

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-08 Medicare Program Integrity</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 797</b>	<b>Date: June 1, 2018</b>
	<b>Change Request 10558</b>

**Transmittal 784, dated March 30, 2018, is being rescinded and replaced by Transmittal 797, dated June 1, 2018, to include business requirement 10558.3 in section III. Provider Education Table. All other information remains the same.**

**SUBJECT: Reviewing for Adverse Legal Actions (ALA)**

**I. SUMMARY OF CHANGES:** The purpose of this change request (CR) is to update chapter 15 of Pub. 100-08 to include information and resources to assist the Medicare Administrative Contractors (MACs) in reviewing final adverse actions while processing provider enrollment applications. In addition, this CR provides clarifying information for providers and suppliers on ALA that are required to be reported.

**EFFECTIVE DATE: April 30, 2018**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: April 30, 2018**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)**

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
R	15/15.5/15.5.3/Final Adverse Actions
R	15/15.5/15.5.3/15.5.3.1/Reviewing for Adverse Legal Actions

**III. FUNDING:**

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Business Requirements  
Manual Instruction**

# Attachment - Business Requirements

Pub. 100-08	Transmittal: 797	Date: June 1, 2018	Change Request: 10558
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**Transmittal 784, dated March 30, 2018, is being rescinded and replaced by Transmittal 797, dated June 1, 2018, to include business requirement 10558.3 in section III. Provider Education Table. All other information remains the same.**

**SUBJECT: Reviewing for Adverse Legal Actions (ALA)**

**EFFECTIVE DATE: April 30, 2018**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: April 30, 2018**

## I. GENERAL INFORMATION

**A. Background:** This CR will update Chapter 15 of Pub. 100-08 to include information and resources to assist the MACs in reviewing final adverse actions while processing provider enrollment applications.

**B. Policy:** This CR does not involve any legislative or regulatory policies.

## II. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
10558.1	Contractors shall be aware that sections 15.5.3 and 15.5.3.1 in Chapter 15 of Pub. 100-08 have been updated to incorporate the definitions of reportable final adverse legal actions.	X	X	X						NSC
10558.2	Contractors shall ensure that providers report final adverse legal	X	X	X						NSC

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	actions in accordance with the directions in sections 15.5.3 and 15.5.3.1 in chapter 15 of Pub. 100-08. (i.e. providers are no longer required to report payment suspensions or Medicare revocations)									

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
10558.3	MLN Article: A provider education article related to this instruction will be available at <a href="http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/">http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and	X	X	X		

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	administering the Medicare program correctly.					

#### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements:** N/A

*"Should" denotes a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B: All other recommendations and supporting information:** N/A

#### V. CONTACTS

**Pre-Implementation Contact(s):** Joseph Schultz, 410-786-2656 or Joseph.Schultz@cms.hhs.gov

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

#### VI. FUNDING

**Section A: For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**ATTACHMENTS: 0**

### **15.5.3 – Final Adverse Actions**

*(Rev.797; Issued: 06-01-18; Effective: 04-30-18; Implementation: 04-30-18)*

Unless stated otherwise, the instructions in this section 15.5.3 apply to *the adverse legal action* sections of the Form CMS-855 and Form CMS-20134:

#### **A. Disclosure of Final Adverse Action**

If a final adverse action is disclosed on the Form CMS-855 or Form CMS-20134, the provider must furnish documentation concerning the type *of final adverse action being reported, the date of the final adverse action occurred, and what court or governing/administrative body imposed the action*. The documentation must be furnished regardless of whether the adverse action occurred in a state different from that in which the provider seeks enrollment or is enrolled.

In addition:

1. Reinstatements - If the person or entity in question was excluded or debarred but has since been reinstated, the contractor shall confirm the reinstatement through the OIG or, in the case of debarment, through the federal agency that took the action. *The contractor* shall also ensure that the provider submits written proof of the reinstatement (e.g., reinstatement letter).
2. *Scope of Disclosure – All final adverse actions that occurred under the LBN and TIN of the disclosing entity (e.g., applicant; section 5 owner) must be reported.*

*Example (a) - Smith Pharmacy, Inc. had 22 separately enrolled locations in 2009. Each location was under Smith's LBN and TIN. In 2010, two locations were excluded by the OIG and then subsequently revoked by CMS, Smith submits a Form CMS-855S application for a new location on Jones Street. Suppose, however, that each of Smith's locations had its own LBN and TIN. The Jones Street application need not disclose the two revocations from 2010.*

