



## **A Comprehensive Guide to Whistleblower Complaints**

**Richard P. Kusserow | November 2024**

There are many benefits to handling whistleblowing complaints before they escalate. The number one enforcement priority for the DOJ and OIG are arrangements with referral sources that implicate the Anti-Kickback Statute. The vast majority of settlement agreements relate to this area. Noteworthy is that all these cases originate from Whistleblowers. It is really the only way government agencies are able to identify corrupt arrangements. As such, it is in the best interest of organizations to know how to handle whistleblowers' complaints internally to identify and address emerging issues, rather than have them go externally to legal and enforcement bodies.

This article will walk you through best practices to identify and investigate emerging whistleblower complaints effectively, before they cost your organization any more time and resources.

### **Whistleblower Complaint Definition**

What is a whistleblower? By definition, a whistleblower is an individual who provides information that they reasonably believe is evidence of wrongdoing to an authorized recipient. This can be a powerful tool to raise awareness of potential issues within programs, operations, and activities. The major channel for such reporting is the hotline function that directs issues to the right parties for taking appropriate actions.

### **How Does a Whistleblowing Hotline Work?**

A whistleblower/compliance hotline is a confidential service that allows employees, stakeholders, or external parties to report unethical behavior, compliance violations, or misconduct within an organization. These services, often provided by third-party vendors, offer an accessible solution for ethics reporting, ensuring anonymity and protection against retaliation. By using a whistleblower hotline, organizations can foster a culture of accountability and transparency, addressing issues promptly while adhering to legal and ethical standards.

Properly designed and managed, a whistleblower hotline is a highly useful avenue for receiving reports of potential and suspected wrongdoing such as

- potential violation of law, regulation, policy, or Code of Conduct;
- mismanagement problems;
- waste of resources;
- abuse of authority;
- potential endangerment to workers, patients, or visitors;
- breaches of confidentiality of patient, staff, and organization information;
- wrongful personnel practices;
- conflicts of interest issues, etc.

The great majority of health care organizations use a hotline vendor to obtain information from those wishing to report a problem, issue, or violation of some type. Addressing these issues before they escalate could save organizations thousands of dollars.

## Whistleblower Hotline Requirements

To comply with regulations and best practices, organizations must ensure their whistleblower hotline meets certain requirements. A well-structured anonymous whistleblower hotline should be:

- Available 24/7
- Easy to access
- Offered in multiple languages to cater to a diverse workforce
- Consistently ensuring confidentiality
- Providing options for anonymous reporting
- In compliance with relevant privacy laws, such as GDPR, to protect the data and identities of reporters

Compliance with these requirements builds trust in the hotline and reassures stakeholders that reports will be handled professionally.

## Who Can File a Whistleblower Complaint?

Any individual within or associated with an organization—such as employees, contractors, vendors, or even customers—can file a whistleblower complaint if they witness misconduct or unethical practices. Whistleblower

hotline services are designed to be open to a range of stakeholders to encourage transparency and accountability at all levels. This inclusiveness means that not only employees but also third parties, such as suppliers or partners, can report concerns, thereby extending the organization's commitment to ethical practices beyond its immediate workforce.

## Who Investigates Whistleblower Complaints?

Whistleblower complaints are typically investigated by a dedicated compliance or ethics team within the organization, often with support from legal, HR, or internal audit departments. In cases of severe misconduct, the investigation may be handled by external investigators or compliance vendors to ensure objectivity. The investigation process is thorough and confidential, following a standard protocol to assess the validity of each complaint, gather evidence, and determine appropriate actions. The goal is to resolve complaints effectively and fairly, addressing any verified violations with corrective actions.

## How to Respond to a Whistleblower Complaint Effectively

In order to respond properly to a complaint, organizations must have a Compliance Program in place. An effective Compliance Program is expected to:

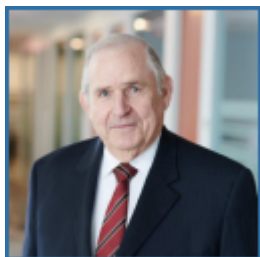
- Establish effective, confidential, and secure reporting
  - Guide employees to report internally, rather than to outside authorities or attorneys
  - Encourage the workforce to raise concerns confidently without fear of retaliation
  - Enable individual ability to report confidentially or anonymously without fear of retaliation
  - Ensure important, time-sensitive information is directed to the right party for action
  - Verify proper and prompt actions are taken to address potential problems
  - Log and monitor how reports are being addressed in resolving questions and issues raised
  - Look for trending information among reports suggesting management problems.
  - Periodically have an independent review of effectiveness of the hotline operation

## Conclusion

Effectively channeling whistleblower reports through a well-structured hotline is essential for identifying and addressing potential issues before they escalate into larger risks. By creating a safe and confidential reporting

environment, organizations can resolve concerns internally while building a culture of trust and accountability. To explore more strategies for enhancing your hotline systems, check out our related posts: [Best Practices for Maintaining an Effective Ethics And Compliance Hotline](#) and [Avoiding Hotline Pitfalls](#).

For more details on how CRC's hotline services can support your compliance efforts, visit our [H](#)



### **About the Author**

Richard P. Kusserow established Strategic Management Services, LLC, after retiring from being the DHHS Inspector General, and has assisted over 2,000 health care organizations and entities in developing, implementing and assessing compliance programs.