



Healthcare provider compliance programs

The Affordable Care Act requires all providers to institute effective compliance programs. Although our health care laws may change, the requirements for effective compliance programs will remain constant.

“Facing increasing oversight and enforcement of healthcare compliance nationally, providers should now be working to evaluate and assess their current compliance programs against the most stringent federal and state recommendations and frameworks.”

— Dion Sheidy, Partner, KPMG

Would your program stand up to federal or state inspection?

Compliance has never been so important for healthcare providers. In fact, to succeed in the new healthcare environment, providers will need to ensure that they cannot only demonstrate that they maintain an effective compliance program, but that it also meets certain standards and is robust enough to identify and manage emerging compliance risks.

Failure to do so can result in hefty penalties and fines, damaged reputations, and even criminal exposure in certain instances.

In order to mitigate these risks, providers should already be working to ensure that they can meet the standards set by the most far-reaching federal or state compliance requirements available (such as those of the New York Office of the Medicaid Inspector General, the Department of Justice, the Office of Inspector General, and the Federal Sentencing Guidelines).

At KPMG LLP (KPMG), we have helped healthcare entities of all sizes navigate the continuously changing compliance environment and have worked closely with regulators on audit protocols. So we know what it takes to implement and maintain an effective compliance program.



Ready for inspection?

- **Is your organization structured in a manner that promotes** effective compliance governance as well as a “three lines of defense” approach for managing prominent compliance risks?
- **Does your organization fully understand** its current and near-term compliance requirements?
- **Is your organization able to anticipate** and quickly adapt to changes in the “regulatory direction” at both the federal and state levels?
- **Is risk management and compliance fully integrated** into your business decision-making processes?
- **Are you confident in your current controls** to address fraud, waste, abuse and billing concerns?
- **Do you maintain an efficient process** for evaluating the effectiveness of your existing controls, identifying gaps and then responding as necessary?

If you answered “no” to any of these questions, you may be exposing your organization to hefty penalties and fines, damaged reputations, and even criminal exposure in certain instances.

“To remain compliant in an ever-changing regulatory environment, providers will need to take a holistic approach that encourages an organizational culture in which risk management and compliance concerns are aligned with business strategies.”

— Jen Shimek, Partner, KPMG

Assessing compliance risk and effectiveness

KPMG can help you assess the effectiveness of your compliance program and identify related risks by evaluating your program against all relevant federal and state guidelines. These assessments can take the following forms:

Compliance Program Effectiveness Assessment

We evaluate the current state of your compliance program against the requirements set forth by the regulators, identify gaps and structural observations, and offer recommendations for remediating such gaps.

Compliance Program Risk Assessment

We evaluate the current state of controls maintained across your organization to mitigate key compliance risks in order to thoroughly assess, prioritize and quantify such potential risks, create robust monitoring plans, and improve testing processes and controls moving forward.

Immediate results from long-term approaches

Every day, our professionals leverage our firm’s capabilities to deliver outstanding value to our clients. Leading healthcare organizations choose KPMG because:

We are truly objective: As a recognized and trusted third-party advisor, KPMG provides objective and independent assessments.

Our experience is impressive: Our people are highly experienced in compliance strategies, processes, tools and controls, and our insights are based on decades of experience advising healthcare providers of all sizes.

We have a tried and tested approach: Our approach is not only tried and tested in the industry, but it is also highly customizable to suit the unique needs of our clients.

We get executive buy-in: Our compliance program report enables executive management to focus on critical high-level issues based on an overall understanding of the organization’s compliance preparedness and potential risks.

We help clients move from strategy to reality: Our professionals do not just deliver robust strategies; they also help implement them in coordination with our clients’ own legal, IT, internal audit, operations and compliance functions.

Six steps to an effective compliance program

The most effective compliance programs are those that take a holistic approach to governance, risk and compliance while simultaneously promoting an organizational “risk” culture where compliance is aligned to business strategy. Achieving this will require providers to take six key steps:

1. **Map the gap** – know what a good compliance program looks like in today’s regulatory environment and then map those components back to your own program to identify gaps.
2. **Improve efficiency** – unify any fragmented compliance structures, systems and processes and consolidate resources and effort across all compliance functions and activities.
3. **Embed the capability** – incorporate risk management, legal and regulatory compliance specialists into the business decision-making process to support corporate strategies.
4. **Build your defense** – implement a “three lines of defense” approach in which business owners, managerial standards setters and assurance providers fulfill distinct roles while working as a team.
5. **Get buy-in** – ensure that organizational policies and procedures are approved by executive leadership and integrated throughout the organization, and confirm that staff members understand their responsibilities in connection with such policies.
6. **Constantly reevaluate** – never stop looking for opportunities for improvement by continuously reviewing and testing organizational processes and controls.

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