State of California
Office of Administrative Law

NOTICE OF FILING AND PRINTING ONLY OF EMERGENCY REGULATION(S) OR ORDER(S) OR REPEAL

Government Code Sections 11343.8
OAL Matter Number: 2015-0806-03
OAL Matter Type: Emergency File and Print (EFP)

In re:
Department of Health Care Services
Regulatory Action:
Title 22, California Code of Regulations

Adopt sections: 51000.9.5, 51000.15.5, 51000.24.3, 51000.24.4, 51000.24.4.1, 51000.24.5, 51000.24.8, 51000.70, 51000.75
Amend sections: 51000, 51000.7, 51000.20, 51000.30, 51000.31, 51000.35, 51000.40, 51000.45, 51000.60, 51051, 51341.1

This emergency regulatory action deals with Drug Medi-Cal providers and enrollment. This emergency regulatory action revises definitions and enrollment requirements related to the Drug Medi-Cal program. This action also amends related enrollment criteria under the Medi-Cal program. The purpose of this action is to curtail and prevent provider fraud and abuse. Pursuant to Welfare and Institutions Code section 14043.75 this regulatory action is a deemed emergency that is exempt from OAL review.

OAL filed these emergency regulations with the Secretary of State, and will publish the emergency regulations in the California Code of Regulations.

Date: August 17, 2015

[Original Signed]
Peggy J. Gibson, Attorney

For: DEBRA M. CORNEZ, Director

Original: Jennifer Kent
Copy: Jasmin Delacruz

[Stamp]
[EMERGENCY]

**STATE OF CALIFORNIA – OFFICE OF ADMINISTRATIVE LAW**
**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 01-2013)
OAL FILE NUMBERS
NOTICE FILE NUMBER: **Z-** [Blank]
REGULATORY ACTION NUMBER: [Blank]
EMERGENCY NUMBER: 2015-0806-03EFP

For use by Office of Administrative Law (OAL) only
NOTICE: [Blank]

REGULATIONS: [Date Stamp]
2015 AUG - 6 P 4:09
OFFICE OF ADMINISTRATIVE LAW

For Use by Secretary of State Only
[Date Stamp]
Endorsed Filed in the office of the Secretary of State of the State of California AUG 17 2015 2:07 pm

AGENCY WITH RULEMAKING AUTHORITY: Department of Health Care Services
AGENCY FILE NUMBER (if any): DHCS-14-009E

**A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)**

1. SUBJECT OF NOTICE: [Blank]
   TITLES: [Blank]
   FIRST SECTION AFFECTED: [Blank]
2. REQUESTED PUBLICATION DATE: [Blank]
3. NOTICE TYPE
   Notice re Proposed Regulatory Action: [Blank]
   Other: [Blank]
4. AGENCY CONTACT PERSON: [Blank]
   TELEPHONE NUMBER: [Blank]
   FAX NUMBER (Optional): [Blank]

**OAL USE ONLY**

ACTION ON PROPOSED NOTICE
Approved as Submitted: [Blank or Checked]
Approved as Modified: [Blank or Checked]
Disapproved/Withdrawn: [Blank or Checked]
NOTICE REGISTER NUMBER: 2014, 2-Z
PUBLICATION DATE: 01/10/2014

**B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)**
1a. SUBJECT OF REGULATIONS: Drug Medi-Cal/Provider Enrollment
1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBERS: [Blank]

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLES AND SECTIONS **(Including Title 26, if toxics related)**
SECTIONS AFFECTED **(List all section numbers individually. Attach additional sheet if needed.)**
ADOPT: 51000.9.5, 51000.15.5, 51000.24.3, 51000.24.4, 51000.24.4.1, 51000.24.5, 51000.24.8, 51000.70, 51000.75
AMEND: 51000, 51000.7, 51000.20, 51000.30, 51000.31, 51000.35, 51000.40, 51000.45, 51000.60, 51051, 51341.1
TITLES: 22

