

## WHAT RISK CATEGORIES MEAN TO PROVIDERS AND SUPPLIERS

Earlier this week, we highlighted the [implementation by Centers for Medicare & Medicaid Services \(CMS\) of enrollment revalidations and screening categories](#), and [which categories CMS places certain long-term care providers](#). It is important for providers and suppliers to understand what each screening category (limited, moderate, or high) entails and be aware of any events which could elevate screening categories. While these posts focus on long-term care providers, the enrollment revalidations and screening categorizations are applicable to *all* Medicare providers and suppliers.

The full category classifications and requirements for each screening level will be published at 42 C.F.R. §424.518. This section, *Screening levels for Medicare Providers and Suppliers*, is currently available in the Federal Register at [76 Fed. Reg. 5863, 5963 \(Feb. 2, 2011\)](#).

The limited risk category includes skilled nursing facilities (SNFs); hospitals, including critical access hospitals (CAHs); physician and non-physician practitioners, groups, and clinics; and rural health clinics, among others. The screening requirements in the *limited* category include the following:

- 1) Verification that the provider or supplier meets all applicable Federal regulations and State requirements for the provider or supplier type prior to making an enrollment determination;
- 2) Conduct license verifications, including licensure verifications across State lines for physicians or non-physician practitioners and providers and suppliers that obtain or maintain Medicare billing privileges as a result of State licensure, including State licensure in States other than where the provider or supplier is enrolling; and
- 3) Conduct database checks on a pre- and post-enrollment basis to ensure that providers and suppliers continue to meet the enrollment criteria for their provider/supplier type.

### Moderate

The moderate risk category includes hospice organizations, revalidating home health agencies and DMEPOS suppliers, community mental health centers, and independent clinical laboratories, among others. The screening requirements in the *moderate* category include the following:

- 1) *All above requirements for the limited category*; and
- 2) Conduct an on-site visit.

### High

The high risk category includes only newly enrolling home health agencies and newly enrolling DMEPOS. The screening requirements for the *high* category include the following:

- 1) *All above requirements for limited and moderate categories*;
- 2) The submission of a set of fingerprints for a national background check from all individuals who maintain a 5% or greater direct or indirect ownership interest in the provider or supplier; and
- 3) Conduct a fingerprint-based criminal history check of the Federal Bureau of Investigation's (FBI) Integrated Automated Fingerprint Identification System (IAFIS) on all individuals who maintain a 5% or greater direct or indirect ownership interest in the provider or supplier.

While CMS established standard provider/supplier categorizations, they also have the ability to adjust screening levels for individual providers/suppliers. CMS may adjust any provider/supplier from *limited* or *moderate* to *high* upon any of the following conditions:

1. CMS imposes a payment suspension on a provider or supplier at any time in the last 10 years;
2. The provider or supplier:
  - a. Has been excluded from Medicare by the OIG;
  - b. Had billing privileges revoked by a Medicare contractor within the previous 10 years and is attempting to establish additional Medicare billing privileges by:
    - a. Enrolling as a new provider or supplier; or
    - b. Billing privileges for a new practice location

- c. Has been terminated or is otherwise precluded from billing Medicaid;
  - d. Has been excluded from any Federal health care program; or
  - e. Has been subject to any final adverse action, as defined at §424.502, within the previous 10 years.
3. CMS lifts a temporary moratorium for a particular provider or supplier type and a provider or supplier that was prevented from enrolling based in the moratorium, applies for enrollment as a Medicare provider or supplier at any time within 6 months from the date the moratorium was lifted.

Should you not see your particular provider or supplier type discussed above, or have any other questions, please contact:

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