SMMC Contract Section	Subcontract Requirements
42 CFR 438.230(b)(1) Attachment II, X.C.1.a. X.C.1.e.	The Managed Care Plan shall maintain ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of this Contract, including performance of duties. All tasks related to the subcontract are to be performed in accordance with the terms of the SMMC Contract.
Attachment II, X.C.1.a	The plan's right to promptly revise the subcontract into compliance if the Agency determines, at any time, that a subcontract is not in compliance with an SMMC Contract requirement.
42 CFR 438.230, 438.3(k), 455.104-.106 Attachment II, X.C.1.b	The subcontractor shall comply with all applicable Medicaid laws and regulations, including applicable sub-regulatory guidance and SMMC Contract provisions, and any other applicable State or federal law.
Attachment II, X.C.1.c.	The Managed Care Plan shall identify the service(s) and/or goods covered by the subcontract, as applicable.
42 CFR 438.230(c)(1)(i) & (ii) Attachment II, X.C.1.a.(1) & X.C.1.d.	Contains provisions wherein the subcontractor is agreeing to perform the delegated activities and reporting responsibilities specified in the SMMC Contract Reporting Requirements and the SMMC Report Guide.
Attachment II, X.C.3.a.	The Managed Care Plan agrees to make payment to all subcontractors pursuant to all State and federal laws, rules and regulations, including s. 409.967, F.S., s. 409.975(6), F.S., s. 409.982, F.S., s. 641.3155, F.S., 42 CFR 238.230, 42 CFR 447.46, and 42 CFR 447.45(d)(2), (3), (5) and (6), in addition to sub regulatory guidance and the provisions of this Contract.
Attachment II, X.C.3.a.(1).(a).	Identifies the conditions and method of payment.
Attachment II, X.C.3.a.(1).(b).	Provide for a prompt submission of information needed to make payments.
Attachment II, X.C.3.a.(1).(c).	Provide for full disclosure of the method and amount of compensation or other consideration to be received from the Managed Care Plan.
Attachment II, X.C.3.a.(1).(d).	Requires that any claims processing vendors maintain accurate enrollee and provider information, including provider agreements reflecting the correct reimbursement rate and provider specialty, to ensure the correct adjudication of claims and proper payment to providers.
Attachment II, X.C.3.a.(1).(e).	Requires that any payment to a provider be accompanied by an itemized accounting of the individual claims included in the payment, including but not limited to the enrollee's name, the date of service, the procedure code, service units, the amount of reimbursement, and the identification of the Managed Care Plan.
Attachment II, X.C.3.a.(1).(f).	Requires that an adequate record system be maintained for recording services, charges, dates and all other commonly accepted information elements for services rendered to the Managed Care Plan.

SMMC Contract Section	Subcontract Requirements
Attachment II, X.C.3.a.(1).(g).	Specifies that the Managed Care Plan shall assume responsibility for cost avoidance measures for third party collections in accordance with the Financial Requirements section of the SMMC Contract.
42 CFR 438.230(c)(3)(i) 42 CFR 438.230(c)(3)(iv) Attachment II, X.C.3.b.(1)	Provide that the Agency, CMS, the DHHS Inspector General, the Comptroller General or their designees, and DHHS have the right to audit, evaluate, or inspect the subcontractor's premises, physical facilities, equipment, books, records, contracts, computer, or other electronic systems of the subcontractor, or of the subcontractor's subcontractor, pertaining to any aspect of services and activities performed, determination of amounts payable under the Managed Care Plan's SMMC Contract with the State, or if there is a reasonable possibility of fraud or similar risk.
42 CFR 438.230(c)(3)(iii) 42 CFR 438.3(h) Attachment II, X.C.3.b.(1)	The subcontractor shall agree that the right to audit exists through ten (10) years from the final date of the Managed Care Plan's SMMC Contract period or from the date of completion of any audit, whichever is later.
42 CFR 438.230(c)(3)(ii) 42 CFR 438.3(h) SSA 1903(m)(2)(A)(iv) Attachment II, X.C.3.b.(2)	Provide that the subcontractor shall make available, at anytime, for purposes of an audit, evaluation, or inspection its premises, physical facilities, equipment, books, records, contracts, computers, or other electronic systems relating to its Medicaid enrollees pertinent to the Managed Care Plan's SMMC Contract by the Agency, CMS, the DHHS Inspector General, the Comptroller General or their designees, and DHHS.