*Example (b) - An HHA, hospice, and hospital are enrolling under Corporation X's LBN and TIN. X is listed as the provider in section 2 of each applicant's Form CMS-855A. All three successfully enroll. Six months later, Company X's billing privileges for the HHA are revoked due to an OIG exclusion. Both the hospice and the hospital must report that X was excluded on a Form CMS-855A change request because X is under the provider's LBN and TIN. Assume now that X seeks to enroll an ASC under X's LBN and TIN. The exclusion would have to be reported in section 3 of the ASC's initial Form CMS-855B.*

*Example (c) – Company Y is listed as the provider/supplier for two HHAs and two suppliers of durable medical equipment, prosthetics, orthotics and supplies (DMEPOS). These four providers/suppliers are under Y's LBN and TIN. Each provider/supplier is located in a different State. All are enrolled. Y's billing privileges for one of the DMEPOS suppliers are revoked due to a felony conviction. Y now seeks to enroll an ASC in a fifth State. Y must disclose its felony conviction even though the felony conviction occurred in a state different from that in which the ASC is located.*

3. *Timeframe – With the exception of felony and misdemeanor convictions all other final adverse actions must be reported in the adverse legal action of the Form CMS-855 or Form CMS-20134, all final adverse actions must be reported regardless of when the final adverse action occurred.*
4. *Evidence to Indicate Adverse Action – There may be instances where the provider or supplier states on Form-855 or Form CMS-20134 that the person or entity has never had a final adverse action imposed against him/her/it, but the contractor finds evidence to indicate otherwise. In such cases, the contractor shall follow the decision tree in section 15.5.3.1.*

*Note that MDPP suppliers enrolling through the CMS-20134 are not required to submit any final adverse action as it relates to MDPP coaches submitted on Section 7 of that form.*

### ***B. Reportable Final Adverse Actions***

*Providers and suppliers shall disclose all reportable Final Adverse Actions on their enrollment applications. To satisfy the reporting requirement the provider or supplier shall complete the Final Adverse Legal Action section(s) (Form CMS-855 or Form CMS-20134) in its entirety and attach all applicable documentation concerning the adverse action, to the application. It shall be noted that all final adverse actions must be reported, regardless of whether any records have been expunged or pending appeal.*

*Reportable Final Adverse Actions that must be disclosed on the Form CMS-855 or Form CMS-20134 include:*

#### *1. Felony conviction(s) within 10 years*

- *Providers are required to report a felony (Federal or State) when:*
  - *A conviction has occurred, and*
  - *The felony judgment (disposition) date is within 10 years, from the submission date of an Form CMS-855 or Form CMS-20134 application*
- *A conviction has occurred when a judgment has been entered against an individual/entity by a judge/jury or the court has accepted a plea of guilty or nolo contendere.*
- *A felony conviction shall be reported even if the conviction has been sealed, expunged or there is an appeal or post-trial motion pending.*

#### *2. Misdemeanor Conviction Within 10 years*

- *Report a misdemeanor conviction (Federal or State )when:*
  - *A conviction has occurred, and*
  - *The misdemeanor judgment (disposition) date is within 10 years, from the submission date of an Form CMS-855 or Form CMS-20134 application, and*
  - *The misdemeanor is related to:*

