KERN HEALTH SYSTEMS POLICY AND PROCEDURES			
Policy Title	Monitoring Provider Exclusions	**Policy #**	23.01-P
Policy Owner	Quality Performance/Contracting	**Original Effective Date**	10/01/2025
Revision Effective Date		**Approval Date**	11/4/2025
Line of Business	☒ Medi-Cal ☒ Medicare ☐ Corporate		

I. PURPOSE

This policy outlines the process used to ensure all providers who submit a contract to the plan as well as all providers to whom a claims payment is made will be monitored against federal and state exclusion lists. The parties or entities on these lists are excluded from various activities, including rendering services to Medicare, Medi-Cal, and other federal heath care program enrollees (unless in the case of an emergency, as stated in 42 Code of Federal Regulations (CFR) §1001.1901). Additionally, if any contracted provider is found to be subsequently included on any of the identified lists that provider will be promptly terminated from the applicable network.

II. POLICY

The Centers for Medicare & Medicaid Services (CMS) and the California Department of Health Care Services (DHCS) both require contractors, their subcontractors, and other delegated entities to monitor federal and state exclusions lists. Kern Health System (KHS) will validated contracted providers are eligible to receive payment from CMS and DHCS programs through a review of the CMS Preclusion Provider List, the Office of the Inspector General (OIG-HHS) List of Excluded Individuals and Entities, the Medicare Opt-Out list, Medi-Cal Suspended and Ineligible Lists (SIPL), the Medi-Cal Restricted Provider Database (RPD) and the General Services Administration (GSA) Exclusions as referred through the Systems for Award Management (SAM) upon initial contracting/credentialing, recredentialing and monthly thereafter. Providers on any of these lists, except for the RPD, will be terminated from all lines of business including Dual Special Needs Plan (DSNP) line of business. Providers on the RPD List will only be terminated from the Medi-Cal line of business only.

Additionally, KHS will complete a review of all providers being paid through the claims payment system to validate that none of the providers are included on these lists.

Should a provider be identified as subsequently being included on one of these lists, that provider will be terminated from the network and ineligible for any future payments under the applicable product line of business. Providers found on any of these lists are not eligible to file an appeal to KHS for reconsideration but instead must work with the appropriate regulatory entity for any corrections or updates to the list. Appropriate outreach will be provided to any impacted member according to required regulatory action. If there is no specific regulatory action for that specific list, then KHS will follow the provider termination member notification process.

III. DEFINITIONS

TERMS	DEFINITIONS
The Centers for Medicare and Medicaid Services	The Centers for Medicare and Medicaid Services (CMS), the Federal agency within the Department of Health and Human Services (DHHS) that administers the Medicare program and oversees all Medicare Advantage Plan (MAPD) and Prescription Drug Plan (PDP) organizations.
Contracted provider	A healthcare provider that has an agreement with a health plan to accept patients at an agreed-upon rate.
Credentialing	A regulated process of assessing the qualifications of specific licensed medical professional validating the medical professional's background and legitimacy. Credentialing, for providers that require it must be completed prior to contracting.
Delegated Provider Group	Any contracted medical group or hospital physician organization where the group has been delegated for some functions managed by the plan such as provider credentialing, claims payment, new provider orientation or care management.
Out of Area Provider	Any contracted provider that does not have an office or business location within the health plan service level such as a mail order Durable Medical Equipment Company.
Excluded Provider	A provider is included on the List of Excluded Individuals and Entities (LEIE) file and is ineligible to receive payment from the Medicare or Medicaid programs or other federally funded programs.
Medicare Opt-Out Provider	A provider who has decided not to be included in the Medicare program and agrees not to bill Medicare for services. Medicare Opt-Out providers should not treat Medicare patients unless it is an emergency or unless they have an agreement with the Medicare patient for the member to pay out of pocket for the services and not bill Medicare.

Non-contracted Provider	A provider or supplier that does not contract with the Medicare Advantage (MA) plan to provide services covered by the MA plan.
Precluded Provider	A provider that is included on the CMS Precluded Provider List. This list is comprised of providers who have engaged in behavior that CMS determines is detrimental to the best interests of the Medicare program. In general, providers on the Excluded Provider file are included on the Precluded Provider file, but not all Precluded Providers are on the Excluded Provider File.

IV. PROCEDURES

A. Monitoring Provider Exclusions

1. Provider Types include, but are not limited to the following:

    a. Physicians
    b. Hospitals
    c. Participating Physician Groups
    d. Ancillary Providers

2. Monitoring for Excluded Parties

    a. The names of parties that have been excluded from participation in federal health care programs are published in the Office of the Inspector General U.S. Department of Health and Human Services (OIG-HHS) List of Excluded Individuals and Entities (LEIE), CMS Preclusion List, Medi-Cal Suspended and Ineligible Provider List (SIPL), Medi-Cal Restricted Provider Database (RPD), and on the General Services Administration's (GSA) Exclusions Extract Data Package (EEDP) (or Excluded Parties List System (EPLS), which was replaced by the EEDP), as referenced through the System for Award Management (SAM).
    b. Providers on any of these lists, except for the RPD, will be terminated from all product lines of business including DSNP. Providers on the RPD will only be terminated from the Medi-Cal line of business.

