

An Interview with Shannon Sumner on Compliance Practice and Leadership

Shannon Sumner, CPA, CHC, is Nashville Office Managing Principal and Chief Compliance Officer at PYA, P.C. Shannon is a nationally recognized healthcare compliance expert and has extensive experience in healthcare internal auditing and regulatory compliance. She also serves on the Editorial Board of this publication and writes a regular column on compliance program fundamentals.



Roy Snell is the ESG and Sustainability Officer for Osprey ESG Software. Roy is the co-founder of the Health Care Compliance Association and the Society of Corporate Compliance. He is the author of *Integrity Works* and *The Accidental Compliance Professional*.

Snell: Thank you for taking the time to do this interview. Please tell us about one thing from your background that helps you understand the purpose and process of a compliance and ethics program.

Sumner: Early in my career, I served as a Vice President of Internal Audit for an outsourced internal audit company for hospitals and health systems. In that role, one of our clients entered into one of the first Corporate Integrity Agreements of a health system in the late '90s. During that time, I served as an Interim Compliance Officer and assisted the health system with all aspects of the requirements of the CIA. You can say that I drank from a "fire hose" in learning all aspects of a compliance and ethics program which has served me well in my career. I truly appreciate the hard work of compliance professionals.

Snell: We want to thank you for being involved in writing for the *Journal of Health Care Compliance*. Can you tell the reader how it helps you to be involved in writing for compliance and ethics professionals?

Sumner: It's been an honor to serve the *Journal of Health Care Compliance* in this capacity. As your reader base will certainly understand, the world of health care compliance is constantly evolving. Compliance professionals must continue to be lifelong learners. As a contributor for the *Journal*, it's imperative that I personally continue to grow and learn and this avenue facilitates this growth journey.

Snell: You received a *Nashville Business Journal* 2024 Women of Influence Award in the “Top Executive” category. Tell us how that came about and how it ranks in your list of accomplishments.

Sumner: This award means so much to me primarily because honorees are nominated by the public and judged by an independent panel of past winners on professional accomplishments, community involvement, and the judges’ assessment. Being nominated was a huge surprise to me; however what made this so special is that I was nominated by my former administrative assistant who is now following her own career path in business development. The awards ceremony was personally impactful because my husband, entire family, including my 91-year-old father, and my PYA colleagues and partners were all there to support me. It was a moment that I will never forget!

Snell: You started an office for PYA in Nashville. What was it like to go from nothing to where the office is now? At what point did you think you had really accomplished something great?

Sumner: The expansion of PYA’s Nashville presence in 2013 was certainly a firm-wide initiative. We had been serving numerous advisory and accounting clients in Middle Tennessee for over 25 years and I was honored to rejoin the firm to help lead the expansion. I started my career with PYA in 1993 after graduating from the University of Tennessee and returned 16 years later, so it was like coming home for me. While I am the Managing Partner of the Nashville office, the growth is attributable to the entire firm’s leadership and commitment to creating and fostering an amazing culture which is truly owned and celebrated by everyone. I don’t know if there was that one defining moment of accomplishment, other than post-COVID, the majority of our office voluntarily returned to a full-time or hybrid in-person

presence. I think that speaks to everyone’s desire to spend time with each other and celebrate our culture on a daily basis.

Snell: When we talked, you said you wanted to give back to the people that gave to you. Can you please explain that to us?

Sumner: I think everyone can point to the person or persons that have impacted their professional career. For me personally, I was thrilled to return to PYA where I started my career in healthcare and learned the foundational elements of service excellence, integrity, and a commitment to quality. I have great respect for my partners and colleagues, and I want to do my very best to emulate these core values to my officemates and colleagues every day.

Snell: You also mentioned that “walking the halls of the hospital” triggered something important to you. Why is it that walking the halls of the hospital meant so much to you?

Sumner: I have spent my entire 30-year career in the healthcare internal audit and compliance profession. For those of us “behind the scenes” of healthcare delivery, you can sometimes find yourself caught up in the administration of healthcare and inadvertently disconnected from the patient experience. When I was an internal auditor for a health system, I loved working within the walls of the hospital and seeing the patients, care delivery teams, and families we served every single day. It was a reminder that although I might not be a bedside clinician, my work was still very important to ministering to those in their time of need.

Snell: Is there anyone in the compliance profession that you follow closely and learned the most from?

Sumner: I recall reading *Extraordinary Circumstances: The Journey of a Corporate Whistleblower* by Cynthia Cooper, the former Vice President of Internal Audit at WorldCom.

While at WorldCom she discovered more than \$3.8 billion of fraudulent balance sheet entries which eventually led to the collapse of the telecommunications giant. During that time, I was in internal audit and while I personally never experienced a similar situation, I was fascinated by how her bravery to uncover the fraud led to whistleblower protections and improvements in the accounting profession, such as the Sarbanes-Oxley Act. I think this time (along with Enron and other compliance failures) marked the beginning of the world truly appreciating the importance of the role external and internal auditors, including compliance professionals, have on protecting the public trust.

