

Employee / Independent Contractor/ Vendor Screening

Shore Memorial Hospital Shore LifeCare Shore Health Care at Home MMC Shore Rehab
Lingle/Goldstein Surgical Assoc. Orthopedic Assoc.

Written: 2/99 Revised: 9/03 Reviewed: 5/00,5/01,4/02, 3/05

Adopted by the Board 4/28/1999,10/29/03 Reviewed by the Board 5/31/00,6/27/01,4/24/02

President/CEO

Compliance Officer

Scope:

All entities of Shore Health Services, Inc. including, but not limited to Shore Memorial Hospital, Shore LifeCare, Physician Practices, Home Health, and Shore Rehab.

Purpose:

To ensure that Shore Health Services does not contract with or hire any individual person excluded from participation in Federal Healthcare programs. To outline the policy and responsibility of Shore Health Services, Inc. related to new staff, independent contractors or vendors to determine whether such staff member, vendor or independent contractor has (a) been convicted of a criminal offense related to health care, or (b) been listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation which would prevent the Organization from hiring or contracting with such person or vendor.

Policy:

It is the policy of Shore Health Services, Inc to make reasonable inquiry into the background of prospective staff, independent contractors or vendors whose job functions or responsibilities may impact the Organization's compliance with federal or state law or the Corporate Compliance Plan.

Additionally pending the resolution of any criminal charges or proposed debarment or exclusion, individuals and companies with whom Shore Health services, Inc. currently contracts who are charged with criminal offenses related to health care, or proposed for debarment or exclusion, must be removed from direct responsibility for or involvement in any

federally funded health care program. If resolution results in conviction, debarment or exclusion of the individual or company, Shore Health Services must immediately cease employment or contracting with that ineligible person.

Definitions:

For the purpose of this policy, an "Ineligible Person" shall be any individual or entity who (i) is currently excluded, suspended, debarred or otherwise ineligible to participate in the Federal Healthcare Programs; or (ii) has been convicted of a criminal offense related to provision of healthcare items or services and has not been reinstated in the Federal Healthcare Programs after a period of exclusion, suspension, debarment or ineligibility.

Initial Screening of New Employees/ Contract Staff

All new staff and contract staff must complete a pre-employment or pre engagement application, as applicable, and respond to all questions there, including whether they have a) been convicted of a criminal offense related to health care, or (b) listed by the government as debarred, excluded or otherwise ineligible for federal program (i.e. Medicare, Medicaid etc) participation.

1. The Human Resources Department will perform a criminal background check on staff at the time of hire and annually thereafter. (refer to Human Resources Manual, Policies: Criminal History Checks and Contract Relations). *See HR Policies: Emp - HR 007 - Employment Policies and Procedures*
2. The Human Resources Department will check the HHS/OIG List of Excluded Individuals (OIG Sanction Report) and the General Service Administration's List of Parties Excluded from Federal Programs to determine the potential eligibility status of potential staff, independent contractors or vendors. See attached Exclusion Checking procedure.
3. The GSA List and the OIG Sanction Report are on the internet in searchable formats at,
 - <http://epls.arnet.gov>; and (see addendum 2 or 3)
 - <http://exclusions.oia.hhs.gov> (see addendum 4 or 5)
4. Any individual who has been convicted of a criminal offense related to health care or who has been debarred, excluded or held to be otherwise ineligible for participation in federal health care programs will not be eligible for an employment or contractual service relationship with the Shore Health Services. See HR 008A - Background Investigations

Investigation of Current Employees/ Contracted Staff

1. All current staff, independent contractors and vendors have an obligation to notify the Compliance Officer immediately upon receipt of any information indicating that any such staff, independent contractor or vendor has been charged with a crime related to health

care or is facing a proposed debarment, exclusion or other ineligibility for participation in any federal health care program. Failure to make such notification to the Compliance Officer shall result in disciplinary action including termination.

2. Pending the outcome of any proposed debarment, exclusion or other ineligibility for participation in federal health care programs or the resolution of any criminal charges related to health care, the staff, independent contractor or vendor shall be removed from direct responsibility for or involvement in any federal health care programs which affect Shore Health Services.
3. If resolution of the matter(s) stated in (2) above results in conviction, debarment or exclusion, Shore Health Services shall immediately terminate the employment or contractual arrangement with the individual or entity involved.
4. Any incidence in which an employee or contracted staff person is confirmed to be an Ineligible Person must be reported to the Compliance Officer.

Vendors other than those providing patient care services covered above.

