

Home Health Agency (*Provider Type 14*) Medicaid Bond - ANNUAL FORM Entry Instructions

An annual Surety Bond is required for Home Health Agencies enrolled as Provider Type 14 which are not owned by a government municipality. The bond value must be the greater of either (a) \$50,000, or (b) 15% of the prior year's claims payment to the provider. Do not submit a bond valued less than \$50,000.

- For **new providers**, this document must be completed before submitting the Arkansas Medicaid Provider Enrollment Application.
- For **existing providers** completing an annual update, please upload the completed form to the Provider Portal under '*Update Surety Bond*'.

The Surety Bond form is a fillable document. You may complete in one of two ways:

1) Type the responses into the form fields. Each enterable field will display a “tool tip” explaining the input requirements below. You may then “Save As” to store or share the file and print the completed form to apply the seals / stamps.

- **Bond No.:** Unique bond number assigned by the Surety
- **Medicaid ID:** Medicaid ID assigned for the Provider's location
- **Principal:** Home Health Agency Name
- **Surety:** Name of Obligee/Guarantor/Insurance Company providing bond guarantee
- **State:** Name of State where Surety is licensed
- **Penal Sum:** This value is the greater of either (a) \$50,000, or (b) 15% of the prior year's claims payment to the provider. Do not submit a bond valued less than \$50,000.
- **From Date:** Select date surety coverage begins (MM/DD/YYYY)
- **To Date:** Select date surety coverage ends (MM/DD/YYYY)
- **Address Line 1:** Surety street address for overpayment notification
- **Address Line 2:** Surety city, state, and zip for overpayment notification
- **Signature Date:** Select signature date (MM/DD/YYYY)
- **Effective Date:** Select date surety coverage begins (MM/DD/YYYY)
- **Principal Name:** Home Health Agency Name
- **Surety Name:** Name of Obligee/Guarantor/Insurance Company providing bond guarantee

2) Print the form, type or write the responses, and add the seals / stamps.

Medicaid Bond - ANNUAL FORM

KNOW ALL PERSONS BY THESE PRESENTS that subject to the terms, conditions, and limitations of this Bond, _____, as Principal, and _____, a corporation organized and existing under the laws of the State of _____, as Surety, are held and firmly bound unto **Arkansas Department of Human Services**, an agency of the State of **Arkansas**, as Obligee, in the Penal Sum of _____ Dollars (_____) for the payment of which Principal and Surety bind themselves, their heirs, executors, administrators and assigns, jointly and severally, by these presents.

WHEREAS, Principal desires to act as a Home Health Agency pursuant to the Medicaid program of said State; and

WHEREAS, the Secretary of the United States Department of Health and Human Services, pursuant to the Balanced Budget Act of 1997 and other applicable laws or regulations, requires that Principal provide a surety bond to Obligee as a condition of Federal Financial Reimbursement to Obligee for all or part of the cost of home health services furnished by Principal under the Medicaid program.

NOW, THEREFORE, the condition of this Bond is that if the Principal shall pay to Obligee any and all uncollected Medicaid overpayments (as that term is defined below) then this Bond shall be null and void, otherwise to remain in full force and effect subject, however, to the following:

1. The term of this Bond shall be from _____ to and including _____.
2. The Principal and Surety are liable under this Bond for uncollected Medicaid overpayments (as defined in 42 C.F.R. § 441.16(a)) for home health services which are both (a) discovered (as defined in 42 C.F.R. § 433.304) during the term of this bond; and (b) for which the Obligee first makes a written demand for payment from the Surety during, or within ninety (90) days after, the term of the bond.
3. The Obligee or its designated agent shall promptly notify the Surety of any uncollected Medicaid overpayment which it asserts against the Principal during the term of this Bond. Such notification shall be effective if sent by mail to the following address:
4. The total aggregate maximum liability of the Surety under this Bond, including interest, is the Penal Sum stated above without regard to the number or amount of uncollected Medicaid overpayments which are discovered and identified in a written notice to the Surety within said (2) two-year period. Any such liability is a part of, not in addition to, the Penal Sum stated above.

Bond No.

Medicaid ID

5. The Additional Requirements set forth in 42 C.F.R. § 441.16(h) are hereby incorporated by reference and are binding on the Principal and Surety to the same extent as if set out verbatim herein; provided, however, that the Principal and Surety's liability during the two (2) year period referenced in 42 C.F.R. § 441.16(h) (2) is limited to uncollected Medicaid overpayments arising out of overpayments made during or prior to the term set forth in Paragraph 1 above.
6. Obligee is the sole Obligee of this Bond, and no action may be brought on it by, or for the use or benefit of, any person or entity other than Obligee or its designated agent.
7. The Principal or Surety may terminate or limit the scope or term of this Bond only if the Surety furnishes Obligee with notice of such termination or limitation not later than: (a) if such termination or limitation is undertaken by the Principal, ten (10) days after the Surety's receipt of notice of such termination or limitation; or (b) if such termination or limitation is undertaken by the Surety, sixty (60) days before the effective date of such termination or limitation. This Bond terminates automatically upon Principal's furnishing Obligee with a new or substitute bond which meets the requirements of 42 C.F.R. Part 441 and any requirements of the Obligee.

IN WITNESS WHEREOF, the undersigned Principal and Surety have set their hands and seals on this
but effective as of .

PRINCIPAL (seal)

By: _____

SURETY (seal)

By: _____

**(ATTACH THE POWER OF ATTORNEY OF THE
SURETY'S ATTORNEY-IN-FACT WHO EXECUTES THIS BOND)**