Attachment II, X.C.3.b.(3)	Require full cooperation in any investigation by the Agency, MFCU, CMS, the DHHS Inspector General, the Comptroller General, or their designees, DOEA, or other State or federal entity or any subsequent legal action that may result from such an investigation.
Attachment II, X.C.3.b.(6)	Provide for monitoring of services rendered to Managed Care Plan enrollees through the subcontractor.
42 CFR 438.224 Attachment II, X.C.3.c.(1)	Ensuring medical records and other health and enrollment information that identifies a particular enrollee is safeguarded.
Attachment II, X.C.3.c.(2)	An exculpatory clause, which survives subcontract termination, including breach of subcontract due to insolvency, which assures that enrollees or the Agency will not be held liable for any debts of the subcontractor;

SMMC Contract Section	Subcontract Requirements
768.28, F.S. Attachment II, X.C.3.c.(3)	A clause indemnifying, defending and holding the Agency, its designees, and the Managed Care Plan's enrollees harmless from and against all claims, damages, causes of action, costs or expenses, including court costs and reasonable attorney fees, to the extent proximately caused by any negligent act or other wrongful conduct arising from the subcontract agreement. This clause must survive the termination of the subcontract, including breach due to insolvency. The Agency may waive this requirement for itself, but not Managed Care Plan enrollees, for damages in excess of the statutory cap on damages for public entities, if the subcontractor is a State agency or subdivision or a public health entity with statutory immunity.
Attachment II,X.C.3.c.(4)	Require that the subcontractor secure and maintain, during the life of the subcontract, workers' compensation insurance for all of its employees connected with the work under the SMMC Contract unless such employees are covered by the protection afforded by the Managed Care Plan. Such insurance shall comply with Florida's Workers' Compensation Law.
Attachment II, X.C.3.c.(5)	Specify that if the subcontractor delegates or subcontracts any functions of its contract with the Managed Care Plan, that the subcontract or delegation shall include all the requirements of the SMMC Contract, unless otherwise exempted by the SMMC Contract or its Exhibits.
Attachment II, X.C.3.c.(6)	Waiver provisions of those terms of the subcontract, which, as they pertain to Medicaid recipients, are in conflict with the specifications of the SMMC Contract.
42 CFR 438.230(c)(1)(iii) Attachment II, X.C.3.b.& X.C.3.c.(7)	Provide for revoking delegation, or imposing other sanctions, if the subcontractor's performance is inadequate.
42 CFR 438.210 Attachment II, X.C.3.c.(8)	Provide that compensation to individuals or entities that conduct UM activities is not structured so as to provide incentives for the individual or entity to deny, limit, or discontinue medically necessary services to any enrollee.
Attachment II, X.C.3.c.(9)	The subcontractor shall establish, enforce, and monitor solvency requirements that provide assurance of the subcontractor's ability to meet its obligations.
Attachment II, X.C.3.c.(10)	Require that the subcontractor timely notify the Managed Care Plan of changes in directory information.
Attachment II, X.C.3.c.(11).(a)	Details about the False Claims Act.
Attachment II, X.C.3.c.(11).(b)	Details about the penalties for submitted false claims and statements.
Attachment II, X.C.3.c.(11).(c)	Details about the Whistleblower protections.
42 CFR 438.608(a) Attachment II, X.C.3.c.(11).(d)	Arrangements or procedures for the subcontractor's role in preventing and detecting fraud, waste and abuse, and each person's responsibility relating to detection and prevention that are in accordance with 42 CFR 438.608(a).
Attachment II, X.C.3.c.(12)	Providers are obligated to cooperate with recovery efforts, including participating in audits and repay overpayments.

SMMC Contract Section	Subcontract Requirements
Attachment II, X.C.3.d	Subcontractors will co-brand all communications with enrollees and providers to ensure it is clear that the Managed Care Plan is aware of and endorses the content contained within the communication.
Attachment II, X.C.3.f & h.	Includes detailed termination procedures, which should include a requirement for subcontractors to submit notice of termination at least ninety days before the effective date of such withdrawal.
