


HEALTHWEST  
Policy and Procedure  
No. 10-006

Prepared by:  
Jackie Farrar, Network Manager

Effective: December 27, 2001  
Revised: April 3, 2024

Approved by:

Subject: Provider/Contractor  
Business and Financial  
Status

DocuSigned by:  
  
Rich Francisco, Executive Director

I. POLICY

It is the policy of HealthWest to require all contract Providers to furnish evidence of Independent Contractor status and/or business identity and financial solvency status.

II. PURPOSE

The purpose of this requirement is to assure contract Provider declaration of non-HealthWest employee status, and if other than Licensed Independent Practitioner, to provide evidence of their business/financial status.

III. APPLICATION

All contracted Providers of HealthWest.

IV. DEFINITIONS

Proof of Independent Contractor Status: Completed IRS W-9 declaring same.

Financial Solvency: Accountant statement, audit document, or other as proof of financial solvency sufficient to the services covered or expected to be covered by the contract.

V. PROCEDURE

A. Network Development staff will assure contract language/Provider Manual includes requirements for contract Providers to submit evidence of Independent Contractor status and/or proof of business status and financial solvency and include monitoring processes and consequences for non-compliance as defined in B. and C.

## B. Requirements and Monitoring

Provider Type	Requirement	Evidence	Monitoring Schedule	Monitoring Method
<b>Licensed Independent Practitioner</b>	Evidence of Independent Contractor status.	Completed and current IRS W-9 form.  Clean Claims.	Application/ Re-application.  Ongoing.	Document review by Finance/designee. Record payment denials.
<b>All Other Providers</b>	Proof of entity.  Evidence of financial solvency.  Submission of information of pending or unresolved issues related to 1-2 year fiscal audits.	Budget detail completed.  HealthWest Provider Application, Fiscal Certification Form.  IRS 501(C) 3 determination.  Clean claims.	Application/ Reapplication.  Adverse event.  Ongoing.	Document review by finance staff/ Designee.  Record of payment denials.

**Note:** Authority for monitoring of Licensed Independent Practitioners working under sub-contract with HealthWest contractor which is TJC, CARF, or COA-accredited is delegated to the accredited Provider.

## C. Consequences for Non-Compliance

1. Denial of contract.
2. Termination of contract.

JF/hb