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Insights

CMS Reminds Providers to Report Changes in Ownership

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CMS' recent MLN Connects e-Newsletter reminds providers of their obligation to report changes in ownership to CMS and highlighted the 2016 Office of Inspector General ("OIG") study that revealed providers may not be properly reporting changes in ownership.

OIG's 2016 study titled "Medicare: Vulnerabilities Related to Provider Enrollment and Ownership Disclosure" was conducted to demonstrate that proper reporting of ownership is essential for CMS to provide proper oversight of the Medicare program and to prevent fraudulent activities. During the course of the study, OIG determined that providers may not be properly reporting changes in ownership when provider owner names on record with CMS for more than three-quarters of the Medicare providers OIG reviewed were different than those providers' owner names on record with OIG.

42 C.F.R. § 424.516(d) requires all providers, including physicians, non-physician practitioners, and physician and non-physician practitioner organizations, to report changes in enrollment information to their Medicare Administrative Contractor. Providers must report (i) a change in ownership, (ii) an adverse legal action, or (iii) a change in practice location within 30 days of the change, while any other changes to enrollment must be reported within 90 days. Importantly, "ownership" includes a controlling interest of five percent or more. CMS has emphasized the importance of this obligation by noting that failure to report such changes could result in revocation of the provider's Medicare billing privileges.

CMS' full reminder may be accessed here.

If you have any questions regarding these reporting obligations, please contact Thomas N. Hutchinson at thutchinson@kdlegal.com or your regular Krieg DeVault attorney.