



SANCTION AND EXCLUSION LIST MONITORING

Policies and Procedures

Department: Corporate Compliance

PURPOSE:

To ensure that all employees, medical staff, contractors, vendors and others with whom St. Joseph's Health (SJH) does business with are properly screened for exclusions and are authorized to participate in federal and state healthcare programs.

APPLICABILITY:

- St. Joseph's Health System
- St. Joseph's University Medical Center
- St. Joseph's Children's Hospital
- St. Joseph's Healthcare and Rehab Center
- St. Joseph's Wayne Medical Center

DEFINITIONS:

List of Excluded Individuals/Entities (LEIE): The OIG established a program to exclude individuals and entities who have been found to have violated federal law and/or regulations. The OIG has been granted a number of legal authorities under the Social Security Act to affect sanctions and maintains a List of Excluded Individuals and Entities (LEIE). The effect of an OIG exclusion from Federal health care programs is that no Federal health care program payment may be made for any items or services (1) furnished by an excluded individual or entity, or (2) directed or prescribed by an excluded physician (42 CFR 1001.1901). This payment ban applies to all methods of Federal program reimbursement, whether payment results from itemized claims, cost reports, fee schedules or a prospective payment system (PPS). Any items and services furnished by an excluded individual or entity are not reimbursable under Federal health care programs. In addition, any items and services furnished at the medical direction or prescription of an excluded physician are not reimbursable when the individual or entity furnishing the services either knows or should know of the exclusion. This prohibition applies even when the Federal payment itself is made to another provider, practitioner or supplier that is not excluded.

General Services Administration Sanction List: The GSA maintains the sanction list to provide a single comprehensive list of individuals and firms excluded by Federal government agencies from receiving federal contracts or federally approved subcontracts and from certain types of federal financial and nonfinancial assistance and benefits. The sanction list was created for information of and use by Federal agencies.

Medicaid State Sanction Data: Many states maintain their own database of individuals and entities they sanction. Several call for or require health care entities to screen against this list. This is in addition to not in lieu of screening against the Federal sanction information.

National Practitioner Data Bank (NPDB): The National Practitioner Data Bank (NPDB) is primarily an alert or flagging system intended to facilitate a comprehensive review of health care practitioners' professional credentials. The information contained in the NPDB is intended to direct discrete inquiry into, and scrutiny of, specific areas of a practitioner's licensure, professional society memberships, medical malpractice payment history, and record of clinical privileges. The information contained in the NPDB should be considered together with other relevant data in evaluating a practitioner's credentials; it is intended to augment, not replace, traditional forms of credentials review. Authorized parties to make NPDB inquiries and for reporting include state licensing boards, medical malpractice payers (authorized

only to report to the NPDB), hospitals and other healthcare organizations, professional societies, and licensed healthcare practitioners (self-query only).

POLICY:

1. SJH will not employ or engage in a business relationship with anyone who is currently under sanction or exclusion by the Department of Health and Human Services Office of Inspector General (OIG) and any other duly authorized enforcement agency or licensing and disciplining authority.
2. SJH shall not employ any individuals who have been recently convicted of a criminal offense related to healthcare or who are listed as excluded or otherwise ineligible for participation in federal healthcare programs.
3. SJH shall remove individuals with direct responsibility for or involvement in any federal healthcare program, as well as those pending the resolution of any criminal charges or proposed exclusion sanction. Contractors under pending criminal charges shall be suspended from continued work until the matter is resolved in a Court of Law.

