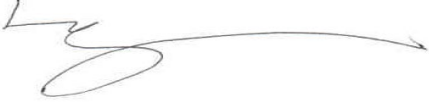


CHAPTER: <b>09</b>	SECTION: <b>20</b>	SUBJECT: <b>HUMAN RESOURCES</b>
TITLE: <b>Federal Program Eligibility and Exclusion Monitoring</b>		
EFFECTIVE DATE: 11/9/17	REVISED DATE: 12/10/18, 1/22/20, 11/14/22, 11/17/23, 2/5/2024	
ISSUED AND APPROVED BY:  EXECUTIVE DIRECTOR		

**I. PURPOSE**

To ensure and maintain compliance with federal regulations regarding entities or individuals who may be debarred or excluded from participation in a Federal Healthcare program.

**II. APPLICATION**

This policy applies to all Community Mental Health of Ottawa County (CMHOC) staff, Community Mental Health of Ottawa County Board Members, and contracted providers.

**III. DEFINITIONS**

**Act:** Social Security Act of 1935, as amended.

**Disclosing Entity:** A Medicaid Provider, other than an individual practitioner or group of practitioners, or a fiscal agent.

**Excluded Individuals:** Individuals or entities that have been excluded from participating, but not reinstated, in the Medicare, Medicaid, or any other Federal health care program, including, but not limited to, exclusions based on program-related fraud and patient abuse, licensing board actions, or default on Health Education Assistance loans.

**Fiscal Agent:** A contractor that processes or pays vendor claims on behalf of the Medicaid agency.

**Indirect Ownership Interest:** An ownership interest in an entity that has an ownership interest in a disclosing entity.

**Ownership Interest:** The possession of equity in the capital, the stock, or the profits of the disclosing entity.

**Person with an Ownership or Control Interest:** Any individual or corporation that has a) an ownership interest totaling five (5) percent or more in a disclosing entity; b) an indirect ownership interest totaling five (5) percent or more in a disclosing entity; c) a combination of direct and indirect ownership equal to five (5) percent or more in a disclosing entity; d) owns an interest of five (5) percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at

least five (5) percent of the value of the property or assets of the disclosing entity; e) is an officer or director of a disclosing entity that is organized as a corporation; or f) is a partner in a disclosing entity that is organized as a partnership.

**Screened Person:** Any person with Direct or Indirect ownership interest of 5% or more, officer, director, managing employee, or fiscal agent, or entity with Direct or Indirect ownership of 5% or more of a Disclosing Entity.

**Managing Employee:** Generally meant to include a general manager, business manager, administrator, director, or any other individual who exercises operational and/or managerial control over, or who directly or indirectly conducts the day-to-day operations of an organization. For the purposes of this policy, this includes Board Members of an organization.

#### **IV. POLICY**

It is the policy of CMHOC to comply with all Federal and State laws and regulations, including but not limited to, 42 CFR 455.101-106, 42 CFR 438.610, Sections 1128(a) and 1128A of the Social Security Act (hereby referred to as The Act), prohibiting employer or contractual relationships with excluded individuals and entities, as defined above, and to require all contracted providers to provide, at the execution of a contract, for new providers, or during the renewal process, for existing providers, disclosure information as outlined in Federal and State laws and regulations and below.

#### **V. PROCEDURE:**

- A.** CMHOC shall check or cause to have checked upon hire, and monthly thereafter, that any provider, staff member or board member, either corporate entity or individual, directly employed or through contractual agreement, is not excluded from responsibility for, or involvement in, the business operations related to any Federally Funded Health Care Program or provision of items or services, directly or indirectly, to Federally Funded Health Care program beneficiaries.
- B.** CMHOC shall maintain record of such checks, not including personal information used to verify potential exclusions, and the verification, if applicable, of any potential exclusions reported during the initial search.
- C.** Annually, all CMHOC employed clinical staff shall submit “A Certification Regarding Debarment, Suspension, and Other Responsibility Matters.”
- D.** Any current or prospective employee, board member, contractors and subcontractors, found to be excluded from responsibility for, or involvement in, the business operations related to any Federally Funded Health Care Program or provision of items or services, directly or indirectly, to Federally Funded Health Care program beneficiaries shall be ineligible for employment or contracts or to receive payment directly or indirectly using Federal funds.
- E.** At the time of application, the contract provider (i.e. disclosing entity) shall provide a Disclosure Statement, which shall include:

1. Information on Ownership or controlling interest, Board of Directors, and any managing employee:
    - Full legal name, Date of Birth, and Social Security;
    - For corporate disclosing entities, this must include the primary business address and all business locations or P.O. Box addresses, and the tax identification number and organization National Provider Indicator (NPI) enumeration, if applicable;
    - Whether any person with ownership or controlling interest or managing employee is related to another person with ownership or controlling interest or managing employee;
    - If any disclosing entity with ownership or controlling interest, or if any managing employee of the provider has been convicted of a Criminal Offense.
    - Whether any person with ownership or controlling interest or managing employee is related to another person with ownership or controlling interest or managing employee.
  2. Disclosure of any business transaction totaling more than \$25,000 during the previous 12-month period.
  3. CMHOC Contract Department will ensure all Disclosure Forms are completed in full and work with providers when information is not complete.
- F. At the time the contract is executed or during the contract renewal process, the contract provider (i.e. disclosing entity) shall provide a Disclosure Statement, which shall include:
1. Information on Ownership or controlling interest, Board of Directors, and any managing employee:
    - Full legal name, Date of Birth, and Social Security;
    - For corporate disclosing entities, this must include the primary business address and all business locations or P.O. Box addresses, and the tax identification number and organization National Provider Indicator (NPI) enumeration, if applicable;
    - Whether any person with ownership or controlling interest or managing employee is related to another person with ownership or controlling interest or managing employee;
    - If any disclosing entity with ownership or controlling interest, or if any managing employee of the provider has been convicted of a Criminal Offense.
    - Whether any person with ownership or controlling interest or managing employee is related to another person with ownership or controlling interest or managing employee.
  2. Disclosure of any business transaction totaling more than \$25,000 during the previous 12-month period.
  3. CMHOC Contract Department will ensure all Disclosure Forms are completed in full and work with providers when information is not complete.

- G.** Disclosure Statements should be submitted by the contract provider (i.e. disclosing entity) at any of the following times:
1. Upon submission of an application
  2. Upon execution of an agreement
  3. During re-credentialing or re-contracting
  4. Within 35 days after any change in ownership of the disclosing entity
- H.** CMHOC shall utilize a third-party application to maintain, disclose, furnish, and monitor for and confirm potential exclusions Disclosing Entities as defined in V.D above.
- I.** Any potential sanction requires confirmation/verification using the individual's full legal name, date of birth, and Social Security Number. This information shall be considered confidential and privileged and will be destroyed immediately following verification of a clear record.
- J.** All records, including initial and monthly exclusion checks, shall be maintained and made available, upon request, to CMHOC.
- K.** If there is actual notice that an employed or contracted screened person of a provider entity has become an Excluded Individual, CMHOC will require that provider entity to remove that individual from responsibility for, or involvement in, the business operations related to any Federally Funded Health Care Programs or provisions of items or services, directly, or indirectly, to Federally Funded Health Care Program beneficiaries. It will be necessary for the provider entity to provide attestation of such action within two (2) business days of taking said action.
- L.** If there is actual notice that an employed or contracted screened person has become an Excluded Individual, CMHOC will remove that person from responsibility for, or involvement in, the business operations related to any Federally Funded Health Care Program or provision of items or services, directly or indirectly, to Federally Funded Health Care program beneficiaries. CMHOC will provide attestation of the Lakeshore Regional Entity (LRE) within two (2) business days of receiving said disclosure.
- M.** Any prospective employee, contractors and subcontractors found to be Excluded Individuals shall be ineligible for employment or contracts, or to receive payment, directly or indirectly, with any Federal monies.

**VI. ATTACHMENT:**

- LRE Provider Disclosure Statement
- CMHOC "A Certification Regarding Debarment, Suspension, and Other Responsibility Matters"

**VII. REFERENCE:**

- 42 CFR §§455.101-106
- Social Security Act Sec. 1128, 1128a, 1128b

- Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program
- LRE Policy 9.9 Federal Program Eligibility Screening and Exclusion Disclosure