



REGION 10 PIHP

SUBJECT Disclosure of Information		CHAPTER 01	SECTION 02	SUBJECT 06
CHAPTER Administrative		SECTION Compliance		
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I. APPLICATION:

- PIHP Board
 CMH Providers
 SUD Providers
 PIHP Staff
 CMH Subcontractors

II. POLICY STATEMENT:

It shall be the policy of the Region 10 PIHP that all employees of the PIHP and its provider network are obligated to conduct business within federal guidelines and regulations which prohibit actual or potential conflicts of interest, as well as comply with federal regulations to obtain and report disclosures within specified federal guidelines.

III. DEFINITIONS:

Disclosures: Disclosure of Ownership, Controlling Interest and Management Statement and Attestation of Criminal Convictions, Sanctions, Exclusions, Debarment or Termination.

Managing Employee: A general manager, business manager, administrator, director, or other individual who exercises operational or managerial control, or who directly or indirectly conducts the day-to-day operation of an institution. Region 10 defines its managing employees as: the CEO, COO, CFO, and SUD Treatment and Prevention Director.

Providers: CMHSP and SUD providers, individual or corporation; any CMHSP subcontracted provider/practitioner, individual or corporation.

Agent: Any person who has been delegated the authority to obligate or act on behalf of a Provider Entity.

Other Entity: Any other Medicaid disclosing entity and any entity that does not participate in Medicaid but is required to disclose certain ownership and control information because of participation in any of the programs established under title V.XVIII, or XX of the Act. This included:

- Any hospital, skilled nursing facility, home health agency, independent clinical laboratory, renal disease facility, rural health clinic, or health maintenance organization that participated in Medicare.
- Any Medicare intermediary or carrier; and

SUBJECT Disclosure of Information	CHAPTER 01	SECTION 02	SUBJECT 06
CHAPTER Administrative	SECTION Compliance		

- Any entity (other than an individual practitioner or group of practitioners) that furnishes, or arranges for the furnishing of, health-related services from which it claims payment under any plan or program established under title V. or title XX of the Act.

Controlling Interest: The Operational direction or management of a disclosing entity which may be maintained by any or all of the following devices: the ability or authority, expressed or reserved, to amend or change the corporate identity; the ability or authority to nominate or name members of the Board of Directors or Trustees; the ability or authority, expressed or reserved to amend or change the by-laws, constitution, or other operating or management direction; the ability or authority, expressed or reserved, to control the sale of any or all of the assets, to encumber such assets by way of mortgage or other indebtedness, to dissolve the entity, or to arrange for the sale or transfer of the disclosing entity to new ownership control.

Conflict of Interest: Any situation in which financial or other personal considerations may compromise or appear to compromise (1) an employee's business judgment; (2) delivery of patient care; or (3) ability for an employee to do his or her job. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of business dealings. For the purpose of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

Unusual Gain: Business dealings with outside entities that result in an unfair advantage for those entities, this organization or an employee or provider network. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the employee or both. Certain nominal benefits are allowed in accordance with other policies.

Significant Business Transaction: Any business transaction or series of related transactions that, during any one fiscal year, exceeds the lesser of twenty-five thousand dollars (\$25,000) or five percent (5%) of a Provider Entity's total operating expenses.

Subcontractor:

- An individual, agency, or organization to which a Provider Entity has contracted or delegated some of its management functions or responsibilities of providing medical care to its patients; or
- An individual, agency, or organization with which a fiscal agent has entered into contract, agreement, purchase order, or lease to obtain space, supplies, equipment, or services provided under the Medicaid agreement.

Supplier: An individual, agency, or organization from which a provider purchases goods or

SUBJECT Disclosure of Information		CHAPTER 01	SECTION 02	SUBJECT 06
CHAPTER Administrative		SECTION Compliance		

services used in carrying out its responsibilities under Medicaid (e.g., commercial laundry, manufacturer of hospital beds, pharmaceutical firm)

Wholly Owned Supplier: A Supplier whose total ownership interest is held by the Provider Entity or by a person(s) or other entity with an ownership or controlling interest in the Provider Entity

IV. STANDARDS:

- A. The PIHP is required to comply with federal regulations to collect disclosure of ownership, controlling interest and management information from Community Mental Health and Substance Use Disorder providers that are credentialed or otherwise enrolled to participate in the Medicaid and/or the Children's Health Insurance Program (CHIP) by Region 10 PIHP
- B. The PIHP shall maintain a forms index on the Region 10 PIHP Website at www.region10pihp.org. Included shall be a Conflict of Interest Attestation- Provider (Organization) and a Conflict of Interest Attestation- Individual
- C. The PIHP shall comply with the federal regulations to obtain, maintain, disclose, and furnish required information about ownership, and control interests, business transactions, and criminal convictions as specified in 42 CFR §455.104-106.
- D. The PIHP shall ensure that any and all contracts, agreements, purchase orders or leases to obtain space, supplies, equipment, or services provided under the Medicaid agreement require compliance with 42 C.F.R. (Part) 455.104-106. Pursuant to 42 CFR § 455.104: the State will review ownership and control disclosures submitted by the PIHP and any of the PIHP's Subcontractors.
- E. The personal identifying information (PII) contained on the COIA statement must only be used for the purposes necessary to the functions and responsibilities of the PIHP. This includes the PIHP's obligation outlined in the Medicaid contract with the MDHHS, and the federal regulations set forth in 42 CFR §455.
- F. The PIHP will take the appropriate steps to protect the private information of the owners and individuals required to submit PII as mandated by 42 CFR §455.104.

