

## Requirements and Procedures for 'Clinic-Based Provider' Enrollment

This *Medi-Cal Update* article is intended to provide a supplement to the enrollment requirements currently applicable to physicians who are solely employed by or provide services pursuant to a contract with licensed primary care clinics, except for services provided as part of a graduate medical education program, and who do not have any active Medi-Cal provider number issued to them individually to bill for clinical services to Medi-Cal beneficiaries at another location.

These physicians will be referred to as "clinic-based providers." This article does not otherwise change existing law set forth in *Welfare and Institutions Code* (W & I Code), Section 14043.26. A physician who is an employee and/or contractor of a licensed primary care clinic and has a separate business address where he/she provides services, goods, merchandise or supplies to Medi-Cal beneficiaries must continue to apply and be enrolled at that separate location and may bill inpatient services using the provider number assigned to that location.

Based upon the authority granted to the director of the Department of Health Care Services (DHCS) in W & I Code, Section 14043.75(b), the director has established the procedures set forth below that must be followed for any physician who seeks to enroll as a "clinic-based provider." These procedures are regulations implementing W & I Code, Sections 14043.15, 14043.26 and 14043.27 and have the full force and effect of law. Information in this article is effective January 15, 2006.

In order to enroll in the Medi-Cal program as a "clinic-based provider," a physician must enroll as an individual provider and satisfy the same requirements as other applicants or providers and meet the requirements appropriate to the services they deliver, except for the established place of business requirements which can be met by compliance with the requirements and procedures set forth in this bulletin. In addition, physician enrollment as a "clinic-based provider" is exclusively for inpatient services provided in a general acute care hospital or an acute psychiatric hospital, as defined in *Health and Safety Code* (H & S Code), Section 1250(a) and (b) respectively (hereinafter "acute care facility") that are not otherwise reimbursed by the Medi-Cal program.

A physician shall qualify for application as a "clinic-based provider" provided that all of the following requirements are met:

1. Each physician discloses in his/her application package that he/she renders services to Medi-Cal beneficiaries exclusively at one or more licensed primary care clinics, except for when (i) following clinic patients to an acute care facility, (ii) providing "on-call" coverage for Medi-Cal patients at a hospital, as required for the physician to maintain admitting privileges, or (iii) providing services as part of a graduate medical education program.
2. Each physician is currently licensed or certificated under the *Business and Professions Code* or Osteopathic Act to provide health care services.
3. There are no current pending or outstanding Medi-Cal, other state Medicaid, Medicare or licensing sanctions against the physician seeking Medi-Cal enrollment as a "clinic-based provider" or against the licensed primary care clinic for which the applicant is employed or contracted for services at the time of application.
4. Each physician does not have any active Medi-Cal provider number issued to him/her individually to bill for clinical services to Medi-Cal beneficiaries at another location.
5. Each physician is covered by professional liability insurance or equivalent liability coverage for all professional services provided in an acute care facility.
6. Each physician will utilize a Tax Identification Number, or Federal Employee Identification Number that is issued to him/her by the Internal Revenue Service as outlined in the *California Code of Regulations* (CCR), Title 22, Section 51000.30(d)(12), or he/she must utilize his/her Social Security Number.
7. Each licensed primary care clinic in which the physician renders services to Medi-Cal beneficiaries is currently licensed and enrolled in the Medi-Cal program; and
8. Each licensed primary care clinic in which the physician renders services to Medi-Cal beneficiaries confirms:
  - a. that the physician is employed and/or contracted by the licensed primary care clinic at the time of application; and
  - b. that all services provided by the physician at the licensed primary care clinic are reimbursed directly to the licensed primary care clinic or are included in the Federally Qualified Health Center (FQHC) or Rural Health Clinic (RHC) Prospective Payment System (PPS) rate per visit and the PPS rate per visit will not include inpatient services that will otherwise be reimbursed directly to the physician under the physician's individual Medi-Cal provider number

Upon release of this bulletin, any physician who has been issued a Medi-Cal provider number using the address of the licensed primary care clinic may be required to apply for continued enrollment pursuant to CCR, Title 22, Section 51000.55. In that event, and so long as his/her application is accepted for continued enrollment and he/she meets and maintains compliance with all of the

requirements and procedures set forth in this bulletin, his/her individual Medi-Cal provider number will be modified to reflect enrollment as a “clinic-based provider.” If DHCS determines not to require such providers to apply for continued enrollment, DHCS will modify the provider numbers of all such providers to reflect enrollment as a “clinic-based provider” and notify each of the affected providers of the modification.