1. Before entering into or renewing a contract or agreement it shall be the responsibility of the relevant Vice President or their designee to assure that the vendor has not been (a) convicted of a criminal offense related to health care or (b) listed by the government as debarred, excluded or otherwise ineligible for federal program participation. At the time of contract negotiation all vendors will be asked if either a or b apply. In addition, it shall be the responsibility of the negotiating party to check the government's OIG Sanction Report and the GSA List to determine the potential eligibility of vendors. The contract shall also include a provision that Shore Health Services, Inc. does not do business with vendors who have been convicted of a criminal offense related to health care or sanctioned by the federal government.
2. The Vice President or designated individual must compare the name of each potential contractor to the GSA List and the OIG Sanction Report.
3. Should an individual or company appear on either the GSA List or the OIG Sanction Report, Shore Health Services, Inc. may not contract with that individual or company until the charges are resolved and it is clear the individual or company will not be excluded or debarred.
4. Should an individual or company provide satisfactory evidence they are not the individual or company that appears on the report, that individual or company may be considered eligible to do business with the company.
5. VP or designee will check the monthly OIG exclusion list and GSA List(see addendum 2 and 4). If the monthly review indicates a possible match, a routine search of the databases should be conducted. If an individual or company appears on the GSA List or the OIG Sanction Report, the CEO, or designee, must terminate the contract and work with the CFO to address potential cost reporting issues.

6. Each incidence, in which the listed contractor is confirmed to be an ineligible person, must be reported to the Compliance Officer.
7. Documentation: Whenever a search of a contractor or potential contractor is conducted on the GSA List and the OIG Sanction Report, the search results screens must be printed and copies maintained, whether or not the results indicate a match.

The monthly review must be signed by the VP or designee indicating that we do not have any individuals or companies on the exclusion list. This monthly review must be documented and should be maintained in a monthly exclusion verification file. If the review indicates a possible match, the search results screens must be printed and copies must be maintained in the contract file or the master exclusion file.

All documents, pertaining to an incidence in which a listed contractor or individual is confirmed to be an ineligible person, must be maintained for a minimum of five (5) years.

8. The following language is to be included in all agreements with contractors (the names of the parties listed in brackets should be changed to conform to the names used in the agreement and the brackets eliminated in the final document).

"[Vendor] represents and warrants [to facility] that [Vendor], its officers, directors and employees (i) are not currently excluded, debarred, or otherwise ineligible to participate in the federal health care programs as defined in 42 USC 1320a-7b(f) (the "Federal Health Care Programs"); (ii) have not been convicted of a criminal offense related to the provision of healthcare items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the Federal Healthcare Programs, and (iii) are not, to the best of its knowledge, under investigation or otherwise aware of any circumstances which may result in [Vendor] being excluded from participation in the Federal Healthcare Programs. This shall be an ongoing representation and warranty during the term of this Agreement and [Vendor] shall immediately notify [Facility] of any change in the status of the representations and warranty set forth in this section. Any breach of this section shall give [Facility] the right to terminate this Agreement immediately for cause".

9. The attached addendum may be used for amending existing agreements that do not contain the Warranty of Non-exclusion language stated in Paragraph 8 above. The names of the parties listed in brackets should be changed to conform to the names used in the agreement and the brackets eliminated in the final document.
10. Any vendor convicted of a criminal offense related to health care or listed by the government as debarred, excluded or otherwise ineligible for federal program participation will be subject to termination of the contract.

The Compliance Officer may be reached at extension 665 or on the Compliance Help Line at 757-414-0604. The Compliance Help Line is designed to be a toll free system to anyone calling outside of the local calling area.

References

- OIG Model Compliance Program Guidance Clinical Laboratories; 62FR 9435-9440

- OIG Model Compliance Program Guidance for Hospitals; 63 FR 8987-8998
- OIG Compliance Program Guidance for Home Health Agencies 63 FR - 42410 - 42426
- OIG Compliance Program for Nursing Facilities; 65 FR 14289 - 14306
- Final Compliance Program Guidance for Individual and Small Group Physician Practices ; 65 FR 59434 - 59452
- Compliance Journal, July 2003, Edition 2, Vol. 4; " Human Resources and Compliance Screening"
- Materials Management, January 2003, " Materials Management and Corporate Screening.