3. TYPE OF FILING
Regular Rulemaking (Gov. Code Section 11346): [Blank]]
Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code Sections 11349.3, 11349.4): [Blank]
Emergency (Gov. Code, Section 11346.1(b)): [Checked]
Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code Sections 11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute: [Blank]
Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, Section 11346.1): [Blank]
Emergency Readopt (Gov. Code, Section 11346.1(h)): [Blank]
File & Print: [Blank]
Changes Without Regulatory Effect (Cal. Code Regs., Title 1, Section 100): [Blank]
Print Only: [Blank]
Per Agency Request Other (Specify): [Checked] WIC §14043.75 (exempt)

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs, Title 1, Section 44 and Gov. Code Section 11347.1): [Blank]

5. EFFECTIVE DATE OF CHANGES (Gov. Code, Sections 11343.4, 11346.1(d)); Cal. Code Regs, Title 1, Section 100):
Effective January 1, April 1, July 1, or October 1 (Gov. Code Section 11343.4(a)): [Blank]
Effective on filing with Secretary of State: [Checked]
Section 100 Changes Without Regulatory Effect: [Blank]
Effective other (Specify): [Blank]

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY.
Department of Finance (Form STD. 399) (SAM Section 6660): [Checked]

Fair Political Practices Commission: [Blank]
State Fire Marshal: [Blank]
Per Agency Request Other (Specify): [Checked] Consultation per WIC § 14043.75

7. CONTACT PERSON: Jasmin Delacruz
TELEPHONE NUMBER: 916-440-7688
FAX NUMBER (Optional): 916-440-5748
EMAIL ADDRESS (Optional): Jasmin.Delacruz@dhcs.ca.gov

8. I certify that the attached copy of the regulations is a true and correct copy of the regulations identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.
SIGNATURE OF AGENCY HEAD OR DESIGNEE: [Original Signed]
TYPED NAME AND TITLE OF SIGNATORY: Jennifer Kent, Director
DATE: 8/3/15

For use by Office of Administrative Law (OAL) only

[Date Stamp]
Endorsed Approved
AUG 17 2015
Office of Administrative Law

## METHOD OF INDICATING CHANGES

This Accessible PDF version of the approved emergency regulation text includes the phrase [begin underline] at the beginning of each addition, [end underline] at the end of each addition, [begin strikeout] at the beginning of each deletion, and [end strikeout] at the end of each deletion.

A standard PDF version of this approved emergency regulation text is also available on the Department's Office of Regulations Internet site.

(1) Amend Section 51000 to read:

**§ 51000. Agent.**

"Agent" means a person who has been delegated the authority to obligate or act on behalf of an applicant or provider. [begin underline]For substance use disorder clinics, "agent" includes the substance use disorder medical director and any physician making determinations of medical necessity for treatment.[end underline]

Note: Authority cited: [begin underline]Section 20, Health and Safety Code; and[end underline] Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code[begin strikeout]; and Section 78, Chapter 146, Statutes of 1999[end strikeout]. Reference: Section[begin underline]s 14043.1, 14043.6,[end underline] 14043.75, [begin underline]and 14107.11,[end underline] 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.

(2) Amend Section 51000.7 to read:

**§ 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. [begin underline]For substance use disorder clinics, "enrolled or enrollment in the Medi-Cal Program" and "Drug Medi-Cal certification" shall have the same meaning.[end underline]

Note: Authority cited: [begin underline]Section 20, Health and Safety Code;[end underline] 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.

(3) Adopt Section 51000.9.5 to read:

[begin underline]**§ 51000.9.5. Licensed Substance Use Disorder Treatment Professional.**[end underline]

[begin underline]"Licensed Substance Use Disorder Treatment Professional" means an individual that provides medically necessary, clinical services prescribed for beneficiaries admitted, registered, or accepted for care by the substance use disorder clinic and is either:

(a) A physician licensed by the Medical Board of California or by the Osteopathic Medical Board of California; or

(b) A psychologist licensed by the Board of Psychology; or

(c) A clinical social worker or marriage family therapist licensed by the California Board of Behavioral Sciences.[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14021.51, 14043.7, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(4) Adopt Section 51000.15.5 to read:

[begin underline]**§ 51000.15.5. Perinatal Residential Substance Use Disorder Services Program.**[end underline]