Upon compliance with all of the requirements and procedures set forth in this bulletin, the clinic based provider will be deemed to meet the established place of business requirements set forth in CCR, Title 22, Section 51000.60(c).

### **Procedures for Enrollment as a Clinic-Based Provider**

A physician applicant requesting consideration for enrollment as a “clinic-based provider,” who is solely employed by or provides services pursuant to a contract with licensed primary care clinics, except for providing services as part of a graduate medical education program, and using the licensed primary care clinic as his/her established place of business, must complete all of the following:

1. Submit a complete *Medi-Cal Physician Application/Agreement* (DHCS 6210) and *Medi-Cal Disclosure Statement* (DHCS 6207) pursuant to CCR, Title 22, Section 51000 (et seq.) and indicate on the first page of the *Medi-Cal Physician Application/Agreement* “clinic-based provider.”
2. Submit with the application package a cover letter from each Medi-Cal enrolled and licensed primary care clinic at which the “clinic-based provider” will provide services. Each letter must be on the letterhead of the licensed primary care clinic and include the following:
  - a. Date of the letter;
  - b. Name and location of the currently licensed and Medi-Cal enrolled clinic;
  - c. Description of the applicant’s professional relationship with the licensed primary care clinic;
  - d. The statement: “I, (person authorized to legally bind the licensed primary care clinic), understand that (applicant) has submitted an application package for enrollment in the Medi-Cal program as a “clinic-based provider” indicating that (applicant) provides services under contract at (licensed primary care clinic) or as an employee of the clinic. I further understand that approval of the application package is based in part on the contractual agreement between (applicant) and (licensed primary care clinic), and based in part on the representation that there are no current sanctions against (licensed primary care clinic). I attest that a contractual relationship does exist between (applicant) and (licensed primary care clinic), and I attest that there are no current pending or outstanding Medi-Cal, other state Medicaid or Medicare or licensing sanctions against the (licensed primary care clinic). Additionally, I further attest that only services provided by (applicant) at (licensed primary care clinic) will be directly reimbursed to the licensed primary care clinic or are included in the Prospective Payment System rate per visit. (Applicant) may arrange for and be responsible and liable for claims submission and reimbursement of inpatient services provided to clinic patients of (licensed primary care clinic) or providing “on-call” coverage for Medi-Cal patients at a hospital, as required for the physician to maintain admitting privileges. I understand that the inpatient services claimed shall be services that are not billed by (licensed primary care clinic) and are not reimbursed directly to the licensed primary care clinic or included in the Federally Qualified Health Center or Rural Health Clinic Prospective Payment System rate per visit.”
3. Submit with the application package a cover letter in which the applicant states, under penalty of perjury under the laws of the state of California the following:
  - a. The applicant is currently licensed to render health care services of the type and complexity coming within the level of care provided by the licensed primary care clinic at which the applicant will practice.
  - b. The applicant renders services exclusively at a licensed primary care clinic except, for when (i) following clinic patients to an acute care facility, (ii) providing “on-call” coverage for Medi-Cal patients at a hospital, as required for the physician to maintain admitting privileges, or (iii) providing services as part of a graduate medical education program.
  - c. The statement: “I, (applicant) understand that enrollment in the Medi-Cal program as a “clinic-based provider” is based in part on the contractual agreement between myself and (licensed primary care clinic) and that any change in this contractual relationship including, but not limited to, termination of the contract and/or relationship must be reported by me to the Department of Health Care Services within 35 days of the change. This change is in addition to any changes required to be reported in accordance with Welfare and Institutions Code, Section 14043.26(a)(1) and Title 22 of the California Code of Regulations, Section 51000.40.” I (applicant) attest and agree to only use the individual Medi-Cal provider number issued to me as a “clinic-based provider” specifically for claims submission and reimbursement of inpatient services provided to clinic patients of (licensed primary care clinic) or providing “on-call” coverage for Medi-Cal patients at a hospital, as required to maintain admitting privileges. I (applicant) will maintain liability for all claims submitted using my “clinic-based provider” provider number.
4. Declare under penalty of perjury under the laws of the State of California that each and every copy of the documents included in the *Medi-Cal Physician Application/Agreement* (DHCS 6210) and *Medi-Cal Disclosure Statement* (DHCS

6207) requesting consideration for enrollment in Med-Cal as a “clinic-based provider” or attached to the application package or a cover letter(s), is a true and correct copy of what it purports to be.

