

Basic Questions to Address for Sanctions & Exclusions Screenings

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Overview

It is imperative for health care organizations to screen all employed and engaged individuals and entities for sanctions and exclusions. Regular sanction screening is a key component of any effective compliance program and enables organizations to monitor both potential and current workforce members and contracted businesses on an on-going basis. However, many health care organizations are unclear about the best ways to conduct sanction screening in order to produce the most beneficial results.

Basic Sanctions and Exclusions Screening Questions

Many health care organizations find themselves asking questions about sanctions and exclusions screening procedures and best practices. Two of these commonly-asked questions include:

1. How frequently should exclusion screenings be conducted?
2. Which sources need to be screened?

Regarding the first question, organizations should refer to guidance distributed by the U.S. Department of Health and Human Services Office of Inspector General (OIG). In May 2013, the OIG addressed this question in its update to the 1999 Special Advisory Bulletin pertaining to the effects of exclusion to participation in healthcare programs. The Updated Special Advisory Bulletin¹ stated:

“Because there is no statutory or regulatory requirement to check the LEIE [(List of Excluded Individuals and Entities)], providers may decide how frequently to check the LEIE...OIG updates the LEIE monthly, so screening employees and contractors each month best minimizes potential overpayment and CMP [(Civil Monetary Penalty)] liability.”

Based on this guidance, organizations should screen individuals and entities on a monthly basis. As this is only a recommendation, the OIG leaves it up to the provider to weigh the risks of screening less often and the benefits of more frequent screening. Providers must also be aware if the state in which they operate requires exclusion checks, and how often these checks need to be performed.

When considering which state and federal exclusion database sources to screen, per the second commonly-asked question, health care organizations should recognize that it is highly

¹ U.S. Department of Health and Human Services Office of Inspector General. “Special Advisory Bulletin on the Effect of Exclusion from Participation in Federal Health Care Programs.” May 8, 2013: 15.

recommended to screen the OIG’s LEIE, and there are only a handful of states that currently require monthly screening. Additionally, the Centers for Medicare & Medicaid Services recommends that providers screen the General Services Administration System for Award Management Exclusion List, formally known as the Excluded Parties List System. Although not all states require monthly screening, 39 states and Washington, D.C currently maintain their own Medicaid exclusion list. These states include:

- Alabama
- Alaska
- Arkansas
- Arizona
- California
- Connecticut
- District of Columbia
- Florida
- Georgia
- Hawaii
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maine
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Mississippi
- Missouri
- Montana
- Nebraska
- New Jersey
- New York
- Nevada
- North Carolina
- North Dakota
- Ohio
- Pennsylvania
- South Carolina
- Tennessee
- Texas
- Vermont
- Washington
- West Virginia
- Wyoming

Organizations that operate in one or more of these states should incorporate screening of the state Medicaid list into the exclusion screening process for additional screening coverage of workforce members and other entities.

Additionally, some state Medicaid programs impose requirements for providers to screen state-specific databases. For example, providers operating in New Jersey must screen licensure and credentialing databases on a monthly basis, which include the:

- New Jersey Division of Consumer Affairs Licensure Database
- New Jersey Department of Health and Senior Services Licensure Database
- Certified Nurse Aide and Personal Care Assistant Registry

In Review

Sanctions and exclusions screening can seem overwhelming, and many health care organizations may not know where to start in order to implement the best screening procedures. Health care organizations that are establishing new exclusion screening procedures or updating current procedures should start by identifying how frequently to screen and which sources to screen. By addressing these two elements, organizations will have a better understanding of the level of time and effort necessary to stay compliant with federal and state screening requirements and will be able to maintain an effective Compliance Program.

About the Author

Jillian Concepcion is the Vice President of Business Development of Compliance Resource Center and a Senior Consultant at Strategic Management Services. Ms. Concepcion leads client engagements involving compliance program development, implementation, evaluation, and remedial action to correct deficiencies. She also helps organizations implement effective processes to enhance their compliance programs related to sanction and exclusion screening, hotline programs, policies and procedures and training programs.

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