Provider Enrollment Regulations
which govern the Enrollment of Health Care Providers in the Medi-Cal Program
Effective October 7, 2004
California Code of Regulations, Title 22, Division 3

51000. Agent.

"Agent" means a person who has been delegated the authority to obligate or act on behalf of an applicant or provider.

NOTE: Authority cited: Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.75, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.1. Applicant.

"Applicant" means any individual, partnership, group, association, corporation, institution, or entity, and the officers, directors, owners, managing employees, or agents thereof, that applies to the Department for enrollment as a provider in the Medi-Cal program.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043 and 14043.1, Welfare and Institutions Code.

51000.1.1. Application or Application Package. "Application" or "Application Package" means a completed and signed application form, signed under penalty of perjury or notarized pursuant to Welfare and Institutions Code Section 14043.25, a Disclosure Statement, a Provider Agreement, and all attachments or changes in the form, statement, or agreement.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.1 and 14043.25, Welfare and Institutions Code.

51000.2. Beneficiary.

"Beneficiary" means any person certified as eligible for services under the Medi-Cal program.

NOTE: Authority cited: Sections 10725 and 14125.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Sections 14000 and 14005, Welfare & Institutions Code.

51000.3. Business Address.

"Business address" means the location where an applicant or provider provides services, goods, supplies, or merchandise, directly or indirectly, to a Medi-Cal beneficiary. A post office box or commercial box is not a business address. The business address for the location of a vehicle or vessel owned and operated by an applicant or provider enrolled in the Medi-Cal program and used to provide services, goods, supplies, or merchandise, directly or indirectly, to a Medi-Cal

beneficiary shall either be the business address location for which a separate provider number is issued to the applicant or provider for the provision of similar services, or the applicant or provider's pay-to-address.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Section 14043.1 and 14043.62, Welfare and Institutions Code.

51000.4. Business Telephone.

"Business telephone" means the telephone number at the business address of the applicant or provider. A beeper number, answering service, biller or billing service, pager, facsimile machine, answering machine, or a cellular telephone shall not be used as the primary business telephone. A cellular telephone shall not be used as the primary business telephone, except for a provider enrolled in the Medi-Cal program pursuant to Welfare and Institutions Code Section 14043.15(b)(2).

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Section 14043.15 and 14043.7, Welfare and Institutions Code.

51000.5. Capital.

"Capital" means the total of all money invested in, and property or services contributed to, an applicant's or provider's business enterprise for the purpose of starting, acquiring, equipping, and operating the applicant's or provider's business enterprise.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14125.8, Welfare and Institutions Code.

51000.6. Change of Ownership.

"Change of Ownership" means:

(a) For a partnership, the removal, addition, or substitution of a partner.

(b) For an unincorporated sole proprietorship, the transfer of title and property to another person.

(c) For a corporation, the merger of the applicant's or provider's corporation into another corporation, or the consolidation of two or more corporations, resulting in the creation of a new corporation. The transfer of corporate stock or the merger of another corporation into the applicant's or provider's corporation does not constitute a "change of ownership" but may constitute a "change of ownership or control interest," as defined in Section 51000.15, and may require disclosure under Section 51000.35, or a reporting of changed or additional information pursuant to Section 51000.40.

(d) For a lease, the lease of all or part of an applicant's or provider's facility constitutes a change of ownership of the leased portion.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Section 14043.2 and 14043.27, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.7. Enrolled or Enrollment in the Medi-Cal Program.
"Enrolled or enrollment in the Medi-Cal program" means authorized under any processes by the Department or its agents or contractors to receive, directly or indirectly, reimbursement for the provision of services, goods, supplies, or merchandise to a Medi-Cal beneficiary.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.1, 14043.2, 14043.25, 14043.26, 14043.29, and 14043.65, Welfare and Institutions Code.

51000.8. Group Provider Number.
"Group Provider Number" means the unique identification number assigned to a provider group applicant or reassigned to a provider group by the Department of Health Services to obtain reimbursement from the Medi-Cal program.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.45, Welfare and Institutions Code.

51000.9. Indirect Ownership Interest.
(a) "Indirect Ownership Interest" means an ownership interest in any entity that has an ownership interest in the applicant or provider. This term includes an ownership interest in any entity that has an indirect ownership interest in the applicant or provider.
(b) The amount of indirect ownership interest is determined by multiplying the percentages of ownership in each entity. For example, if A owns 10 percent of the stock in a corporation which owns 80 percent of the stock of the applicant or provider, A's interest equates to an 8 percent indirect ownership interest in the applicant or provider and shall be reported pursuant to Section 51000.35. Conversely, if B owns 80 percent of the stock of a corporation which owns 5 percent of the stock of the applicant or provider, B's interest equates to a 4 percent indirect ownership interest in the applicant or provider and need not be reported.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.10. Line of Credit.
"Line of Credit" means a right granted by an applicant or provider to any other person or entity to defer payment to applicant or provider for the purchase of services, goods, supplies, or merchandise, from applicant or provider up to a predetermined number or amount of services, goods, supplies, or merchandise, or a predetermined amount of money.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14125.8, Welfare and Institutions Code.

51000.10.1. Location.
"Location" means a street, city, or rural route address or a site or place within a street, city, or rural route address, and the city, county, state, and nine digit ZIP Code. A post office box or commercial box is not a location.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.1 and 14043.62, Welfare and Institutions Code.

51000.11. Mailing Address.
"Mailing address" means the address at which the applicant or provider wishes to receive general program correspondence, such as bulletin articles and Provider Manual updates. The mailing address includes the post office box number, or the street number and name, room or suite number or letter, and the city, state and 9-digit zip code.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code.

51000.12. Managing Employee.
"Managing employee" means a general manager, business manager, administrator, director, or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of an applicant or provider.

NOTE: Authority cites: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.13. Ownership Interest.
"Ownership interest" means the possession of equity in the capital, the stock, or the profits of the applicant or provider.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.14. Pay To Address.
"Pay to address" means the address at which the applicant or provider wishes to receive payment for the provision of healthcare services, equipment or supplies to Medi-Cal beneficiaries. The pay to address includes the post office box number, or the street number and name, room or suite number or letter, the city, state and 9-digit zip code.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code.

51000.15. Person with an Ownership or Control Interest.

(a) “Person with an ownership or control interest” means a person or corporation that:

(1) Has an ownership interest totaling 5 percent or more in an applicant or provider.

(2) Has an indirect ownership interest equal to 5 percent or more in an applicant or provider.

(3) Has a combination of direct and indirect ownership interests equal to 5 percent or more in an applicant or provider.

(4) Owns an interest of 5 percent or more in any mortgage, deed of trust, note,
or other obligation secured by the applicant or provider if that interest equals at least 5
percent of the value of the property or assets of the applicant or provider.

(5) Is an officer or director of an applicant or provider that is organized as a
corporation.

(6) Is a partner in an applicant or provider that is organized as a partnership.

(b) To determine percentage of ownership, mortgage, deed of trust, note or other obligation, the percentage of interest owned in the obligation is multiplied by the percentage of the applicant or provider’s assets used to secure the obligation. For example, if A owns 10 percent of a note secured by 60 percent of the provider’s assets, A’s interest in the provider’s assets equates to 6 percent and shall be reported pursuant to Section 51000.35(a). Conversely, if B owns 40 percent of a note secured by 10 percent of the provider’s assets, B’s interest in the provider’s assets equates to 4 percent and need not be reported.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.15.1. Preenrollment Period or Preenrollment.

