



## **Proven Best Practices to Implement a Healthcare Sanction Screening Policy**

Just 31% of healthcare compliance teams feel prepared for the future, with more than half citing resource constraints as a serious problem. But there are proven steps to ensure sanction screening doesn't add to that burden – and this article will help you take all of them.

### **Why You Need a Sanction Screening Policy**

Healthcare organizations must undertake regular sanction screening for several reasons:

- **Ensure Compliance:** Sanction screening is a necessary part of any healthcare compliance process. Working with individuals featured on key exclusion lists – such as the OIG's Exclusion List or state Medicaid Exclusion Lists – is a regulatory risk and will lead to non-compliance penalties.
- **Protect Patients:** Many vendors and individuals are added to exclusion lists because they have endangered patients; amongst the OIG's list of reasons for exclusions is patient abuse – which means working with excluded entities puts your patients at risk.
- **Minimize Financial Risk:** Failure to complete adequate sanction screening can be extremely costly. Sharp Healthcare recently paid over \$150,000 for employing a nurse excluded from federal healthcare programs – and future violations will see similar fines.
- **Safeguard Your Reputation:** Failure to comply with any healthcare regulation can do serious, lasting damage to your organization's reputation. A high-profile fine is likely to appear in Google searches for your organization for years to come – and patients and employees won't soon forgive a failure to safeguard their interests.

But given the complexity of healthcare exclusion lists – not to mention the sheer number of them – sanction screening can become an unwieldy task for already overworked compliance teams.

A sanction screening policy codifies your procedures and helps make regular and robust screening a core part of your Compliance Program. This is the ideal outcome: screening becomes part of "standard operating procedure," and all the challenges mentioned above no longer need to concern you on a daily basis.

**But in order to achieve that goal, you'll need to tackle several persistent challenges.**

## **5 Common Problems When Introducing Sanction Screening**

### **1. Data Management Issues**

Sanction screening requires an accurate and up-to-date record of employees and vendors to ensure effective sanction screening. However, the average healthcare organization features 1,300 different vendors and hundreds of employees; data management issues are not inevitable – but they are very common.

Incomplete or outdated records can lead to errors, missed screenings, and compliance risks. Your sanction screening policies, therefore, rely on a centralized, regularly updated database that integrates with screening tools to mitigate these issues - and ensure all personnel and vendors are properly vetted.

### **2. Resource Constraints**

Healthcare compliance teams face a mountain of tasks – and have very limited time and resources to complete them. Manual sanction screening takes a long time and requires total focus; many organizations simply struggle to make this work within their current workflows.

Automating the screening process with specialized compliance software can help organizations streamline workflows, reduce administrative burden, and ensure timely and accurate screenings.

### **3. False Positives**

False positives are a persistent problem in sanction screening. Individuals and vendors often appear to be featured on exclusion lists, but closer inspection will reveal that they are not the same person or business.

Resolving these discrepancies requires additional verification, delaying hiring or vendor onboarding processes. Implementing a screening system with advanced algorithms and customizable filtering options can help reduce false positives and improve accuracy.

#### 4. Complexity of Compliance

Organizations must navigate multiple regulatory databases, including the OIG's List of Excluded Individuals and Entities (LEIE), GSA's System for Award Management (SAM.gov), and various state Medicaid exclusion lists. The administrative burden is already considerable – but each database also updates at different intervals.

This adds considerable complexity and forces compliance teams to keep track of multiple timelines. Establishing a structured compliance framework that includes automated database updates and regular policy reviews can help organizations stay ahead of regulatory changes.

#### 5. Integration with HR and Vendor Systems

Sanction screening should be a seamless part of an organization's HR and vendor management processes; otherwise, there will be persistent friction when hiring new employees or onboarding new partners.

The problem is many healthcare providers face challenges in integrating screening tools with existing HR and procurement systems. This leads to inefficiencies and gaps in compliance – but it doesn't have to.

### **6 Best Practices for Sanction Screening Every Healthcare Organization Should Follow**

As healthcare compliance experts with over a decade at the forefront of the industry, we've observed six reliable steps to develop a regular and reliable sanction screening program:

#### 1. Establish a Clear Policy

Clearly outline screening frequency, the tools used, and the responsibilities of key personnel. This policy should be reviewed and updated regularly to align with evolving regulations and industry best practices.

#### 2. Use Automated Screening Tools

Implement automated sanction screening technology to ensure efficient, consistent, and accurate compliance checks while reducing the risk of oversight. Look for tools that integrate with HR and vendor management systems to streamline the process.

#### 3. Conduct Pre-Hire and Monthly Screenings

Sanction screening should not be a one-time event. All employees, contractors, and vendors should be screened before hiring and regularly thereafter. Best practice is to conduct monthly screenings against federal (OIG LEIE, GSA SAM.gov) and state exclusion lists to ensure ongoing compliance.

#### 4. Maintain Accurate Records

Accurate data is critical for successful sanction screening. Ensure that employee and vendor records, including full name, date of birth, and Social Security Number (SSN), are up to date to improve match accuracy and reduce false positives. Regularly auditing records can help identify and correct discrepancies.

#### 5. Educate and Train Staff

Compliance is a shared responsibility. Provide ongoing training to HR, compliance, and procurement teams about the importance of sanction screening, regulatory requirements, and how to use screening tools effectively. Building a culture of compliance reduces risk and improves adherence to policies.

#### 6. Document and Address Matches

Develop a structured process for investigating, documenting, and resolving positive matches. Organizations should maintain detailed records of screenings, investigations, and resolutions to demonstrate compliance in case of an audit. Establishing clear escalation procedures ensures that potential compliance issues are handled swiftly and appropriately.

### **Get Tailored Advice to Build a Better Sanction Screening Program**

The steps outlined above will help any healthcare organization improve compliance, but most require more comprehensive support – and our team can deliver it.

Book a free consultation or demo to learn how we could help you build a scalable, automated sanction screening program that fits your organization.

[Get Your Consultation](#)