B. KHS and Provider Responsibilities

1. KHS is required to monitor federal and state sanction and exclusion lists to ensure that KHS is not contracting or paying excluded parties or entities for services rendered to enrollees in KHS health plans. KHS contracted providers and their downstream subcontractors or delegated entities must check the LEIE/OIG, CMS Preclusion List, SIPL, RDP, and EEDP/SAM exclusion lists prior to contracting with any new physician, hospital, ancillary provider, physician group, subcontractor, or other delegated entity for Medi-Cal or DSNP related health plan activities. KHS, its contracted providers, and their downstream subcontractors or delegated entities must

frequently monitor these lists at least monthly to ensure parties or entities that were previously screened have not become excluded later.

C. LEIE

1. The OIG-HHS imposes exclusions under the authority of Sections 1128 and 1156 of the Social Security Act. A list of all exclusions and their statutory authority is available on the Exclusion Authority website at https://oig.hhs.gov/exclusions.
   The current LEIE is available on the https://exclusions.oig.hhs.gov/.
   Frequently asked questions (FAQs) and additional information about the LEIE is available at https://oig.hhs.gov/faqs/exclusions-faq/

2. Providers on the OIG list will be terminated from all products including DSNP & Medi-Cal.

D. CMS Preclusion List

1. The CMS Preclusion List is published by the Centers for Medicare & Medicaid Services to identify precluded providers. It is updated monthly and available with authorized user access approved by the KHS Compliance Office to access the CMS Enterprise Portal. The KHS Credentialing Manager is responsible and authorized to download the list from this portal.

2. Providers on the CMS Preclusion List will be terminated from all products including DSNP & Medi-Cal.

E. SIPL

1. The SIPL is published by DHCS to identify suspended and otherwise ineligible providers. It is updated monthly and available on the https://mcweb.apps.prd.cammis.medi-cal.ca.gov/references/sandi

2. Additional information about the list is located in the Medi-Cal Suspended and Ineligible Provider List introduction.

3. Providers on the SIPL will be terminated from all products including DSNP & Medi-Cal.

F. EEDP/SAM

1. The GSA's EEDP is a government-wide compilation of various federal agency exclusions and replaces the Excluded Parties List System (EPLS). Exclusions contained in the EEDP are governed by each agency's regulatory or legal authority. The EEDP also includes parties and entities from other federal exclusion databases. All parties or entities listed on the EEDP are subject to exclusion from Medicaid participation. The current EEDP is available on the https://sam.gov/search/?page=1&pageSize=25&sort=-modifiedDate&sfm%5BsimpleSearch%5D%5BkeywordRadio%5D=ALL&sfm%5Bstatus%5D%5Bis_active%5D=true

2. Providers on the EEDP list will be terminated from all products including DSNP & Medi-Cal.

G. Restricted Provider Database (RPD)

1. The RPD is published by DHCS to identify providers placed under a payment suspension while under investigation based upon a credible allegation of fraud (Title forty-two (42), Code of Federal Regulations (CFR) section 455.23 and Welfare and Institution Code (WIC) section 14107.11. The sanction action is specific to the individual rendering provider's National Provider Identifier and/or Tax Identification Number as listed on the database file. KHS contracted providers, subcontractors and delegated entities may continue contractual relationships with providers on the RPD that are listed under a "payment suspension only"; however, reimbursements for Medi-Cal covered services must be withheld. Contracts must be terminated with providers on the RPD that are not listed under a "payment suspension only." The RPD List is updated monthly and available with authorized user access approved by the KHS Compliance Office to access the DHCS E-Portal (https://eportal.dhcs.ca.gov/dhcs). Credentialing Manager is responsible and authorized to download the list from this portal.

2. Providers on the RPD list will be terminated from the Medi-Cal line of business only.

H. Claims Payment For Excluded Parties

KHS vendors, hospitals, and ancillary providers, subcontractors and delegated entities cannot pay participating and nonparticipating parties or entities included on these lists for any services using federal funds, except for emergency services provided by excluded providers under certain circumstances, see 42 CFR §1001.1901.

V. ATTACHMENTS

Choose an item.	N/A

VI. REFERENCES

Reference Type	Specific Reference
Regulatory	42 CFR § 417.478(e), § 422.224(b), § 460.86(b), and § 423.120(c)(6)(iv)(B)(1)
Regulatory	Medicare Managed Care Manual Chapter 6, Relationship with Providers Section 60.2
Regulatory	HPMS Memo Dated December 14, 2018 - Preclusion List Requirements Frequently Asked Questions (FAQs)
Regulatory	HPMS Memo Date December 16, 2020 – Preclusion List Frequently Asked Questions
Regulatory	HPMS Preclusion List Part C and D Model Precluded Provider Letter (attachment A)
Regulatory	LEIE Exclusion List
Regulatory	Excluded Provider Frequently Asked Questions
Regulatory	Medicare Opt-Out List and FAQs

Regulatory	Medicare Opt-Out Website

VII. REVISION HISTORY

Action	Date	Brief Description of Updates	Author
Effective	10/1/2025	New Policy created to align with Dual Special Needs Plan (D-SNP)	YH Quality Performance

VIII. APPROVALS

Committees | Board (if applicable)	**Date Reviewed**	**Date Approved**
Choose an item.		

Regulatory Agencies (if applicable)	**Date Reviewed**	**Date Approved**
Choose an item.		