“Preenrollment period” or “preenrollment” includes the period of time during which an application package for enrollment, continued enrollment, or for the addition of or change in a location is pending with the Department.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Section 14043.1, 14043.26 and 14043.4, Welfare and Institutions Code.

51000.16. Provider Group.

“Provider Group” means two or more rendering providers doing business together under a group provider number assigned by the Department of Health Services.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Section 14043.15, Welfare and Institutions Code.

51000.17. Provider Group Applicant.
"Provider Group Applicant" means more than one individual rendering provider applying to be enrolled as a provider group.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Sections 14043 and 14043.1, Welfare and Institutions Code.

51000.18. Provider Identification Number or PIN.
"Provider Identification Number or PIN" means the unique identification number assigned to a provider to:

(a) Submit electronic claims for reimbursement.
(b) Verify a beneficiary's eligibility.
(c) Determine whether the beneficiary has met his/her share of cost, if applicable.
(d) Complete a Medi-Service reservation or reversal.
(e) Gain access to the provider telecommunications network for check write or claim information, payment history, or to verify procedure codes and rates of reimbursement.

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Sections 14040 and 14124.5, Welfare and Institutions Code.

51000.19. Provider.
"Provider" shall have the same meaning as in Section 51051.

NOTE: Authority cited: Sections 10725, 14043.75 and 14125, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Sections 14043 and 14043.1, Welfare and Institutions Code.

51000.20. Provider number.
"Provider Number" means the unique identification number assigned to an applicant or reassigned to a provider by the Department of Health Services to obtain reimbursement from the Medi-Cal program.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.45, Welfare and Institutions Code.

51000.20.9. Rendering Practitioner.
"Rendering Practitioner" means an individual who is enrolled in a provider category that delivers services in the Medi-Cal program under the supervision of a physician or surgeon and meets all of the following requirements:

(a)(1) Is licensed and certified by the California Board of Registered Nursing, whose license and certification have not been revoked, whether stayed or

not. The rendering practitioner shall not be suspended, placed on probation or subjected to other limitation; or

(2) Is licensed by the Medical Board of California, whose license has not been revoked, whether stayed or not. The rendering practitioner shall not be suspended, placed on probation or subjected to other limitation.

(b) Renders healthcare services in accordance with the Business and Professions Code including but not limited to, Section 2505 (licensed midwife), Section 2746 (certified nurse midwife), Section 2834 (nurse practitioner), or Section 3500 (physician assistant).

(c) Renders healthcare services under the supervision of a physician and surgeon who is:

(1) Licensed by the Medical Board of California or the Osteopathic Medical Board of California, whose license has not been revoked, whether stayed or not. The supervising physician shall not be suspended, placed on probation or subjected to other limitation; and

(2) Enrolled in the Medi-Cal program and is not subject to any utilization controls, including prior authorization or special claims review pursuant to Title 22, CCR, Section 51159, 51455, 51460 and Section 100185.5 of the Health and Safety Code.

(d) Renders healthcare services under an employing provider who is:

(1) Licensed, certified or possesses other required approval necessary to perform healthcare services or to provide the goods services or merchandise within the applicable provider of service category or subgroup of that category. The employing provider shall not be suspended, placed on probation or subjected to other limitation; and

(3) Enrolled in the Medi-Cal program and is not suspended or subjected to other limitation.

(e) Meets the participation standards specified in Chapter 7 (commencing with Section 14000) and Chapter 8 (commencing with 14200) of Part 3 of Division 9 of the Welfare and Institutions Code, and Division 3, Title 22, California Code of Regulations.

NOTE: Authority cited: Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code. Reference: Sections 2505, 2746, 2834, and 3500, Business and Professions Code; Section 100185.5, Health and Safety Code; and Sections 14043.1, 14043.26, 14043.47 Welfare and Institutions Code.

51000.21. Rendering Provider.

"Rendering provider" means an individual provider who renders healthcare services, or provides goods, supplies, or merchandise, as a member of a provider group and uses the group provider number to bill the Medi-Cal program.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code.

51000.22. Rendering Provider Number.
"Rendering provider number" means the unique identification number assigned to a rendering provider to identify the rendering provider on claims submitted by a provider group under a group provider number.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.45, Welfare and Institutions Code.

51000.23. Significant Business Transaction.
"Significant business transaction" means any business transaction or series of transactions that involve health care services, goods, supplies, or merchandise related to the provision of services to Medi-Cal beneficiaries that, during any one fiscal year, exceed the lesser of $25,000 or 5 percent of an applicant's or provider's total operating expenses.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Section 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.24. Subcontractor.
"Subcontractor" means an individual, agency, or organization:

(a) To which an applicant or provider has contracted or delegated some of its management functions or responsibilities of providing healthcare services, equipment or supplies to its patients.

(b) With whom an applicant or provider has entered into a contract, agreement, purchase order, lease, or leases of real property, to obtain space, supplies, equipment, or services provided under the Medi-Cal Program.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.25. Supplier.
"Supplier" means any manufacturer, principal labeler, wholesaler and any other primary supplier from which an applicant or provider purchases services, goods, supplies, or merchandise, used in carrying out its responsibilities under Medi-Cal.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.26. Wholly Owned Supplier.
"Wholly owned supplier" means a supplier whose total ownership interest is held by an applicant or provider or by a person, persons, or other entity with an ownership or control interest in an applicant or provider.

NOTE: Authority cited: Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code; and Section 78, Chapter 146, Statutes of 1999. Reference: Section 14043.2, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.30. Medi-Cal Provider Application for Enrollment, Continued Enrollment, or Enrollment at a New, Additional, or Change in Location.

(a) As a condition for enrollment, continued enrollment, or enrollment at a new, additional, or change in location an applicant or provider shall meet the Standards of Participation specified in Chapter 7 (commencing with Section 14000) and Chapter 8 (commencing with Section 14200) of Part 3 of Division 9 of the Welfare and Institutions Code, and Division 3, Title 22, California Code of Regulations, and either:

(1) Be certified by the Department to participate in the Medi-Cal program as and be a:

(A) Clinic licensed by the Department pursuant to Chapter 1 (commencing with Section 1200) of Division 2 of the Health and Safety Code; or

(B) Health facility licensed by the Department pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code; or

(C) Adult day health care provider licensed pursuant to Chapter 3.3 (commencing with Section 1570) of Division 2 of the Health and Safety Code; or

(D) Home health agency licensed pursuant to Chapter 8 (commencing with Section 1725) of Division 2 of the Health and Safety Code; or

(E) Hospice licensed pursuant to Chapter 8.5 (commencing with Section 1745) of Division 2 of the Health and Safety Code; or

(2) Submit to the Department a completed application package on forms specified in subsection (c) below, Section 51000.35, and Section 51000.45. These forms shall:

(A) Contain complete and accurate information.

(B) Be signed under penalty of perjury by an individual who is the sole proprietor, partner, corporate officer, or by an official representative of a governmental entity or non-profit organization, who has the authority to legally bind the applicant seeking enrollment, or the provider seeking continued enrollment, or the provider seeking enrollment at a new, additional, or change in location, as a Medi-Cal provider.

(C) Contain an original signature in ink.

(D) Be notarized by a Notary Public, unless the applicant or provider is licensed pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, the Osteopathic Initiative Act, the Chiropractic Initiative Act, or is a lawfully organized group consisting of persons who are so licensed. The Certificate of Acknowledgement signed by the Notary Public shall be in the form specified in Section 1189 of the Civil Code.

