

# Administrative Manual

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

**Policy Number:** 12.46

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

**Scope:** All Covenant facilities and wholly owned entities.

**Policy:** No Covenant entity may 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:**

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 General Service Administration’s List of Parties Excluded from Federal Programs (the “GSA List”) and the HHS/OIG List of Excluded Individuals/Entities (the “OIG Sanction Report”). The process of checking against the GSA List 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, Materials 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, Materials Management or Corporate Compliance to check the appropriate agencies.

5. On an annual basis a listing of current contracted individuals and companies will be provided to Corporate Compliance by Finance, and this will be compared against the GSA List and the OIG Sanction Report.
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 GSA List or the OIG Sanction Report.
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 a “sanctioned” provider.
8. Should an individual or company appear on either the GSA List or the OIG Sanction Report, Covenant may not contract with that individual or company until the charges are resolved and it is clear that the individual or company will not be excluded or debarred.
9. Should an individual or company provide satisfactory evidence that they are not the individual(s) or company that appears on the Report, that individual or company may be considered eligible to do business with Covenant.
10. 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 Company.


**Related Policies/Procedures:** Code of Conduct  
Limitations on Employment

**Reviewed by:** Executive Team 11/10/99, Administration 9/2009, 09/2015

**Effective date:** 12/06/99, 01/2000, 12/06/02, 10/05/05, 9/2009, 9/2012, 09/2015

**Review date:** 9/2018

**Approval:**

  
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Edward Bruff, President/CEO

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Date September, 2015