Corporate & Healthcare Compliance

Corporate entities, like individuals, are subject to a wide variety of legal rules and requirements. At a very basic level, the term **corporate compliance** simply refers to the process that a **corporation** follows to ensure that it is following all of the laws that apply to its operations.
In a highly regulated, high-risk industry like healthcare, compliance is especially important.

Healthcare compliance is the process of following rules, regulations, and laws that relate to **healthcare practices.**

Compliance in healthcare can cover a wide variety of practices and observe internal and external rules. But <u>most healthcare compliance issues relate to patient safety, the privacy of patient information, and billing practices.</u>

Why Healthcare Compliance Is Important

Every healthcare organization must have some level of compliance in order to operate effectively.

Compliance keeps operations running smoothly and makes sure everyone follows proper procedures and understands expectations.

But compliance in healthcare comes with even higher stakes than in other industries. If a doctor or nurse doesn't follow proper procedure, they can end up injuring a patient or another staff member.

Ultimately, healthcare compliance is about providing safe, high-quality patient care. Complying with industry standards and regulations helps healthcare organizations continue to improve the quality of care.

Healthcare organizations are also held to strict standards, regulations, and laws from the federal and state levels. Violations of these laws can result in lawsuits, hefty fines, or the loss of licenses.

Changing laws and regulations can make it difficult for organizations to keep up with healthcare compliance and laws differ between states and local governments. Every healthcare organization should take time to examine the different laws that apply to their organization.

However, here are some of the governing bodies and [federal regulations](#) that govern healthcare compliance:

- The Social Security Act governs funding and requirements for Medicare, Medicaid, CHIP, and more.
- HIPAA and the HITECH Act protect patient privacy, requiring healthcare organizations to implement measures to keep patient records secure.
- The False Claims Act makes it illegal to file a false claim for funds from a federal program.
- The Patient Protection and Affordable Care Act implemented new requirements for insurance, Medicaid, and more.
- The Drug Enforcement Administration and the Food and Drug Administration regulate the creation and distribution of medication.
- The Department of Health and Human Services and the Office of the Inspector General help protect against fraud.

Healthcare organizations are also subject to the same workplace regulations that apply to organizations in every industry. The laws established by the Occupational Safety and Health Administration and the Equal Employment Opportunity Commission, for example.

Who is responsible for healthcare compliance?
As previously mentioned, healthcare laws and requirements often differ between states. And compliance needs and issues differ between organizations.

Most healthcare organizations have a compliance officer or a department dedicated to maintaining compliance. But in order to be effective, the compliance department must have the authority to create programs to enforce compliance.

This authority usually comes from working closely with the organization's executive leadership and governing body. Ultimately, the executive leadership must put the framework in place to implement an effective compliance program.

However, healthcare compliance doesn't stop there. Everyone has a role in maintaining compliance. Healthcare organizations can only maintain compliance when every staff member takes responsibility for following procedures and regulations.

Organization leaders can set the tone and encourage transparency and ethical behavior. But ideally, healthcare organizations develop a culture of accountability that spreads through the organization, helping every staff member see why compliance is important.

Patient privacy and information security
Patient privacy is one of the biggest issues in healthcare compliance. Many different laws protect doctor-patient confidentiality. Others, such as HIPAA, establish standards for privacy and establishes when a patient's information can be used or disclosed.

Privacy and information security are important because it can affect the quality of care. If patient information falls into the wrong hands, it can result in insurance issues, scams or fraud, or even identity theft.

As digital record keeping has expanded, laws have been updated to establish standards for information security. Security breaches can result in serious penalties for healthcare organizations.

This aspect of healthcare compliance is only getting more challenging as technology expands. As one University of Illinois Chicago researcher wrote,

"Managing electronic health information presents unique challenges for regulatory compliance, for ethical considerations and ultimately for the quality of care. As electronic health record system 'meaningful use' expands, and more data is collected, such as from mobile health devices, that challenge for healthcare organizations expands."

Respond promptly to offenses and develop corrective action plans
If a compliance issue comes up, in the case of Caring Touch Home Care, the chief compliance officer, Joan Bogle, should respond immediately whether it's a potential concern or a compliance violation, following through on discipline and corrective action is probably the most important aspect of the compliance officer's job.

Proactively responding is always better for your organization. It can prevent future incidents and improve your overall compliance.

Healthcare compliance is an essential part of protecting your organization, providing good patient care, and ensuring operations run smoothly.

Information provided by:
https://www.powerdms.com/blog/definition-compliance-healthcare/