(b) The following circumstances terminate enrollment pursuant to subdivision (a)(2) and require the submission of a new application:

(1) When there is a change of ownership as defined in Section 51000.6;

(2) When 50 percent or more of the assets owned by the corporation at the location for which a provider number has been issued are sold or transferred;

(3) When a new Taxpayer Identification (ID) Number is issued by the IRS;

(4) When the Board of Pharmacy requires a new site permit, pursuant to Chapter 9 (commencing with Section 4000) Division 2 of the Business and Professions Code;

(5) When the deletion of one or more rendering providers for a provider group, results in one remaining rendering provider.

(6) When there is a cumulative change, of 50 percent or more in the person(s) with an ownership or control interest, as defined in Section 51000.15, since the information provided in the last complete application package that was approved for enrollment;

(7) When a nonemergency medical transportation provider is adding or replacing a nonemergency vehicle.

(c) The applicant or provider, when required pursuant to subsection (a) through (b), shall complete, as applicable:

(1) The “Medi-Cal Provider Group Application,” DHS 6203 (Rev. 7/04), incorporated by reference herein; or

(2) The “Medi-Cal Provider Application,” DHS 6204 (Rev. 7/04), incorporated by reference herein; or

(3) One of the applications from the following list, each incorporated by reference herein, which is applicable to their provider type:

(A) “Medi-Cal Durable Medical Equipment Provider Application,” DHS 6201 (Rev. 7/04).

(B) “Medi-Cal Orthotics and Prosthetics Provider Application,” DHS 6202 (Rev. 7/04).

(C) “Medi-Cal Pharmacy Provider Application,” DHS 6205 (Rev. 7/04).

(D) “Medi-Cal Medical Transportation Provider Application,” DHS 6206 (Rev. 7/04).

(E) “Medi-Cal Physician Application/Agreement,” DHS 6210 (Rev. 7/04).

(F) “Medi-Cal Rendering Practitioner Application,” DHS 6248 (7/04).

(4) One of the applications specified in (c)(2), (c)(3)(B), or (c)(3)(E) for each individual rendering provider of a provider group applicant or provider group.

(5) The “Medi-Cal Rendering Practitioner Application” form specified in (c)(3)(F), for each rendering practitioner under the supervision of a physician and surgeon.

(d) The applicant or provider, when required pursuant to subsection (a) through (b) above, shall indicate on the application:

(1) Whether the applicant or provider is requesting enrollment, continued enrollment, enrollment at a new, additional, or change in location; or enrollment pursuant to subsection (b) above, and the provider’s current Medi-Cal provider number(s) or group number(s) if any.

(2) Whether the applicant or provider is a governmental entity or is a partnership, unincorporated sole proprietorship, corporation or limited liability company. If the applicant or provider is a partnership, a copy of the fully executed partnership agreement shall be submitted with the application.

(3) The legal name under which the applicant or provider is applying for enrollment, continued enrollment, or enrollment at a new, additional or change in location, or enrollment pursuant to subsection (b) above. The legal name of the individual, partnership, provider group, association, corporation, institution, or entity, shall be the name currently on file with the Internal Revenue Service (IRS). If the applicant or provider is using a fictitious name, a copy of the Fictitious Business Name Statement, or Fictitious Name Permit, shall be submitted with the application.

(4) The business address of the applicant or provider.

(5) The business telephone number of the applicant or provider.

(6) The pay to address, if different from the business address specified on the application.

(7) The mailing address, if different from the business or pay to addresses.

(8) If the applicant or provider is an individual, the date of birth and gender of the applicant or provider.

(9) If the applicant or provider is an individual, the driver's license number or state-issued identification card number, and the state of issuance, of the applicant or provider. A copy of the applicant's or provider's valid driver's license, or state-issued identification card, shall be submitted with the application. The driver's license or state-issued identification card shall be issued within the 50 United States or the District of Columbia.

(10) The license or certificate number, or other approval to provide health care services, of the applicant or provider, including those of the rendering provider(s) in a provider group, and the effective and expiration dates. A copy of the valid license, certificate, or other approval, shall be submitted with the application.

(11) The Medicare billing number, if the applicant or provider is enrolled in the Medicare program.

(12) The Taxpayer Identification Number issued by the IRS under the name of the applicant or provider, or the social security number issued under the name of the applicant or provider. A copy of the IRS Form 941, Form 8109-C, Letter 147-C, or Form SS-4 (Confirmation Notification) shall be submitted with the application.

(13) The provider type of the applicant or provider and, if the applicant or provider is a physician, all of the following:

(A) A listing of his/her specialt(y)ies.

(B) The location, current status and past history of all hospital privileges.

(C) If requesting preferred provider status, documentation shall be submitted at the time of submission of the application package to show that the physician meets all of the criteria listed in the Provider Bulletin, titled "Preferred

Provider Status" dated February 2004, accessible on the Medi-Cal Web site at www.medi-cal.ca.gov at the Provider Enrollment link, under Statutes, Regulations, and Provider Bulletins.

(14) The names, social security numbers (optional), and dates of birth of all rendering providers, if the applicant is a provider group applicant.

(15) The applicant's or provider's Seller's Permit number, if applicable. A copy of the Seller's Permit shall be submitted with the application.

(16) If the applicant intends to provide or the provider currently provides durable medical equipment as defined in Section 51160, or is a medical device retailer as defined in Section 51251, or claims reimbursement for the items listed in Section 51521 or 51526, the applicant or provider shall submit the "Medi-Cal Durable Medical Equipment Provider Application," DHS 6201 (Rev. 7/04), with the information specified in (A) through (D) below. This requirement does not apply to a provider who is authorized to submit claims for reimbursement for durable medical equipment, incontinence medical supplies, or prosthetic and orthotic appliances based on enrollment in the Medi-Cal program as a provider type other than a Durable Medical Equipment and Medical Supply Provider.

(A) A statement indicating whether the applicant or provider has a retail business open and available to the general public that is readily identifiable as a place in which the applicant or provider sells, rents or leases durable medical equipment or medical supply items either in stock on the premises, or in a warehouse under the applicant's or provider's direct control, and has an established place of business, as specified in Section 51000.60.

(B) The days and hours of operation of the applicant's or provider's business.

(C) The address of any warehouse(s) under the direct control of the applicant or provider in which the applicant or provider engages in sales, leasing, or rental of items, and if applicable, the name(s), address(es), and telephone number(s) of the person(s) who hold an ownership interest in the warehouse(s).

(D) A statement of the composition and percentage of the applicant's or provider's current business activities including whether the applicant intends to provide or provider currently provides:

1. Beds.
2. Incontinence medical supplies.
3. Ostomy supplies.
4. Infusion equipment and supplies.
5. Oxygen equipment and supplies.
6. Urinary catheters, bags and related supplies.
7. Wheelchairs.

(17) If the applicant or provider is a pharmacy as defined in Section 51106 and provides pharmaceutical services as defined in Section 51107, the applicant or provider shall submit the "Medi-Cal Pharmacy Provider Application," DHS 6205 (Rev.7/04), with the following information:

(A) A statement indicating whether the applicant or provider has a retail

established place of business that meets the criteria specified in Section 51000.60. If the applicant or provider does not have a business open and available to the general public, an explanation shall be provided.

(B) The National Council for Prescription Drug Programs (NCPDP) number.

(C) The Drug Enforcement Agency (DEA) registration certificate, and the effective and expiration dates. A copy of the DEA registration shall be submitted with the application.

(D) The California State Board of Pharmacy (CSBP) permit number and the effective date. A copy of the CSBP permit shall be submitted with the application.

(E) The name of the pharmacist-in-charge at the business address, as required by Section 4113 of the Business and Professions Code.

