

**Provider Enrollment and Provider Standards Initiative**  
**TOPIC: Subcontracting / Independent Contractor**  
**Recommendation**

**Standards/Requirements to consider in Waiver Provider Agreement Addendum:**

1. Provider (and any subcontractors) are Independent Contractors.
2. Take out references to “prior approval” for subcontracting. Places liability for subcontractor onto provider.
3. Provider is responsible for the work of the subcontractor – the monitoring is done through the provider.
4. Subcontractors must meet all standards / obligations as provider (insurance, audits, recordkeeping, etc.)
5. Incorporate paragraph 17B and D from model contract:
  - (B) Subcontractors subject to all of the same provisions as a provider
  - (D) Provision responsible for ensuring subcontractor’s performance and rule compliance
6. Provider cannot subcontract with entities who have been disenrolled as an MHCP waiver provider for cause:
  - For services directed by this agreement and dependent upon the existence of a readily-accessible list of disenrolled principals (name of the agency and owners with at least 5% ownership)
7. Add “subcontractor” to #18 of the draft Provider Agreement.