



A global healthcare organization invests in Protiviti's expertise to improve compliance program effectiveness

Keys to Success

Change Requested

Assess the effectiveness of the enterprise compliance program and provide interim leadership and staffing

Change Envisioned

Elevate the maturity of the global compliance function through targeted improvements to people, processes and technology, while managing the function on a daily basis

Change Achieved

A mature global compliance function capable of identifying and addressing issues in a timely, consistent and methodical manner. Key achievements: Revamped leadership ranks, a new compliance charter, refreshed policies and procedures and supporting technology, and streamlined reporting to the executive team and the board.

A mature compliance function is crucial to the success of healthcare organizations, which operate in a highly-regulated environment. For large organizations, creating a centralized compliance program that also responds to the unique compliance requirements of each region in which they operate can be a real challenge, often complicated by the need for experienced and knowledgeable staff.

When one of Protiviti's clients — a healthcare organization with significant hospital, physician group, post-acute and joint venture operations — detected the need for a stronger regulatory compliance program, it took swift and resolute action. This action was a bold effort that entrusted leadership and management of the firm's compliance department to a Protiviti team of experts and resulted in a broad range of tangible talent, procedural and technological improvements — changes that together amounted to an invigorated and robust compliance program capable of scaling with the company.

"When our organization needed interim compliance department leadership, the first thought of both management and the board's audit and compliance committee members was of our partner, Protiviti. Protiviti was not only able to quickly evaluate the scope and effectiveness of our compliance department's oversight, but was also able to very quickly fill identified gaps with appropriately experienced compliance personnel."

— Chief Administrative Officer

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To solve its compliance challenges, the healthcare organization called on Protiviti as a familiar and trusted resource. Protiviti had previously conducted several process improvement initiatives for the company and currently serves as its co-sourced internal audit partner. In the latter role, Protiviti has performed compliance-related audits, and two Protiviti leaders report quarterly to the audit and compliance committee. That familiarity and trust enabled the healthcare organization to give Protiviti a substantial, two-pronged mandate:

- Take over the compliance function by providing it with an interim chief compliance officer (CCO) while staffing other compliance positions with experts as needed; and
- Evaluate the function's health and identify and implement a set of fixes to bolster the function's effectiveness.

Protiviti leveraged its partnership with its parent company Robert Half, a global staffing firm, to address the healthcare organization's most-specialized compliance talent needs.

Starting With an Effectiveness Evaluation

The healthcare organization sensed that its compliance function was struggling with distinguishing major compliance risks from minor compliance issues. Management requested a comprehensive evaluation of the function to discover the root cause of the difficulties.

With a Protiviti compliance expert as the interim CCO, the Protiviti team initiated a top-to-bottom compliance program effectiveness evaluation, calling on a number of subject-matter experts to assist with specific aspects of the analysis and to fill gaps in staffing positions identified by the evaluation. Among the resources deployed were compliance professionals selected for their deep expertise in specific healthcare environments such as acute care facilities, physician groups and health plans.

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Implementing Improvements

Protiviti identified approximately a half-dozen high-priority improvement recommendations. To the healthcare organization's credit, management took

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action on all of those high-priority issues, enlisting Protiviti to implement the following:

- **Strategic, structural and procedural improvements** — These included a comprehensive revision of the compliance function charter; refreshing and clarifying policies and procedures, including key compliance processes within the business units; and creation or modification of a number of organizational risk and compliance committees. The new compliance program included a better-defined work plan designed to provide coverage across all domains of the business with improved accountability for tracking progress. A new methodology for creating regional and business unit annual compliance work plans was implemented, with approximately 70 percent of the work plans addressing enterprisewide compliance risks and 30 percent focusing on compliance risks that are specific concerns of the region or business unit. New processes for monitoring, remediating and reporting compliance issues to the executive team and the board were also introduced.
- **Talent management and training improvements** — The organization hired compliance managers and staff, tapping into the resources of Protiviti's parent company, Robert Half. Protiviti conducted training of compliance officers in regional locations to help them improve the way they conduct audits and monitor/mitigate risks within their organizations.
- **Technology improvements** — The company implemented a new tool to support compliance and ethics hotline calls.

Tangible Results Achieved

These improvements, nearly all of which were completed in less than a year, generated numerous tangible benefits for the organization. For example, improvements in the monitoring of compliance with relevant rules and regulations helped identify and eliminate gaps more quickly. Improvements in communication protocols helped strengthen the relationship between the compliance and legal functions, bringing them on the same page about issues that create compliance risk.

Shortly after the bulk of the improvements were instituted, one operation within the healthcare organization was informed of a looming audit by an external regulatory agency. The audit was completed quickly, without a single corrective action required by the regulator.

More important, the compliance function's overall improvements equipped the entire organization with a clear understanding of what rises to the level of a compliance priority. This clarity continues to help optimize the organization's ongoing investment in compliance resources and activities.

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Keys to Success

The benefits from the work Protiviti performed would not have been realized without the willingness and commitment of the healthcare organization's leaders to fund the improvements that the assessment identified. Several important actions drove a successful outcome, including:

- **Selecting a trusted external partner** — The organization chose an external partner with a proven healthcare track record as evidenced in previous work performed and whose lead consultants were able to communicate effectively with the board.
- **Optimizing investment in expertise** — Protiviti was not only asked to step in as interim CCO for traditional hospital operations but was given the authority to identify key improvements across all functions, including physician group, health plan and joint venture operations, for a unified approach to compliance that also takes into account regional needs.
- **Emphasizing full transparency** — The healthcare organization's management team made it clear that Protiviti should report all of the findings not only to the management team but also separately to the board's audit and compliance committee.

By supporting Protiviti's compliance management, evaluation and improvement work in this manner, the healthcare organization was able to re-energize its compliance function and align its multiple components, resulting in a reduced regulatory compliance risk. The function is led by a new permanent CCO, who has a clear road map by which to direct the organization's compliance efforts.

The satisfaction is best summed up in the words of the chief administrative officer herself: "Protiviti was not only able to quickly evaluate the scope and effectiveness of our compliance department's oversight, but was also able to very quickly fill identified gaps with appropriately experienced compliance personnel. The best practices and methodical approach to compliance risk identification and management implemented by Protiviti have continued to be a hallmark of our program, long after the end of the engagement."

Protiviti is a global consulting firm that delivers deep expertise, objective insights, a tailored approach and unparalleled collaboration to help leaders confidently face the future. Protiviti and our independently owned Member Firms provide consulting solutions in finance, technology, operations, data, analytics, governance, risk and internal audit to our clients through our network of more than 70 offices in over 20 countries.

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