- *The delivery of an item/service under Medicare or a State health care item/service*
  - *Theft, Fraud, Embezzlement, breach of fiduciary duty or other financial misconduct in connection with the delivery of health care item/service*
  - *The interference or obstruction of any investigation into any criminal offense*
  - *The unlawful manufacture, distribution, prescription or dispensing of a controlled substance*
- *A conviction has occurred when a judgment has been entered against an individual/entity by a judge/jury or the court has accepted a plea of guilty or nolo contendere.*
  - *A misdemeanor conviction shall be reported even if the conviction has been sealed, expunged or there is an appeal or post-trial motion pending.*
3. *Current or Past Suspension(s)/Revocations(s) of a medical license*
- *A medical license board suspends or revokes a medical license for any period of time.*
4. *Current or Past Suspensions(s)/Revocation(s) of an accreditation*
- *An accrediting body suspends or revokes an accreditation for any period of time.*
5. *Current or Past Suspension(s) or Exclusion(s) imposed by the U.S. Department of Health and Human Service's Office of Inspector General (OIG)*
- *Items/services furnished, ordered or prescribed by a specified individual/entity are not reimbursed under Medicare, Medicaid and/or all other Federal health care programs until the individual or entity is reinstated by the HHS OIG.*
6. *Current or Past Debarment(s) from participation in any Federal Executive Branch procurement or non-procurement program*
- *An individual or entity is suspended throughout the Executive Branch or the Federal government, as it applies to procurement and non-procurement programs. An individual or entity will not be solicited from, contracts will not be awarded to or existing contracts will not be renewed or otherwise extended to those individuals or entities with a debarment. (e.g. GSA debarment)*
7. *Medicaid exclusion(s), revocation(s) or termination(s) of any billing number*
- *A state terminates an active provider agreement or prohibits a provider from enrolling in the Medicaid program.*
8. *Any other Current or Past Federal Sanction(s)*
- *A penalty imposed by a Federal governing body.*

**C. *Prior Approval***

*If a current exclusion or debarment is disclosed on the Form CMS-855 or CMS-20134,*

*the contractor shall deny the application in accordance with the instructions found in chapter 15.5.3.1.*

#### ***D. Review of PECOS***

*If the contractor denies an application or revokes a provider based on a final adverse action, the contractor shall search PECOS (or, if the provider is not in PECOS, the contractor's internal system) to determine:*

- *Whether the person/entity with the adverse action has any other associations, as it applies (e.g., is listed in PECOS as an owner of three Medicare-enrolled providers).*

*If such an association is found and there are grounds for revoking the billing privileges of the other provider(s), the contractor shall initiate revocation action against the associate provider(s).*

#### ***E. Chain Home Offices, Billing Agencies, and HHA Nursing Registries***

*If the contractor discovers that an entity listed in section 7, 8, or 12 of the Form CMS-855 has had a final adverse action imposed against it, the contractor shall contact its PEBFL for guidance. For any final adverse actions against individuals listed in section 7 of the Form CMS-20134, contractors shall refer to 15.5.9 where this process is outlined in detail.*

#### ***F. System for Award Management (SAM)***

*When an entity or individual is listed as debarred in the SAM (formerly, the General Services Administration Excluded Parties List System), the SAM record may identify associated entities and persons that are also debarred. To illustrate, suppose John Smith is identified as debarred. The SAM record may also list individuals and entities associated with John Smith that are debarred as well, such as "John Smith Company," "Smith Consulting," "Jane Smith," and "Joe Smith."*

*If the contractor learns via the Form CMS-855 or CMS-20134 verification process, a Zone Program Integrity Contractor (ZPIC) referral, or other similar means that a particular person or entity is debarred, the contractor shall search the person/entity in the SAM to see if the SAM record discloses any associated parties that are debarred. If associated parties are listed, the contractor – after verifying, via the instructions in this chapter, that the associated party is indeed debarred – shall check PECOS to determine whether the party is listed in any capacity. If the party is listed, the contractor shall take all applicable steps outlined in this chapter with respect to revocation proceedings against the party and against any persons/entities with whom the party is associated. For instance, using our example above, if the contractor confirms that Jane Smith is debarred and PECOS shows Jane Smith as an owner of Entity X, the contractor shall, as applicable, initiate revocation proceedings against X.*

### **15.5.3.1 – Reviewing for Adverse Legal Actions**

***(Rev.797; Issued: 06-01-18; Effective: 04-30-18; Implementation: 04-30-18)***

The contractor shall address the reporting of Adverse Legal Actions (ALA) in its review of initial enrollment, revalidation, *reactivation* or change of information applications submitted by a provider or supplier. The contractor may receive information of ALA not yet reported by the provider or supplier from CMS, other contractors or through the application screening process. The contractor shall consider this information and take action as described in (but not limited to) sections 15.5.3 and 15.27 of this chapter.

