

OMB Approval No. 0938-0685

### SECTION 3: ADVERSE LEGAL ACTIONS AND OVERPAYMENTS

- A. Adverse Legal History** - This section is to be completed with information concerning any adverse legal actions that have been imposed or levied against this supplier, as identified in Section 2A. See Table A on the application form for a list of adverse actions that must be reported.

If reporting a change to existing information, check "Change," provide the effective date of the change, complete the appropriate fields in this section, and sign and date the certification statement. Otherwise:

1. The supplier must state whether, under any current or former name or business identity, it has ever had any of the adverse legal actions listed in Table A of the application form imposed against it.
2. If the answer to this question is "Yes," supply all requested information. Attach copies of official documentation related to the adverse legal action. Such documentation includes adverse legal action notifications (e.g., notification of disciplinary action; criminal court documentation that verifies the conviction of a crime) and documents that evidence how the adverse legal action was finally resolved (e.g., reinstatement notices, etc.).

If the supplier is uncertain as to whether it falls within one of the adverse legal action categories or whether a name reported on this application has an adverse legal action, query the Healthcare Integrity and Protection Data Bank. If the supplier needs information on how to access the data bank, call 1-800-767-6732 or visit [www.npdb-hipdb.com](http://www.npdb-hipdb.com). There is a charge for using this service.

**Table A**--This is the list of adverse legal actions that must be reported. All applicable adverse legal actions must be reported, regardless of whether any records were expunged or any appeals are pending.

- B. Overpayment Information** - Current laws found in the Federal Streamlining Act and the Debt Collection Improvement Act require all Federal agencies to determine whether an individual or business entity that enters into a business relationship with that agency has any outstanding debts, including overpayments under different identifiers. Failure to furnish information about overpayments will put the supplier in violation of these Acts and subject it to possible denial of its Medicare enrollment.

1. The supplier, as identified in Section 2A, must report all outstanding Medicare overpayments that it is liable for, including those paid to the supplier, or on its behalf, under a different name. For purposes of this section, the term "outstanding Medicare overpayment" is defined as a debt that meets all of the conditions listed below:
  - a) The overpayment arose out of the supplier's current or previous enrollment in Medicare. This includes any overpayment incurred by the supplier under a different name or business identity, or in another Medicare contractor jurisdiction;
  - b) CMS (or its contractors) has determined that the supplier is liable for the overpayment; and
  - c) The overpayment is not or has not been included as part of a repayment plan approved by CMS (or its contractors), nor is the overpayment amount being repaid through the withholding of Medicare payments to the supplier.

Any overpayment not meeting all of these conditions should not be reported.

2. Furnish the full name or business identity under which the overpayment occurred and the account number under which the overpayment exists.

**NOTE:** Overpayments that occur after the suppliers' enrollment has been approved do not need to be reported unless the supplier is enrolling with a different Medicare contractor.