Attachment II, X.C.3.g	Subcontract specifies that the subcontractor shall comply with the marketing requirements specified in the Marketing Section of the SMMC Contract.
Attachment II, X.C.3.i	Require subcontractors to submit timely, complete and accurate encounter data to the Managed Care Plan in accordance with the requirements of the Information Management Systems Section of the SMMC Contract.
408.809, F.S. Attachment II, X.C.4	Subcontractors are subject to background checks. The Managed Care Plan shall consider the nature of the work a subcontractor or agent shall perform in determining the level and scope of the background checks and include language of such in the subcontractor agreement.
For Claims Processing and Payment and/or Risk-bearing Subcontracts Only:	
Attachment II, X.C.3.a.(2)(a)	Requires the subcontractor to submit quarterly unaudited and annual audited financial statements to the Managed Care Plan. The quarterly unaudited financial statements shall be submitted to the Managed Care Plan within sixty (60) days of the end of the quarter and annual audited financial statements shall be submitted within one hundred twenty (120) days of the end of the year.
Attachment II, X.C.3.a.(2)(b)	The Managed Care Plan will provide to the Agency, upon request, copies of the financial statements, including documentation of the Managed Care Plan's financial review.
Attachment II, X.C.3.a.(2)(c)	The Managed Care Plan will notify the Agency within two (2) days of discovery, if based on the Managed Care Plan's review of financial statements or other information, the Managed Care Plan has reason to believe that the subcontracted vendor is insolvent or becoming insolvent.
Attachment II, X.C.3.a.(2)(d)	The Managed Care Plan will include one or both of the following in the subcontractor agreement for subcontractors delegating claims processing and payment: An insolvency account to meet its obligations. The insolvency account shall be funded in an amount equal to two percent (2%) of the annual contract value. In the event that the subcontractor has filed for bankruptcy or has otherwise been determined to be insolvent by a regulating entity, the insolvency account may be drawn upon solely by the Managed Care Plan to disburse funds to meet Medicaid financial obligations incurred by the subcontractor under the contract between the Managed Care Plan and subcontractor. Documentation of the insolvency account, including account balances and governing agreements, shall be provided to the Agency upon request -AND/OR- An Irrevocable Standby Letter of Credit, with the Managed Care Plan as the beneficiary. The issuing bank shall be a federally guaranteed financial institution, licensed to do business in Florida and shall be an entity that is acceptable to the Agency. The value of the Irrevocable Standby Letter of Credit shall be at least two percent (2%) of the annual subcontract value and shall allow the Managed Care Plan to draw upon the Irrevocable Standby Letter of Credit to disburse funds to meet Medicaid financial obligations incurred by the subcontractor under

SMMC Contract Section	Subcontract Requirements
	the contract between the Managed Care Plan and the subcontractor. Copies of the Irrevocable Standby Letter of Credit shall be provided to the Agency.
Attachment II,X.C.3.a.(2).b.	For subcontractors delegated claims processing and payment, the subcontractor shall maintain a surplus account to meet its obligations if the subcontractor is at financial risk and/or is delegated to process and pay claims.
42 CFR 438.8(k)(3) Attachment II, X.C.3.e	All subcontracts for claims adjudication activities shall provide all underlying data associated with MLR reporting to the Managed Care Plan within 180 days of the end of the MLR reporting year or within 30 days of being requested by the Managed Care Plan, whichever is sooner, regardless of current contractual limitations, to calculate and validate the accuracy of MLR reporting.
Retainment Requirements:	
42 CFR 438.3(u) Attachment II, X.C.3.b.(4)	Require subcontractors to retain, as applicable, the following information for no less than 10 years from the close of the SMMC Contract and further if the records are under review or audit until the review or audit is complete:
42 CFR 438.416 Attachment II, X.C.3.b.(4)	Enrollee grievance and appeal records, including, at a minimum, a general description of the reason for the appeal or grievance, data received, date of each review or review meeting, resolution at each level of the appeal or grievance, date of resolution at each level, name of enrollee for whom it was filed.