Providers and suppliers shall include all reportable ALAs on their enrollment applications. This information must be reported either at the time of the initial/revalidation application by the provider/supplier, or must be reported by the provider/supplier within the reporting requirements as specified in 42 CFR § 424.516 and section 15.10.1 of this chapter. Reportable ALAs include criminal convictions within the last 10 years, Federal Health Care programs exclusions/debarments, and revocation/suspension of a license to provide health care by any State licensing authority. Non-reportable ALAs include, but are not limited to, probations, monetary fines and malpractice suits. The contractors shall refer to 42 CFR 424.535 § (a)(2), 42 CFR 424.535 § (a)(3), 42 CFR §1001.2 and the CMS-855 forms for further clarification of what ALAs are to be reported. All applicable ALAs shall be reported, regardless of whether any records were expunged, pending appeals, or waivers being granted.

In order to assist a contractor in determining what actions to take when an ALA is involved, CMS has produced an ALA Decision Tree (see below) for the contractor to use as a guide. The contractor shall follow the ALA Decision Tree when they receive ALA information regarding a provider or supplier, and validate this information against the provider/supplier enrollment application. The contractor shall follow the ALA Decision Tree and shall not develop to the provider or supplier for reported or unreported ALA(s).

## I. INITIAL/ REACTIVATION APPLICATIONS

Any actionable ALA reported by a provider shall result in the denial of an application. A MAC shall not develop the ALA. A MAC shall then continue evaluating all ALAs reported and not reported.

### 1.1 LICENSURE – INITIAL/REACTIVATION APPLICATIONS

Provider holds a valid accreditation/medical license in the state in which they are enrolling	Did the provider report the ALA taken on their license/ accreditation?	MAC Action	Notes
Provider’s accreditation/medical license was previously suspended / revoked / voluntarily surrendered while formal disciplinary proceeding was pending before a State licensing authority.	Yes	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 1.2 – 1.7.	MACs shall read board orders thoroughly to determine if there are other adverse actions associated with the license suspension/revocation. e.g. Felonies.
Provider’s accreditation/medical license was previously suspended/revoked/ voluntarily surrendered while formal disciplinary proceeding was pending before a State licensing authority.	No	Deny application under 42 CFR § 424.530 (a)(4) unless the license adverse action occurred more than ten years prior to the date of application receipt. If a license suspension/revocation /surrender in lieu of disciplinary proceedings occurred more than ten years prior to the date of application receipt, the application and ALA information shall be sent to EnrollmentReview@cms.hhs.gov for review and decision.	<p><i>42 CFR § 424.530 (a)(4) shall ONLY be included as a denial reason, if the provider has never reported this adverse action.</i></p> <p>MACs shall consider whether other denial reasons exist. Refer to section (s) 1.2 – 1.7.</p> <p>MACs shall read board orders thoroughly to determine if there are other adverse actions associated with the license suspension/ revocation. e.g. Felonies</p> <p>No Reporting Requirement:</p> <ul style="list-style-type: none"> <li>• A suspension is “stayed” in its entirety.</li> <li>• Advertising/Administrative penalties</li> <li>• Fines, Violations, Stipulations, Reprimands</li> </ul>

## 1.2 FELONIES – INITIAL/REACTIVATION APPLICATIONS

Felony	Did the provider report their felony?	MAC Action	Notes
<p>Provider or someone with ownership interest and/or managing control has been adjudged guilty of a felony and/or a crime that is punishable by imprisonment for a period of one year or more</p>	<p>Yes or No</p>	<p>Send application and ALA information to EnrollmentReview@cms.hhs.gov for review and decision.</p>	<p>All felony convictions shall be forwarded to CMS for review and decision.</p>

## 1.2 MISDEMEANORS – INITIAL/REACTIVATION APPLICATIONS

Misdemeanor	Did the provider report their misdemeanor?	MAC Action	Notes
<p>Provider or someone with ownership interest and/or managing control has been adjudged guilty of a misdemeanor that is related to healthcare, abuse or neglect of a patient, financial misconduct, interference with a criminal investigation, or unlawful manufacture, distribution, prescription or dispensing of a controlled substance.</p>	<p>Yes</p>	<p>Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 1.1 &amp; 1.3 – 1.7.</p>	
<p>Provider or someone with ownership interest and/or managing control has been adjudged guilty of a misdemeanor that is related to healthcare, abuse or neglect of a patient, financial misconduct, interference with a criminal investigation, or unlawful manufacture, distribution, prescription or dispensing of a controlled substance.</p>	<p>No</p>	<p>Send ALA information to EnrollmentReview@cms.hhs.gov for review and decision.</p>	

