



A Compliance Leader's Guide to Sanction Screening Software

Healthcare Sanction Screening is a Growing Challenge

A surprisingly high number of medical professionals are featured on a sanction list – and working with them could lead to six-figure fines.¹ However, most organizations still lack the processes required to screen all relevant lists and protect their organization from compliance violations, reputational damage, Medicare program exclusions, and loss of patient intake.

That is why sanction screening software is essential. Many compliance teams still rely on manual processes to check, verify, and act on excluded individuals or vendors, which can create a massive volume of work. With over 50 percent of compliance teams already citing resource constraints as a serious issue,² the situation is unsustainable for many organizations.

Three Challenges With Sanction Screening

Manual screening processes are made more difficult and less reliable by three key factors:

Volume of Lists

There are numerous sanction and exclusion lists to cover, and many compliance teams struggle to identify applicable lists. This could create a risk of overlooking sanctions and exclusions.

Verification Issues

False positives are common in sanction screening, as individuals may share a name, which could lead to an unfair dismissal or candidate rejection. Therefore, the verification process must include an added step of verifying each match.

Update Frequency

Exclusion lists are updated at different intervals, creating a risk that individuals or vendors go undetected or are not identified quickly enough. Organizations may struggle to establish a reliable cadence to stay on top of changes to all relevant lists.

Automated software can eliminate those issues and make comprehensive screening a standard part of ongoing compliance processes. But this is a big commitment; your screening solution must fit existing workflows and be reliable, especially given the potential risk of an error.

The following guide helps you understand the landscape and evaluate prospective vendors. With clear guidelines and questions, it will help you vet products and ensure the software you select delivers every benefit possible.

The State Of Healthcare Sanction Screening³

29%

Of healthcare organizations cite “upgrade sanction screening” as a top priority.

40%

Of healthcare organizations do not use sanction screening services.

<50%

Of healthcare organizations check OFAC, DEA, or FDA sanction lists.

Understanding Sanction Screening Software

Sanction screening software replaces manual screening with simple, automated assessments that cover multiple exclusion lists simultaneously.

Sanction Screening Software Helps:



Eliminate manual work and reduce the burden of routine screenings.



Improve accuracy and reliability of matches by reducing human error.



Enhance timeliness with up-to-date data and faster processing of data.

Most sanction screening tools share a few common factors:

- **Centralized Data:** Solutions typically rely on a core database that covers multiple exclusion lists and can be easily searched. This eliminates the effort of running numerous discrete searches and enables faster identification of potential issues.
- **Batch Processing:** Most solutions allow batch processing, enabling compliance teams to submit a full list of employees or new hires and check them against key exclusion lists simultaneously.
- **Automation:** Many solutions offer automated features that may run monthly scans without manual input, deliver alerts when an individual or vendor is flagged, or otherwise eliminate manual tasks involved in maintaining an effective sanction screening program.

However, these are foundational aspects – and there are a few important ways solutions differ.



Three Factors to Consider in Sanction Screening Software

Product Specialization

Sanction screening requirements range dramatically between different organization types and sizes. This is reflected within the market; many solutions are built to serve specific audience segments or organization types. Smaller nursing facilities or hospitals may require basic sanction screening services, while large health systems will have extra challenges, such as managing multiple entities simultaneously.

Awareness of specialization helps compliance teams:



Avoid Missing Key Features That Will Limit Your Software's Functionality

For example, large organizations may need to ensure that their chosen vendor does not limit the volume or frequency of screening, and does not charge hidden fees for larger screening batches.



Identify Optimal Solutions Built For Their Specific Needs

For example, a smaller organization may want to work with a company that offers customer support and can dedicate more resources to help their compliance team and will not let them get “lost in the shuffle.”