[begin underline]"Perinatal Residential Substance Use Disorder Services Program" has the same meaning as the term used in Section 51341.1(b)(20).[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14043.7, 14053, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14132.21, 14132.905, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(5) Amend Section 51000.20 to read:

**§ 51000.20. Provider Number.**

"Provider Number" means the unique identification number used by an applicant or provider to obtain reimbursement from the Medi-Cal program. [begin underline] For purposes of substance use disorder clinics, the term “provider number” shall mean the national provider identifier (NPI) number.[end underline]

Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code[begin strikeout]~~; and Section 78, Chapter 146, Statutes of 1999~~[end strikeout]. Reference: Sections 14043.26 and 14043.45, Welfare and Institutions Code.

(6) Adopt Section 51000.24.3 to read:

[begin underline]**§ 51000.24.3. Substance Use Disorder Clinic.**[end underline]

[begin underline]"Substance Use Disorder Clinic" means a location that provides substance use disorder treatment services pursuant to Article 3.2, of Chapter 7, Part 3, Division 9, of the Welfare and Institutions Code. A substance use disorder clinic includes perinatal residential substance use disorder services programs.[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14043.7, 14053, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14132.21, 14132.905, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(7) Adopt Section 51000.24.4 to read:

[begin underline]**§ 51000.24.4. Substance Use Disorder Medical Director.**[end underline]

[begin underline]"Substance Use Disorder Medical Director" means a physician who is licensed by the Medical Board of California or the Osteopathic Medical Board of California and who meets requirements set forth in Sections 51000.70 and 51341.1(b)(28).[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14021.51, 14043.7, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(8) Adopt Section 51000.24.4.1 to read:

[begin underline]**§ 51000.24.4.1. Substance Use Disorder Nonphysician Medical Practitioner.**[end underline]

[begin underline]"Substance use disorder nonphysician medical practitioner" means an individual that provides medically necessary, clinical services prescribed for beneficiaries admitted, registered, or accepted for care by the substance use disorder clinic and is either:

(a) A registered nurse practitioner; or

(b) A physician assistant.[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14021.51, 14043.7, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(9) Adopt Section 51000.24.5 to read:

[begin underline]**§ 51000.24.5. Substance Use Disorder Treatment Professional.**[end underline]

[begin underline]"Substance Use Disorder Treatment Professional" means an individual that provides clinical services prescribed for beneficiaries admitted, registered, or accepted for care by the substance use disorder clinic and is either:

(a) An intern registered with the California Board of Behavioral Sciences or with the Board of Psychology; or

(b) An alcohol and other drug (AOD) counselor that is registered or certified pursuant to California Code of Regulations, Title 9, Section 13035.[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75, and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14021.51, 14043.7, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(10) Adopt Section 51000.24.8 to read:

[begin underline]**§ 51000.24.8. Substance Use Disorder Treatment Services.**[end underline]

[begin underline]"Substance Use Disorder Treatment Services" means reimbursable services provided to beneficiaries pursuant to Section 51341.1.[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14043.7, 14053, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14132.21, 14132.905, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(11) Amend Section 51000.30 to read:

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

(a) – (b) no change.

(c) The applicant or provider, when required pursuant to subsection (a)(2) through (b), shall complete, as applicable:

(1) – (2) no change.

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

(A) – (E) no change.

(F) "Medi-Cal Rendering Provider Application/Disclosure Statement/Agreement for Physician [begin strikeout]~~and Allied Providers," DHS 6216 (07/05).~~[end strikeout] [begin underline]/Allied/Dental Providers," DHCS 6216 (Rev. 2/15).[end underline]

(G) no change

[begin underline](H) "Drug Medi-Cal Substance Use Disorder Clinic Application," DHCS 6001 (Rev.12/14).

(I) "Drug Medi-Cal Substance Use Disorder Medical Director/Licensed Substance Use Disorder Treatment Professional/Substance Use Disorder Nonphysician Medical Practitioner Application/Agreement/Disclosure Statement," DHCS 6010 (Rev. 12/14). [end underline]

(c)(4) no change.

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

(d)(1) – (21) no change.