### 1.3 EXCLUSION (ACTIVE) – INITIAL/REACTIVATION APPLICATIONS

Current Exclusion	Did the provider report their current exclusion?	MAC Action	Notes
Provider or someone with ownership interest and/or managing control has an active HHS and/or OIG exclusion	Yes	Deny application under 42 CFR § 424.530 (a)(2)	<p>MACs shall consider whether other denial reasons exist. Refer to section(s) 1.1 – 1.2 &amp; 1.4 - 1.7.</p> <p>A waiver does not guarantee automatic enrollment into the Medicare program. All waivers shall be sent to EnrollmentReview@cms.hhs.gov for review.</p>
Provider or someone with ownership interest and/or managing control has an active HHS and/or OIG exclusion	No	Deny application under 42 CFR § 424.530 (a)(2) & (a)(4)	<p><i>42 CFR § 424.530 (a)(4) shall ONLY be included as a denial reason, if the provider has never reported this adverse action. However § 424.530 (a)(2), in this particular scenario, would still be apply.</i></p>

## 1.4 EXCLUSION (EXPIRED) – INITIAL/REACTIVATION APPLICATIONS

Exclusion period has expired	Did the provider report their past exclusion?	MAC Action	Notes
<p>Provider or someone with ownership interest and/or managing control has a HHS and/or OIG exclusion has been reinstated by HHS and/or OIG.</p>	<p>Yes</p>	<p>Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 1.1 – 1.3 &amp; 1.5 – 1.7.</p>	
<p>Provider or someone with ownership interest and/or managing control has a HHS and/or OIG exclusion that has expired and has been reinstated by HHS and/or OIG.</p>	<p>No</p>	<p>Deny application under 42 CFR § 424.530 (a)(4) unless the provider was reinstated more than ten years prior to the date of application receipt. If a provider has been reinstated more than ten years prior to the date of application receipt, the application and ALA information shall be sent to EnrollmentReview@cms.hhs.gov for review and decision.</p>	<p>MACs shall consider whether other denial reasons exist. Refer to section(s) 1.1 – 1.3 &amp; 1.5 – 1.7.</p> <p><i>42 CFR § 424.530 (a)(4) shall ONLY be included as a denial reason, if the provider has never reported this adverse action.</i></p>

**1.5 MEDICARE PAYMENT SUSPENSION (CURRENT) – INITIAL/REACTIVATION APPLICATIONS**

Medicare Payment Suspension is currently active	Did the provider report their current Medicare Payment Suspension?	MAC Action	Notes
Current Medicare Payment Suspension	Yes <i>or No</i>	<i>Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 1.1 – 1.4 &amp; 1.6-1.7.</i>	<i>Providers are NOT required to report Current or Past Medicare Payment Suspensions to CMS.</i>  MACs shall consider whether other denial reasons exist. Refer to section(s) 1.1 – 1.4 & 1.6 – 1.7.

**1.6 MEDICARE PAYMENT SUSPENSION (PAST) – INITIAL/REACTIVATION APPLICATIONS**

Medicare Payment Suspension that is NOT currently active	Did the provider report their past Medicare Payment Suspension?	MAC Action	Notes
Past Medicare Payment Suspension	Yes or No	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 1.1 – 1.5 & 1.7.	<i>Providers are NOT required to report Current or Past Medicare Payment Suspensions to CMS.</i>  <i>MACs shall consider whether other denial reasons exist. Refer to section(s) 1.1 – 1.5 &amp; 1.7.</i>

## 1.7 MEDICARE REVOCATION – INITIAL/REACTIVATION APPLICATIONS

Medicare Revocation	Did the provider report their Medicare Revocation?	MAC Action	Notes
All prior enrollment bar(s) have expired	Yes <i>or No</i>	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 1.1 – 1.6.	<i>Providers are NOT required to report Current or Past Medicare Revocations to CMS.  MACs shall consider whether other denial reasons exist. Refer to section(s) 1.1 – 1.6.</i>
Enrollment bar is active in the state that the provider is enrolling	Yes or No	Return the application	
Enrollment bar is active in a state other than the enrolling state	Yes or no	Return the application.	

