



Ownership/Controlling Interest & Conviction

Disclosure Completion Instructions for Provider Enrollment with a Federal Employer Identification Number (EIN)

(E.g., medical or dental clinic, nursing facility, pharmacy, hospital, dialysis center, etc.)

Disclosure of information regarding ownership and control interest and on a provider's owners and other persons convicted of criminal offenses against Medicare, Medicaid, or the title XX services programs is required by the Centers for Medicare and Medicaid Services and the Colorado Department of Health Care Policy and Financing pursuant to regulations found at 42 CFR § 455.100 through 42 CFR § 455.106. The following disclosures must be made to Health First Colorado.

Disclosing entities, fiscal agents and managed care entities (see definitions on pages 3 & 4) must disclose the information required in each **Disclosure A through F**.

Answer all questions by selecting the Yes/No buttons and entering the required information in the text area. The Disclosure is incomplete if a text field is left blank, or if an entry is partially completed.

Disclosure A must be completed listing all entities (individual or corporation) with an ownership or control interest in the enrolling entity. Complete question number 1 by selecting the appropriate Yes/No button. If yes, enter the information for either an organization or individual in the text area. Complete question number 2 by selecting the appropriate Yes/No button regarding the entity entered in question number 1. If the entity identified in question number 1 is an individual, select yes and enter the date of birth for the person. Repeat the process to add multiple entities.

- Please review the definitions on pages 3 & 4 regarding ownership or control interest and managing employee.
- Corporations include for-profit corporations, non-profit corporations, closely-held corporations, limited liability corporations, and any other type of corporation authorized under state law. All officers and directors must be disclosed, even if they serve in a voluntary (e.g., unpaid) capacity. Additionally, if a non-profit corporation has "trustees" instead of officers or directors, these trustees must be disclosed. 0 (zero) may be entered in the % interest box when applicable.
 - An individual or entity may not qualify as an officer, director, or partner and need not be disclosed as a person with an ownership or control interest in the enrolling entity. However, the party may have to be disclosed in another capacity such as an owner or managing employee and would need to be disclosed.
 - Corporate entities must attach a separate list of primary business address, every business location and P. O. Box address. Upload the document using the "Attachments and Fees" page of the application.
- All general and limited partnership interests must be disclosed, regardless of the percentage.
- Government-owned entities must disclose board members if organized as a corporation, or anyone meeting the definition of "managing employee".
- Enter only numeric values in the '% Interest' field. A zero can be entered in the percentage field when applicable. Do not enter text, e.g., O or o (capital or lowercase letter instead of a zero), N/A, unknown, etc.
- When adding individuals via the Social Security Number (SSN), enter the data only once, duplicated individuals/SSNs will be returned for deletion.



Disclosure B must be completed listing all entities with ownership or control interest in any subcontractor in which the enrolling entity has direct or indirect ownership. Complete question number 1 by selecting the appropriate Yes/No button. If yes, enter the required information in the text area. Complete question number 2 by selecting the appropriate Yes/No button regarding the entity entered in question number 1. If the entity identified in question number 1 is an individual, select yes and enter the date of birth for the person. Repeat the process to add multiple entities.

- Enter only numeric values in the '% Interest' field. A zero can be entered in the percentage field when applicable. Do not enter text, e.g., O or o (capital or lowercase letter instead of a zero), N/A, unknown, etc.

Disclosure C must be completed indicating relations of persons named in Disclosures A and B. Complete question number 1 by selecting the appropriate Yes/No button. If yes, enter the required information in the text area. Repeat the process to add multiple entities.

Disclosure D must be completed listing any managing employee(s) within the enrolling entity. Complete question number 1 by selecting the appropriate Yes/No button. If yes, enter the required information in the text area. Repeat the process to add multiple entities. **NOTE:** There are not exceptions to the managing employee disclosure requirement. To the extent any individual meets the definition of "managing employee" on page 3, their information is required to be disclosed.

Disclosure E must be completed indicating if any entity identified in Section A has ownership or controlling interest in any other provider, fiscal agent, or managed care entity. Complete question number 1 by selecting the appropriate Yes/No button. If yes, enter the required information in the text area. Complete question number 2 by selecting the appropriate Yes/No button. If yes, enter the required information in the text area. Repeat the process to add multiple entities.

- Enter only numeric values in the '% Interest' field. A zero can be entered in the percentage field when applicable. Do not enter text, e.g., O or o (capital or lowercase letter instead of a zero), N/A, unknown, etc.

Disclosure F must be completed listing all entities (entities having ownership or control interest in the enrolling provider, an agent and/or managing employee of the enrolling provider) with criminal offense convictions *related specifically* to Medicare, Medicaid, Children's Health Insurance Program or the Title XX services since the inception of these programs. Complete question number 1 by selecting the appropriate Yes/No button. If yes, enter the required information in the text area. Complete question number 2 by selecting the appropriate Yes/No button regarding the entity entered in question number 1. If the entity identified in question number 1 is an individual, select yes and enter the date of birth for the person. Repeat the process to add multiple entities.



