

**Senate File 2091 - Introduced**

SENATE FILE 2091

BY HOGG

**A BILL FOR**

1 An Act relating to disclosure of ownership and control  
2 information for nonprofit corporations under the Medicaid  
3 program.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. DISCLOSURE OF OWNERSHIP AND CONTROL INFORMATION  
2 UNDER MEDICAID PROGRAM — NONPROFIT CORPORATIONS. The  
3 department of human services shall contract with a third-party  
4 certified public accounting organization to collect and verify  
5 information submitted by a disclosing entity to comply with the  
6 requirements for disclosure of information on ownership and  
7 control pursuant to 42 C.F.R. §455.104, if any person with an  
8 ownership or control interest in the disclosing entity is an  
9 officer or director of a nonprofit corporation. The certified  
10 public accounting organization shall notify the department  
11 upon verification of the information. A Medicaid managed care  
12 organization contracting with the state shall not require  
13 disclosure of such ownership and control information from  
14 nonprofit corporations if the entity is approved and enrolled  
15 by the department as a provider under the Medicaid program.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with  
18 the explanation's substance by the members of the general assembly.

19 This bill requires the department of human services to  
20 contract with a third-party certified public accounting  
21 organization to collect and verify information submitted to  
22 comply with the requirements for disclosure of information on  
23 ownership and control pursuant to 42 C.F.R. §455.104, if any  
24 person with an ownership or control interest in the disclosing  
25 entity is an officer or director of a nonprofit corporation.  
26 The certified public accounting organization shall notify the  
27 department upon verification of the information. The bill also  
28 provides that a Medicaid managed care organization contracting  
29 with the state shall not require disclosure of the ownership  
30 and control information from nonprofit corporations if the  
31 entity is approved and enrolled by the department as a provider  
32 under the Medicaid program.

33 Under the federal Patient Protection and Affordable Care  
34 Act, state Medicaid agencies are required to collect ownership  
35 and control information and conduct enhanced screenings of all

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1 Medicaid providers. Under 42 U.S.C. §1320a-3, a disclosing  
2 entity is required to report certain information regarding each  
3 person with an ownership or control interest in the entity.  
4 A person with an ownership or control interest includes an  
5 officer or director of the entity, if the entity is organized  
6 as a corporation, whether the corporation is a for-profit or  
7 not-for-profit corporation.