(F) The driver's license number or state-issued identification card, and the state of issuance, of the pharmacist-in-charge. A copy of the driver's license, or state-issued identification card of the pharmacist-in-charge shall be submitted with the application.

(G) The social security number (optional) of the pharmacist-in-charge.

(H) The information specified in subsections (d)(16)(B) through (D), above, and the percentage of the applicant's or provider's total business activities represented by the sale of prescription drugs, and meets the requirements of Welfare and Institutions Code Section 14043.34.

(I) The license number of the pharmacist-in-charge. A copy of the license issued to the pharmacist-in-charge shall be submitted with the application.

(18) If the applicant intends to provide or the provider currently provides medical transportation services as defined in Section 51151, and claims reimbursement for services as a provider of medical transportation as defined in Section 51152, or provides nonemergency medical transportation as defined in Section 51151.7, the applicant or provider shall submit the "Medi-Cal Medical Transportation Provider Application," DHS 6206 (Rev. 7/04), with the following information:

(A) For emergency transportation by ambulance, the California Highway Patrol (CHP) certificate number and the date of issuance. A copy of the CHP certificate shall be submitted with the application.

(B) For nonemergency medical transportation, as defined in Section 51151.7, by litter van or wheelchair van registered with DMV as a commercial vehicle, the vehicle identification number (VIN), make and model, year, and license plate number of each vehicle. Proof of full coverage commercial insurance for each vehicle, indicating the VIN for each covered vehicle, shall be submitted.

(C) For air ambulance transportation, the Federal Aviation Administration (FAA) certificate number. A copy of the FAA certificate and a statement on company letterhead of where the aircraft is hangared shall be submitted with the application.

(D) For each driver of nonemergency medical ground transportation vehicles and for each pilot of aircraft(s) employed by the applicant or provider:

1. Full legal name.

2. California driver's license number and the expiration date. A copy of the valid California driver's license shall be submitted with the application.

3. Driving history printout issued by the Department of Motor Vehicles (DMV). A copy of the driving history printout shall be submitted with the application.

4. Medical examination report, DL-51, issued by the DMV and the effective and expiration dates. A copy of the DL-51 shall be submitted with the application.

5. A copy of the certificates for first aid and CPR specified in Sections 51231.1 and 51231.2 shall be submitted with the application.

6. A copy of the standard pre-employment drug and alcohol lab test results shall be submitted with the application.

7. Pilot's license number of the pilot. A copy of the license shall be submitted with the application.

(E) Days and hours of business operation.

(F) Geographic area within which the city or county has issued a business license or permit to provide medical transportation services. A copy of the license or permit shall be submitted with the application.

(G) he documentation required by Sections 51231.1 and 51231.2.

(19) If the applicant intends to provide or the provider currently provides lab services as defined in Section 51137, 51137.1, or 51137.2, a Clinical Laboratory Improvement Amendment (CLIA) certificate appropriate for the level of testing performed and a state license or registration shall be submitted. If the applicant or provider performs a test included within the 80000 series of the Physician's Current Procedural Terminology (CPT) codes, a CLIA certificate appropriate for the level of testing performed shall also be submitted if the applicant or provider performs or submits claims for any of the following CPT codes: 78110, 78111, 78120, 78121,78122, 78130, 78160, 78191, 78270, 78271 and 78272. A copy of the CLIA certificate and the state license or registration shall be submitted with the application.

(20) If the applicant or provider is a rendering practitioner as defined in Section 51000.20.9, the applicant or provider shall submit the "Medi-Cal Rendering Practitioner Application," DHS 6248 (7/04) with the following:

(A) For the rendering practitioner:

1. The license/certification number of the applicant or provider, and the effective and expiration dates. A copy of the valid license or certificate shall be submitted with the application.

2. Date first employed by employing provider including verification of employment

3. Maximum work hours per week at this location

4. Hours of supervision per week at this location

5. For nurse practitioners, the duration of the nurse practitioner training program and the name of the school providing the training program

(B) For the employing provider

1. Legal Name that is currently on file with the Internal Revenue Service (IRS)

2. Medical License Number. A copy of the valid license shall be submitted with the application.

3. Medi-Cal provider number

4. Business address

5. Type of facility at the business address

6. Type of service delivered at the business address

7. Business telephone number

8. Other Medi-Cal provider(s), if any, for whom the applicant currently works, including the name, Medi-Cal provider number, business address of each employing provider and the maximum hours per week the applicant works.

(C) For the supervising provider

1. Legal Name that is currently on file with the Internal Revenue Service (IRS)

2. Medical License Number. A copy of the valid license shall be submitted with the application.

3. Medi-Cal provider number

4. Driver's license number or state-issued identification card number, and the state of issuance, of the applicant or provider. A copy of the applicant's or provider's valid driver's license, or state-issued identification card, shall be submitted with the application. The driver's license or state-issued identification card shall be issued within the 50 United States or the District of Columbia.

5. Business telephone number

6. Type of practice/specialty

7. Name of each rendering practitioner supervised, the provider type, and the maximum number of hours worked

(21) For the individual signing the application, who shall have the authority to legally bind the applicant or provider seeking enrollment, continued enrollment, or enrollment at a new, additional, or change in location or enrollment pursuant to subsection (b) above, the following shall be provided:

(A) The full legal name and title.

(B) Date of birth.

(C) Gender.

(D) Social security number (optional).

(E) The driver's license number or state-issued identification card number and state of issuance. The driver's license or state-issued identification card shall be issued within the 50 United States or the District of Columbia. A copy of the driver's license, or state-issued identification card, shall be submitted with the application.

(e) The applicant or provider shall comply with all state and local laws and ordinances regarding business licensing and operations, and shall obtain all state and local licenses and permits necessary to provide the services, goods, supplies, or merchandise being provided or services being rendered by the applicant or provider. A copy of each license and permit shall be submitted with

the application. Failure to obtain and maintain all necessary licenses and permits, including but not limited to, a business license, a fictitious name statement, a seller's permit, or a pharmacy or medical device retailer's permit, shall result in the disapproval of an applicant's application, or the temporary suspension and deactivation of a provider's Medi-Cal provider number.

(f) The applicant or provider shall obtain and show evidence of maintaining:

(1) Worker's Compensation insurance as required by state law;

(2) Liability insurance that covers premises and operation; and

(3) For any individual licensed or certified pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, the Osteopathic Initiative Act, or the Chiropractic Initiative Act, Professional Liability Insurance coverage.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.15, 14043.2, 14043.25, and 14043.26, Welfare and Institutions Code.

51000.31. Medi-Cal Provider Group or Rendering Provider Application for Enrollment, Continued Enrollment or Enrollment at a New, Additional or Change in Location

(a) The provider group applicant or provider group shall;

(1) Submit a provider group application package pursuant to Section 51000.30(a) through (b) that lists all rendering providers at the business address for which the application package is submitted.

(2) Notify the Department in writing within 35 days of each addition or deletion of a rendering provider, who provides services under the provider number of the provider group.

(3) Cease using the provider group number to submit claims whenever the deletion of one or more rendering provider results in one remaining rendering provider.

(b) A rendering provider shall:

(1) Submit a separate application package for each provider group applicant or provider group for which the rendering provider intends to provide services, identifying the group provider number, if applicable. A rendering provider enrolled in a provider group is not required to submit a separate application for other locations at which the provider group is enrolled.

(2) Request in writing, deletion from a provider group, within 35 days of discontinuance of providing services at all locations for that provider group.

NOTE: Authority cited: Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.15, 14043.2, and 14043.25, Welfare and Institutions Code.