42 C.F.R. § 455.101 Definitions

Agent means any person who has been delegated the authority to obligate or act on behalf of a provider.

Disclosing entity means a Medicaid provider (other than an individual practitioner or group of practitioners), or a fiscal agent.

Other disclosing entity means 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 includes:

- (a) Any hospital, skilled nursing facility, home health agency, independent clinical laboratory, renal disease facility, rural health clinic, or health maintenance organization that participates in Medicare (title XVIII);
- (b) Any Medicare intermediary or carrier; and
- (c) Any entity (other than an individual practitioner or group of practitioners) that furnishes, or arranges for the furnishing of, health-related services for which it claims payment under any plan or program established under title V or title XX of the Act.

Fiscal agent means a contractor that processes or pays vendor claims on behalf of the Medicaid agency.

Group of practitioners means two or more health care practitioners who practice their profession at a common location (whether or not they share common facilities, common supporting staff, or common equipment).

Health insuring organization (HIO) has the meaning specified in § 438.2.

Indirect ownership interest means an ownership interest in an entity that has an ownership interest in the disclosing entity. This term includes an ownership interest in any entity that has an indirect ownership interest in the disclosing entity.

Managed care entity (MCE) means managed care organizations (MCOs), PIHPs, PAHPs, PCCMs, and HIOs.

Managing employee means a general manager, business manager, administrator, director, or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of an institution, organization, or agency.

Ownership interest means the possession of equity in the capital, the stock, or the profits of the disclosing entity.

Person with an ownership or control interest means a person or corporation that—

- (a) Has an ownership interest totaling 5 percent or more in a disclosing entity;
- (b) Has an indirect ownership interest equal to 5 percent or more in a disclosing entity;
- (c) Has a combination of direct and indirect ownership interests equal to 5 percent or more in a disclosing entity;
- (d) Owns an interest of 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 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.

Prepaid ambulatory health plan (PAHP) has the meaning specified in § 438.2.

Prepaid inpatient health plan (PIHP) has the meaning specified in § 438.2.

Primary care case manager (PCCM) has the meaning specified in § 438.2.

Significant business transaction means any business transaction or series of transactions that, during any one fiscal year, exceed the lesser of \$25,000 and 5 percent of a provider's total operating expenses.



Subcontractor means:

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

Supplier means an individual, agency, or organization from which a provider purchases goods and services used in carrying out its responsibilities under Medicaid (e.g., a commercial laundry, a manufacturer of hospital beds, or a pharmaceutical firm).

Termination means for a

- (1) (i) Medicaid or CHIP provider, a State Medicaid program or CHIP has taken an action to revoke the provider's billing privileges, and the provider has exhausted all applicable appeal rights or the timeline for appeal has expired; and
 - (ii) Medicare provider, supplier or eligible professional, the Medicare program has revoked the provider or supplier's billing privileges, and the provider has exhausted all applicable appeal rights or the timeline for appeal has expired.
- (2) (i) In all three programs, there is no expectation on the part of the provider or supplier or the State or Medicare program that the revocation is temporary.
 - (ii) The provider, supplier, or eligible professional will be required to reenroll with the applicable program if they wish billing privileges to be reinstated.
- (3) The requirement for termination applies in cases where providers, suppliers, or eligible professionals were terminated or had their billing privileges revoked for cause which may include, but is not limited to -
 - (i) Fraud;
 - (ii) Integrity; or
 - (iii) Quality.

Wholly owned supplier means a supplier whose total ownership interest is held by a provider or by a person, persons, or other entity with an ownership or control interest in a provider.

42 CFR § 455.102 Determination of ownership or control percentages

- (a) Indirect ownership interest. The amount of indirect ownership interest is determined by multiplying the percentages of ownership in each entity. For example, if A owns 10 percent of the stock in a corporation which owns 80 percent of the stock of the disclosing entity, A's interest equates to an 8 percent indirect ownership interest in the disclosing entity and must be reported. Conversely, if B owns 80 percent of the stock of a corporation that owns 5 percent of the stock of the disclosing entity, B's interest equates to a 4 percent indirect ownership interest in the disclosing entity and need not be reported.
- (b) Person with an ownership or control interest. In order to determine percentage of ownership, mortgage, deed of trust, note, or other obligation, the percentage of interest owned in the obligation is multiplied by the percentage of the disclosing entity's assets used to secure the obligation. For example, if A owns 10 percent of a note secured by 60 percent of the provider's assets, A's interest in the provider's assets equates to 6 percent and must be reported. Conversely, if B owns 40 percent of a note secured by 10 percent of the provider's assets, B's interest in the provider's assets equates to 4 percent and need not be reported.

Health First Colorado cannot advise providers on how to determine owner data and controlling interest requirements.

