

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201731 MAY 23, 2017

IHCP reminds providers of their obligation to screen for excluded individuals and entities

The Indiana Health Coverage Programs (IHCP) reminds providers of their obligation to screen employees and contractors for excluded individuals and entities before hiring or contracting as well as on a periodic basis, and to review the calculation of overpayments to excluded individuals or entities. This obligation was explained in detail in *IHCP Bulletin* [BT200934](#) and is included in the terms outlined in the *IHCP Provider Agreement* that providers must sign when enrolling as an IHCP provider.

Background information

The U.S. Health and Human Services Office of Inspector General (HHS-OIG) excludes individuals and entities from participation in Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), and all federal healthcare programs (as defined in [Section 1128B\(f\)](#) of the *Social Security Act* [the Act]). When the HHS-OIG has excluded a provider, federal healthcare programs, including Medicaid and SCHIP programs, are generally prohibited from paying for any items or services furnished, ordered, or



prescribed by excluded individuals or entities ([Section 1903\(i\)\(2\)](#) of the Act and *Code of Federal Regulations 42 CFR section 1001.1901(b)*). This payment ban applies to any items or services reimbursable under such programs that are furnished by an excluded individual or entity. The prohibition applies to payments for any items or services directed or prescribed by an excluded physician or other authorized person when the individual or entity furnishing the services knew or should have known of the exclusion even when the payment itself is made to another provider, practitioner, or supplier that is not excluded.

The HHS-OIG maintains the [List of Excluded Individuals and Entities \(LEIE\)](#), a database accessible to the general public that provides information about parties excluded from participation in federal healthcare programs. The LEIE database is available for viewing online, or it may be downloaded. The [online search engine](#) identifies currently excluded individuals or entities. When a match is identified, it is possible for the searcher to verify the accuracy of the match using a Social Security number (SSN) or employer identification number (EIN). The downloadable version of the database may be compared against an existing database maintained by a provider. However, unlike the online format, the downloadable database does not contain SSNs or EINs.

IHCP provider obligations

All current IHCP providers and providers applying to participate in the IHCP are required to take the actions outlined in this bulletin to determine whether their employees and contractors are excluded individuals or entities. Providers are required to agree to comply with these obligations as a condition of enrollment:

- Screen all employees and contractors to determine whether any of them have been excluded. Providers can access the LEIE database on the HHS-OIG website at oig.hhs.gov and search by the name of any individual or entity.
- Search the HHS-OIG website periodically to capture exclusions and reinstatements that have occurred since the last search.
- Report to the State any exclusion information discovered by contacting the Provider and Member Concern Line toll-free at 1-800-457-4515.



Because it is prohibited by federal law, no payments can be made for any amount expended for items or services by an individual or entity while being excluded from participation (unless the claim for payment meets an exception listed in *42 CFR section 1001.1901(c)*). Any such payments actually claimed for federal financial participation constitute an overpayment, and are therefore subject to recoupment. The amount of the Medicaid overpayment for such items or services is the actual amount of Medicaid dollars that were expended for those items or services. When Medicaid funds have been expended to pay an excluded individual's salary, expenses, or fringe benefits, the amount of the overpayment is the amount of those expended Medicaid funds. Civil monetary penalties may be imposed against Medicaid providers and managed care entities (MCEs) that employ or enter into contracts with excluded individuals or entities to provide items or services to Medicaid members.

The following list provides examples of types of items or services that, when provided by excluded parties, are not reimbursable and would constitute an overpayment subject to recoupment:

- If reimbursed directly or indirectly (such as through a pay-per-service or a bundled payment) by a Medicaid program, services performed by excluded nurses, technicians, or other excluded individuals who work for a hospital, nursing home, home health agency or physician practice (even if the individuals do not furnish direct care to Medicaid members), where such services are related to:
 - Administrative duties
 - Preparation of surgical trays
 - Review of treatment plans
- Services performed by excluded pharmacists or other excluded individuals who input prescription information for pharmacy billing or who are involved in any way in filling prescriptions for drugs reimbursed, directly or indirectly, by a Medicaid program

- Services performed by excluded ambulance drivers, dispatchers, and other employees involved in providing transportation reimbursed by a Medicaid program to hospital patients or nursing home residents
- Services performed for program recipients by excluded individuals who sell, deliver, or refill orders for medical devices or equipment being reimbursed by a Medicaid program
- Services performed by excluded social workers who are employed by healthcare entities to provide services to Medicaid members, and whose services are reimbursed, directly or indirectly, by a Medicaid program
- Services performed by an excluded administrator, billing agent, accountant, claim processor, or utilization reviewer that are related to and reimbursed, directly or indirectly, by a Medicaid program
- Items or services provided to a Medicaid member by an excluded individual who works for an entity that has a contractual agreement with, and is paid by, a Medicaid program
- Items or equipment sold by an excluded manufacturer or supplier, used in the care or treatment of members, and reimbursed, directly or indirectly, by a Medicaid program



QUESTIONS?

If you have questions about this publication, please contact Customer Assistance at 1-800-457-4584.

COPIES OF THIS PUBLICATION

If you need additional copies of this publication, please [download them](#) from indianamedicaid.com.

SIGN UP FOR IHCP EMAIL NOTIFICATIONS



To receive email notices of IHCP publications, subscribe by clicking the blue subscription envelope here or on the pages of indianamedicaid.com.

TO PRINT

A [printer-friendly version](#) of this publication, in black and white and without graphics, is available for your convenience.