

PUBLICATION

Moving? Selling? Don't Forget to Report Your CHOW to Medicare

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In a recent edition of MLN Connects, CMS reminded health care providers and suppliers of their obligation to report changes in ownership as part of their conditions of participation under Medicare.

This reminder is likely a reaction to an Office of Inspector General (OIG) report that found over three-quarters of Medicare providers had owner names on record with CMS that did not match those that providers submitted to the OIG and state Medicaid programs. The report finding demonstrates that providers may not be complying with the requirement to report changes of ownership (CHOWs) to CMS. It raised concerns about the completeness and accuracy of information regarding Medicare providers' ownership. This is not an insignificant issue. If providers and suppliers fail to comply with these reporting requirements, their Medicare billing privileges may be revoked. This includes failure to report address changes.

A CHOW typically occurs when a Medicare provider or supplier has been purchased (or leased) by another organization. The CHOW results in the transfer of the previous owner's Medicare Identification Number and provider agreement (including the previous owner's outstanding Medicare debts) to the new owner, unless the new owner rejects the existing provider agreement. If the new owner rejects the provider agreement, the CHOW is considered an initial enrollment for the new owner.

All physicians and non-physician practitioners (i.e., physician assistants, nurse practitioners, etc.) are required to report any change in ownership, adverse legal action, or change in practice location within **30 days of such change**.

These changes can be reported to a provider's or supplier's Medicare Administrative Contractor (MAC) either through the Internet-based Provider Enrollment, Chain and Ownership System (PECOS) or by paper application using the appropriate CMS 855 Form. All other changes (i.e., change in legal name, etc.) must be reported within 90 days of the change.

Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) suppliers are required to report changes in information on their enrollment application to the National Supplier Clearinghouse **within 30 days**.

Independent Diagnostic Testing Facilities (IDTFs) must report changes in ownership, location, general supervision, and adverse legal actions to their MAC either online, or via the appropriate CMS-855 form also within the 30-day time period.

All other institutional providers must report CHOWs and changes in their delegated and authorized officials **within 30 days**.

Baker Donelson Comments

The OIG's report is likely to lead to increased scrutiny by the OIG and CMS. Checking your information on PECOS should be a regular exercise like changing the smoke alarm battery. Providers and suppliers should take effort to ensure their information remains accurate. Health care providers and suppliers contemplating a

change in ownership, a change of address or other informational changes should review the CMS notification requirements and provide notice to their MAC within the 30- or 90-day timeframe as applicable.