[begin underline](22) If the applicant or provider is a substance use disorder clinic, the applicant or provider shall comply with Sections 51341.1, 51490.1, 51516.1, and shall submit a "Drug Medi-Cal Substance Use Disorder Clinic Application" DHCS 6001 (Rev. 12/14) with the following information and documentation:

(A) A list of all substance use disorder treatment professionals, licensed substance use disorder treatment professionals, and substance use disorder nonphysician medical practitioners, including:

1. Whether each staff member is licensed, certified, or registered, and if so, the licensing, certifying, or registering organization, also include the effective date and expiration date of each individuals licensure, certification, or registration.

2. Proof of certification, or registration of all substance use disorder treatment professionals, as required by California Code of Regulations, Title 9, Section 13010.

3. The NPI of each licensed substance use disorder treatment professional, and substance use disorder nonphysician medical practitioner, and if applicable, each substance use disorder treatment professional.

(B) Whether the applicant or provider provides residential services at the business address. If the applicant or provider provides residential services but is not licensed by the Department or another governmental agency, an explanation shall be included with the application.

(C) If the applicant or provider provides residential substance use disorder treatment services, a valid residential license shall be submitted with the application.

(D) If the applicant is providing narcotic treatment services, a copy of the valid

Narcotic Treatment Program license.

(E) The service modalities provided by the applicant or provider.

(F) Upon the Department's request, if the applicant or provider is a governmental entity, corporation, or limited liability company, a copy of current board minutes that contains the name of the individual authorized to sign on behalf of the applicant or provider.

(G) For the Substance Use Disorder Medical Director:

1. Legal name;

2. Medical license number and a copy of the valid license; and

3. NPI number.

(23) If the applicant or provider is a substance use disorder medical director, the applicant or provider shall submit the "Drug Medi-Cal Substance Use Disorder Medical Director/Licensed Substance Use Disorder Treatment Professional/Substance Use Disorder Nonphysician Medical Practitioner Application/Agreement/Disclosure Statement," DHCS 6010 (Rev. 12/14) with the name and address of each substance use disorder clinic overseen by the substance use disorder medical director applicant or provider.[end underline]

(e) – (f) no change

Note: Authority cited: Section 20, Health and Safety Code; and Sections 10725, 14043.45, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections [begin underline]14021, 14021.3, 14021.5, 14021.6, 14021.33, [end underline]14043.15, 14043.2, 14043.25 [begin underline] , [end underline] [begin strikeout] ~~and~~ [end strikeout] 14043.26, [begin underline] 14043.36, 14043.37, 14043.62, 14043.7, 14053, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14132.21, 14132.905, 14133 and 14133.1, [end underline] Welfare and Institutions Code; and Title 45, Code of Federal Regulations, Sections 162.408 and 162.412.

(12) Amend Section 51000.31 to read:

**Section 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)(1)-(a)(2) no change.

(b) A rendering provider shall:

Apply for enrollment in the Medi-Cal program by submitting a "Medi-Cal Rendering Provider Application/Disclosure Statement/Agreement for Physician/Allied[begin underline]/Dental[end underline] Providers," [begin strikeout]~~DHS 6216 (07/05)~~[end strikeout] [begin underline]DHCS 6216 (Rev. 2/15) [end underline]pursuant to Section 51000.30 if not already currently enrolled as a Medi-Cal provider.

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.

(13) Amend Section 51000.35 to read:

**Section 51000.35. Disclosure Requirements.**

[begin strikeout]~~(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 Disclosure Statement," DHS 6207 (Rev. 02/05) or the "Medi-Cal Rendering Provider Application/Disclosure Statement/Agreement for Physician/Allied Providers," DHS 6216 (07/05), 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 or 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.~~[end strikeout]

[begin underline]<u>(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 following forms incorporated by reference herein, using whichever form is</u>

applicable, and shall submit the disclosure statement with the application required by Sections 51000.30 and 51000.40:

(1) "Medi-Cal Disclosure Statement" DHCS 6207 (Rev. 2/15); or

(2) "Medi-Cal Rendering Provider Application/Disclosure Statement/Agreement for Physician/Allied/Dental Providers," DHCS 6216 (Rev. 2/15); or

(3) "Drug Medi-Cal Substance Use Disorder Medical Director /Licensed Substance Use Disorder Treatment Professional/Nonphysician Medical Practitioner Application/Agreement/ Disclosure Statement," DHCS 6010 (Rev. 12/14).