51000.35. Disclosure Requirements.

(a) The applicant or provider shall disclose all the information required by 42, Code of Federal Regulations, Sections 455.104, 455.105 and 455.106, on the "Medi-Cal Provider Disclosure Statement,. DHS 6207 (Rev. 7/04), incorporated by reference herein, and submit the disclosure statement with the application

required by Sections 51000.30 and 51000.40. The disclosure statement shall include all of the following:

(1) The name, address, title and percentage of ownership or control interest of each person(s) with an ownership or control interest, as defined in Section 51000.15, in the applicant or provider, or in any subcontractor in which the applicant or provider has direct or indirect ownership of 5 percent of more.

(2) Whether any of the persons named in subsection (a)(1), above, is related to another such as spouse, parent, child or sibling.

(3) The name and address of any other health care provider in which a person(s) with an ownership or control interest in the applicant or provider also has an ownership or control interest. This requirement applies to the extent that the applicant or provider can obtain this information by requesting it in writing from the health care provider. The applicant or provider shall:

(A) Keep copies of all these requests and the responses to them.

(B) Make them available to the Department upon request.

(C) Advise the Department when there is no response to a request.

(4) The name and address of each person(s) with an ownership or control interest in any subcontractor with whom the applicant or provider has had business transactions involving health care services, goods, supplies or merchandise related to the provision of services to a Medi-Cal beneficiary that total more than $25,000 during the 12-month period immediately preceding the date of the application, or immediately preceding the date on the Department's request for such information.

(5) Any significant business transactions between the applicant or provider and any wholly owned supplier, or between the applicant or provider and any subcontractor, during the 5-year period ending on the date of the application, or ending on the date of the written request by the Department for such information.

(6) The identity of any person(s) who has ownership or control interest in the applicant or provider, or is an agent or managing employee of the applicant or provider, who has within the previous ten years of the date of the application package:

(A) Been convicted of any felony or misdemeanor involving fraud or abuse in any government program; or

(B) Been found liable in any civil proceeding involving fraud or abuse in any government program; or

(C) Entered into a settlement in lieu of conviction involving fraud or abuse in any government program.

(b) The applicant or provider shall also state on the "Medi-Cal Provider Disclosure Statement:"

(1) Whether the applicant or provider has ever participated in the Medi-Cal program as a provider and, if applicable, the names under which the applicant or provider participated, and all provider numbers previously assigned to the applicant or provider.

(2) Whether the applicant or provider has ever participated in other states. Medicaid programs as a provider and, if applicable, the name of the

state(s), the names(s) under which the applicant or provider participated, and the provider number(s).

(3) Whether the applicant or provider has ever been suspended from a Medicare or Medicaid program and, if applicable:

(A) The provider number(s), including rendering provider number(s) and group provider number(s), assigned to the applicant or provider that was/were suspended.

(B) The effective date(s) of the suspension(s).

(C) If the applicant or provider was suspended and subsequently reinstated, the date(s) of the reinstatement(s) and a copy of the letter(s) of reinstatement shall be included with the application.

(4) Whether the license, certificate, or other approval to provide health care, of the applicant or provider has ever been suspended or revoked, or whether the applicant or provider has otherwise lost that license, certificate, or approval, or has surrendered that license, certificate or approval while a disciplinary hearing on that license, certificate or approval was pending. And, if the applicant is a pharmacy, whether the license of the pharmacist-in-charge has ever been suspended or revoked, or whether the pharmacist-in-charge has otherwise lost his/her license, or surrendered his/her license while a disciplinary hearing on his/her license was pending. If applicable, the applicant or provider shall indicate the state(s) in which the action(s) against his/her license occurred, or occurred against the license of the pharmacist-in-charge, and the effective date(s) of the licensing authority's order(s). The applicant or provider shall provide written confirmation from the licensing authority that his/her professional privileges, or those of the pharmacist-in-charge, have been restored.

(5) Whether the license, certificate or other approval to provide health care of the applicant or provider has been disciplined by any licensing authority. And, if the applicant or provider is a pharmacy, whether the Board of Pharmacy license of the pharmacist-in-charge has ever been disciplined by any licensing authority. If applicable, the applicant or provider shall indicate what action(s) was/were taken against his/her license, or what action(s) was/were taken against the license of the pharmacist-in-charge, where the action(s) against his/her license was/were taken, or was/were taken against the license of the pharmacist-in-charge, and the effective date(s) of the licensing authority's decision(s).

(6) The driver's license number for each person who has a direct or indirect ownership interest totaling 5 percent or more in the applicant or provider. A copy of the driver's license of such persons shall be submitted with the application. If such person does not have a driver's license, a copy of his/her state-issued identification card shall be submitted.

(7) If the applicant intends to sell, or the provider currently sells incontinence medical supplies:

(A) A statement of all sources of capital of the applicant or provider.

(B) The names and addresses of all manufacturers, suppliers and other providers with whom the applicant or provider has any type of business relationship relative to the provision of services, goods, supplies, or merchandise, to Medi-Cal beneficiaries.

(C) The names and addresses of all persons and entities to whom the applicant or provider has extended a line of credit of $5,000 or more.

(c) Each applicant or provider shall submit a new disclosure statement to the Department within 35 days of any change to the information previously submitted to the Department on any disclosure statement as required by this Article. When there is a cumulative change of 50 percent or more in the person(s) with an ownership or control interest, since the information provided in the last completed application package that was approved for enrollment, a new application package is required pursuant to Section 51000.30. Changes of less than 50 percent shall be reported pursuant to Section 51000.40.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.2, 14043.36 and 14125.8, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.40. Reporting of Additional or Changed Information to Provider Applications.

(a) A provider, including a provider group, shall report to the Department within 35 days of any addition or change in the information previously submitted in the application package.

(b) A provider, including a provider group, shall complete the form "Medi-Cal Supplemental Changes," DHS 6209 (Rev. 7/04), incorporated by reference herein, to add or change the following information, or to request the following actions:

(1) "Pay to" or "mailing" address.

(2) Business telephone number.

(3) Managing employee

(4) Pharmacist-in-charge, if the provider is a pharmacy.

(5) Medicare billing number.

(6) Business activities, if the provider currently provides durable medical equipment and/or incontinence medical supplies and:

(A) The change requires the issuance of a new license, permit, or certificate; or

(B) The provider is adding or deleting incontinence medical supplies.

(7) Name under which the provider or provider group is doing business (DBA).

(8) CLIA number.

(9) Deactivation of a provider number or a group provider number.

(10) Re-issuance of a Provider Identification Number (PIN).

(11) Driver or pilot information, or the addition of information on a new driver or pilot.

(12) The days and/or hours of operation of the applicant's or provider's business.

(13) The geographic area(s) served, if the provider currently provides medical transportation services.

(14) Deletion of a rendering provider from a provider group.

(15) A change of less than 50 percent in the person(s) with an ownership or control interest, as defined in Section 51000.15, of the provider, or provider group that does not result in a new Taxpayer Identification Number being issued by the IRS. Any cumulative change of 50 percent or more in the person(s) with an ownership or control interest, since the information provided in the last complete application package was approved for enrollment, requires a new application required pursuant to Section 51000.30(b)(6).

(16) Specialty Code

(c) A rendering practitioner shall complete the "Medi-Cal Rendering Practitioner Application," DHS 6248 (7/04), to report to the Department any change in information previously submitted, as required pursuant to Section 51000.30(d), to add or change the following information, or to request the following actions:

(1) Delete a rendering practitioner;

(2) Change the supervising physician, when the employing provider remains the same;

(3) Change the hours of supervision;

(4) Change the maximum hours worked per week.

