




Issues with Physician Sanction Checking

Richard P. Kusserow | August 2024

With the Office of Inspector General (OIG), Centers for Medicare and Medicaid Services (CMS), and state Medicaid Agencies all calling for increased and more frequent [sanction checks](#), many health care providers have responded by focusing on sanction checking efforts. While this is beneficial in meeting federal and state requirements, it can become costly whether conducted internally or contracted out to an expensive vendor.

Additionally, some organizations may end up screening individuals and entities unnecessarily or too frequently, which can become counterproductive and quickly drain the organization's resources and budget.

For example, an organization may be screening physicians who are not on staff or have staff privileges at a hospital; however, neither CMS nor the OIG call for such screenings. There are several other problems with conducting sanction checks of these physicians, including:



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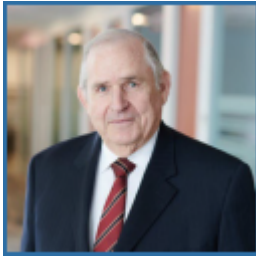
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1. There may be thousands of different physicians referring a patient to a hospital with which the physician has no personal contact. The cost of screening each of these physicians and resolving potential hits can be an expensive proposition.
2. Often, a physician who refers a patient to a hospital may not be from the area, be personally unknown, or have never referred a patient to that hospital before and may not do so again. Retired persons living in a location separate from their original area of residency or home are commonly referred by a local physician to a home area hospital.
3. It is unreasonable for the hospital receiving a patient referred by a physician to screen the referring physician in advance of providing a service. In many cases, the hospital will not have any identifiable data on that physician.

4. If a referring physician is found to be a positive match against the OIG's List of Excluded Individuals and Entities, there is little the hospital can do about it other than request that the physician not refer any more patients.

Consider it the [best practice](#) to screen only individuals and entities that the OIG requires to be screened. This does not include referring physicians who are not employees, on staff, or known to the hospital. However, the hospital may consider screening unaffiliated physicians who frequently refer patients. If any of these physicians are found to be a match to the sanction list, then the hospital should ask them to cease patient referrals and notify them that they will contact the OIG.

Interested in learning more about sanction screening? Contact Shelby Cole at scole@complianceresource.



About the Author

Richard P. Kusserow established Strategic Management Services, LLC, after retiring from being the DHHS Inspector General, and has assisted over 2,000 health care organizations and entities in developing, implementing and assessing compliance programs.