

## **UNIVERSITY PROCEDURE 3-100B: Conducting Business with Excluded Vendors**

Governmental entities may exclude individuals and entities from participating in government health care programs such as Medicare or Medicaid. Reasons for exclusion include Medicare or Medicaid fraud, offenses related to the delivery of health care or health care services, fraud in a federally funded program that is not health care related, or convictions relating to controlled substances. If the University contracts with an individual or entity excluded from participation in government health care programs and that individual or entity supports the University's delivery of items or services that will ultimately be paid for by a government health care program, the University may be subject to significant penalties.

Policy 3-100: University Procurement, outlines the procurement processes the University follows. Those processes are designed to ensure that the University is operating in conformance with legal obligations associated with procurement and to help ensure prudent procurement decisions. Critical to these efforts is the ability to have confidence that the University is not improperly conducting business with individuals or vendors who have been excluded from participation in government health care programs.

Accordingly, prior to the commencement of services or the delivery of goods, procurement personnel shall screen vendors that will support the delivery of health care items or services ultimately paid for by a government health program. Procurement personnel should screen such vendors against either the HHS/OIG List of Excluded Individuals/Entities (available through the Internet at <http://oig.hhs.gov>), the General Services Administration's System for Award Management (available through the Internet at <http://www.sam.gov>), or make use of a comparable tool or tools. Financial and Business Services may set and utilize risk-based criteria (e.g., expenditure threshold, method of procurement) to determine whether screening in a particular situation is necessary. Screening is not required for purchases made by University of Utah Hospitals and Clinics through a purchasing consortium.

It is the University's expectation that vendors immediately disclose to the University any exclusion, suspension, or other event that disqualifies the vendor, any vendor employee, contractor, or agent from performing as expected during the contract period. If the University has actual notice that such an event has occurred, the University will remove the applicable party from any responsibility or involvement with work affected by the event. The University's Office of General Counsel should be notified immediately if the University learns that a vendor is excluded or otherwise disqualified from performing as expected under a contract.

See also related procedure re: potential employees at P5-130A.