

Fiscal Agents: Disclosure of Ownership and Control Snapshot

Fiscal agents are contractors that process or pay provider claims on behalf of State Medicaid agencies (SMAs).[1] SMAs screen fiscal agents in a manner similar to that of Medicaid providers.[2] Fiscal agents must disclose:

- Information that identifies individuals or corporations with ownership and control interests;
- Relationships between persons having ownership and control interests;
- Names of any other disclosing entity, fiscal agent, or managed care entity that have ownership or control interests; and
- Information that identifies any managing employee of the fiscal agent.

The Centers for Medicare & Medicaid Services (CMS) recommends that board members be listed as managing employees, if they meet the definition of managing employees under the regulation.[3]

Identifying information for individuals includes name, address, date of birth, and social security number.[4, 5] In the case of a corporation, identifying information includes the tax identification number, primary business address, address of every business location, and P.O. Box addresses.[6]

The regulations require fiscal agents to disclose family relationships among persons with certain ownership or control interests. Fiscal agents must disclose whether persons with ownership or control interests in the fiscal agent are related spouses, parents, children, or siblings. This requirement extends to persons with an ownership or control interest in a subcontractor in which the fiscal agent has a 5 percent or more interest.[7] This relationship information is useful when the U.S. Department of Health and Human Services, Office of Inspector General, or SMAs are investigating allegations of collusion among family members who have ownership interests in different organizations that are allegedly engaged in health care fraud, waste, or abuse.[8]

SMAs must obtain disclosures when the fiscal agent submits a proposal during the State procurement process, when contracts are executed or renewed, and when ownership changes.[9] For States where agencies other than the SMA are responsible for procuring State contracts, CMS recommends SMAs require vendors to submit disclosures in their contract proposals.[10]

For More Information

To see the electronic version of this E-Bulletin or other materials about program integrity posted to the Medicaid Program Integrity Education page, visit <https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/edmic-landing.html> on the CMS website. SMAs should consult guidance contained



in the Medicaid Provider Enrollment Compendium posted to <https://www.medicaid.gov/affordablecareact/provisions/downloads/mpec-032116.pdf> on the CMS website.

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References

- 1 42 C.F.R. § 455.101(c). Retrieved July 10, 2016, from <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=f4136aa001ada1e068e8b7e0db99469b&mc=true&n=sp42.4.455.b&r=SUBPART&ty=HTML>
- 2 Disclosure of Information by Providers and Fiscal Agents. Purpose. 42 C.F.R. § 455.100. Retrieved May 25, 2016, from <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=e97bb985aeb73f94656ccd2d6b7d0186&ty=HTML&h=L&mc=true&n=sp42.4.455.b&r=SUBPART>
- 3 Definitions. 42 C.F. R § 455.101(c). Retrieved June 13, 2016, from http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=f4136aa001ada1e068e8b7e0db99469b&mc=true&r=SECTION&n=se42.4.455_1101
- 4 Disclosure by Medicaid Providers and Fiscal Agents: Information on Ownership and Control. 42 C.F.R. § 455.104(c)(2). Retrieved June 13, 2016, from http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=f4136aa001ada1e068e8b7e0db99469b&mc=true&r=SECTION&n=se42.4.455_1104
- 5 Centers for Medicare & Medicaid Services. (2016, March 21). Medicaid Provider Enrollment Compendium (MPEC) (pp. 20-21). Retrieved June 22, 2016, from <https://www.medicaid.gov/affordablecareact/provisions/downloads/mpec-032116.pdf>
- 6 42 C.F.R. § 455.104(b)(1)(i). Retrieved July 10, 2016, from <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=f4136aa001ada1e068e8b7e0db99469b&mc=true&n=sp42.4.455.b&r=SUBPART&ty=HTML>
- 7 42 C.F.R. § 455.104(b)(2). Retrieved July 10, 2016, from <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=f4136aa001ada1e068e8b7e0db99469b&mc=true&n=sp42.4.455.b&r=SUBPART&ty=HTML>
- 8 Centers for Medicare & Medicaid Services. Medicaid Program Integrity Toolkits to Address Frequent Findings: 42 CFR 455.104 Disclosure of Ownership and Control (p. 11). Retrieved June 13, 2016, from <https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforProfs/Downloads/fftoolkit-ownership-control.pdf>
- 9 Disclosure by Medicaid Providers and Fiscal Agents: Information on Ownership and Control. 42 C.F.R. § 455.104(c)(2). Retrieved June 13, 2016, from http://www.ecfr.gov/cgi-bin/text-idx?SID=7a52c0c8b37047242c3f04407562d209&mc=true&node=se42.4.455_1104&rgn=div8
- 10 Centers for Medicare & Medicaid Services. Medicaid Program Integrity Toolkits to Address Frequent Findings: 42 CFR 455.104 Disclosure of Ownership and Control (p. 16). Retrieved June 13, 2016, from <https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforProfs/Downloads/fftoolkit-ownership-control.pdf>

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