



Provider Enrollment: Regulatory Changes

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Related CR Title: Incorporation of Recent Provider Enrollment Regulatory Changes into Chapter 10 of CMS Publication (Pub.) 100-08

Affected Providers

- Skilled nursing facilities (SNFs)
- Home health agencies (HHAs)
- DMEPOS suppliers
- Medicare Diabetes Prevention Program (MDPP) suppliers
- Opioid Treatment Program (OTP) providers
- Other providers billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients

Action Needed

Make sure your staff know about recent enrollment changes, including:

- SNF screening and fingerprinting requirements
- Screening of certain changes of ownership
- Screening for “bump-ups”

Background

CMS made several revisions to provider enrollment processes in the CY 2023 Physician Fee Schedule Final Rule ([CMS-1770-F](#)). CR 12865 summarizes these changes and updates the Medicare Program Integrity Manual to show these changes.

Definitions

The first revision to the manual adds definitions for the following:

- **Director** - a director of a corporation, regardless of whether the provider or supplier is a non-profit entity. This includes any member of the corporation’s governing body irrespective of the precise title of either the board or the member; said body could be a board of directors, board of trustees, or similar body

- **Managing organization** - an entity that exercises operational or managerial control over, or who directly or indirectly conducts, the day-to-day operations of the provider or supplier, either under contract or through some other arrangement
- **Officer** - an officer of a corporation, regardless of whether the provider or supplier is a non-profit entity

Officers and directors can include persons who serve in a voluntary or ceremonial capacity. We emphasize that officers and directors apply only to corporations.

We've added officers, directors, and managing organizations to the scope of the denial and revocation reasons at [42 CFR 424.530\(a\)\(2\) and \(a\)\(3\)](#) and [42 CFR 424.535\(a\)\(2\) and \(a\)\(3\)](#). This means that a felony conviction within the past 10 years, an exclusion by the Office of Inspector General, or a System for Award Management debarment against an officer, director, or managing organization can serve as the basis for your denial or revocation.

SNF “High” Screening Category

We added SNFs to the provider and supplier types currently in the “high” screening category under 42 CFR 424.518. (This category includes DMEPOS suppliers, HHAs, MDPP suppliers, and OTP providers (not fully and continuously certified by the Substance Abuse and Mental Health Services Administration since October 24, 2018)). This means that initially enrolling SNFs, revalidating SNFs, and SNFs adding a new practice location will be subject to the procedures in the “high” screening category. This includes the following:

- Undergoing a site visit after the SNF receives its notice of approval from the state or Survey & Operations Group (SOG) Location but before the MAC changes your enrollment record to an “Approved” status
- Requesting fingerprints from the SNF’s 5% or greater direct or indirect owners.

Changes of Ownership

The provider and supplier types mentioned above (including SNFs) will also be subject to the “high” screening category procedures if they submit either:

- A change of ownership application under [42 CFR 489.18](#); or
- An application to report any new owner

When your MAC gets an application described above, they will process it following the revisions to the manual consistent with CR 12865.

This includes requesting fingerprints from the new owner(s) if the owner has a 5% or greater direct or indirect ownership interest. However, your MAC doesn’t need to get them from existing owners. We only need the new owners to be fingerprinted.

If you’re reporting a new partner, but the partner owns less than 5% of the provider, the application is still processed at the high screening level. However, the new partner doesn’t need to be fingerprinted. Fingerprinting only applies to 5% or greater direct or indirect owners.

Your MAC will also order a site visit per existing instructions.

Extension of the “Bump-Up”

Effective January 1, 2023 (under [42 CFR 424.518\(c\)\(4\)](#)), any screening level adjustment also applies to all other enrolled and prospective providers and suppliers that have the same legal business name (LBN) and tax identification number (TIN) as the provider or supplier for which the screening level (under 42 CFR 424.518(c)(3)) was originally raised.

For example, suppose you’re enrolled as an ambulance supplier, a CORF, and a home infusion therapy (HIT) supplier and all 3 providers are under the entity’s TIN and LBN. The HIT supplier is under a payment suspension and is thus bumped-up to “high.” The ambulance supplier and CORF will also be moved to “high” because they have the same LBN and TIN as the HIT supplier.

More Information

We issued CR 12865 to your MAC as the official instruction for this change. The revisions to the Program Integrity manual are part of the CR.

For more information, [find your MACs’ website](#).

Document History

Date of Change	Description
January 24, 2023	Initial article released.

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