## II. REVALIDATIONS/CHANGE OF INFORMATION APPLICATIONS

Any actionable ALA reported by a provider shall result in a revocation. A MAC shall not develop the ALA. If a MAC discovers an ALA that has not been reported by a provider, a MAC shall record the ALA in Section 3 of PECOS and note that they were the entity that discovered the ALA. A MAC shall then continue evaluating all ALAs reported and not reported.

## 2.1 LICENSURE – REVALIDATIONS/ CHANGE OF INFORMATION APPLICATIONS

Provider holds a valid accreditation/medical license in the state in which they are revalidating or changing information	Did the provider report the ALA taken on their license/ accreditation?	MAC Action	Notes
<p>Provider’s accreditation/ medical license was previously suspended/revoked/ voluntarily surrendered while formal disciplinary proceeding was pending before a State licensing authority.</p>	<p>Yes</p>	<p><i>MACs shall check whether the provider billed for dates of service during the period of license suspension/revocation/surrender during disciplinary proceedings. If the provider billed for dates of service during this period, the MACs shall send the application and ALA information to ProviderEnrollmentRevocations@cms.hhs.gov.</i></p> <p>If the provider did not bill during the period of license suspension, the application shall be processed unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 2.2 – 2.7.</p>	<p>MACs shall read board orders thoroughly to determine if there are other adverse actions associated with the license suspension/revocation/ surrender. e.g. Felonies.</p>
<p>Provider’s accreditation/ medical license was previously suspended/revoked in any state/voluntarily surrendered while formal disciplinary proceeding was pending before a State licensing authority.</p>	<p>No</p>	<p>MACs shall check whether the provider billed for dates of service during the period of license suspension/revocation. If the provider billed for dates of service during this period, <i>the MACS shall send the application and ALA information to ProviderEnrollmentRevocations@cms.hhs.gov.</i></p> <p>If the provider did not bill for dates of service during this period, the provider shall be revoked under 42 CFR § 424.535 (a)(4).</p> <p>If a license suspension/revocation /surrender in lieu of disciplinary proceeding occurred more than ten years prior to the date of application receipt, the application and ALA information shall be sent to EnrollmentReview@cms.hhs.gov for review and decision.</p> <p>MACs shall consider whether other revocation reasons exist. Refer to section(s) 2.2 – 2.7.</p>	<p><i>42 CFR § 424.535 (a)(4) shall ONLY be included as a revocation reason, if the provider has never reported this adverse action.</i></p> <p>MACs shall read board orders thoroughly to determine if:</p> <ul style="list-style-type: none"> <li>- there are other adverse actions associated with the license suspension/revocation/ surrender. e.g. Felonies</li> </ul> <p>No Reporting Requirement:</p> <p>A suspension is “stayed” in its entirety.</p> <p>Advertising/Administrative penalties</p> <p>Fines, Violations, Stipulations, Reprimands</p>

## 2.2 FELONIES — REVALIDATION/ CHANGE OF INFORMATION APPLICATIONS

Felony	Did the provider report their felony?	MAC Action	Notes
Provider or someone with ownership interest and/or managing control has been adjudged guilty of a felony and/or a crime that is punishable by imprisonment.	Yes or No	Send application and ALA information to EnrollmentReview@cms.hhs.gov for review and decision.	All felonies shall be forwarded to CMS for review and decision.

## 2.2 MISDEMEANORS – REVALIDATION/ CHANGE OF INFORMATION APPLICATION

Misdemeanor	Did the provider report their misdemeanor?	MAC Action	Notes
Provider or someone with ownership interest and/or managing control has been adjudged guilty of a misdemeanor that is related to healthcare, abuse or neglect of a patient, financial misconduct, interference with a criminal investigation, or unlawful manufacture, distribution, prescription or dispensing of a controlled substance.	Yes	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 2.1 & 2.3 – 2.7.	
Provider or someone with ownership interest and/or managing control has been adjudged guilty of a misdemeanor that is related to healthcare, abuse or neglect of a patient, financial misconduct, interference with a criminal investigation, or unlawful manufacture, distribution, prescription or dispensing of a controlled substance.	No	Send ALA information to EnrollmentReview@cms.hhs.gov for review and decision.	