(d) The Department may require the provider to submit a new application package when the provider uses the form "Medi-Cal Supplemental Changes," DHS 6209 (Rev. 7/04) to report information not listed in subsection (b) above.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.15, 14043.2, 14043.25, and 14043.26, Welfare and Institutions Code.

51000.45. Provider Agreement.

An applicant or provider shall sign and submit one of the following provider agreements, as applicable:

(a) "Medi-Cal Provider Agreement," DHS 6208 (Rev. 7/04), incorporated by reference herein.

(b) "Medi-Cal Physician Application/Agreement," DHS 6210 (Rev. 7/04).

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Section 14043.2, 14043.25, and 14123.25(a), Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Parts 431 and 455.

51000.50. Application Review Criteria and Notice of Department Action.

(a) The Department shall review the applicant's or provider's completed application package for enrollment, continued enrollment, enrollment at a new, additional, or change in location, or enrollment due to any change pursuant to Section 51000.30(b) in the Medi-Cal program. The applicant or provider shall meet the following requirements for enrollment in the Medi-Cal program:

(1) The application package shall be signed and notarized if required by Section 51000.30(a)(2).

(2) The information specified in Section 51000.30, 51000.35, 51000.45, and all required submittals and attachments to the application package have been received by the Department.

(3) The applicant or provider has a valid license, certificate, or other approval necessary to perform the healthcare services or to provide the goods, supplies, or merchandise within the applicable provider of service category or subgroup of that category.

(4) The applicant or provider meets all applicable standards for participation in the Medi-Cal program specified in Chapter 7 (commencing with section 14000) and Chapter 8 (commencing with 14200) of Part 3 of Division 9 of the Welfare and Institutions Code, and Division 3, Title 22, California Code of Regulations.

(5) The applicant or provider has obtained all state and local licenses, permits, or authorizations necessary to operate a business at the business address for which the application package is submitted and to perform the health care services or to provide the goods, supplies, or merchandise with the applicable provider of service category or subgroup of that category.

(6) All fines, and debts due and owing, including overpayments and penalty assessments, to any federal, state, or local government entity that relates to Medicare, Medicaid, Medi-Cal, or any other federal and state health care program, have been paid, or satisfactory arrangements have been made to fulfill the obligation or the fine or debt has been excused by legal proceedings.

(7) No applicant, provider, person with an ownership or control interest in the applicant or provider, or person who is a director, officer, or managing employee of an applicant or provider has been convicted of any felony, or convicted of any misdemeanor involving fraud or abuse in any government program, related to neglect or abuse of a patient in connection with the delivery of a healthcare item or service, or in connection with the interference with, or obstruction of, any investigation into health care related fraud or abuse, or has been found liable for fraud or abuse in any civil proceeding, or has entered into a settlement in lieu of conviction for fraud or abuse in any government program within ten years of the date of the application package.

(8) No applicant, provider, person with an ownership or control interest in the applicant or provider, or person who is a director, officer, or managing employee of an applicant or provider shall be under investigation for any healthcare related fraud or abuse at the time of the application for enrollment, continued enrollment, or enrollment at a new, additional, or change in location, enrollment pursuant to Section 51000.30(b), or during the preenrollment period.

(9) The applicant or provider has satisfactorily corrected any discrepancies in the application package or identified in a background check, preenrollment inspection or unannounced visit within the time limit specified by the Department. If the applicant or provider cannot satisfactorily correct one or more discrepancies because they occurred in the past, then the application shall be denied.

(10) The applicant or provider has satisfactorily demonstrated to the Department that the business address for which the application package was

submitted is an established place of business as specified in Section 51000.60, at the time of application and at the time of any background check, preenrollment inspection or unannounced visit.

(11) If applicable, the period of time during which an applicant or provider has been barred from reapplying has passed.

(12) The information submitted by the applicant or provider is accurate and complete.

(b) Within 30 days of receipt of an application package, the Department shall provide written notice to inform the applicant or provider that either:

(1) A moratorium has been imposed pursuant to Welfare and Institutions Code, Section 14043.55 or 14125.8, on the enrollment of providers in the specific provider of service category for which the applicant or provider has applied. If a moratorium has been imposed, the Department shall return the application package to the applicant or provider with the notice.

(2) The Department has received the applicant's or provider's application package and shall evaluate the application package based upon the criteria contained in this Chapter and its governing statutes.

(c) An applicant or provider who requests consideration as a preferred provider shall be notified within 90 days whether the applicant or provider meets or does not meet all of the criteria listed in the Provider Bulletin, titled "Preferred Provider Status", dated February 2004, accessible on the Medi-Cal Web site at www.medical.ca.gov at the Provider Enrollment link, under Statutes, Regulations, and Provider Bulletins. If an applicant or provider is notified that the applicant or provider does not meet the criteria for a preferred provider, the application package submitted shall be processed in accordance with the remainder of this section.

(d) Within 180 days of receipt by the Department of an application package, or within 180 days from the date of the notice to an applicant or provider that the applicant or provider does not qualify as a preferred provider, the Department shall give written notice to the applicant or provider of one of the following:

(1) The applicant or provider is granted provisional provider status for a period of 12 months, effective from the date on the notice; or

(2) The application package is incomplete, describing which information is required, or which attachments are outstanding and/or inadequate. The application package shall be returned at the time of this notice to the applicant, who may resubmit an application package at any future date. When an application package is resubmitted, it may include the materials previously submitted along with the materials necessary to correct the outstanding and/or inadequate information, provided the materials are current and valid at the time of re-submission; or

(3) The Department is exercising its authority under Welfare and Institutions Code Section 14043.37, 14043.4, or 14043.7 to conduct background checks, preenrollment inspections, or unannounced visits; or

(4) The application package is denied based on the applicant's or provider's failure to meet the criteria specified in subsection (a), or failure to comply with the requirements specified in this Chapter or its governing statutes.

(e) If the re-submitted application package is received by the Department within 35 days of the date of the notice of an incomplete application pursuant to subsection (d)(2) above, the Department shall continue to process the application package and shall, within 60 days of the receipt of the re-submitted application package, send a notice indicating one of the following actions:

(1) The applicant or provider is granted provisional provider status for a period of 12 months, effective from the date on the notice; or

(2) The Department is exercising its authority under Welfare and Institutions Code, Section 14043.37, 14043.4, or 14043.7 to conduct background checks, preenrollment inspections, or unannounced visits; or

(3) The application package is denied based on the applicant's or provider's failure to meet the criteria specified in subsection (a), or failure to comply with the requirements specified in this Chapter or its governing statutes.

(f) If a re-submitted application package for enrollment, continued enrollment, enrollment at a new additional or change in location or enrollment pursuant to Section 51000.30(b), is not received by the Department within 35 days of the date of the notice of an incomplete application pursuant to subsection (d)(2) above, the application package shall be denied by operation of law. If the failure to re-submit an application package is by a provider applying for continued enrollment, the provider shall be subject to immediate deactivation of all provider numbers, pursuant to Welfare and Institutions Code Section 14043.26(e)(2)(B). Nothing in this subsection prevents the provider from reapplying as a new applicant by submitting a new application package, which shall receive a new application received date.

