



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

Office of Health Care Quality

Spring Grove Center • Bland Bryant Building

55 Wade Avenue • Catonsville, Maryland 21228-4663

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

TRANSMITTAL

TO: DDA Licensed Service Providers

FROM: Nancy Grimm, R.N., JD, Director, Office of Health Care Quality *NBG*

DATE: June 15, 2011

RE: Submission of Federal Form 990

The Department of Health and Mental Hygiene (the Department) is aware of your efforts to strengthen oversight of health care expenditures to comply with both federal and state regulations. This review requires that certain corporations comply with new reporting and internal program integrity requirements. The State of Maryland enacted corporate board membership standards several years ago for non-profit providers serving people with developmental disabilities and mental illness. Despite these efforts, the Department must rely heavily on licensure renewal and Medicaid provider application information related to its extensive provider network. The Department has identified an information deficit regarding the fiscal integrity of licensed providers and is taking steps to address this concern.

Beginning in July of this year, the licensure renewal application will contain a provision that will require non-profit providers to submit their most recent IRS Form 990 to the Department. The 990 Form is completed yearly by all non-profit organizations registered under the Internal Revenue Service Code sections 501 (c), 527 and 4947 (a)(1) and is considered open to public inspection. The Form's submission to the Department is considered a prerequisite to continued participation as a licensed program in accordance with Health General Article 7-903. If your non-profit organization has not filed an IRS Form 990, you will be asked to certify the reason the form is not filed.

Your cooperation is appreciated. Should you have questions you should refer them to the attention of William Dorrill, Deputy Director, the Office of Health Care Quality, at 410-402-8047

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