Solution Applicability

Sanction screening is relevant across multiple areas; it covers **human resources** for pre-hire checking, **vendor management** for assessing and managing vendors and contractors providing health care related services or products, and **corporate compliance** for evaluating and mitigating regulatory risk with engaging and hiring excluded individuals or entities. As a result, many products are built to serve these specific aspects of sanction screening.

Some tools are designed to screen only vendors or individuals; others are simply features embedded into more comprehensive compliance solutions. It is important for compliance professionals to understand exactly where and how each prospective vendor applies to their needs:



Ensure You Cover All Regulatory Requirements

For example, organizations with smaller workforces may be able to run manual sanction screening for their employees. However, they would likely still need software to help scale vendor checks – especially given that the average healthcare organization works with over 1,300 third-party vendors.⁴



Manage Costs And Avoid Tool Duplications

While sanction screening may be a gap in your existing compliance software stack, selecting a vendor whose screening tool is part of a larger solutions may lead you to pay for unnecessary features.

Product Comprehensiveness

While most products cover the basics discussed above, there is a range of useful features that are not universally shared. Compliance leaders should be aware of the following factors:



Verification

Does the tool include verification within its scans and how are the matches verified? This is vital to understand the expected accuracy of screening results and avoid potential issues stemming from wrongful suspension or termination of employees, providers or vendors.



Documentation

What documentation does the tool provide to evidence sanction screening was conducted on each name? Regulatory reporting can be complex and time-consuming, but not all tools or services produce certified documentation that explains the investigation steps taken to conclude an individual or vendor is excluded. Such “explainability” is crucial to avoid compliance risks.



Alerts

How does the tool let compliance personnel know an issue has been flagged? Tools may send automatic alerts indicating a confirm excluded individual or vendor has been identified. This feature enables compliance teams to respond quickly to mitigate risks.



Support

Does the vendor offer extra support with sanction screening? This could range from consultations to understand your requirements to user support to address challenges or questions about the tool. Both are essential to ensure the system operates smoothly and meets your specific requirements so you get the proper value for your solution.



Four Questions to Ask Every Sanction Screening Software Vendor

The following questions will help you evaluate sanction screening vendors and identify the best solutions for your specific needs:

1 Does your software cover all relevant sanction and exclusion lists?

Evaluate how comprehensive the solution’s coverage is and how up-to-date the data is. Vendors should be able to explain how they ensure the latest data is integrated within the software.

Our experts suggest you should expect any vendor to cover the following lists as a minimum:

OIG List of Excluded Individuals/Entities (LEIE)	Maintained by the Office of Inspector General (OIG), it lists individuals and entities excluded from participating in federal healthcare programs.
System for Award Management (SAM)	This is a federal database that includes information about parties excluded from receiving federal contracts.
State Medicaid Exclusion Lists	Each state may have its own exclusion list for individuals and entities barred from participating in its Medicaid program.
OFAC Sanctions Lists	While not specific to healthcare, the Office of Foreign Assets Control (OFAC) maintains several lists relevant for broader compliance, including the Specially Designated Nationals (SDN) list.

Other exclusion data – such as information from the Centres for Medicare and Medicaid Services (CMS) or TRICARE – offer additional value.



2 How much of the screening process is automated?

Assess the extent of automation within the tool – and whether it still requires manual effort. Many tools may automate key processes, but they still involve a lot of manual interactions to get the information you need or make reliable decisions about exclusions.

Our experts suggest you select a vendor that supplements automated features with expert services. This will help tailor the solution to your specific needs and further reduce manual effort. For example, manual verification is usually safest – and the right vendor will offer that as part of their sanction screening services.

