

INSTRUCTIONS & DEFINITIONS FOR COMPLETING THE MEDICAID DISCLOSURE FORM

INSTRUCTIONS FOR COMPLETING THE MEDICAID DISCLOSURE FORM (“Form”)

1. Read all definitions and instructions outlined throughout the Form and then reference the definitions and instructions while completing the Form.
2. Complete and submit the electronic Form no longer than 35 calendar days from the date on the cover letter you received from Magellan.
3. Answer all questions as of the current date.
4. If there is no information to include, click the “No” or “Not Applicable” button. Incomplete Forms will be reported back to the applicable state agency or Health Plan.
5. Re-submit a new Form when any information in your disclosure changes.
6. Complete this Form whether or not you have any information to report.
7. In any space requesting ‘Name,’ if it is the name of an individual, include First, Middle and Last.
8. **Business & Service Address:** The address for corporate/legal entities must include, as applicable, the primary business address, every business location, and P.O. Box address. **Individuals** must provide their home address.
9. Provide the Employer Identification Number (EIN) or Tax Identification Number (TIN) for legal entities. Provide the Social Security Number (SSN) for individuals.
10. You must provide a “Yes” or “No” answer to each of the questions under the Tab titled “IDENTITY.” If you still have questions on what answer is right for you, please consult your Legal/Regulatory Compliance Staff for advice before providing your answer or completing the Form.

Definitions (42 CFR 455.101) and 42 CFR 1001.1001

#	Term/Words	Definition
1	<i>Affiliate or affiliated person</i>	<p>Affiliate or affiliated person means persons having an overt or covert relationship such that any one of them directly or indirectly controls or has the power to control another. It also includes but is not limited to relationships between individuals, business entities, or a combination of the two. The term includes but is not limited to direct or indirect business relationships that involve:</p> <p>(i) A compensation arrangement;</p>

**INSTRUCTIONS & DEFINITIONS FOR COMPLETING THE MEDICAID
DISCLOSURE FORM**

	<i>Affiliates</i>	<p>(ii) An ownership arrangement; (iii) Managerial authority over any member of the affiliation; (iv) The ability of one member of the affiliation to control any other; (v) The ability of a third party to control any member of the affiliation; or (vi) any person who directly or indirectly manages, controls, or oversees the operation of a corporation or other business entity that is a Medicaid/SCHIP provider, regardless of whether such person is a partner, shareholder, owner, officer, director, agent, or employee of the entity.</p> <p>Affiliates also means associated business concerns or individuals if, directly or indirectly -- (1) Either one controls or can control the other; or (2) A third party controls or can control both. 48 CFR 2.101</p>
2	<i>Agent</i>	<p>Agent means any person who has been delegated the authority to obligate or act on behalf of a provider. It also means any person who has express or implied authority to obligate or act on behalf of an entity (42 CFR 1001.1001).</p>
3	<i>Disclosing entity</i>	<p>Disclosing entity means a Medicaid provider (other than an individual practitioner or group of practitioners), or a fiscal agent.</p> <p>* For purposes of completing the Medicaid Disclosure Form, solo practitioners and the group contracting entity are also treated as a "disclosing entity." **Group Providers - The contracting group entity should complete the Form on behalf of the group.</p>
4	<i>Federal health care program</i>	<p>Federal health care program means-- (1) any plan or program that provides health benefits, whether directly, through insurance, or otherwise, which is funded directly, in whole or in part, by the United States Government (other than the health insurance program under chapter 89 of title 5, United States Code [5 USCS §§ 8901 et seq.]); or (2) any State health care program, as defined in section 1128(h) [42 USCS § 1320a-7(h)]. [42 USCS § 1320a-7b(f)]</p>

