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# POLICY

## Regulatory Screenings: Excluded Individuals, Entities, Debarment, OFAC

### This Policy is Applicable to the following Spectrum Health sites:

Big Rapids (Mecosta County Medical Center), Continuing Care, Corewell Health Watervliet Hospital, Corporate (Spectrum Health System), Gerber Memorial (Newaygo County General Hospital Association), Ludington (Memorial Medical Center of West Michigan), Outpatient/Physician Practices, Pennock (Pennock Hospital), Priority Health, Reed City (Reed City Hospital Corporation), SH GR Hospitals (Spectrum Health Hospitals), SHMG, Spectrum Health Lakeland (Lakeland Hospitals at Niles and St. Joseph Inc.; Applicable Corewell Health South Regional Sites), United/Kelsey (Spectrum Health United; Spectrum Health Kelsey Hospital), Zeeland (Zeeland Community Hospital)

<b>Applicability Limited to:</b>	N/A
<b>Reference #:</b>	937
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<b>Functional Area:</b>	Administrative Operations, Compliance
<b>Department Area:</b>	Compliance

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### 1. Purpose

To ensure that all team members, contracting third parties, board members, providers, agents, subscribers, vendors/suppliers, volunteers, and others with whom Spectrum Health conducts business are properly screened so that no payment is made to individuals/entities that are excluded, sanctioned, suspended, debarred, or precluded by the applicable sanctioning agency per the applicable regulatory & policy guidance for each business entity. In addition, all subscribers are monitored monthly against the Office of Foreign Assets Control (OFAC) Specially Designated Nationals (SDN) list to ensure compliance with OFAC regulations.

### 2. Definitions

- **Excluded Individual or Entity:** Is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs, such as, but not limited to, Medicare, Medicaid, TRICARE, etc.
- **FEHB Debarment and Suspension Orders:** Debarment and suspension prohibit a health care provider from receiving payment of FEHBP funds for items or services furnished to an FEHBP enrollee on or after the effective date of their sanction, subject to the limitations and exceptions identified in the Guidelines. FEHBP debarment and suspension actions are separate from the Department of Health and Human Services' (DHHS) Medicare/Medicaid exclusions that appear on DHHS' OIG List of Excluded Individuals and Entities (LEIE).
- **Office of Professional Management (OPM):** United States Office of Professional Management or the component thereof responsible for conducting the administrative sanctions for the FEHBP.
- **OFAC SDN List:** A list of individuals and companies owned or controlled by, or acting for or on

Entities will reference associated Documentation contained within this document as applicable  
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behalf of, targeted countries. Also listed are individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific (collectively known as “Specially Designated Nationals” or “SDNs.”

- **Preclusions:** A list of providers and prescribers who are precluded from receiving payment for Medicare Advantage (MA) items and services or Part D drugs furnished or prescribed to Medicare beneficiaries. The Preclusion list is separate and distinct from the OIG Exclusion List and made available only to Part D sponsors and the MA plans.

### 3. Policy

In compliance with federal and state exclusion laws and regulations (see references) and Priority Health plan documents, Spectrum Health will not employ, contract with, bill or pay for items or services furnished or prescribed by or conduct business with an individual or entity known to be excluded, suspended, or debarred from any state or federally funded health care program as it applies to each business entity. Exceptions: State or Federal Government exceptions/waivers or emergency items or services under 42 CFR §1001.1901(c)(5)(i), 5 CFR Part 890. In addition, under OFAC regulations, Priority Health will not insure or pay the claim of any person on the SDN list and will notify OFAC of any claimant on the list.

- 3.1. Prior to engagement and monthly monitoring thereafter, Spectrum Health’s exclusion screening vendor will monitor and screen applicable exclusion lists to identify if a prospective and existing team members, contracting third parties, board members, providers, agents, subscribers, vendors or suppliers, volunteers, and others with whom Spectrum Health may conduct business with are excluded from participation as described above, and will send the results to the applicable party (Spectrum Health Compliance or Priority Health SIU).
- 3.2. Spectrum Health and Priority Health will include Compliance language in its contracts that states the contractor represents and warrants that neither it nor any of its team members are, or has been, excluded from participation in any federally and/or state funded health care programs. Contractor agrees to notify Spectrum Health and/or Priority Health as applicable, of any threatened, proposed, or actual exclusion, of it or any of its team members or sub-contractors, from any federally and/or state funded health care program. Should a team member or entity appear as an Excluded Individual, Spectrum Health and/or Priority Health will take the appropriate action up to and including termination until the exclusion, debarment or suspension is removed from the list.
- 3.3. Compliance or Priority Health Special Investigations Unit (SIU) will work with departments responsible for excluded provider screening and monitoring to educate them on processes and the use of the third-party exclusion monitoring vendor database.
- 3.4. Compliance is responsible for the excluded entity oversight process and will monitor Compliance with this policy and associated procedures.

### 4. Notifications

Spectrum Health utilizes a third-party vendor to conduct ongoing exclusion monitoring. The vendor will notify Compliance of potential matches. Compliance will exercise due diligence to verify that any individual or entity found as a potential match is resolved. Compliance must be immediately notified if a team member, contracting third party, board member, provider, vendor/supplier, volunteer, and others with whom Spectrum Health conducts business becomes excluded from participation.

### 5. Revisions

Spectrum Health reserves the right to alter, amend, modify or eliminate this policy at any time without prior written notice

6. **Policies Superseded and Replaced:** This policy supersedes and replaces the following policies as of the effective date of this policy. Policy #937, version #6.

## 7. References

- [Spectrum Health Excluded Individual/Entity Procedure](#)
- [Spectrum Health Excluded Individual/Entity Procedure](#)
- [Priority Health Regulatory Screenings, Excluded Individuals, Debarment Procedure](#)
- [Priority Health OFAC SDN Screening Procedure](#)
- See HR-TR-005, Professional Conduct Policy,
- Office of Inspector General; DHHS OIG List of Excluded Individuals and Entities (LEIE list)
- Office of Foreign Asset Control (OFAC) and Specially Designate Nationals (SDN)
- Michigan Department of Community Health
- Reference Notice to Third Party Policy
- Social Security Act §§ 1128, 1128A, 1156, 1902, 1903, 1862(e)(1)(B), 42 C.F.R. §§ 422.503(b)(4)(vi)(F), 422.752(a)(8), 423.504(b)(4)(vi)(F), 423.752(a)(6), 1001.1901
- System for Award Management (SAM) (Site replaced EPLS on November 22, 2012)
- 5 U.S.C. 8902, 5 CFR Part 890
- OPM's Guidelines for Implementation of FEHBP Debarment and Suspension Orders
- USA Patriot Act §326
- Health plan member documents

## 8. Policy Development and Approval

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## 9. Keywords

exclusion, individual, excluded, OIG, GSA, debarred, sanction, entity, Medicare, Medicaid, federally funded, provider, agent, FEHB, Preclusions, subscriber individual, excluded, OIG, GSA, debarred, sanction, entity, Medicare, Medicaid, federally funded, provider