(g) If a background check is conducted pursuant to Welfare and Institutions Code, Section 14043.37, a preenrollment inspection is conducted pursuant to Welfare and Institutions Code Section 14043.4, or an unannounced visit is conducted pursuant to Welfare and Institutions Code, Section 14043.7, prior to enrollment, continued enrollment, enrollment at a new, additional or change in location or enrollment pursuant to Section 51000.30(b), the Department shall provide written notice to the applicant or provider of the following:

(1) The applicant or provider is granted provisional provider status for a period of 12 months, effective from the date on the notice; or

(2) Discrepancies were found with the information provided by the applicant or provider on the application package that require remediation. The applicant or provider shall have 35 days from the date of the notice to provide the requested information and documentation to the Department in order to remediate the discrepancies. If no response is received or the discrepancies are not remediated within the 35 days, the application shall be denied by operation of law; or

(3) Discrepancies were found with the information provided by the applicant or provider on the application package that cannot be remediated and the application shall be denied by operation of law.

(4) The application is denied based on the applicant's or provider's failure to meet the criteria specified in subsection (a), or failure to comply with the requirements specified in this Chapter or its governing statutes.

(h) Any notice by the Department of a denial of an application package shall specify the reason(s) for denial and the administrative remedies, if any, that may be pursued by the applicant or provider.

(i) An applicant or provider whose application package has been denied may appeal the application package denial, in accordance with Welfare and Institutions Code, Section 14043.65.

(j) An applicant or provider whose application package has been denied for failure to submit to the Department requested information or documentation pursuant to Welfare and Institutions Code Section 14043.26(e)(2)(A) or failure to remediate discrepancies identified by the Department Welfare and Institutions Code Section 14043.26(f)(2)(A) may reapply for enrollment in the Medi-Cal program by submitting a new application package that shall be reviewed anew.

(k) An applicant or provider whose application package has been denied for failing to disclose information or for providing false information pursuant to Welfare and Institutions Code Section 14043.2, or denied because it is under investigation pursuant to Welfare and Institutions Code Section 14043.36, shall be barred from reapplying for enrollment in the Medi-Cal program for a period of three years from the date of the denial notice. The Department shall not deny enrollment to an applicant or provider whose felony or misdemeanor charges did not result in a conviction.

(l) An applicant shall not apply for enrollment within 10 years from the date of the conviction for any offense or for any act included in Welfare and Institutions Code Section 14043.36. An applicant or provider whose application package has been denied based on a conviction for any offense or for any act included in Welfare and Institutions Code Section 14043.36, shall be barred from reapplying for enrollment in the Medi-Cal program for a period of 10 years from the date of the denial notice or from the date of the final decision following an appeal from that denial.

(m) An applicant or provider whose application package has been denied based on two or more convictions for any offense or two or more acts included in Welfare and Institutions Code Section 14043.36, shall be permanently barred from applying for enrollment in the Medi-Cal program.

NOTE: Authority cited: Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.2, 14043.26, 14043.28, 14043.36, 14043.37, 14043.4, 14043.6, 14043.65 and 14043.7, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.51. Provisional Provider and Preferred Provisional Provider Status.

(a) The Department shall grant provisional provider status for a period of 12

months, or preferred provisional status for a period of 18 months, subject to the provisions of Welfare and Institutions Code Sections 14043.26 through 14043.29, when:

(1) An application for enrollment of a new provider is approved.

(2) An application for continued enrollment of a provider is approved.

(3) An application for enrollment of an additional location, or change of location for a provider is approved.

(4) An application for any change pursuant to Section 51000.30(b) is approved.

(5) The Department fails to take any action listed in Section 51000.50(d) within 180 days after receiving an application package. The applicant or provider shall be granted provisional provider status, effective on the 181st day.

(b) When a provider currently enrolled in the Medi-Cal program at one or more locations, who has submitted an application package for enrollment at an additional or change in location, begins billing for services provided at an additional or change of location, using their existing provider number, the provider shall be considered to be on provisional provider or preferred provisional provider status. If the provider is subject to Welfare and Institutions Code Section 14043.47(c), the provider shall submit documentation in the application package that identifies the physician providing services at every three locations.

(c) Provisional provider status or preferred provisional provider status shall be terminated, by the Department, pursuant to Welfare and Institutions Code Section 14043.27(c)(1) . (12), regardless of whether the period of time for which the provisional provider status or preferred provisional provider status was granted has elapsed.

(d) Termination of provisional provider status or preferred provisional provider status, by the Department, shall include deactivation of all provider numbers used by the provider at any location, to obtain reimbursement from the Medi-Cal program, except where the termination is based upon a ground related solely to a specific location.

NOTE: Authority cited: Sections 10725, 14043.75, 14124.5 Welfare and Institutions Code. Reference: Sections 14043.2, 14043.26, 14043.27, 14043.36, 14043.37, 14043.4, 14043.7, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

Section 51000.52. Provider Numbers.

(a) When provisional provider status or preferred provisional provider status is granted, the Department shall issue a provider number which shall be used exclusively for the location for which it is issued, except for providers subject to subdivisions (1), (2), or (3) below:

(1) If the practice of the provider' profession or delivery of services, goods, supplies, or merchandise is such that services, goods, supplies, or merchandise are rendered or delivered only at locations other than the provider's business address and this practice or delivery of services, goods, supplies, or merchandise has been disclosed in the application package approved by the

Department when the provisional provider status or preferred provisional provider status was granted.

(2) If a provider submits claims under an existing provider number for services rendered at an additional or change in location, pursuant to Section 51000.51(b).

(3) A rendering provider in a group receives only one provider number, which does not change by location or provider group.

(b) A provider number issued following submission of an application pursuant to Section 51000.30(a)(2) and (b) is exclusive to the provider to which it is issued and shall not be transferred or assigned.

NOTE: Authority cited: Sections 10725, 14043.75, 14124.5 Welfare and Institutions Code. Reference: Sections 14043.15, 14043.2, 14043.26, 14043.27, 14043.36, 14043.37, 14043.4, 14043.47, 14043.6, 14043.65, 14043.7, Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

Section 51000.53. Deactivation of a Provider Number(s).

(a) The Department shall deactivate, immediately and without prior notice, the provider numbers used by a provider to obtain reimbursement from the Medi-Cal program, under the following circumstances:

(1) When warrants or documents mailed to a provider's mailing address, pay to address, or business address, are returned by the United States Postal Service as not deliverable.

(2) When a provider has not submitted a claim for reimbursement from the Medi-Cal program for one year.

(3) When the person or entity that was issued the provider number no longer exists by operation of law or otherwise.

(4) When an application for an additional or change in location, pursuant to Welfare and Institutions Code Section 14043.26 (h), is approved the provider number assigned to the previous location shall be deactivated.

(5) When there is a change pursuant to Section 51000.30(b)(1)-(5), the previous provider number for that location will be deactivated as of the effective date of the final transfer agreement or the effective date of deactivation requested by the previous provider, whichever is earlier.

(6) When the provider has a license, certificate, or other approval to provide healthcare revoked or suspended by a federal, California, or another state' licensing, certification, or approval authority, or has otherwise lost that license, certificate, or approval, or has surrendered that license, certificate, or approval while a disciplinary hearing on that license, certificate, or approval was pending.

(7) When a provider is placed on temporary suspension pursuant to Welfare and Institutions Code Section 14043.36.

(8) When a provider receives written notice that it is subject to the requirement for continued enrollment pursuant to Section 51000.55 and fails to respond to the Department within the time frames required by Sections 51000.50 and 51000.55.

(9) When a provider submits a written request for termination or deactivation of its provider number.

(b) Prior to taking action to deactivate a provider number pursuant to (a)(1), (a)(2), (a)(3), (a)(4), (a)(5) or (a)(8) of this section, the Department shall use due diligence in attempting to contact the provider by telephone or in writing to ascertain whether the provider wishes to continue to participate in the Medi-Cal program.

