

Governance Structure

Effective Date: 01/0/2018

Policy

- A. It is the policy of the ACO to maintain an identifiable Governing Body with authority to execute the functions of the ACO, as required under Section III.B of the ACO's Next Generation ACO Model Participation Agreement with the Centers for Medicare and Medicaid Services. Governance will be consistent with all applicable federal and state laws, regulations, rules, and guidelines.

Applicability

This policy applies to the ACO's Governing Body, Committees, and Subcommittees, as applicable.

Procedure

A. General

1. The Governing Body of the ACO is responsible for the oversight and strategic direction of the ACO, as well as holding ACO management accountable for the ACO's activities.
2. The Governing Body has sole and exclusive authority to execute the functions of the ACO and make final decisions on behalf of the ACO.
3. The Governing Body must have a transparent governing process.
4. The members of the Governing Body have a fiduciary duty to the ACO, including the duty of loyalty, and their actions must be consistent with that fiduciary duty.
5. The Governing Body must be separate and unique to the ACO (i.e., it may not consist entirely of the governing body of a single ACO Participant) if the ACO consists of multiple, otherwise independent ACO Participants.
6. The Governing Body shall receive regular reports regarding the ACO's Compliance Program from the Compliance Officer of the ACO.
7. The ACO must provide for meaningful participation in the composition and control of the ACO's Governing Body for Next Generation Participants or their designated representatives.
8. The Governing Body may be comprised of members from the Nominating Committee, and Subcommittees. Conversely, the Governing Body may be separate and unique from all of the Committees.
9. At least seventy-five percent (75%) of the ACO's Governing Body shall be controlled by Next Generation Participants or their designated representatives. The Medicare Beneficiary/Consumer Advocate shall not be included when calculating the percent control.

Governance Structure

Effective Date: 01/0/2018

10. The Governing Body must include at least one (1) Medicare Beneficiary Representative who: (1) is served by the ACO; (2) does not have a conflict of interest with the ACO; (3) has no immediate family member with a conflict of interest with the ACO; (4) is not a Next Generation Participant or Preferred Provider; and (5) does not have a direct or indirect financial relationship with the ACO, a Next Generation Participant, or a Preferred Provider, except that such person may be reasonably compensated by the ACO for his or her duties as a member of the governing body of the ACO.
11. The Governing Body must include at least one person with training or professional experience in advocating for the rights of consumers (“Consumer Advocate”, who may be the same person as the Medicare Beneficiary and who: (1) does not have a conflict of interest with the ACO; (2) has no immediate family member with a conflict of interest with the ACO; (3) is not a Next Generation Participant or Preferred Provider; and (4) does not have a direct or indirect financial relationship with the ACO, a Next Generation Participant, or a Preferred Provider, except that such person may be reasonably compensated by the ACO for his or her duties as a member of the governing body of the ACO.
 - a. This individual may be a permanent, non-voting, guest of the ACO in order to comply with the Texas governance requirements that 100% of the Governing Body be controlled by Physicians.
12. Should the ACO Governing Body fail to meet the requirements set forth above, the ACO must describe to CMS why it seeks to differ from the requirements and how the ACO will involve Next Generation Participants in innovative ways in ACO governance.

B. Nominating Committee

1. The Nominating Committee’s core function is to nominate and appoint the members of the Governing Body. It will meet on an as needed basis.
2. If a member of the Governing Body is removed or resigns, the Nominating Committee is charged with filling the vacancy.
3. The Nominating Committee appoints the Chairperson of the Governing Body.
4. The Nominating Committee is comprised of two (2) members:
 - a. One (1) member who is an ACO Participant; and,
 - b. One (1) member from Collaborative Health Systems (CHS).
5. The Nominating Committee vote must be unanimous.

C. Governing Body

1. The Governing Body is created and defined within the Operating Agreement.
2. Responsibilities of the Governing Body include the following:
 - a. Fiduciary Duty to the ACO and determining strategic direction and goals of the ACO;

Governance Structure

Effective Date: 01/0/2018

- b. Adopting, monitoring, and reviewing the ACO's mission to ensure it reflects the ACO's tenants of improving the care and health of Beneficiaries while lowering costs, while setting and planning clear goals and directions for the future;
- c. Selecting and appointing a CEO and any officers to serve on behalf of the ACO and to manage its affairs.
- d. Delegating authority to appointed officers, reviewing and monitoring their performance, and removing such officers when necessary;
- e. Delegation and oversight of day-to-day functions to the officers;
- f. Promulgation of ACO rules and guidelines, including adopting all ACO Policies and Procedures (P&P), charters, Subcommittee recommendations, etc.;
- g. Defining the Committees and appointing the members; and,
- h. Defining the criteria and approving the distribution of shared savings.

D. Subcommittees

1. The various Subcommittees under the Governing Body carry out the administrative, clinical, and compliance activities of the ACO. Each Subcommittee serves specific functions that are required of the ACO.
2. The number, structure, and responsibilities of the Subcommittees are largely at the discretion of the ACO Governing Body. Organizational structures and functions and Subcommittee members will be documented in a consistent format for ease of review.
3. The Subcommittees are initially created by the Governing Body and meet at least quarterly. Subcommittees may be combined by vote of the Governing Body.
4. The Subcommittees are solely a recommending body. Suggestions proposed by a Subcommittee must be ratified by the Governing Body. Each Subcommittee must include at least one (1) Next Generation Participant.
5. Each Subcommittee will adopt a Subcommittee Charter that defines specifics including, but not limited to, the scope of the Subcommittee, qualifications for membership, Subcommittee objectives, and meeting times and locations. The Charter will serve as the governing document for the Subcommittee.

E. Voting Requirements

1. For a Committee to hold an official vote, quorum must be met. In order for quorum to be met at least a majority of the active serving Committee members must be present. If quorum is not met, then a meeting cannot occur and must be rescheduled.
2. A voting member must be present (in person or telephonic) to vote.
3. Voting proxy can be given by a voting member to an individual. The individual to whom proxy is given can only vote for items that the voting member would have been entitled to vote upon were s/he present and the Proxy must vote as the voting member would

Governance Structure

Effective Date: 01/0/2018

have voted. The Proxy cannot vote on new matters which arise during the course of the meeting. A voting member's Proxy does not count towards a meeting's quorum.

F. Miscellaneous

1. A non-cooperative member of a Subcommittee can be removed by the Governing Body.
2. Governing Body members may be removed by a majority vote of the other Governing Body members.
3. The Secretary or an ad hoc secretary will be assigned to record the minutes of all Committee and Subcommittee meetings.
4. The previous meeting's minutes must be distributed prior to the next meeting. Then, the minutes must be reviewed and ratified by the Committee. Any changes to the draft minutes must also be ratified by the Committee.

Reporting

- A. N/A

Related Documentation

- A. Next Generation ACO Model Participation Agreement Section III.B
- B. ACO Terms & Definitions Policy
- C. Governance Training Handbook
- D. Governing Body & Subcommittee Meeting Minutes Policy
- E. Operating Agreement and Amendments
- F. Subcommittee Charters