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| **MONTCALM CARE NETWORK PROCEDURE 611 North State Street, Stanton, MI 48888** | |
| SUBJECT: Excluded Providers | Section: 11100A |
| Effective Date: April 26, 2010 | Revised Date: October 23, 2018 |
| Version: 4 | Status: Current |

**A. Overview:**

In order to comply with 42 CFR 438.610, Montcalm Care Network (MCN) may not have any of the following relationships with an individual who is excluded from participating in Federal health care programs:

1) Excluded individuals cannot be a director, officer, or partner of MCN; 2) Excluded individuals cannot have a beneficial ownership of five (5) percent or more of MCN’s equity; and

3) Excluded individuals cannot have an employment, consulting, or other arrangement with MCN for the provision of items or services that are significant and material to MCN’s obligations under its contract with the Prepaid Inpatient Health Plan (PIHP).

“Excluded” individuals or entities are individuals or entities that have been excluded from participating, but not reinstated, in the Medicare, Medicaid, or any other Federal health care programs. Bases for exclusion include convictions for program-related fraud and patient abuse, licensing board actions and default on Health Education Assistance loans.

An individual is considered to have an “ownership” or “control interest” in an entity if it has direct or indirect ownership of five (5) percent or more, or is a managing employee (e.g., a general manager, business manager, administrator, or director) who exercises operational or managerial control over the entity, or who directly or indirectly conducts the day-to-day operations of the entity as defined in section 1126(b) of the Act and under 42 CFR section 1001.1001(a)(1).

MCN shall comply with Federal Regulations to obtain, maintain, disclose, and furnish required information about ownership and control interests, business transactions, and criminal convictions as specified in 42 C.F.R. §455.104-106. In addition, MCN 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. §455.104106.

**B. Monitoring:**

At the time of engagement, hiring or enrollment in the MCN’s Provider Network, MCN will search Verify Comply exclusion database to ensure that a director, officer, employee, consultant or contracted individual or provider entity, and any individuals with ownership or control interests in the provider entity (direct or indirect ownership of five (5) percent or more or a managing employee), have not been excluded from participating in

Federal health care programs. MCN mandates provider entity disclosure of ownership and control information at the time of provider enrollment, re-enrollment, or whenever a change in provider entity ownership or control takes place. This information will be obtained initially and annually during the contract renewal process.

MCN’s Provider Network Specialist will download the updated List of Excluded Individuals and Entities (LEIE) from Verify Comply website which searches several federal and state databases at least monthly for comparison with its internal database of direct service and billing employees, Board members, contract providers and contract entities. Any verified negative findings will be forwarded to the attention of the Clinical Director or Executive Director for determination of action to be taken. Reports will be maintained by the Provider Network Specialist in a binder or electronic folder.

MCN will notify the PIHP CEO immediately if search results indicate that any of their directors, officers, employees, consultant or contracted Network’s Provider entities, or individuals or entities with ownership or control interests in a provider entity are listed on any federal or state exclusions database.

**C. Administrative Actions that Could Lead to Formal Exclusion:**

MCN will promptly notify the PIHP CEO if administrative action is taken that limits an employee’s or provider’s participation in the Medicaid program, including any provider entity conduct that results in suspension or termination from MCN’s Provider Network.

**D. Acceptance of Claims:**

MCN will not accept claims from providers for any items or services furnished, ordered or prescribed by excluded individuals or entities or those that have not disclosed ownership and control interests. MCN’s payables system will be marked to exclude provider from billing.