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Administrative Manual
Policy Number: 1246

**PROHIBITION AGAINST EMPLOYING OR CONTRACTING
WITH SANCTIONED INDIVIDUALS OR COMPANIES**

Objective: To ensure that Covenant HealthCare does not employ, or contract with, any Ineligible Person.

Scope: All Covenant facilities and wholly-owned entities.

Policy: A Covenant HealthCare entity may not offer employment to, or contract with, any Ineligible Person. Additionally, pending the resolution of any criminal charges or proposed debarment or exclusion, individuals and companies with whom Covenant 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, Covenant must immediately terminate or cease contracting with that Ineligible Person.

Definition: **Ineligible Person:** For purposes of this Policy, an “Ineligible Person” shall be any individual or company who: (i) is currently excluded, suspended, debarred or otherwise ineligible to participate in the Federal health care programs; or (ii) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

Procedure:

1. To ensure that Covenant does not employ or contract with any Ineligible Person, each individual and company proposing to do business with Covenant HealthCare will be compared against the System for Award Management (“SAM”) and the HHS-OIG List of Excluded Individuals/Entities (the “OIG Sanction List”). The process of checking against the SAM and the OIG Sanction List may be completed through a contracted vendor.
2. Prior to hiring or re-hiring an employee, Human Resources will ensure that the individual being considered for employment is not an Ineligible Person.

3. Before entering into or renewing an agreement, Supply Chain Management will ensure that the proposed contractor is not an Ineligible Person.
4. Before entering into or renewing a contract, Vice Presidents and Directors shall be responsible for ensuring that a proposed contractor is not an Ineligible Person, contacting Human Resources, Supply Chain Management or Corporate Compliance to check the appropriate agencies.
5. On an annual basis, a listing of current suppliers and contracted service providers will be provided to Corporate Compliance by Supply Chain Management, and this will be compared against the SAM and the OIG Sanction List.
6. On an annual basis, a listing of current Covenant HealthCare employees will be provided to Corporate Compliance by Human Resources, and this will be compared against the SAM and the OIG Sanction List.
7. On a monthly basis, Information Technology will compare the OIG Sanction Monthly Report with the EPIC Provider File to ensure that Covenant is not billing for services ordered or rendered by an Ineligible Person.
8. On a monthly basis, Supply Chain Management will compare the OIG Sanction Monthly Report with the annual list of current suppliers and contracted service providers to ensure that Covenant is not engaging in business with Ineligible Person.
9. Should an employee or contracted service provider appear on either the SAM or the OIG Sanction List, Covenant may not contract with or employ that individual or company until the charges are resolved and it is clear that the individual or company will not be excluded or debarred.
10. Should an individual or company provide satisfactory evidence that they are not the individual or company that appears on the Report, that individual or company may be considered eligible to do business with Covenant.
11. The following language is to be included in all Requests for Information (RFIs) submitted to potential contractors:

“Covenant complies with all Federal and state laws and regulations including the requirement not to contract with sanctioned individuals or companies. Has your company or any individual employed by your company been listed by a Federal Agency as debarred, excluded or otherwise ineligible for participation in federally funded health care programs?”

An appropriate response to this question is mandatory before a supplier may be qualified to contract with the Covenant HealthCare.

Related Policies, Procedures, Guidelines:

- Administrative Manual #1223 – [Limitations on Employment](#)
- Covenant HealthCare, Corporate Compliance Program, *Code of Conduct*

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Approval:

Beth Charlton – Executive Vice President, Operations/CNO

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