

## **Revised Medi-Cal Provider Disclosure Requirements for Compliance with 42 Code of Federal Regulations Sections 455.104 and 455.105**

In accordance with the Centers for Medicare and Medicaid Services (CMS) requirements, the Department of Health Care Services (DHCS) is revising the Medi-Cal provider disclosure statements and provider agreements. These revisions are necessary for implementation of the Final Rule published by CMS on February 2, 2011, in the Federal Register (42 CFR Parts 405,424, 447 et al.), and also for compliance with directions given by the CMS Medicaid Integrity Group in the January 2011 California Comprehensive Program Integrity Review Report. The revised forms and requirements are effective for provider disclosure statements and provider agreements received on or after November 15, 2011.

Based upon the authority granted to the director of DHCS in California Welfare & Institutions Code (W&I Code) Section 14043.75(b), the director has adopted the following additional requirements in regards to provider disclosures. These requirements are regulations implementing and making specific W & I Code Section 14043.26 and as such they have the full force and effect of law.

### **Compliance Required Pursuant to CMS Final Rule February 2, 2011**

For Compliance with 42 CFR Section 455.104(b), CMS requires disclosure information on ownership and control for any person (individual or corporation) with an ownership or control interest in the disclosing entity. There are three new disclosure requirements.

1. In the case of corporate entities with an ownership or control interest in the disclosing entity, the primary business address as well as every business location and P.O. Box address must be disclosed.
2. In the case of a corporation with ownership and control interest in the disclosing entity or in any subcontractor in which the disclosing entity has a five percent or more interest, the corporation tax identification number must be disclosed.
3. For individuals or corporations with ownership or control interest in any subcontractor in which the disclosing entity has a five percent or more interest, the disclosure of familial relationships are required as specified on the form.

Therefore, the Medi-Cal provider disclosure statements, inclusive of forms DHCS 6207, DHCS 6216 and the DHCS 9095, as applicable, shall be amended to capture the additional disclosure information of these requirements effective November 15, 2011.

### **Compliance Required Pursuant to CMS Integrity Review**

For Compliance with 42 CFR Section 455.105(b), CMS requires that the language regarding disclosure of certain business transactions in the provider agreements reflect the verbatim language of the referenced federal regulation. Therefore, the following language is added to the Medi-Cal Provider Agreement form DHCS 6208, effective November 15, 2011:

**“Information Regarding Subcontractors and Suppliers.** Provider agrees to submit, within 35 days of the date on a request by the Secretary or the Medicaid agency, full and complete information about the ownership of any subcontractor with whom the provider has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and any significant business transactions between the provider and any wholly owned supplier, or between the provider and any subcontractor, during the 5-year period ending on the date of the request.”