42 CFR 438.5(c) Attachment II, X.C.3.b.(4)	Base data (example - encounter data)
42 CFR 438.8(k) Attachment II, X.C.3.b.(4)	MLR Reports that include total incurred claims; expenditures on quality improving activities; expenditures related to the compliance program as outlined in 42 CFR 438.608(a) & (b); taxes, licensing, and regulatory fees; methodology for allocation of expenditures; any credibility adjustment applied; the calculated MLR; any remittance owed to the State; a comparison report with the audited financial report required under 438.3(m); a description of the aggregation method used; and the number of member months.
42 CFR 438.604 Attachment II, X.C.3.b.(4)	Data, information, and documentation, such as encounter data, ownership and control information, overpayment recoveries annual reporting, or any other data, documentation, or information relating to the performance of the subcontractor's obligations required by the Managed Care Plan or State.
For Credentialing Subcontracts Only:	
Attachment II, X.C.3.b.(5)	The monitoring and oversight plan to provide assurance that all licensed medical professionals are credentialed in accordance with the Managed Care Plan's and the Agency's credentialing requirements as found in the SMMC Contract, which should include, at a minimum:
42 CFR 455.100-.106, 455.400-.470 Attachment II, VIII.C.2.a	All providers are eligible for participation in the Medicaid program.

SMMC Contract Section	Subcontract Requirements
Attachment II,VIII.C.2.b	Use the CAQH app ProView® application throughout the life of the agreement to collect data from providers as necessary to complete the credentialing process.
Attachment II, VIII.C.2.c	Process for ensuring all providers have a current provider agreement.
Attachment II, VIII.C.2.d	All providers are fully enrolled/on-boarded within 60 days and the date the full and complete provider application is received is indicated on the PNV file when requested.
42 CFR 438.602(b)(2) Attachment II, VIII.C.2.e	Process for terminating a network provider immediately upon notification from the state that the network provider cannot be enrolled, or the expiration of the 60 day period without enrollment of the provider and notifying enrollees of such.
1173(b), SSA Attachment II, VIII.C.2.f	Process for ensuring all providers have a NPI and providing such as part of the PNV submission.
409.907, F.S. Attachment II, VIII.C.2.g	Ensuring providers with a valid Limited Enrolled or Fully Enrolled agreement with the Agency are deemed as having met the following requirements: (1) Proof of provider's current license or authority to do business (2) No revocation, moratorium or suspension of provider's license (3) No sanctions imposed by Medicare or Medicaid (4) Disclosure of ownership and management, business transactions, and conviction of crimes (5) Level II background check
Attachment II, VIII.C.2.h	To receive payment for covered services, non-participating providers have a Medicaid ID in FMMIS.
Attachment II, VIII.C.2.i	If a provider does not successfully complete onboarding within 60 days and the delay is not caused by the plan or its subcontractor, payments may be recouped.
Attachment II, VIII.C.2.j	Credentialing and recredentialing procedure are in writing and include: (1) Formal delegations and approvals of the process (2) Designated credentialing committee (3) Identification of providers under its scope of authority (4) Process that verifies credentialing and recredentialing criteria in the SMMC contract (5) Approval of new providers and imposition of sanctions, termination, suspension, and restrictions on existing providers (6) Identify quality deficiencies that result in sanctions, termination, suspension and restrictions of a provider
Attachment II, VIII.C.2.k	Process for establishing and verifying additional credentialing and recredentialing criteria.
Attachment II, VIII.C.2.l	If a provider is currently suspended or terminated from Medicaid other than for purposes of inactivity, that provider is not eligible.
Attachment II, VIII.C.2.m	Provide for provider disclosures and notifications to the federal DHHS OIG and MPI.
Attachment II, VIII.C.2.n	Process for reporting suspected unlicensed ALFs and AFCH to the Agency and requiring provider do the same.
Additional Requirements for Transportation Subcontractors Who Credential:	

SMMC Contract Section	Subcontract Requirements
Attachment II,VIII.C.2.o.(1)	Process for drug and alcohol testing, safety standards, driver accountability, and driver conduct compliance.
Attachment II, VIII.C.2.o.(2)	Maintain vehicles and equipment in accordance with State and federal safety standards and the manufacturers' mechanical operating and maintenance standards for all vehicles used for transporting Medicaid enrollees.
