

**INSTRUCTIONS ON HOW TO COMPLETE  
PROVIDER OWNERSHIP INTEREST  
AND/OR MANAGING CONTROL DISCLOSURE STATEMENT**

All health care providers, participating or not participating in Medi-Cal (“Individual”) are required to complete Attachment A: “Provider Ownership Interest and/or Managing Control Disclosure Statement” form. The purpose of this form is to determine if a contracted provider and/or network provider has ownership and controlling interests, disclosures related to business transactions, or disclosures related to persons convicted of crimes for the contractor (“Agency”).

1. Disclosure of 5% or More Ownership Interest

- a. Individual with an ownership or control interest means a person that:
  - i. Has an ownership interest of 5% or more in the Agency;
  - ii. Has an indirect ownership interest equal to 5% in the Agency;
  - iii. Has a combination of direct and indirect ownership interest equal to 5% or more in the Agency;
  - iv. Owns an interest of 5% 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% of the value of the property or assets of the Agency
  - v. Is an officer or director of an applicant or provider that is organized as a corporation within the Agency;
  - vi. Is a partner in an applicant or provider that is organized as a partnership of the Agency.
  
- b. Ownership interest means the possession of equity in the capital, the stock, or the profits of the applicant or provider.
  
- c. 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.

2. Disclosures Related to Business Transactions

- a. The ownership of any sub-Contractor with whom Contractor’s transactions total more

than \$25,000 during the 12-month period ending on the date of the request.

b. Any significant business transactions between Contractor and any wholly owned supplier, or between Contractor and any subcontractor, during the 5-year period ending on the date of the request. (42 C.F.R. § 455.105(b).)

3. Disclosures Related to Persons Convicted of Crimes:

a. The identity of any person who has an ownership or control interest in the provider or is an agent or managing employee of the provider who has been convicted of a criminal offense related to that person's involvement in any program under the Medicare, Medicaid, or the Title XXI services program since the inception of those programs. (42 C.F.R. § 455.106.)

4. On annual basis, Agencies must email the completed forms for all its providers to the Business Office ([BHSDBusinessOffice@hhs.sccgov.org](mailto:BHSDBusinessOffice@hhs.sccgov.org)) **upon execution of contract and within 35 days of any changes.**

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