

§ 422.504

(A) The credentials of medical professionals affiliated with the party or parties will be either reviewed by the M+C organization; or

(B) The credentialing process will be reviewed and approved by the M+C organization and the M+C organization must audit the credentialing process on an ongoing basis.

(v) All contracts or written arrangements must specify that the related entity, contractor, or subcontractor must comply with all applicable Medicare laws, regulations, and HCFA instructions.

(5) If the M+C organization delegates selection of the providers, contractors, or subcontractor to another organization, the M+C organization's written arrangements with that organization must state that the HCFA-contracting M+C organization retains the right to approve, suspend, or terminate any such arrangement.

(j) *Additional contract terms.* The M+C organization agrees to include in the contract such other terms and conditions as HCFA may find necessary and appropriate in order to implement requirements in this part.

(k) *Severability of contracts.* The contract must provide that, upon HCFA's request—

(1) The contract will be amended to exclude any M+C plan or State-licensed entity specified by HCFA; and

(2) A separate contract for any such excluded plan or entity will be deemed to be in place when such a request is made.

(l) *Certification of data that determine payment.* As a condition for receiving a monthly payment under subpart F of this part, the M+C organization agrees that its chief executive officer (CEO) or chief financial officer (CFO) must request payment under the contract on a document that certifies the accuracy, completeness, and truthfulness of relevant data that HCFA requests. Such data include specified enrollment information, encounter data, and other information that HCFA may specify.

(1) The CEO or CFO must certify that each enrollee for whom the organization is requesting payment is validly enrolled in an M+C plan offered by the organization and the information re-

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lied upon by HCFA in determining payment is accurate.

(2) The CEO or CFO must certify that the encounter data it submits under § 422.257 are accurate, complete, and truthful.

(3) If such encounter data are generated by a related entity, contractor, or subcontractor of an M+C organization, such entity, contractor, or subcontractor must similarly certify the accuracy, completeness, and truthfulness of the data.

(4) The CEO or CFO must certify that the information in its ACR submission is accurate and fully conforms to the requirements in § 422.310.

[63 FR 35099, June 26, 1998; 63 FR 52614, Oct. 1, 1998, as amended at 64 FR 7980, Feb. 17, 1999]

§ 422.504 Effective date and term of contract.

(a) *Effective date.* The contract is effective on the date specified in the contract between the M+C organization and HCFA and, for a contract that provides for coverage under an MSA plan, not earlier than January 1999.

(b) *Term of contract.* Except as provided in paragraph (d) of this section, each contract is for a period of 12 months beginning on January 1 and ending on December 31.

(c) *Renewal of contract.* In accordance with § 422.506, contracts are renewed annually only if—

(1) HCFA informs the M+C organization that it authorizes a renewal; and

(2) The M+C organization has not provided HCFA with a notice of intention not to renew.

(d) *Exception.* Prior to January 1, 2002, at HCFA's discretion, a contract may be for a term longer than 12 months and may begin on a date specified by HCFA other than January 1.

§ 422.506 Nonrenewal of contract.

(a) *Nonrenewal by an M+C organization.* (1) An M+C organization may elect not to renew its contract with HCFA as of the end of the term of the contract for any reason provided it meets the timeframes for doing so set forth in paragraphs (a)(2) and (a)(3) of this section.