Attachment II, VIII.C.2.o.(3)	Complies with applicable State and federal laws, including ADA and FTA regulations.
Attachment II, VIII.C.2.o.(4)	Process to immediately remove any vehicle that does not meet FDHSMV licensing requirements, safety standards, ADA regulations, or SMMC Contract requirements and re-inspect the vehicle before it is eligible to provide transportation services for Medicaid enrollees.
Attachment II, VIII.C.2.o.(4)	Vehicles are not to carry more passengers than the vehicle was designed to carry.
Attachment II, VIII.C.2.o.(4)	All lift-equipped vehicles must comply with ADA regulations.
Attachment II, VIII.C.2.o.(5)	Maintain sufficient liability insurance to meet requirements of Florida law.
Attachment II, VIII.C.2.o.(6)	Ensuring adequate seating for paratransit services for each enrollee and escort, child, or personal care attendant.
Attachment II, VIII.C.2.o.(6)	Ensuring personal property that can be stowed safely is transported with enrollee at no additional charge. This includes wheelchairs, child seats, stretchers, secured oxygen, personal assistive devices, and/or intravenous devices, within the capabilities of the vehicle.
Attachment II, VIII.C.2.o.(6)	Requires that each vehicle have posted the plan's toll-free number for complaints.
Attachment II, VIII.C.2.o.(6)	Requires the interior of all vehicles be free from dirt, grime, oil, trash, torn upholstery, damaged or broken seats, protruding metal, or other objects or materials which could soil items placed in the vehicle or cause discomfort to the enrollee.
Attachment II, VIII.C.2.o.(6)	Prohibits smoking, eating, and drinking unless medical necessity requires enrollee to have fluids or sustenance during transport.
Attachment II, VIII.C.2.o.(6)	Requires all vehicles be equipped with two-way communications that are in good working order and audible to the driver at all times.
Attachment II, VIII.C.2.o.(6)	All vehicles have working air conditioners and heaters.
Attachment II, VIII.C.2.o.(7)	Complies with the minimum liability insurance requirement of $200,000 per person and $300,000 per incident for all services. The plan indemnifies and holds harmless the local, state, and federal governments and their entities and the Agency from any liabilities arising out of or due to an accident or negligence on the part of the plan or transportation providers.
Attachment II, VIII.C.2.o.(8)	Maintains a passenger/trip database that includes information for each enrollee it transports.
Attachment II, VIII.C.2.o.(9)	Requires boarding assistance, if necessary or requested, to the seating portion of the vehicle, including opening the door, fastening the seat belt or wheelchair securing devices, storing mobility assistive devices, and closing doors.
Attachment II, VIII.C.2.o.(10)	Requires providers provide shelter, security, and safety of enrollees at vehicle transfer points.
Attachment II,VIII.C.2.o.(11)	Requires providers provide pick up from and return to a mutually agreed-upon location for the enrollee and associated attendant/escort.

SMMC Contract Section	Subcontract Requirements
Attachment II, VIII.C.2.p	All vehicles used for transportation services receive annual safety inspections, and all drivers have passed background checks and meet all qualifications specified in law and rule.
For Plans Who Have a MMA LOB, Additional Requirements for Credentialing Subcontracts Only:	
Exhibit II-A, VII.C.2.a.(1)	Process to verify physicians have good standing of privileges at the hospital designated as the primary admitting facility by the physician or, if the physician does not have admitting privileges, good standing of privileges at the hospital by another physician with whom the physician has entered into an arrangement for hospital coverage.
Exhibit II-A, VII.C.2.a.(2)	Process to verify physicians have Valid Drug Enforcement Administration certificates, where applicable.
Exhibit II-A, VII.C.2.a.(3)	Process to verify physicians have an attestation that the total active patient load (all populations, including but not limited to Medicaid FFS, Children's Medical Services, SMMC plans, Medicare, KidCare, and commercial coverage) is no more than three thousand (3,000) patients per physician. An active patient is one that is seen by the provider a minimum of two (2) times per year.
