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Title 22@ Social Security

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Division 3@ Health Care Services

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Subdivision 1@ California Medical Assistance Program

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Chapter 3@ Health Care Services

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Article 1@ Application and Enrollment

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Section 51000.32@ Requirements for Successor Liability with Joint and Several Liability

51000.32 Requirements for Successor Liability with Joint and Several Liability

(a)

A provider transferor may elect successor liability with joint and several liability by meeting both of the following conditions: (1) By letter postmarked no later than five days after the occurrence of any event listed in Section 51000.30(b), the provider transferor and the transferee applicant shall submit to the Department the "Successor Liability with Joint and Several Liability Agreement," DHS 6217 (11/05), signed and dated by both, which includes the following information: (A) The legal name of provider transferor which shall be the name currently on file with the Internal Revenue Service (IRS). (B) Current provider number for the location affected. (C) Fictitious business name of the provider transferor, if applicable. (D) The legal name of transferee applicant which shall be the name currently on file with the Internal Revenue Service (IRS). (E) Current provider number(s) of transferee applicant, if applicable. (F) Fictitious business name of the transferee applicant, if applicable. (G) A statement signed and dated by both the provider transferor and the transferee applicant wherein they accept joint and several liability for all debts arising from the Medi-Cal provider agreement applicable to the location for which a provider number was issued by the Department. (2) The transferee applicant shall submit to the Department within 35 days of the occurrence of any event listed in Section 51000.30(b), a complete application

package pursuant to Section 51000.30.

(1)

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(A)

The legal name of provider transferor which shall be the name currently on file with the Internal Revenue Service (IRS).

(B)

Current provider number for the location affected.

(C)

Fictitious business name of the provider transferor, if applicable.

(D)

The legal name of transferee applicant which shall be the name currently on file with the Internal Revenue Service (IRS).

(E)

Current provider number(s) of transferee applicant, if applicable.

(F)

Fictitious business name of the transferee applicant, if applicable.

(G)

A statement signed and dated by both the provider transferor and the transferee applicant wherein they accept joint and several liability for all debts arising from the Medi-Cal provider agreement applicable to the location for which a provider number was issued by the Department.

(2)

The transferee applicant shall submit to the Department within 35 days of the occurrence of any event listed in Section 51000.30(b), a complete application package pursuant to Section 51000.30.

(b)

Notwithstanding the Provider Bulletin, titled "Effective Date of Enrollment," dated June 2004, accessible on the Medi-Cal web site at www.medi-cal.ca.gov at the Provider Enrollment link, under Statutes, Regulations and Provider Bulletins, if the transferee applicant is enrolled based on an application submitted pursuant to Section 51000.30(b), the effective date of enrollment shall be the date on the notice and the provider transferor's provider number shall be deactivated effective that date.

(c)

If an application submitted pursuant to 51000.30(b) is denied based on the transferee applicant's failure to meet the criteria specified in Section 51000.50(a), the provider transferor's Medi-Cal provider agreement along with the provider number originally issued for that location shall be deactivated as of the date of the

occurrence of any event listed in Section 51000.30(b). Both the provider transferor and the transferee applicant shall be jointly and severally liable to the Department for all amounts paid for services, goods, supplies, or merchandise, provided directly or indirectly, to a Medi-Cal beneficiary after that date.