(c) During the provisional provider status period or preferred provisional provider status period, the Department shall deactivate a provider number pursuant to Welfare and Institutions Code Section 14043.27.

(d) An applicant or provider who has had one or more provider numbers used to obtain reimbursement from the Medi-Cal program deactivated pursuant to this section may appeal this action pursuant to Welfare and Institutions Code Section 14043.65.

NOTE: Authority cited: Sections 10725, 14043.75, 14124.5 Welfare and Institutions Code. Reference: Sections 14043.2, 14043.26, 14043.27, 14043.28,14043.36, 14043.37, 14043.62, 14043.7 Welfare and Institutions Code; 42, U.S.C., Sections 1320a-3, 1320a-7, 1396a(a)(38), 1396b(i)(2); and 42, Code of Federal Regulations, Part 455.

51000.55. Requirements for Continued Enrollment.

(a) The Department shall periodically identify a specific provider of service category or subgroup of that category that will be subject to the continued enrollment requirements of this section.

(b) The Department shall provide individual written notice to each of the providers in the specific category or subgroup of a category that has been identified for continued enrollment, and will notify those providers that they are subject to this section. This notice for continued enrollment shall be mailed to the provider' business address and mailing address on file with the Department.

(c) When a provider receives written notice for continued enrollment pursuant to subsection (b) above, the provider shall respond to the Department within 35 days from the date of the notice to declare its intent to either apply for continued enrollment or to withdraw from the Medi-Cal program. Providers that fail to respond to the Department within 35 days from the date of the notice shall be subject to termination from the Medi-Cal program and deactivation of all provider numbers issued to that provider.

(d) Within 180 days of receipt of a declaration of a provider's intent to apply for continued enrollment in the Medi-Cal program, the Department shall send a notice transmitting instructions to that provider on how to apply for continued enrollment.

(e) Within 70 calendar days from the date of the Department's notice pursuant to subsection (d), the provider shall submit to the Department a complete application package for continued enrollment in the Medi-Cal program. The Department shall review the application package in accordance with Section 51000.50. Providers that fail to submit to the Department a complete application package within 70 calendar days from the date of the notice shall be subject to

immediate termination from the Medi-Cal program and deactivation of all provider numbers issued to that provider.
(f) Upon receipt of a declaration of a provider's intent to withdraw from enrollment in the Medi-Cal program, the Department shall immediately terminate the provider's enrollment in the Medi-Cal program and shall deactivate all provider numbers issued to that provider.
(g) A provider may appeal the termination or the deactivation pursuant to this section in accordance with Welfare and Institutions Code, Section 14043.65.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.2, 14043.26, 14043.28, 14043.29, and 14043.7, Welfare and Institutions
Code.

51000.60. Established Place of Business.
(a) The applicant or provider shall have an established place of business appropriate and adequate for the services billed or claimed to the Medi-Cal program as relevant to his or her scope of practice or type of business. This section does not apply to an applicant or provider who is subject to Section 51000.30(a)(1)(A) - (E).
(b) Failure to have an established place of business at the time of any inspection by the Department for enrollment, continued enrollment, or enrollment at a new, additional or change in location, warrants denial of an application or shall make a provider subject to temporary suspension from the Medi-Cal program, which shall include temporary deactivation of all provider numbers, effective 15 days from the date of notice to the provider.
(c) "Established place of business," means a business address of the provider or applicant that meets all of the following criteria:
(1) Is open and conducting business at the time the application is submitted for participation in the Medi-Cal program;
(2) Has the administrative and fiscal foundation to survive as a going concern. This criterion shall be shown by financial records such as a business plan, bank statements, loan documents, promissory notes, invoices, accounts receivable, business tax records, payroll records and contractual agreements;
(3) Has adequate inventory and staff to meet current and anticipated sales and service requirements for its business;
(4) Operates in compliance with Section 51000.30(e);
(5) Has Worker's Compensation insurance as required by state law;
(6) Obtains and maintains, for any individual licensed or certified pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, the Osteopathic Initiative Act, or the Chiropractic Initiative Act, Professional Liability insurance coverage in an amount not less than $100,000 per claim, with a minimum annual aggregate of not less than $300,000, from an authorized insurer pursuant to Section 700 of the Insurance Code;
(7) Has the necessary equipment, office supplies and facilities available to carry out its business, including storage and retrieval of all documentation as required by Section 51476;

(8) Has the necessary service agreements to process cash and credit card transactions if operating as a retail business, or has the necessary payment mechanisms to process patient billing claims if the applicant or provider is a physician/medical practice; and

(9) Unless the applicant is requesting enrollment or the provider is enrolled pursuant to Welfare and Institutions Code Section 14043.15(b)(2) the following criteria also apply;

(A) Is located in a building either owned by the applicant or provider, or the applicant or provider has obtained a signed lease agreement.

(B) Has regular and permanently posted business hours;

(C) Is identifiable as a medical/healthcare provider or business, by permanently attached signage that identifies the name of the provider or business as shown on the application.

(D) Obtains and maintains Liability insurance coverage, that covers premises and operation, in an amount not less than $100,000 per claim, with a minimum annual aggregate of not less than $300,000, from an authorized insurer pursuant to Section 700 of the Insurance Code.

(d) If the applicant or provider intends to provide or currently provides durable medical equipment as defined in Section 51160, or is a medical device retailer as defined in Section 51251, or is a pharmacy as defined in Section 51106 and provides pharmaceutical services as defined in Section 51107, all criteria in subsection (a) through (c) above must be met, and the applicant or provider must additionally meet the following criteria:

(1) Provides service to the general public on a walk-in basis during regular business hours. A request for exemption from this requirement shall be stated on the application, appropriate for the services provided, and be approved by the Department;

(2) Has adequate inventory in stock either on the premises, or in a warehouse under the applicant's or provider's direct control, to meet current and anticipated sales volume.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code; Section 700, Insurance Code. Reference: Sections 14043.1, 14043.27, 14043, 14043.62, 14043.7, Welfare and Institutions Code.

51051. Provider.

(a) "Provider" means any individual, partnership, provider group, association, corporation, institution, or entity, and the officers, directors, owners, managing employees, or agents of any partnership, group association, corporation, institution, or entity, that provides services, goods, supplies, or merchandise, directly or indirectly, to a Medi-Cal beneficiary, and that has been enrolled in the Medi-Cal program.

(b) No change to text

NOTE: Authority cited: Sections 10725, 14043.75, 14100.1, 14015 and 14124.5, Welfare and Institutions Code; Section 87, Chapter 1594, Statutes of 1982, and Section 13, Chapter 502, Statutes of 1990. Reference: Sections 14043, 14043.1, 14043.15, 14043.26, 14043.27, 14043.36, 14100.1, 14105, 14105.3, 14115.6, 14124.5, 14132, 14132.4, 14132.44 and 14134.5,

Welfare and Institutions Code; Section 33, Chapter 456, Statutes of 1990; Section 1250(k), Health and Safety Code; Section 1206, Business and Professions Code; and Title 42 United States Code, Section 263a.

51451. Inclusions, Exclusions and Suspensions.

All individuals, partnerships, clinics, groups, associations, corporations or institutions meeting the requirements specified in the Definitions (Article 2 of Chapter 3 of these Regulations) and Standards for Participation (Article 3 of Chapter 3 of these Regulations) may participate in the California Medical Assistance Program except where such individuals, partnerships, clinics, groups, associations, corporations or institutions have been suspended or have had their provider number(s) deactivated.

NOTE: Authority cited: Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.26, 14043.36, 14043.62, 14043.7, 14123, Welfare and Institutions Code.