PROCEDURE:

1. Prior to establishing employment or a business relationship with any individuals, medical professionals or entities, SJH will screen them against the current List of Excluded Individuals and Entities of the OIG.
2. SJH shall also screen on a monthly basis those individuals and entities with whom it has engaged or otherwise has a business relationship.
3. If it is determined upon reasonable due diligence that an individual or entity is listed as excluded by the OIG, the relationship shall be immediately terminated.
4. Prospective employees and vendors who have been officially reinstated into the Medicare and Medicaid programs by the OIG may be considered for employment, medical privileges or a contractual relationship upon proof of such reinstatement and a determination that there are no other impediments to such action.
5. SJH shall screen all contractors, consultants, vendors, joint venture parties, and affiliates providing ancillary medically related services or products against the General Services Administration (GSA) System for Award Management (SAM) exclusion list. If it is determined that an individual or entity is under debarment, we shall follow the guidance offered by the GSA on their website and by CMS.
6. The following language shall appear in all Employment Agreements:
 - a. In the Representations and Warranties of Physician section:
 - (a) Physician has disclosed and will disclose to Employer the following matters, whether occurring at any time prior to or during the Term, immediately upon their occurrence:
 - (1) Any failure of Physician to comply with, or breach of any covenant contained in, subsections (a) through (o) of this **Section 2.6**;
 - (2) Any actions, suits or proceedings pending or threatened against Physician and directly or indirectly affecting Employer, including, without limitation, all medical malpractice suits;
 - (3) Any criminal complaint, indictment or criminal proceedings (except with respect to traffic violations) in which Physician is named as a defendant;
 - (4) Any investigation or proceeding, whether administrative, civil or criminal, relating to an allegation against Physician for filing false health care claims, violating anti-kickback or self-referral laws or engaging in any billing improprieties;
 - (5) Any physical or mental illness or condition that impairs or may impair Physician's ability to practice medicine;

(6) Any dependency on, or habitual use or episodic abuse of, alcohol or controlled substances, or any participation in any alcohol or controlled substance detoxification, treatment, recovery, rehabilitation, counseling, screening or monitoring program;

(7) Any allegation, or any investigation or proceeding based on any allegation, against Physician of violating professional ethics or standards of care or engaging in illegal, immoral or other misconduct (of any nature or degree), relating to the practice of medicine;

(8) Any denial or withdrawal of an application for (i) licensure as a physician in any state; (ii) medical staff privileges or membership at any hospital or other health care entity, (iii) board certification or recertification, (iv) participation in any Payment Program, (v) state or federal controlled substances registration or (vi) professional liability insurance; and

(9) Any restrictive covenants to which Physician is or may be subject to which would restrict in any manner his or her or his or her ability to perform the duties required under this Agreement.

b. In the Term and Termination section:

Reporting Obligation. Physician has an affirmative obligation as a condition of continued employment to report to Employer any investigation or inquiry by any hospital or other health care institution, managed care organization, regulatory agency, governmental authority or professional society regarding any item or activity against or affecting Physician, whether material or not, listed in Section 4.2(a).

7. All applicants for medical staff privileges will answer the following questions:
 - a. Are there any pending professional medical misconduct proceedings concerning you in this state or any other jurisdiction?
 - b. Have you ever been suspended, sanctioned, or otherwise restricted from participating in any private, state, or federal health insurance program?
 - c. Have you ever been indicted, plead guilty, or been convicted of a crime (i.e. a misdemeanor involving professional activity or a crime of moral turpitude, or a felony)?
8. All applications and contracts shall include a statement that accuracy of all information provided is a condition of employment or contract, and that the provision of incorrect information is grounds for immediate termination of employment or contract. Applications and contracts will also include a statement that grants the right to verify all information provided in any employment application or contract agreement.
9. SJH will exercise reasonable due diligence to verify that any party found on an exclusion list is the same individual or entity noted.
10. Human Resource Department is responsible for carrying out this Policy as it relates to hiring of employees.
11. Credentialing Committee(s)/Medical Staff Office are responsible for carrying out this Policy in granting staff privileges to medical personnel who are not employees.
12. Materials Management is responsible for carrying out this Policy as it relates to vendors and contractors.
13. The Compliance Officer or designee is responsible for monitoring this Policy for compliance and reporting results quarterly to the Executive Compliance Committee and Audit and Compliance Committee of the Board, along with any recommendations for remedial actions or improvement to the program.