



TO: All Providers, Including Health Maintenance Organizations – **For Information Only**

SUBJECT: **New Provider Credentialing Requirements**

EFFECTIVE: On or about April 1, 2017

PURPOSE: To notify fee-for-service (FFS) and Medicaid managed care providers of a decision by the New Jersey Division of Medical Assistance and Health Services (DMAHS) to establish credentialing requirements for applicants enrolling in the New Jersey Medicaid Program.

BACKGROUND: In accordance with N.J.A.C.10:49-1.5(b), DMAHS is required to comply with the Fingerprint-Based Criminal Background Check (FCBC) requirement in the Patient Protection and Affordable Care Act, Health Care and Education Reconciliation Act of 2010 (ACA), which were implemented by federal regulations at 42 CFR 455.434 and 455.450(c). The FCBC requirement applies to certain high-risk providers as identified by the Centers for Medicare and Medicaid Services (CMS), including Medicare-certified home health agencies and DMEPOS providers. Additional high-risk providers identified by DMAHS include laboratories, pharmacies and adult medical day care providers.

The FCBC requirement mandates that fingerprinting, criminal background checks and on-site visits be conducted for high-risk providers applying to the Medicaid program. In accordance with 42 CFR 455.416, New Jersey shall terminate or deny enrollment of a provider if the provider, or any person with a 5% or greater direct or indirect ownership interest, who is required to submit fingerprints:

- fails to submit fingerprints within 30 days of the DMAHS request;
- fails to submit fingerprints in the form and manner requested by DMAHS; or
- has been convicted of a criminal offense related to a person's involvement with the Medicare, Medicaid or CHIP program in the last 10 years.

The New Jersey Administrative Code at N.J.A.C. 10:49-11.1(d), also known as the program participation section of the Medicaid Administration Manual, lists circumstances that would demonstrate good cause for DMAHS to exclude an individual or entity from participating in the Medicaid or CHIP programs. Offenses discovered during the criminal background check are assessed based on general Medicaid principles that determine whether such offenses directly or indirectly impact the administrative, service or fiduciary responsibilities of the Medicaid provider applicant.

Also, recommendations or final decisions made by professional boards, as well as State fair hearing or managed care appeal decisions are seriously considered.

Molina Medicaid Solutions is developing a credentialing process for both FFS and managed care providers. Molina will assume the following responsibilities:

- ACA-mandated new provider enrollment and screening processes for Medicaid;
- Provider validation and re-enrollment;
- Re-enrolling FFS providers every 5 years;
- Re-credentialing managed care providers every 3 years; and
- Collecting provider-specific information, including demographics, professional qualifications and credentialing requirements, including DEA/CDS, accreditation, work history and admitting privileges.

In addition, DMAHS will work with the New Jersey Department of Human Services (DHS) Fingerprinting Unit and the Medicaid Fraud Division within the Office of the State Comptroller to comply with FCBC fingerprinting requirements.

ACTION: The State anticipates operationalizing the FCBC requirement for new applicants and currently enrolled providers for both FFS and managed care by no later than April 1, 2017. During the development of the credentialing process, the State's FFS program and Medicaid managed care will continue their current level of FCBC compliance, including existing screening processes, background checks and onsite visits performed for all high-risk providers.

During the development phase, currently enrolled high-risk providers should anticipate receiving additional information regarding FCBC requirements, including further instructions regarding the fingerprinting requirement. New applicants will be provided enrollment information through the Medicaid fiscal agent website, www.njmmis.com.

If you have any questions concerning this Newsletter, please contact Molina Medicaid Solutions Provider Services at 1-800-776-6334.

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