(b) The disclosure statement shall include all of the following:

(1) The name, address, and title of all:

(A) Managing employees;

(B) Persons with an ownership or control interest in the applicant or provider and the percentage of that ownership or control interest;

(C) Persons with an ownership or control interest in any subcontractor in which the applicant or provider has a direct or indirect ownership of 5 percent or more and the percentage of that ownership or control interest; and

(D) Board members and officers, if the applicant or provider is a nonprofit entity.

(2) Whether any of the persons named in subsection (b), 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 managing employee, board member, officer, or 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 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.[end underline]

([begin strikeout]b[end strikeout][begin underline]c[end underline]) The applicant or provider shall also state on the [begin strikeout] ~~"Medi-Cal Provider Disclosure Statement, DHS 6207 (Rev. 02/05):"~~[end strikeout] [begin underline]applicable application identified in subsection (a[end underline]):

(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 name(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 persons

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.

([begin strikeout]c[end strikeout] [begin underline]d[end underline]) 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: [begin underline]Section 20, Health and Safety Code; [end underline] Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043.2, 14043.26, 14043.27, 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.

(14) Amend Section 51000.40 to read:

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

(a) no change.

(b) A provider, including a provider group, shall complete the form "Medi-Cal Supplemental Changes," [begin strikeout]~~DHS 6209 (Rev. 11/05),~~[end strikeout] [begin underline]DHCS 6209 (Rev. 12/14),[end underline] incorporated by reference herein, to add or change the following information, or to request the following actions:

(1) "Pay to" [begin underline], unless the provider is a substance use disorder clinic, [end underline] or "mailing" address.

(b)(2) – (9) no change.

(10) Re-issuance of a Provider Identification Number (PIN) [begin underline], unless the provider is a substance use disorder clinic[end underline].

(b)(11) – (b)(13) no change.

[begin underline](14) For a substance use disorder clinic the following additional actions:

(A) A change of the substance use disorder medical director or physicians making medical necessity determinations for beneficiaries.

(B) Deletion or addition of service modalities.

(C) A change of any substance use disorder treatment professional or licensed substance use disorder treatment professional providing counseling services.[end underline]

(c) no change.

(d) The Department may require the provider to submit a new application package when the provider uses the form “Medi-Cal Supplemental Changes,” [begin strikeout]~~DHS 6209 (Rev.11/05)~~[end strikeout] [begin underline]DHCS 6209 (Rev. 12/14) [end underline]to report information not listed in subsection (b) above.

Note: Authority cited: [begin underline]Section 20, Health and Safety Code;[end underline] 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.

(15) Amend Section 51000.45 to read:

**§ 51000.45. Provider Agreement.**

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

(a) – (b) no change.

(c) "Medi-Cal Rendering Provider Application/Disclosure Statement/Agreement for Physician/Allied/[begin underline]Dental [end underline]Providers," [begin strikeout]~~DHS 6216 (07/05),~~[end strikeout] [begin underline]DHCS 6216 (Rev. 2/15) [end underline]incorporated by reference herein.

[begin underline](d) "Drug Medi-Cal Provider Agreement," DHCS 6009 (Rev. 12/14), incorporated by reference herein.

(e) "Drug Medi-Cal Substance Use Disorder Medical Director/Licensed Substance Use Disorder Treatment Professional/Substance Use Disorder Nonphysician Medical Practitioner Application/Agreement/Disclosure Statement," DHCS 6010 (Rev. 12/14). [end underline]

Note: Authority cited: [begin underline]Section 20, Health and Safety Code;[end underline] Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 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.

(16) Amend Section 51000.60 to read:

**§ 51000.60. Established Place of Business** [begin underline]**Requirements**[end underline]**.**

(a)-(b) no change.

(c) Established place of business" means a business address of the provider or applicant that meets all of the following criteria:

(c)(1)-(c)(8) no change.

