

GOOD CAUSE EXCEPTION TO SUSPENSION

In limited cases, a provider may be granted an exception to a temporary suspension under federal law. According to 42 C.F.R. §455.23, the State may find that good cause exists not to suspend payments under certain circumstances. It states,

“(e) Good cause not to suspend payments. A State may find that good cause exists not to suspend payments, or not to continue a payment suspension previously imposed, to an individual or entity against which there is an investigation of a credible allegation of fraud if any of the following are applicable:

- (1) Law enforcement officials have specifically requested that a payment suspension not be imposed because such a payment suspension may compromise or jeopardize an investigation.
- (2) Other available remedies implemented by the State more effectively or quickly protect Medicaid funds.
- (3) The State determines, based upon the submission of written evidence by the individual or entity that is the subject of the payment suspension, that the suspension should be removed.
- (4) Beneficiary access to items or services would be jeopardized by a payment suspension because of either of the following:
 - (i) An individual or entity is the sole community physician or the sole source of essential specialized services in a community.
 - (ii) The individual or entity serves a large number of beneficiaries within a HRSA-designated medically underserved area.
- (5) Law enforcement declines to certify that a matter continues to be under investigation per the requirements of paragraph (d)(3) of this section.
- (6) The State determines that payment suspension is not in the best interests of the Medicaid program.”

Providers seeking this good cause exception should submit any relevant documentation to the Office of Medicaid Inspector General (OMIG) in writing within 10 days after receipt of notice of suspension. Pursuant to 42 C.F.R. §455.23(e), and within a reasonable amount of time, OMIG will then make a determination whether good cause exists to grant the exception according to the criteria set forth therein.