



STATE OF MARYLAND

DHMH

Office of Health Services  
Medical Care Programs

Maryland Department of Health and Mental Hygiene  
201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

**Maryland Medical Assistance Program  
General Provider Transmittal No. 73  
April 17, 2009**

**TO:** Medicaid Providers  
*Susan J. Tucker*  
**FROM:** Susan J. Tucker, Executive Director  
Office of Health Services

**NOTE:** Please ensure that the appropriate staff members in your organization are informed of the contents of this transmittal.

**SUBJECT:** Providers' Responsibility to Screen for Excluded Parties

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**Background**

When the Health and Human Services Office of the Inspector General (HHS-OIG) has excluded a provider, the Medicaid program is prohibited from paying for any items or services furnished, ordered, or prescribed by excluded individuals or entities. This payment ban applies to any items or services reimbursable under a Medicaid program that are furnished by an excluded individual or entity, and extends to:

- All methods of reimbursement, whether payment results from itemized claims, cost reports, fee schedules, or a prospective payment system;
- Payment for administrative and management services not directly related to patient care, but that are a necessary component of providing items and services to Medicaid recipients, when those payments are reported on a cost report or are otherwise payable by the Medicaid program; and
- Payment to cover an excluded individual's salary, expenses or fringe benefits, regardless of whether they provide direct patient care, when those payments are reported on a cost report or are otherwise payable by the Medicaid program.

In addition, no Medicaid payments can be made for any items or services directed or prescribed by an excluded physician or other authorized person when the individual or entity furnishing the services either knew or should have known of the exclusion. This prohibition applies even when the Medicaid payment itself is made to another provider, practitioner or supplier that is not excluded.

**Consequences of Payment to Excluded Providers**

When Medicaid has reimbursed a provider for any service or item provided by an excluded provider as described above, this is considered an overpayment and the Department will recoup this money. Additionally, civil monetary penalties may be imposed against providers and managed care organizations that employ or enter into contracts with excluded individuals or entities to provide items or services to Medicaid recipients.

**Medicaid Providers Must Screen for Exclusions**

All Medicaid providers should take the following steps to determine whether their employees and contractors are excluded individuals or entities:

- Screen all employees and contractors to determine whether any of them have been excluded.
- Search the HHS-OIG website (<http://www.oig.hhs.gov/fraud/exclusions.asp>) monthly to capture exclusions and reinstatements that have occurred since the last search (see additional information below).
- Routinely search the Sanctioned Providers and Entities Excluded from Participation in Maryland Medicaid Program database located at [http://www.dhmh.state.md.us/oig/pdf/2009/013009\\_exclusion.pdf](http://www.dhmh.state.md.us/oig/pdf/2009/013009_exclusion.pdf).
- Immediately report any exclusion information discovered to the Department.

**Where Providers Can Look for Excluded Parties**

Providers can search the List of Excluded Individuals/Entities (LEIE) on the HHS-OIG website by the names of any individual or entity. The LEIE website is located at <http://www.oig.hhs.gov/fraud/exclusions.asp> and is available in two formats. The on-line 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 on-line format, the downloadable database does not contain SSNs or EINs.

**Conclusion**

The Department appreciates your support to prevent fraud and abuse in the Medicaid program. If you have questions concerning this transmittal, please contact Pam Owens, Chief Compliance Officer, Office of the Inspector General, at 410-767-5784. To report exclusion information, please write to Dina Smoot, Administrator, Office of Health Services, Department of Health and Mental Hygiene, 201 W. Preston St., Baltimore, MD 21201.