(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 [begin underline]; or if the applicant or provider is a substance use disorder clinic located on space donated at no cost, the applicant or provider has obtained verification from the space owner that it is authorized to use the space to provide substance use disorder services[end underline].

(B) Has regular and permanently posted business hours[begin underline], unless the applicant or provider is a substance use disorder clinic[end underline];

(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[begin underline], unless the applicant or provider is a substance use disorder clinic[end underline].

(9)(D)-(d) no change.

Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.37, 14043.4, 14043.75 and 14124.5, Welfare and Institutions Code; and Section 700, Insurance Code. Reference: Sections 14043, 14043.1, 14043.27, 14043.37, 14043.4, 14043.45, 14043.62 and 14043.7, Welfare and Institutions Code.

(17) Adopt Section 51000.70 to read:

[begin underline]**§ 51000.70. Substance Use Disorder Medical Director Utilization.** [end underline]

[begin underline]Each substance use disorder clinic shall have a licensed physician designated as the substance use disorder medical director, who is an agent of the substance use disorder clinic. The substance use disorder medical director shall meet the following requirements:

(a) Not be excluded from participation in any State or Federal Medicare or Medicaid program; and

(b) Be enrolled in Medi-Cal as a substance use disorder medical director; and

(c) Be acting in compliance with all laws and requirements of the Medi-Cal program. [end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75, 14043.47(c), and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14021.51, 14043.7, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(18) Adopt Section 51000.75 to read:

[begin underline]**§ 51000.75. Licensed Substance Use Disorder Treatment Professional and Substance Use Disorder Nonphysician Medical Practitioner Utilization.**[end underline]

[begin underline]Each substance use disorder clinic shall list all licensed substance use disorder treatment professionals and substance use disorder nonphysician medical practitioners, utilized at the business address, on the "Drug Medi-Cal Substance Use Disorder Clinic Application," DHCS 6001 (Rev. 12/14). Each licensed substance use disorder treatment professional shall meet the following requirements:

(a) Not be excluded from participation in any State or Federal Medicare or Medicaid program; and

(b) Be enrolled in Medi-Cal as a licensed substance use disorder treatment professional or a substance use disorder nonphysician medical practitioner.[end underline]

[begin underline]Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75 and 14124.5, Welfare and Institutions Code. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14021.51, 14043.7, 14107, 14124.1, 14124.2, 14124.24, 14124.25, 14131, 14133 and 14133.1, Welfare and Institutions Code.[end underline]

(19) Amend Section 51051 to read:

**§ 51051. Provider.**

(a) No change.

(b) Providers include, but are not limited to:

Acupuncturists

Audiologists

Blood Banks

Child Health and Disability Prevention Providers

Chiropractors

Clinical Laboratories or Laboratories

Comprehensive Perinatal Providers

Dental School Clinics

Dentists

Dispensing Opticians

Durable Medical Equipment and Medical Supply Providers

Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Providers

EPSDT Supplemental Services Providers

Fabricating Optical Laboratory

Hearing Aid Dispensers

Home Health Agencies Hospices

Hospital Outpatient Departments

Hospitals

Intermediate Care Facilities

Intermediate Care Facilities for the Developmentally Disabled

Licensed Midwife

[begin underline]Licensed Substance Use Disorder Treatment Professionals[end underline]

Local Educational Agency Providers

Nurse Anesthetists

Nurse Midwives

Nurse Practitioners

Nursing Facilities

Occupational Therapists

Ocularists Optometrists

Orthotists

Organized Outpatient Clinics

Outpatient Heroin Detoxification Providers

Personal Care Services Providers

Pharmacies/Pharmacists

Physical Therapists

Physicians

Podiatrists

Portable Imaging Services Providers

Prosthetists

Providers of Medical Transportation

Psychologists Rehabilitation

Religious Nonmedical Health Care Institutions

Renal Dialysis Centers and Community Hemodialysis Units

Respiratory Care Practitioners

Rural Health Clinics

Short-Doyle Medi-Cal Providers

Skilled Nursing Facilities

Speech Therapists

[begin underline]Substance Use Disorder Clinics

Substance Use Disorder Medical Directors

Substance Use Disorder Nonphysician Medical Practitioners[end underline]

Targeted Case Management Providers.

Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14043.75, 14100.1, 14105 and 14124.5, Welfare and Institutions Code. Reference: Sections 14043, 14043.1, 14043.15, 14043.26, 14043.27, 14043.36, [begin underline]14100.1, [end underline] 14105, 14105.3, [begin underline] 14115.6, 14124.5, [end underline]14132, 14132.39, 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.

(20) Amend Section 51341.1 to read:

**§ 51341.1 Drug Medi-Cal Substance Use Disorder Services**

(a) no change.

(b) For the purposes of this Section, the following definitions and requirements shall apply:

(1)-(27) no change.

[begin underline](28)"Substance Use Disorder Medical Director" has the same meaning as in Section 51000.24.4.

(A) For outpatient drug free, day care habilitative, perinatal residential and naltrexone treatment services programs the following shall apply:

(i) The substance use disorder medical director's responsibilities shall at a minimum include all of the following:

(a) Ensure that medical care provided by physicians, registered nurse practitioners, and physician assistants meets the applicable standard of care.

(b) Ensure that physicians do not delegate their duties to nonphysician personnel.

(c) Develop and implement medical policies and standards for the provider.

(d) Ensure that physicians, registered nurse practitioners, and physician assistants follow the provider's medical policies and standards.

(e) Ensure that the medical decisions made by physicians are not influenced by fiscal considerations.

(f) Ensure that provider's physicians are adequately trained to perform diagnosis of substance use disorders for beneficiaries, determine the medical necessity of treatment for beneficiaries and perform other physician duties, as outlined in this section.

(ii) The substance use disorder medical director may delegate his/her responsibilities to a physician consistent with the provider's medical policies and standards; however the substance use disorder medical director shall remain responsible for ensuring all delegated duties are properly performed.

(iii) A substance use disorder medical director shall receive a minimum of five (5) hours of continuing medical education in addiction medicine each year.

(B) For narcotic treatment programs, a substance use disorder medical director shall meet the requirements specified in Section 10110 of Title 9, CCR.[end underline]

[begin strikeout] ~~(28)~~[end strikeout] [begin underline] (29) "[end underline]Support plan" means a list of individuals and/or organizations that can provide support and assistance to a beneficiary to maintain sobriety.

[begin strikeout] ~~(29)~~[end strikeout] [begin underline] (30) [end underline] "Therapist" means any of the following:

(A) A psychologist licensed by the California Board of Psychology.

(B) A clinical social worker or marriage and family therapist licensed by the California Board of Behavioral Sciences.

(C) An intern registered with the California Board of Psychology or the California Board of Behavioral Sciences.

(D) A physician.

[begin strikeout] ~~(30)~~[end strikeout] [begin underline] (31)[end underline] "Unit of service" means:

(A) For outpatient drug free, day care habilitative, perinatal residential, and Naltrexone treatment services, a face-to-face contact on a calendar day.

(B) For narcotic treatment program services, a calendar month of treatment services provided pursuant to this section and Chapter 4 commencing with Section 10000 of Title 9, CCR.

(c)(1)-(q)(iii) no change.

Note: Authority cited: Section 20, Health and Safety Code; Sections 10725, 14021, 14021.3, 14021.5, 14021.6, 14021.30, 14021.51, 14043.75, 14124.1, 14124.24, 14124.26 and 14124.5, Welfare and Institutions Code; Statutes of 2011, Chapter 32, and Statutes of 2012, Chapter 36. Reference: Sections 14021, 14021.3, 14021.5, 14021.6, 14021.33, 14021.51, 14043.7, 14053, 14107, 14124.1, 14124.2, 14124.20, 14124.21, 14124.24, 14124.25, 14124.26, 14131, 14132.21, 14132.905, 14133 and 14133.1, Welfare and Institutions Code; Sections 436.122, 456.21, 456.22 and 456.23, Title 42, Code of Federal Regulations; Statutes of 1996, Chapter 162, Items 4200-101-0001 and 4200-102-0001; and Statutes of 2011, Chapter 32, and Statutes of 2012, Chapter 36.