Exhibit II-A, VII.C.2.a.(4)	Process to verify physicians have a good standing report on a site visit survey. For each provider, documentation in the credentialing files regarding the site survey that include: (a) Evidence that the Managed Care Plan has evaluated the provider's facilities using the Managed Care Plan's organizational standards; (b) Evidence that the provider's office meets criteria for access for persons with disabilities and that adequate space, supplies, proper sanitation, smoke-free facilities, and proper fire and safety procedures are in place; and (c) Evidence that the Managed Care Plan has evaluated the provider's enrollee record keeping practices at each site to ensure conformity with the Managed Care Plan's organizational standards.
Exhibit II-A, VII.C.2.a.(5)	Process to verify physicians have an attestation to the correctness/completeness of the provider's application.
Exhibit II-A, VII.C.2.a.(6)	Process to verify physicians have Statement regarding any history of loss or limitation of privileges or disciplinary activity as described in s. 456.039, F.S.
Exhibit II-A, VII.C.2.a.(7)	Process to verify physicians have a statement from each provider applicant regarding any physical or behavioral health problems that may affect the provider's ability to provide health care and any history of chemical dependency/substance abuse.
Exhibit II-A, VII.C.2.a.(8)	Process to verify physicians have current curriculum vitae or completed credentialing application, which includes at least five (5) years of work history.
Exhibit II-A, VII.C.2.a.(9)	Process to verify physicians have proof of the provider's medical school graduation, completion of residency or other postgraduate training. Evidence of board certification shall suffice in lieu of proof of medical school graduation, residency, and other postgraduate training, if applicable.
Exhibit II-A, VII.C.2.a.(10)	Process to verify providers are recredentialed at least every three (3) years using information from ongoing provider monitoring.
Exhibit II-A,VII.C.2.b.	Process to verify physicians have evidence of specialty board certification, if applicable.
Exhibit II-A, VII.C.2.c.	Process to verify hospital ancillary providers are not required to be independently credentialed if those providers serve Managed Care Plan enrollees only through the hospital.
For Plans Who Have a MMA LOB Physician Incentive Plan Only:	

SMMC Contract Section	Subcontract Requirements
42 CFR 422.208(c)(1) 42 CFR 438.3(i) Exhibit II-A, X.C.2.	Includes a statement that the Managed Care Plan shall make no specific payment directly or indirectly under a physician incentive plan to a subcontractor as an inducement to reduce or limit medically necessary services to an enrollee, and affirmatively state that all incentive plans do not provide incentives, monetary or otherwise, for the withholding of medically necessary care. If the physician incentive plan places a physician or physician group at substantial financial risk for services that the physician or physician group does not furnish itself, the Managed Care Plan shall assure that all physicians and physician groups at substantial financial risk have either aggregate or per-patient stop-loss protection in accordance with 42 CFR 422.208(c)(2).
For LTC LOB Fiscal/Employer Agent Contract Only:	
Exhibit II-A, X.C.2.	The Managed Care Plan or its subcontractor shall perform all F/EA responsibilities as specified in the Participant Direction Option Manual, as provided by the Agency.
Other Requirements:	
Section 119.0701, F.S. Attachment II, XV.K.1.	To include the following audit and record keeping requirements in all approved subcontracts and assignments: To comply with public record laws as outlined in Section 119.0701, Florida Statutes. **Note**: Other requirements as mentioned in C.1., 2., 3., & 5., are covered in Attachment II Section VIII.B. (see applicable checklist items).
Section 274A [8 U.S.C. 1324a], Immigration and Nationality Act Attachment II, XV.O.	To comply with Section 274A (e) of the Immigration and Nationality Act, the Agency will consider the employment of any contractor of unauthorized aliens a violation of this Act. If the Vendor knowingly employs unauthorized aliens, such a violation shall be cause for unilateral cancellation of this Contract. The Vendor shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Contract.
8 CFR 274a.2 XV.P.	The Immigration Reform and Control Act of 1986 prohibits employers from knowingly hiring illegal workers. The Vendor shall only employ individuals who may legally work in the United States (U.S.) - either U.S. citizens or foreign citizens who are authorized to work in the U.S. The Vendor shall use the U.S. Department of Homeland Security's E-Verify Employment Eligibility Verification system, https://e-verify.uscis.gov/emp, to verify the employment eligibility of all new employees hired by the Vendor during the term of this Contract and shall also include a requirement in its subcontracts that the subcontractor utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor performing work or providing services pursuant to this Contract.