



Disclosure of Ownership and Controlling Interest Form

Instructions and Glossary of Key Terms

As set forth in 42 CFR §455, Amplifon Hearing Health Care (AHC) is required to collect disclosure of ownership, controlling interest and management information from all providers that participate in the AHC network. Completion and submission of this Disclosure is a condition of participation. Failure to submit the required information may result in an administrative denial of participation or termination of an existing participation agreement.

This Disclosure must be completed and signed by the business owner of record for the Disclosing entity (must match IRS form W-9) or an authorized officer of the Disclosing Entity with the authority to bind the entity. Submission is required at the time of initial application, upon request by AHC for revalidation, and within 35 days after any change to the reported information.

Upon receipt of a completed Disclosure form, Amplifon will review the responses and run the names of all individuals and entities identified with Ownership or Controlling Interest through a federal database check process. This process includes checking these names against the List of Excluded Individuals/Entities (LEIE) database on the Office of Inspector General (OIG) website, the General Services Administration's System for Award Management (SAM) and other applicable State exclusion lists. This process is required to identify individual entities or entities that have been excluded (directly or indirectly) from a federal health care program. Identification of excluded parties helps prevent fraud and abuse in federal and state health care programs and helps ensure that providers do not have relationships with individuals or entities that have been excluded or terminated from participation in any federal health care program.

All sections of the Disclosure form are required. For assistance with understanding the terms used throughout the form, a Glossary of Key Terms is included below.

Glossary of Key Terms

Agent: Any person who has been delegated the authority to obligate or act on behalf on the entity.

Controlling Interest: The operational direction or management of the Disclosing Entity which may be maintained by any or all of the following devices: the ability or authority, expressed or reserved, to amend or change the corporate identity of the Disclosing Entity; the ability or authority to nominate or name members of the Board of Directors or Trustees of the Disclosing Entity; the ability or authority, expressed or reserved, to amend or change the by-laws, constitution or other operating or management direction of the Disclosing Entity; the ability or authority, expressed or reserved, to control the sale of any or all of the assets, to encumber such assets by way of mortgage or other indebtedness, to dissolve the Disclosing Entity, or to arrange for the sale or transfer of the Disclosing Entity to new ownership control.

Direct Ownership Interest: The possession of equity in the capital, the stock or the profits of the Disclosing Entity.

Disclosing Entity: An individual or entity that is engaged in the delivery of health care services through a federal health care program and is legally authorized to do so by the state in which the individual or entity delivers services. The Disclosing Entity for the purpose of this form is the individual or entity that is entering in to, or has already entered in to, a Network Participation Agreement with Amplifon Hearing Health Care to provide services to members of clients contracted with Amplifon.

Indirect Ownership Interest: An ownership interest in an entity that has ownership interest in the Disclosing Entity. This term includes an ownership interest in any entity that has as indirect ownership interest in the disclosing entity.

Managing Employee: A general manager, business manager, administrator, director or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of the Disclosing Entity.



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Other Disclosing Entity: Any other Disclosing Entity that is required to disclose certain ownership and control information because of participation in any of the programs established under title V, XVIII, or XX of the Act. This includes:

- a) Any hospital, skilled nursing facility, home health agency, independent clinical laboratory, renal disease facility, rural health clinic, or health maintenance organization that participates in Medicare (title XVIII);
- b) Any Medicare intermediary or carrier; and
- c) Any entity (other than an individual practitioner or group of practitioners) that furnishes, or arranges for the furnishing of, health-related services for which it claims payment under any plan or program established under title V or title XX of the Act.

Ownership Interest: An individual or entity that:

- a) Has a Direct Ownership Interest totaling 5% or greater in the Disclosing Entity;
- b) Has an Indirect Ownership interest equal to 5% or greater of the Disclosing Entity;
- c) Has a combination of Direct and Indirect Ownership Interests equal to 5% or greater of the Disclosing Entity;
- d) Owns an interest of 5% or greater in any mortgage, deed of trust, note, or other obligation secured by the Disclosing Entity if that interest equals at least 5% of the value of the property or assets of the Disclosing Entity.

Significant Business Transactions: Any business transaction or series of related that, during any one fiscal year, exceed the lesser of \$25,000 and 5% of an entity's total operation expenses.

Subcontractor:

- a) An individual, agency or organization to which a Disclosing Entity has contracted or delegated some of its management functions or responsibilities of providing medical care to its patients; or
- b) An individual, agency, or organization with which a fiscal agent has entered into a contract, agreement, purchase order, or lease (or leases of real property) to obtain space, supplies, equipment, or services provided under a federal health care program.

Wholly Owned Supplier: A supplier whose total ownership interest is held by the Disclosing Entity or by a person(s) or other entity with an ownership or control interest in the Disclosing Entity.

Determination of Ownership or Control Percentages:

- a) *Indirect ownership interest.* The amount of indirect ownership interest is determined by multiplying the percentages of ownership in each entity. For example, if A owns 10 percent of the stock in a corporation which owns 80 percent of the stock of the disclosing entity, A's interest equates to an 8 percent indirect ownership interest in the disclosing entity and must be reported. Conversely, if B owns 80 percent of the stock of a corporation which owns 5 percent of the stock of the disclosing entity, B's interest equates to a 4 percent indirect ownership interest in the disclosing entity and need not be reported.
- b) *Person with an ownership or control interest.* In order to determine percentage of ownership, mortgage, deed of trust, note, or other obligation, the percentage of interest owned in the obligation is multiplied by the percentage of the disclosing entity's assets used to secure the obligation. For example, if A owns 10 percent of a note secured by 60 percent of the provider's assets, A's interest in the provider's assets equates to 6 percent and must be reported. Conversely, if B owns 40 percent of a note secured by 10 percent of the provider's assets, B's interest in the provider's assets equates to 4 percent and need not be reported.