Snell: You said you prefer to know all the pieces of a process to effectively work on the piece you are responsible for. Can you describe the benefits of knowing the process that you are a part of to those who may not know why it's helpful?

Sumner: Some people may find the internal or external audit profession “boring”, but I find that every number on a set of financial statements tells a story. In the healthcare industry, it tells the story of a patient's encounter. From the moment a patient walks into a clinic or a hospital outpatient department to the very last bill that is submitted, the process is captured as a number. However, behind the number is whether or not that patient had a good experience across their continuum of care. Our roles as compliance and ethics professionals must be well-versed in the entire workflow and that makes us effective at what we are called to do.

Snell: You have been involved in monitorships. I believe PYA was involved in the largest monitorship ever implemented. Can you tell us what a monitorship is intended to accomplish? Tell us how you were able to help an organization to be most effective when dealing with a government monitorship.

Sumner: The government (e.g. DOJ's Criminal Division) may impose a corporate monitor, an independent third party, to oversee a company's remediation efforts after a corporate criminal resolution. A monitorship is intended to assess and evaluate whether the entity implemented control structures (e.g. compliance program, internal auditing and monitoring) which identify, mitigate, or eliminate risk of future misconduct or compliance failures. While no one wants to be in a monitorship situation, a favorable outcome is a stronger, more compliant organization as a result of the monitor's recommendations and action plans.

Snell: You and I briefly discussed tying executive compensation to executives' compliance and ethics efforts. Can you tell us what the basic elements of that process are and how we might go about encouraging leadership to implement compliance and ethics to their compensation?

Sumner: An effective compliance program will include incentivizing compliant and ethical behavior by including compliance requirements and metrics within performance evaluations and bonus/incentive compensation decisions of senior leadership. Additionally, per the OIG's General Compliance Program Guidance (page 42), “Expectations for regular, diligent member attendance at Compliance Committee meetings should be set by the board and enforced by the CEO. Member attendance, active participation, and contributions should be included in each member's performance plan and compensation evaluation.”

The DOJ also reinforced tying incentive and bonus structures to compliance criteria in their three-year *Pilot Program Regarding Compensation Incentives and Clawbacks (Compensation Pilot)* announced in March 2023. I think this sends a clear message that the DOJ and OIG are focused on incentive

structures; however I do believe that each organization must take into consideration their own unique culture and create structures that work best for their environment.

Snell: PYA has a very successful webinar series. Can you tell us about it and how topics and speakers are selected? Can compliance and ethics professionals apply to be involved as a speaker?

Sumner: We have been extremely pleased with the evolution of our thought leadership initiatives over the years. One of our core values is to be lifelong learners and teachers. We encourage and expect each of our colleagues to contribute to our webinars, articles, and presentations, including the selection of topics. Everyone brings their own unique skills, experiences, and ideas and we want to celebrate and encourage their contributions. Our content is free and, in many cases, provides free continuing education hours which we recognize is a huge benefit to our clients, of which many have limited continuing education budgets available. We also solicit ideas from our clients regarding topics and encourage them to co-present or co-author with us! In my experience, our clients want to learn from each other, and we are blessed to be able to serve as that connection point.

Snell: You mentioned a couple of times that you often ask yourself if you are helping someone when you are completing a task. Can you tell us how that helps you be more effective?

Sumner: Early in my career I defined productivity as how much I could cross off my to-do list. The older I have become I realize that a check-mark isn't necessarily something to celebrate. I focus now on asking myself whether I helped someone, did I personally learn and grow from that experience, did I provide value to our clients and most importantly, am I proud of the result?

Snell: You also mentioned your interest in being a servant leader. Can you tell us some traits of servant leaders and some traits that interfere with someone attempting to be an effective servant leader?

Sumner: I'm blessed to be part of a firm that embodies the qualities of servant leadership within our culture and values. These include being authentic, compassionate, and honest. I hope that my presence here has made a difference both within the firm, with my colleagues, and our clients. I see servant leadership as the ability to inspire others but also recognize that sometimes you must let go in order to allow others to grow and thrive. Letting go is an area of continued personal growth for me.

Snell: In closing can you tell us about how you unwind from such an active business and volunteer lifestyle? How do you make sure that you are managing your life in an effective and balanced way? What advice do you have for those who may feel that their work/life balance is not particularly effective.

Sumner: My favorite activity is hiking or walking in the nearby park. After working in an office setting all day, I must get outside. That is my happy place. I believe attaining work/life balance is a constant challenge and involves a focus on your spiritual, mental, and physical health. I am not an expert in this area, but I do feel that you can only be your best when you have a strong support system surrounding you. My advice would be to periodically evaluate how you are aligning your values with where you are actually spending your time. All of us have experienced how we feel when these areas of our lives are out of balance. Taking inventory of your blessings is always a great place to start!

Snell: Thank you very much for your time. It was great to talk with you.

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