



Healthcare Organization Sanction Screening Challenges

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In the ever-increasing regulatory and enforcement environment, numerous individuals and entities are excluded annually from participation in government-financed healthcare programs. Engaging such parties violates conditions of participation in Medicare/Medicaid and any claims submitted that include the involvement of such individuals may be considered false or fraudulent.


Both the federal and state authorities maintain lists of those not permitted to participate in programs financed by government authorities. The Department of Health and Human Services Office of Inspector General maintains the List of Excluded Individuals and Entities (LEIE), and it is critical that healthcare organizations conduct sanction screening against it and other exclusion databases to ensure compliance. Failing to do so may result in serious consequences that may include financial penalties and, potentially, loss of the right to participate in government healthcare-financed programs.

By conducting regular exclusion screenings, healthcare entities can identify and prevent the engagement of individuals or entities that have been excluded. These exclusions can be due to fraud, abuse, or other improper practices. Failing to screen for exclusions can lead to severe financial penalties, reputational damage, and even legal implications. The benefits of sanction screening include the following:

1. Compliance with federal and state regulations
2. Avoiding violating conditions of participation in government-financed healthcare programs
3. Protecting patients by avoiding those who may have been involved in abusing/neglecting patients, stealing drugs/equipment, selling, or seriously mishandling patient information
4. Helping ensure potentially dangerous people don't have access to patients or their records
5. Mitigating the risks of costly fines and penalties
6. Protecting an organization's reputation and community standing
7. Avoiding government-imposed fines and penalties
8. Preventing legal and civil suits resulting from retaining a sanctioned individual or organization

Sanction screening is complicated by the fact that there are many federal and state exclusion and sanction databases, including OIG LEIE, State Medicaid Exclusion Listings, General Services Administration System

Database for Award Management (Debarments), FDA Debarment List, Office of Foreign Asset Control (OFAC), Drug Enforcement Agency (DEA) Administrative Action List, CMS Preclusion List, as well as others.



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Checking so many different databases has its challenges, in that they use different identifiers; many do not permit batch searching as doing it one name at a time is time-consuming; and investigating/resolving potential name matches with a unique identifier is difficult when different government entities use other identifiers. The result is that conducting individual searches of large worker populations can be an arduous and time-consuming task for compliance, risk mitigation, and human resource professionals.

For these reasons, the vast majority of healthcare organizations use a vendor that provides a tool with which all the needed federal and state databases can be batch-searched easily. Vendors are also available to have their experts conduct the screening, investigating, and resolving of the results at a fraction of the cost of doing this work in-house.

Interested in learning more about Sanction Screening? Contact Shelby Cole at scole@complianceresource.com.