V. PROCEDURES:

- A. Disclosure of Information

SUBJECT Disclosure of Information		CHAPTER 01	SECTION 02	SUBJECT 06
CHAPTER Administrative		SECTION Compliance		

The PIHP and CMH/SUD Providers (including CMHSP Subcontracted Providers will submit full disclosures identified in 42 CFR §455 Subpart B. Disclosures include:

- i. Name and address of any person (individual or corporation) with an ownership or control interest in the disclosing entity. The address for corporate entities must include primary business address, every business location, and P.O. Box location.
 - ii. Date of birth and Social Security number of each person with an ownership or control interest in the disclosing entity.
 - iii. Other tax information number (in case of a corporation) with an ownership or control interest in the disclosing entity or in any subcontractor in which the disclosing entity has a five percent or more interest.
 - iv. Whether the person (individual or corporation) with an ownership or control interest in the disclosing entity is related to another person with an ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the disclosing entity has a five percent or more interest is related to another person with ownership or control interest as a spouse, parent, child, or sibling.
 - v. The name of any other disclosing entity in which an owner of the disclosing entity has an ownership or control interest.
 - vi. The name, address, date of birth and Social Security number of any managing employee of the disclosing entity.
 - vii. The identity of any individual who has an ownership or control interest in the provider or is an agent or managing employee of the provider and has been convicted of a criminal offense related to that person's involvement in any program under Medicare, Medicaid, or the Title XX services program since the inception of those programs.
- B. Time of Disclosure
- Disclosure from any provider or disclosing entity is due at any of the following times:
- i. Upon the provider or disclosing entity submitting the provider application
 - ii. Upon the provider or disclosing entity executing the provider agreement
 - iii. Upon the request of the Medicaid agency during the re-validation of enrollment process under §455.414.
 - iv. Within 30 days of any change in ownership of a disclosing entity.
 - v. Prior to the contract renewal period.
- C. Monitoring Provider Networks
- The PIHP and CMH/SUD Providers (including CMHSP Subcontracted Providers) must search the Office of Inspector General's (OIG) exclusions database monthly (<http://exclusions.oig.hhs.gov>) to capture exclusions since the last search and at any time providers submit new disclosure information.

SUBJECT Disclosure of Information		CHAPTER 01	SECTION 02	SUBJECT 06
CHAPTER Administrative		SECTION Compliance		

- i. At the time of provider enrollment or re-enrollment in the PIHP’s provider network, there must be a search of the OIG exclusions database to ensure that the provider entity, and any individuals with ownership or control interest in the provider entity (direct or indirect ownership of five percent or more or a managing employee) have not been excluded from participating in federal health care programs.
- ii. The PIHP and CMHSPs shall monitor their provider network and all contractors providing work funded by Medicare and/or Medicaid dollars via monthly OIG Exclusion Database searches to capture exclusions since the last search. SUD Providers shall conduct monthly OIG database checks to capture exclusions and reinstatements that have occurred since the last search. The PIHP, CMHSPs and SUD Providers will also conduct an OIG Exclusion database search at any time a provider/contractor submits new disclosure information.
- iii. CMHSPs and SUD Providers must notify the PIHP immediately if search results indicated any of its network provider entities or individuals or entities with ownership or control interest in a provider entity is on the OIG exclusions database.
- iv. The PIHP and CMHSPs shall monitor their provider network to ensure compliance in the attainment of Disclosure Attestations. This shall be done through the review of Credentialing and/or Contract files during the annual contract monitoring process.

D. Reporting Criminal Convictions Involved

The PIHP is required to promptly notify the Division of Program Development, Consultation and Contracts, Behavioral Health and Developmental Disabilities Administration in MDHHS if:

- i. Any disclosure made by providers with regard to ownership or control by a person that has been convicted of a criminal offense described under sections 1128(a) and 1128(b)(1)(2) or (3) of the Social Security Act, or that have had civil money penalties or assessments imposed under section 1128A of the Act.
- ii. Any staff member, director, or manager of the PIHP, individual with beneficial ownership of five percent or more, or an individual with an employment, consulting, or other arrangement with the PIHP has been convicted of a criminal offense described under sections 1128(a) and 1128(b) (1) or (3) of the Social Security Act, or that have had civil money penalties or assessments imposed under section 1128A or the Act.

VI. **EXHIBITS:**

None

SUBJECT Disclosure of Information	CHAPTER 01	SECTION 02	SUBJECT 06
CHAPTER Administrative	SECTION Compliance		

VII. REFERENCES:

42 CFR §455 Subpart B

42 CFR §455.104-106

Medicaid Managed Specialty Supports and Services

Social Security Act Section 1128(b)(1)(2), and (3)

MDHHS / PIHP Contract