## 2.3 EXCLUSION (ACTIVE) – REVALIDATION/CHANGE OF INFORMATION APPLICATIONS

Current Exclusion	Did the provider report their current exclusion?	MAC Action	Notes
<p><i>Provider or someone with ownership interest and/or managing control has an active HHS and/or OIG exclusion.</i></p>	<p>Yes</p>	<p>Revoke provider under 42 CFR § 424.535 (a)(2)</p>	<p>MACs shall consider whether other revocation reasons exist. Refer to section(s) 2.1 – 2.2 &amp; 2.4 - 2.7.</p> <p>All waivers shall be sent to <a href="mailto:EnrollmentReview@cms.hhs.gov">EnrollmentReview@cms.hhs.gov</a> for review.</p>
<p>Provider or someone with ownership interest and/or managing control has an active HHS and/or OIG Exclusion.</p>	<p>No</p>	<p>Revoke provider under 42 CFR § 424.535 (a)(2) and (a)(4)</p>	<p>MACs shall consider whether other revocation reasons exist. Refer to section(s) 2.1 – 2.2 &amp; 2.4 - 2.7.</p> <p>All waivers shall be sent to <a href="mailto:EnrollmentReview@cms.hhs.gov">EnrollmentReview@cms.hhs.gov</a> for review.</p> <p><i>42 CFR § 424.535 (a)(4) shall ONLY be included as a revocation reason, if the provider has never reported this adverse action. However § 424.535 (a)(2), in this particular scenario, would still be apply.</i></p>

**2.4 EXCLUSION (EXPIRED) – REVALIDATION/CHANGE OF INFORMATION APPLICATIONS**

Exclusion period has expired	Did the provider report their past exclusion?	MAC Action	Notes
Provider or someone with ownership interest and/or managing control has a HHS and/or OIG exclusion <i>that</i> has expired and has been reinstated by HHS and/or OIG.	Yes	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 2.1 – 2.3 & 2.5 – 2.7.	
Provider or someone with ownership interest and/or managing control has a HHS and/or OIG <i>exclusion that</i> has expired and has been reinstated by HHS and/or OIG.	No	Revoke provider under 42 CFR § 424.535 (a) (4) unless the provider was reinstated more than ten years prior to the date of application receipt. If a provider has been reinstated more than ten years prior to the date of application receipt, the application and ALA information shall be sent to EnrollmentReview@cms.hhs.gov for review and decision.	<i>42 CFR § 424.535 (a)(4) shall ONLY be included as a revocation reason, if the provider has never reported this adverse action.</i>

**2.5 MEDICARE PAYMENT SUSPENSION (CURRENT) – REVALIDATION/CHANGE OF INFORMATION APPLICATIONS**

Medicare Payment Suspension that is currently active	Did the provider report their current Medicare Payment Suspension?	MAC Action	Notes
Current Medicare Payment Suspension	Yes <i>or No</i>	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 2.1 – 2.5 & 2.7.	<i>Providers are NOT required to report Current or Past Medicare Payment Suspensions.</i>

**2.6 MEDICARE PAYMENT SUSPENSION (PAST) – REVALIDATION/CHANGE OF INFORMATION**

<b>Medicare Payment Suspension that is NOT currently active</b>	<b>Did the provider report their past Medicare Payment</b>	<b>MAC Action</b>	<b>Notes</b>
Past Medicare Payment Suspension	Yes or No	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 2.1 – 2.5 & 2.7.	<i>Providers are NOT required to report Current or Past Medicare Payment Suspensions.</i>

## 2.7 MEDICARE REVOCATION – REVALIDATION/CHANGE OF INFORMATION APPLICATIONS

Any Medicare Revocation	Did the provider report their Medicare Revocation?	MAC Action	Notes
All prior enrollment bar (s) have expired	Yes <i>or No</i>	Process application unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 2.1 – 2.6	<p><i>Providers are NOT required to report Current or Past Medicare Revocations to CMS.</i></p> <p><i>MACs shall consider whether other revocation reasons exist. Refer to section(s) 2.1 – 2.6.</i></p>
Enrollment bar is active in a state other than the current state	Yes <i>or No</i>	Process the application <i>unless there is another reported adverse legal action that precludes the processing of the application. Refer to section(s) 2.1 – 2.6</i>	<p><i>Providers are NOT required to report Current or Past Medicare Revocations to CMS.</i></p> <p><i>MACs shall consider whether other revocation reasons exist. Refer to section(s) 2.1 – 2.6.</i></p>