3 What are your costs, and how do you bill services?

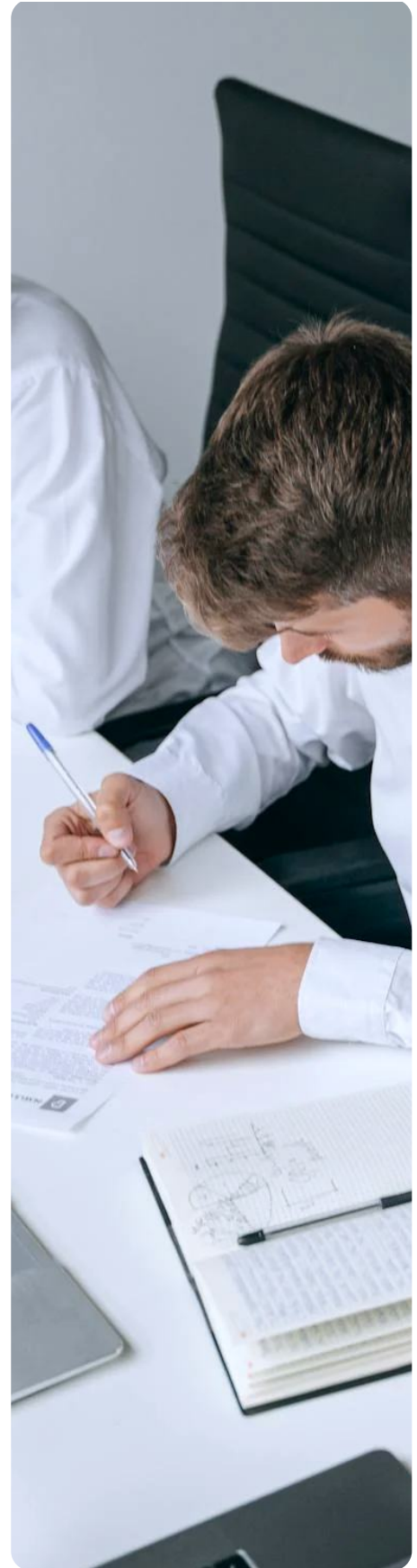
Evaluate the relative cost-effectiveness of solutions – along with how they break up costs. Some software will feature tiered subscriptions, while others may use a single flat fee or annual subscription pricing model. While there is no correct billing model, it is important to have transparency in the pricing model to understand how a purchase will impact your budget.

Our experts suggest you pay attention to transparency here. While products will vary in cost, the bigger difference is how open the vendor is likely to be about those costs. You should focus on working with partners who are trustworthy and not looking for a fast sale.

4 How does your software integrate within workflows?

Assess how user-friendly the solution is and how it will impact your compliance team. Many software vendors feature outdated or poorly designed user interfaces, which can make the process harder or simply disincentivize your team to adopt the solution.

Our experts suggest that you focus on solutions that are built around users' needs. A brief demo will quickly make clear how a tool would fit within your team's workflows and whether it will require a lot of effort to train them to use it.





Simplify, Scale, and Enhance Sanction Screening with Compliance Resource Center

Compliance Resource Center delivers purpose-built sanction screening software that enables seamless checks across all relevant exclusion lists – and empowers compliance teams with a user-friendly design:

- Unlimited individual and entity screening access
- Single & batch-name screening options
- Federal and state exclusion lists
- Easily exportable files for maximum efficiency

Want to see how it would fit within your workflows?

[Book a Consultation](#)



Info@complianceresource.com



complianceresource.com

1. <https://www.hipaajournal.com/healthcare-providers-fined-hhs-oig-exclusions-list/#:~:text=The%20penalties%20for%20employing%20excluded,in%20Kentucky%20settled%20similar%20allegations>
2. <https://www.hipaajournal.com/healthcare-compliance-teams-struggle-complex-regulations-risks/>
3. https://www.compliance.com/wp-content/uploads/2022/05/SAI360_SMSLLC_Healthcare-Benchmark-Report_FINAL-1.pdf#:~:text=Q36COMPLIANCE%20OUTSOURCING%20Respondents%20reported%20a,Elsewhere%20in%20the%20survey%2C%20respondents
4. <https://www.healthcareitnews.com/news/hospitals-are-paying-not-vetting-their-vendors>