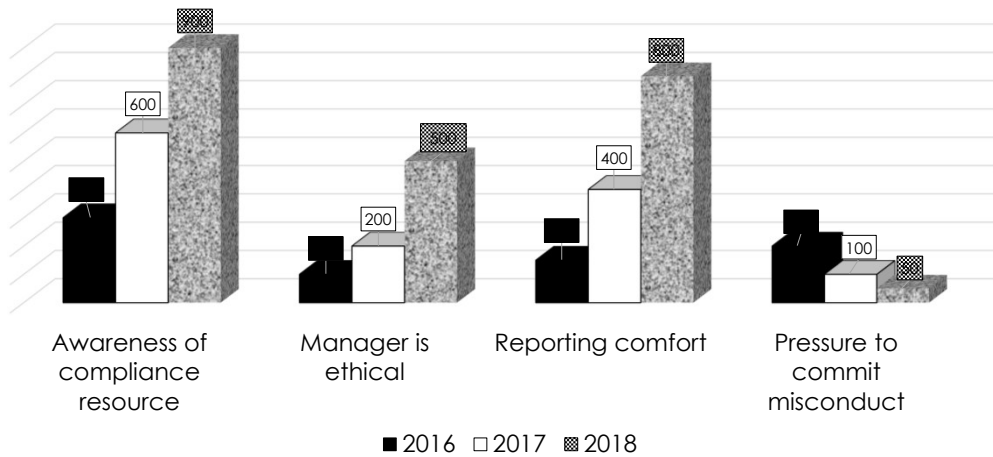
## Trended Hotline/Reported Concerns by Category (example)



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## Culture Survey (example)



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**Chart 6. What Metrics Do You Use to Measure Compliance Program Effectiveness?**

Source: 2019 Navex Corporate Compliance Benchmarks

		MATURITY LEVEL			
		Reactive	Basic	Maturing	Advanced
Employee Surveys and Other Culture Assessments	49%	10%	35%	58%	81%
Analysis of Internal Audit Findings	48%	6%	32%	59%	84%
Breaches of the Code of Conduct / Internal Policies	48%	10%	35%	57%	85%
Conducting Exit Interviews and Measuring Employee Turnover	45%	13%	37%	55%	63%
Tracking Whistleblowing Reports, Retaliation and Substantiation Rates	41%	2%	31%	45%	83%
Employee Quizzes on Training or Policies	39%	9%	29%	47%	60%
Attestation Rates on Training and Policy Programs	34%	10%	22%	39%	72%
Comparisons Using Third Party Measurements or Benchmarks	24%	1%	12%	26%	66%
Case Closure Times	22%	4%	13%	21%	57%
Independent Evaluations by Outside Counsel and / or Consultants	21%	3%	10%	26%	47%
Monitoring Reviews on 'Glassdoor' / Social Media Articles / News Reports	16%	3%	10%	20%	28%

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## TIPS for Success

- Validate data source - Check, double check, & understand
  - Test your data graphics on your team to assure that they agree and understand
- Don't tell - show/demonstrate
- Use plain language – avoid industry jargon and acronyms
- Interactive discussions

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## Final Report Recommendation;

- Keep it simple and to the point
  - Fewer words, more punch – let your graphics tell the story
- Highlight the key takeaways
- Allow time for discussion
- Provide clear answers to questions – if unable, promise to research and get back with answers.

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## Resources

- Measuring Compliance Program Effectiveness: A Resource Guide <https://oig.hhs.gov/compliance/101/files/HCCA-OIG-Resource-Guide.pdf>
- 2019 DOJ Compliance Program Guidance Update <https://corpgov.law.harvard.edu/2019/06/10/new-doj-compliance-program-guidance/>
- 2019 Navex Corporate Compliance Benchmark <https://www.navexglobal.com/en-us/resources/benchmarking-reports/2019-definitive-corporate-compliance-benchmark-report?RCAssetNumber=5389>



*Thank you!*

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