**INSTRUCTIONS & DEFINITIONS FOR COMPLETING THE MEDICAID
DISCLOSURE FORM**

5	<i>Fiscal agent</i>	Fiscal agent means a contractor that processes or pays vendor claims on behalf of the Medicaid agency.
6	<i>Group of practitioners</i>	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).
7	<i>Indirect ownership interest</i>	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. It also means an ownership interest through any other entities that ultimately have an ownership interest in the entity in issue (42 CFR 1001.1001). (For example, an individual has a 10 percent ownership interest in the entity at issue if he or she has a 20 percent ownership interest in a corporation that wholly owns a subsidiary that is a 50 percent owner of the entity in issue.)
8	<i>Immediate family member</i>	Immediate family member means a person’s husband or wife; natural or adoptive parent; child or sibling; step-parent, stepchild, stepbrother or stepsister; father-, mother-, daughter-, son-, brother- or sister-in-law; grandparent or grandchild; or spouse of a grandparent or grandchild (42 CFR 1001.1001).
9	<i>Length of exclusion means</i>	Length of exclusion means – <ul style="list-style-type: none"> a. Except as provided in § 1001.3002(c), exclusions under this section will be for the same period as that of the individual whose relationship with the entity is the basis for this exclusion, if the individual has been or is being excluded b. If the individual was not excluded, the length of the entity’s exclusion will be determined by considering the factors that would have been considered if the individual had been excluded. c. An entity excluded under this section may apply for reinstatement at any time in accordance with the procedures set forth in §1001.3001(a) (2).

**INSTRUCTIONS & DEFINITIONS FOR COMPLETING THE MEDICAID
DISCLOSURE FORM**

10	<i>Managed care entity</i>	Managed care entity (MCE) means managed care organizations (MCOs), PIHPs, PAHPs, PCCMs, and HIOs. These terms are defined in 42 CFR § 438.2.
11	<i>Managing employee</i>	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.
12	<i>Member of household</i>	Member of household means, with respect to a person, any individual with whom they are sharing a common abode as part of a single family unit, including domestic employees and others who live together as a family unit. A roomer or boarder is not considered a member of household (42 CFR 1001.1001).
13	<i>Other disclosing entity</i>	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: <ul style="list-style-type: none"> 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.
14	<i>Ownership interest</i>	Ownership interest means the possession of equity in the capital, the stock, or the profits of the disclosing entity. It also means an interest in: <ul style="list-style-type: none"> a. The capital, the stock or the profits of the entity, or b. Any mortgage, deed, trust or note, or other obligation secured in whole or in part by the property or assets of the entity.

**INSTRUCTIONS & DEFINITIONS FOR COMPLETING THE MEDICAID
DISCLOSURE FORM**

15	<i>Person with an ownership or control interest</i>	<p>Person with an ownership or control interest means a person or corporation that:</p> <ul style="list-style-type: none"> 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.
16	<i>Significant business transaction</i>	<p>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.</p>
17	<i>State health care program</i>	<p>State health care program means--</p> <ul style="list-style-type: none"> a. A State plan approved under title XIX [42 USCS §§ 1396 et seq.], b. any program receiving funds under title V [42 USCS §§ 701 et seq.] or from an allotment to a State under such title, c. any program receiving funds under subtitle 1 of title XX [42 USCS §§ 1397 et seq.] or from an allotment to a State under such subtitle, or d. A State child health plan approved under title XXI [42 USCS §§ 1397aa et seq.]. <p>[42 USCS § 1320a-7(h)].</p>
18	<i>Subcontractor</i>	<p>Subcontractor means:</p> <ul style="list-style-type: none"> 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

**INSTRUCTIONS & DEFINITIONS FOR COMPLETING THE MEDICAID
DISCLOSURE FORM**

		<p>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.</p>
19	Supplier	<p>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).</p>
20	Termination	<p>Termination means –</p> <p>a) For a--</p> <ul style="list-style-type: none"> 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. <p>b) (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.</p> <p>c) 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.</p>
21	Wholly owned supplier	<p>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.</p>

INSTRUCTIONS & DEFINITIONS FOR COMPLETING THE MEDICAID DISCLOSURE FORM

How to Determine Ownership or Control Percentages (42 CFR 455.102)

- 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 which 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.