ADDENDUM I

Vendor: _____

Facility: _____

Contract Date:* _____

Product/Services: _____

Vendor and Facility hereby agree that the following terms are added to the above-identified agreement(s):

"[Vendor] represents and warrants [to facility] that [Vendor], its officers, directors and employees (I) are not currently excluded, debarred, or otherwise ineligible to participate in the federal health care programs as defined in 42 USC 1320a-7b()9 (the "Federal Health Care Programs'); (ii) have not been convicted of a criminal offense related to the provision of healthcare items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the Federal Healthcare Programs, and (iii) are not, to the best of its knowledge, under investigation or otherwise aware of any circumstances which may result in [Vendor] being excluded from participation in the Federal Healthcare Programs. This shall be an ongoing representation and warranty during the term of this Agreement and [Vendor] shall immediately notify [Facility] of any change in the status of the representations and warranty set forth in this section. Any breach of this section shall give [Facility] the right to terminate this Agreement immediately for cause "

Accepted and agreed to by:

Vendor: _____

Facility: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ADDENDUM 2

Purpose: Procedure for performing individual GSA checks

GUIDELINES:

1. To perform a GSA individual inquiry; use the following website: <http://epls.arnet.og-v>. This site will allow you to inquiry using the person's or company's name
 - a. Select the (Name) on the left side of the screen:
 - b. Enter the person's or company's name.
 - c. Select the (Match) option: Partial Name or Exact Name.
 - d. Click (OK).
 - e. A report will appear telling you the status.
 - f. Print the report for documentation purposes.
 - g. File reports, if necessary, see policy

ADDENDUM 3

Purpose: Procedure for checking vendors on the GSA Exclusion List.

GUIDELINES:

1. The GSA individual inquiry will be used for each new vendor at the time of original contact.
2. The GSA list will be inquired once (only if step 1 was not completed) and then the Monthly Supplements List will be inquired monthly.
3. The relevant Vice President or their designee will review the list and sign-off that they have been reviewed and proper action has been taken, if necessary.
4. To perform an individual inquiry use the following website: <http://epls.arnet.ov> (see addendum 2). This site will allow you to inquiry using the person's or company's name.
5. To perform a download of the files and work from excel:
 - a. Go to <http://epls.arnet.gov>
 - b. Select the report menu (list reports is for the complete database or use the supplemental reports by month) on the right side of the screen.
 - c. Choose which reports you want to download or view. (Use Reciprocal).

- d. Choose MS Excel format and click OK
 - e. Choose (Open or Save) depending on if you want to save to your PC or just view the report. Choose Open to view and Save to download to your PC.
 - f. Note the name of the file and the path, so you will know where to find it.
 - g. Once the download is complete close the window and go to Excel.
 - h. Open Excel and retrieve the file that was created. This file will open in an excel format.
 - i. View the report for exclusions
6. Save the report as an excel file.
 7. Sort, delete or make any necessary changes.
 8. Complete your report and send a signed copy to the Compliance Officer.

ADDENDUM 4

Purpose: Procedure for checking vendors on the OIG Exclusion List.

GUIDELINES:

1. The OIG Exclusion individual inquiry will be used for each new vendor at the time of original contact.
2. The OIG Updated LEIE list will be inquired once (only if step 1 was not completed) and then the Monthly Supplements List will be inquired monthly.
3. The relevant Vice President or their designee will review the list and sign-off that they have been reviewed and proper action has been taken, if necessary.
4. An individual inquiry should be performed on each new individual/vendor and then the monthly exclusion reports will be run monthly for verification.
5. To perform an individual inquiry use the following website: www.exclusions.oig.s.ov This site will allow you to inquiry using the person's or company's name, up to five at a time.(see addendum 5)
6. To perform a download of the complete database files or monthly files and work from excel, use the following website: www.oig.hhs.gov/fraud/exclusions/database.html
 - a. Click the download icon for the file you want to use or for the monthly files

double click the file name. (Updated LEIE *this is the complete database. The monthly files are listed below the LEIE files*).

- b. Choose (Application) and say OK.
- c. Choose (Open or Save) depending on if you want to save to your PC or just view the report. Choose Open to View and Save to download to your PC.
- d. Note the name of the file and the path, so you will know where to find it.
- e. Once the download is complete close the window and go to Explorer at the Start button.
- g. Double Click the file you downloaded (exp.: Updatedleie.exe). This file will have an extension of exe. The system will prompt you to override the file, click Yes. This will create a dbf file.
- h. Open excel and retrieve the dbf file that was created. This file will open in an excel format.
- i. View the report for exclusions
- j. Save the report as an excel file.
- k. Sort, delete or make any necessary changes.
1. Complete your report and send a signed copy to the Compliance Officer.

ADDENDUM 5

Purpose: Procedure for performing individual OIG checks.

GUIDELINES:

To perform an OIG individual inquiry; use the following website: <http://exclusions.oig.hhs.gov>. This site will allow you to inquiry using the person's or company's name:

- a. Enter the person's name or Business Name. You may do up to five inquiries at a time.
- b. Click (SEARCH) to perform the inquiry.
- c. A report will appear telling you the status.
- d. Print the report for documentation purposes.
- e. File report(s), if necessary, see policy.

A search may be performed by state, General Classification or Exclusion Type. This is not by individual. Click on either option and a list of states, classifications or exclusion types will appear, select one from the list. A list of exclusions will appear with company names and/or individual names.