

## § 411.377

## 42 CFR Ch. IV (10–1–23 Edition)

the time CMS notifies the requestor of the amount owed until the time CMS receives full payment.

(c) *Fees for outside experts.* (1) In addition to the fees identified in this section, the requestor also must pay any required fees for expert opinions, if any, from outside sources, as described in § 411.377.

(2) The time period for issuing an advisory opinion is suspended from the time that CMS notifies the requestor that it needs an outside expert opinion until the time CMS receives that opinion.

[69 FR 57228, Sept. 24, 2004, as amended at 84 FR 63192, Nov. 15, 2019]

### § 411.377 Expert opinions from outside sources.

(a) CMS may request expert advice from qualified sources if CMS believes that the advice is necessary to respond to a request for an advisory opinion. For example, CMS may require the use of accountants or business experts to assess the structure of a complex business arrangement or to ascertain a physician's or immediate family member's financial relationship with entities that provide designated health services.

(b) If CMS determines that it needs to obtain expert advice in order to issue a requested advisory opinion, CMS notifies the requestor of that fact and provides the identity of the appropriate expert and an estimate of the costs of the expert advice. As indicated in § 411.375(d), the requestor must pay the estimated cost of the expert advice.

(c) Once CMS has received payment for the estimated cost of the expert advice, CMS arranges for the expert to provide a prompt review of the issue or issues in question. CMS considers any additional expenses for the expert advice, beyond the estimated amount, as part of the costs CMS has incurred in responding to the request, and the responsibility of the requestor, as described in § 411.375(c).

[69 FR 57229, Sept. 24, 2004]

### § 411.378 Withdrawing a request.

The party requesting an advisory opinion may withdraw the request before CMS issues a formal advisory opinion.

This party must submit the withdrawal in writing to the same address as the request, as indicated in § 411.372(a). Even if the party withdraws the request, the party must pay the costs the Department has expended in processing the request, as discussed in § 411.375. CMS reserves the right to keep any request for an advisory opinion and any accompanying documents and information, and to use them for any governmental purposes permitted by law.

[69 FR 57229, Sept. 24, 2004]

### § 411.379 When CMS accepts a request.

(a) Upon receiving a request for an advisory opinion, CMS promptly makes an initial determination of whether the request contains a level of detail sufficient for CMS to process the request.

(b) If CMS determines that the request submitted lacks details necessary for CMS to process the request, CMS will provide notification to the requestor within 15 working days of receiving the request.

(c) If the requestor provides the additional information CMS has requested, or otherwise resubmits the request, CMS processes the resubmission in accordance with paragraphs (a) and (b) of this section as if it were an initial request for an advisory opinion.

(d) CMS formally accepts a request when CMS determines that the request (inclusive of any supplemental submissions) describes the arrangement at issue with sufficient detail and that the grounds for rejection of a request listed at § 411.370(e) do not apply. Upon accepting the request, CMS notifies the requestor by regular U.S. mail of the date that CMS formally accepts the request.

(e) The applicable time period that CMS has to issue an advisory opinion set forth in § 411.380(c) does not begin until CMS formally accepts the request for an advisory opinion.

[69 FR 57229, Sept. 24, 2004, as amended at 84 FR 63192, Nov. 15, 2019]

### § 411.380 When CMS issues a formal advisory opinion.

(a) CMS considers an advisory opinion to be issued once it has received payment and once the opinion has been

dated, numbered, and signed by an authorized CMS official.

(b) An advisory opinion contains a description of the material facts known to CMS that relate to the arrangement that is the subject of the advisory opinion, and states CMS's opinion about the subject matter of the request based on those facts. If necessary, CMS includes in the advisory opinion material facts that could be considered confidential information or trade secrets within the meaning of 18 U.S.C. 1095.

(c)(1) Except as set forth in paragraph (c)(2) of this section, CMS issues an advisory opinion in accordance with the provisions of this part within 60 working days after the date on which it formally accepts the advisory opinion request.

(i) In the case of a request for a determination that an arrangement or course of conduct is indistinguishable in all material aspects from another arrangement or course of conduct that was the subject of a prior opinion, CMS issues an advisory opinion within 30 working days after the date on which it formally accepts the advisory opinion request.

(ii) In the case of a request that CMS determines, in its discretion, involves complex legal issues or highly complicated fact patterns, CMS issues an advisory opinion within a reasonable time period after the date on which it formally accepts the advisory opinion request.

(iii) If the last day of the 60-working day or 30-working day time period falls on a Saturday, Sunday, or Federal holiday, CMS may issue the advisory opinion at the close of business on the first business day following the weekend or holiday.

(2) The applicable time period for issuing an advisory opinion is suspended from the time CMS;

(i) Notifies the requestor that the costs have reached or are likely to exceed the triggering amount as described in §411.375(c)(2) until CMS receives written notice from the requestor to continue processing the request;

(ii) Requests additional information from the requestor until CMS receives the additional information;

(iii) Notifies the requestor of the full amount due until CMS receives payment of this amount; and

(iv) Notifies the requestor of the need for expert advice until CMS receives the expert advice.

(d) After CMS has notified the requestor of the full amount owed and has received full payment of that amount, CMS issues the advisory opinion and promptly mails it to the requestor by regular first class U.S. mail.

[69 FR 57229, Sept. 24, 2004, as amended at 84 FR 63192, Nov. 15, 2019]

#### **§411.382 CMS' right to rescind advisory opinions.**

(a)(1) Any advice CMS gives in an advisory opinion does not prejudice its right to reconsider the questions involved in the opinion, and CMS may rescind or revoke the opinion if it determines that there is good cause to rescind or revoke the opinion.

(2) Good cause shall exist where—

(i) There is a material change in the law that affects the conclusions reached in an opinion; or

(ii) A party that has received a negative advisory opinion seeks reconsideration based on new facts or law.

(b) CMS provides advance notice to the requestor and to the public of its decision to rescind or revoke the opinion so that the requestor and other parties may discontinue any course of action they have taken in accordance with, or in good faith reliance on, the advisory opinion.

(c) CMS does not proceed against the requestor with respect to any action the requestor and the involved parties have taken in good faith reliance upon CMS' advice under this part, provided—

(1) The requestor presented to CMS a full, complete and accurate description of all the relevant facts; and

(2) The parties promptly discontinue the action upon receiving notice that CMS had rescinded or revoked its approval, or discontinue the action within a reasonable "wind down" period, as determined by CMS.

[84 FR 63193, Nov. 15, 2019]

#### **§411.384 Disclosing advisory opinions and supporting information.**

(a) Advisory opinions that CMS issues and releases in accordance with