



What is Corporate Compliance?

Compliance Laws in India are “a set of Internal policies and processes implemented to protect the company's reputation or to comply with laws, rules, and regulations. A compliance team reviews the regulations established by governing bodies, develops a compliance programme, rolls it out across the entire organisation, and ensures adherence to the programme.” Even though businesses, particularly in the healthcare industry, may be subject to industry-specific regulations, there are several fundamental components of a corporate compliance programme that are mostly universal.

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History of Corporate Compliance in HealthCare

Compliance in healthcare has a difficult and lengthy history. It was created over time as a result of fraudulent billing practices that were uncovered at significant academic teaching hospitals. Additionally, it has been developed through formal compliance programmes that have been created by healthcare organisations or through community activities. When taken as a whole, these

actions significantly improve and have established the framework for all compliance programmes across the nation. Numerous entities are involved in setting the compliance guidelines because the extent of compliance laws in India differs in different institutions. These might include trade associations, for-profit businesses, and federal and state programmes like Medicare and Medicaid.

Corporate Compliance in HealthCare

It is devoted to proactive efforts that shield a healthcare organisation from fraud, waste, or misuse. It is a concept for Risk Management. It guarantees that all medical organisations adhere to the highest legal, ethical, and professional standards. Compliance Laws encourage employees in the healthcare business to work toward preventing, detecting, and resolving behaviour that could result in fraud, waste, or abuse. An organised plan with actions commonly referred to as compliance elements serve as the cornerstone of a compliance culture. In many texts that cover compliance, the words ethics, culture, and code of conduct are intertwined.

Why is Corporate Compliance in healthcare vital?

Compliance in healthcare industry can refer to a wide range of procedures and follow both internal and external regulations. Majority of the healthcare compliance problems, however, have to do with billing procedures, patient privacy, and patient safety. For a healthcare firm to function efficiently, corporate compliance is a must. Compliance in healthcare ensures that the right processes are followed, and operations run smoothly. However, the stakes for compliance in the healthcare sector are significantly higher compared to the other sectors.

Mandatory Compliance Laws for Healthcare Industry

With the introduction of new technologies and efficient service delivery, the Indian healthcare sector is booming. As patients understand their right to quality healthcare, manifold government initiatives, including Smart Cities, Clean India, Digital India, and Ayushman Bharat, are creating an enabling environment that is further boosting the services sectors of communication, healthcare, environment, technology, energy, and banking. It is therefore the need of the hour for healthcare companies to concentrate on quality services in a way that is beneficial to the patients. Patient advocacy organisations and healthcare executives place a high priority on patient safety.

The compliance laws in India governing the commissioning of hospitals serve to ensure that the facilities are built following proper registration process, are safe for the general public to use, have the bare minimum of infrastructure necessary for the type and volume of anticipated workload, and are subject to regular inspections to ensure compliance in healthcare.

Here is a list of a few mandatory compliance laws in healthcare that must be followed:

- Regulatory laws that apply to the Hospital - Society Registration Act, Companies Act, Clinical Establishments Bill, Fire Safety Rules
- Laws Regulating Professionals Qualifications, Practice, and Conduct - Indian Medical Council Act, Indian Nursing Council Act, The Dentists Act
- Regulation of Drug Storage, Sale, and Safe Medication - Drugs and Cosmetics Act, VAT Act, Pharmacy Act, Blood bank regulations under Drugs and Cosmetics rules
- Law Governing Medico-Legal Aspects - Breeding and Experiments on Animals Amendment Rules

- Law Regulating Biomedical Research - Consumer Protection Act, Protection of Human Rights Act, IPC section 52
 - The law governing the protection of the environment and the safety of patients, the general public and hospital staff - Indian Boilers Act, Gas Cylinder Rules, Arms Act, Vaccination Act
 - Laws Controlling the Use of Labour - Child Labour Act, Bonus & Gratuity Act, ESI Acts, Rules, Industrial Disputes Act
- Healthcare organisations must abide by numerous laws and regulations in India. These include the National Accreditation Board for Hospitals and Healthcare Providers (NABH) standards, the Drugs and Cosmetics Act, the Clinical Establishments (Registration and Regulation) Act, and the Indian Medical Council Act.
- The Indian Medical Council Act - The Medical Council of India (MCI) is the governing authority for the medical profession in India and is established by the Indian Medical Council Act. The Act also specifies requirements for medical education, practitioner registration, and licence issuance. The Act makes sure that only licenced and properly trained medical professionals are permitted to work in the healthcare sector.
 - Drugs and Cosmetics Act - In India, the production, marketing, and distribution of medications and cosmetics are all governed under the Drugs and Cosmetics Act. The Act makes sure that public has access to safe and effective medications and cosmetics. This ensures protection for patients against any harm caused by the use of dangerous or ineffective medications and cosmetics.
 - In India, the operation of clinical establishments is governed by the Clinical Establishments (Registration and Regulation) Act - The Act makes sure that the state government registers and regulates each and every clinical establishment. This contributes to ensuring that patients receive high-quality treatment and that their rights are upheld.
 - The National Accreditation Board for Hospitals and Healthcare Providers (NABH) - standards serve as benchmarks for hospitals and healthcare providers' delivery of high-quality medical treatment. The guidelines address a number of healthcare topics, including patient rights, infection control, and emergency preparedness.

License Requirements in Healthcare Sector

In India, the healthcare sector is governed by the Ministry of Health and Family Welfare. The Directorate General of Health Services (DGHS) provides technical guidance on all matters relating to medicine and public health and is involved in the delivery of a number of healthcare services.

One may register their company as a private corporation if wanting to start a healthcare business in India. Then submit an application for a PAN (Permanent Account Number) under the business' name. Additionally, one must register for taxes like service tax and GST. Incase of the specific turnover threshold being passed, VAT/CST registration is necessary if the business sells healthcare products.

Conclusion

Compliance in healthcare sector guarantees that all medical organisations adhere to the highest legal, ethical, and professional standards. Compliance Laws in India encourage employees in the healthcare business to work toward preventing, detecting, and resolving behaviour that could result in fraud, waste, or abuse thus protecting the rights of each consumer and assures

quality healthcare services are delivered to every individual of the country.

FAQs

What are the four types of compliance?

The four typical types of compliance (among several others) include regulatory compliance, industry-specific compliance, organisational compliance, and voluntary compliance.

1. Regulation compliance is the observance of rules and laws established by government organisations.

2. Industry-specific compliance is the observance of rules and regulations that are unique to a given sector of the economy.

3. Compliance with internal policies and procedures set by the organisation is referred to as organisational compliance. This may comprise of conduct code, security regulations, and personnel rules. Ensuring adherence to these internal rules promotes consistency and fairness in the workplace and shields the company from potential legal problems.

4. The term voluntary compliance refers to adherence to norms and directives that are important for the company to follow but are not legally compulsory. This can involve social or environmental norms or industry best practices.

What are the 3 main pillars of compliance?

Any organisation must prioritise compliance as a key component if it wants to ensure that its operations are morally and legally correct. Prevention, Detection, and Correction are the three foundations of compliance.

What is a corporate compliance?

A set of Internal policies and processes implemented to protect the company's reputation or to comply with laws, rules, and regulations is corporate compliance. A compliance team reviews the regulations established by governing bodies, develops a compliance programme, rolls it out across the entire organisation, and ensures adherence to the programme." Even though businesses, particularly in the healthcare industry, may be subject to industry-specific regulations, there are several other universal fundamental components of a corporate compliance programme.

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