



INFORMATIONAL BULLETIN FROM THE OFFICE OF INSPECTOR GENERAL

Facts You May Need To Know About Your Employment

The Office of Inspector General (OIG) of the U.S. Department of Health and Human Services has the authority to exclude from participation in the Federal health care programs any individuals and entities who have been convicted of certain offenses, sanctioned by other governmental agencies, or who have participated in inappropriate activities related to the provision of health care items and services as detailed below. Federal health care programs include Medicare, Medicaid, Tricare, Veterans Affairs, and all other programs that provide health benefits and are funded directly, in whole or in part, by the United States government (except the Federal Employees Health Benefits Program).

The Social Security Act (Act) authorizes the OIG to exclude individuals and entities based on particular circumstances. The Act specifies when the OIG must exclude and when the OIG may exclude. The OIG must exclude an individual or entity who has been convicted of:

1. Medicare- or Medicaid-related crimes (misdemeanor or felony)
2. Patient abuse or neglect (misdemeanor or felony)
3. Felony health care fraud (not related to Medicare or Medicaid)
4. Felony controlled substance violations

The OIG may exclude in several other instances. For example, the OIG may impose exclusions based on:

1. Convictions for misdemeanor health care fraud (not related to Medicare or Medicaid)
2. Convictions for misdemeanor controlled substance violations
3. Disciplinary actions taken by licensing boards or other Federal or State health care programs
4. Quality of care issues related to denial of services, excessive/unnecessary services, or substandard care
5. Prohibited activities such as false claims, fraud, kickbacks (with or without a conviction)
6. Defaults on health education assistance loans

Once a person is excluded, Federal health care programs will not pay for anything that the person furnishes, orders, or prescribes, regardless of what that person's job is. The exclusion affects, among others, the excluded person, anyone who employs or contracts with the excluded person, or any hospital or other provider where the excluded person provides services. The exclusion applies regardless of who submits the claims or requests for reimbursement and applies to all items or services, including administrative and management services, furnished by the excluded person. An excluded person may not be employed by a provider to perform functions for which the provider is paid, in whole or in part, by any Federal health care program. As a result, an excluded person generally may not be employed by a hospital, nursing home, or other institutional provider which participates in Federal health care programs. **The exclusion is nationwide in scope and applies to all health care professions and occupations.**

For example, if a nurse is excluded, he or she will be precluded from many types of employment in the health care field. Items or services furnished by the excluded nurse cannot be reimbursed, either directly or indirectly, by a Federal health care program. A nurse cannot work at a hospital, nursing home, or other institutional provider if the nurse's salary or fringe benefits are paid directly to the nurse or indirectly through the employer on a Federal health care program's cost report. These prohibitions apply regardless of whether the person excluded as a nurse now has a different license within the nursing field (e.g., LPN instead of RN), or changes fields and is now employed as a physician, secretary, administrator, information clerk, cafeteria worker, or any other position where the salary is reimbursed by Federal health care programs directly or on a cost report.

Once excluded, an individual or entity is not able to participate in Federal procurement and non-procurement programs and activities. For example, an excluded person cannot be granted Federal student loans or housing loans, nor will any excluded party be able to enter into any contract with the Federal government.

**An exclusion does not affect an excluded individual's, or his/her family's, rights to receive personal benefits as a beneficiary of Medicare, Medicaid, or any other Federal health care program.**

More information about exclusions, Frequently Asked Questions, and a Special Advisory Bulletin about the Effect of Exclusions, may be found on the OIG's Website at <http://oig.hhs.gov>. Then click on EXCLUSIONS DATABASE, and choose the information you wish to access.