The following format may be used for the required two cover letters.

**1. Licensed Primary Care Clinic**

(One signed and dated cover letter should be submitted for each licensed primary care clinic at which the applicant renders services to Medi-Cal beneficiaries.)

I, \_\_\_\_\_, understand  
(Name of person authorized to legally bind the licensed primary care clinic)

that \_\_\_\_\_ has submitted an application package for enrollment in  
(Name of applicant)

the Medi-Cal program as a “clinic-based provider” indicating that \_\_\_\_\_  
(Name of applicant)

is employed and/or contracted to provide services at \_\_\_\_\_. I further  
(Name of licensed primary care clinic)

understand that approval of the application package is based in part on the contractual  
agreement between \_\_\_\_\_ and \_\_\_\_\_,  
(Name of applicant) (Name of licensed primary care clinic)

and based in part on the representation that there are no current sanctions against  
\_\_\_\_\_. Therefore, I attest that a contractual relationship  
(Name of licensed primary care clinic)

does exist between \_\_\_\_\_ and \_\_\_\_\_  
(Name of applicant) (Name of licensed primary care clinic)

and I attest that there are no currently pending or outstanding Medi-Cal, other state Medicaid or  
Medicare or licensing sanctions against the \_\_\_\_\_. The inpatient services  
(Name of licensed primary care clinic)

claimed shall be services that are not billed by \_\_\_\_\_ and are not reimbursed  
(Name of licensed primary care clinic)

directly to \_\_\_\_\_ or included in the clinic’s Prospective Payment System  
(Name of licensed primary care clinic)

rate per visit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
(Day of month) (Month) (Year)

In \_\_\_\_\_, California.  
(Name of county where signed)

By: \_\_\_\_\_  
(Printed name and title of person authorized to legally bind the licensed primary care clinic)

\_\_\_\_\_  
(Signature of person authorized to legally bind the licensed primary care clinic)

**2. Physician Cover Letter**

(For use by all applicants requesting consideration as a clinic-based provider)

I, \_\_\_\_\_, declare under penalty of perjury under the laws of the state of  
(Name of applicant)

California that I am currently licensed to render health care services of the type and complexity coming  
within the level of care provided by \_\_\_\_\_ at which I will practice and, that  
(Name of licensed primary care clinic)

I render services exclusively at licensed primary care clinics, except for when following clinic patients  
to an acute care facility, providing “on-call” coverage for Medi-Cal patients in a hospital, or providing  
services as part of a graduate medical education program, and I have no other leased or owned space  
or premises where I provide services. Furthermore, I, \_\_\_\_\_, understand that  
(Name of applicant)

enrollment in the Medi-Cal program as a “clinic-based provider” is based in part on the contractual  
agreement between \_\_\_\_\_ and \_\_\_\_\_ and that  
(Name of applicant) (Name of licensed primary care clinic)  
any change in this contractual relationship including, but not limited to, termination of the contract and/or  
relationship must be reported by me to the Department of Health Care Services within 35 days of the change.

This change is in addition to any changes required to be reported in accordance with *Welfare and  
Institutions Code*, Section 14043.26(a)(1) and the *California Code of Regulations*, Title 22, Section

51000.40. I \_\_\_\_\_ further attest and agree to only use the individual Medi-Cal provider  
(Name of applicant)  
number issued to me as a “clinic-based provider” specifically for claims submission and reimbursement of  
inpatient services provided to patients of \_\_\_\_\_; when providing  
(Name of licensed primary care clinic)

“on-call” coverage for Medi-Cal patients at a hospital, as required to maintain admitting privileges, or when providing  
services as part of a graduate medical education program.

I \_\_\_\_\_ will maintain liability for all claims submitted using my “clinic-based  
(Name of applicant)  
provider” provider number.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
(Day of month) (Month) (Year)

In \_\_\_\_\_, California.  
(Name of county where signed)

By: \_\_\_\_\_  
(Printed name of applicant)

\_\_\_\_\_  
(Signature of applicant)