



Policy Title: Board of Managers			
Department Responsible: ACO Operations	Policy Number: OP-003	THN's Effective Date: January 1, 2022	Next Review/Revision Date: September 30, 2024
Title of Person Responsible: Assistant Director of ACO Operations	THN Approval Council: THN Operations Committee	Date Approved: January 5, 2024	

- I. **Purpose.** The purpose of OP-003 is to provide (1) a statement of Triad HealthCare Network's (THN's) policy regarding the REACH Accountable Care Organization (ACO) Board of Managers and (2) procedures to ensure that they comply with the ACO Participation Agreement.

- II. **Policy.** THN shall maintain an identifiable governing body with sole and exclusive authority to execute the functions of THN and make final decisions on behalf of THN's ACO.

- III. **Procedure.**
 - A. *General.*
 1. THN's ACO shall have a governing body that satisfies the following criteria:
 - a. The governing body has a responsibility for oversight and strategic direction of THN and is responsible for holding THN management accountable to THN's activities.
 - b. The governing body is separate and unique to THN, except as permitted under Section 3.01.C, in the ACO REACH Participation Agreement (PA).
 - c. The governing body has a transparent governing process.
 - d. When acting as a member of the governing body of THN, each governing body member has a fiduciary duty to THN, including the duty of loyalty, and shall act consistent with that fiduciary duty; and
 - e. The governing body shall receive regular reports from the designated ACO compliance official of THN who satisfies the requirements of Section 15.01, in the ACO REACH PA.
 2. THN's ACO compliance official shall provide each member of the governing body with a copy of the ACO REACH Agreement and



any amendments hereto.

3. If CMS determines that the composition of THN's governing body, executive leadership, or parent organization compromises THN's ability to participate in the ACO REACH Model or to comply with the terms of the Agreement, CMS may take one or more of the remedial actions specified in Section 17.01, of the ACO Agreement.

B. Composition and Control of the Governing Body:

1. THN's ACO governing body shall include at least one ACO Beneficiary ("Beneficiary Representative") served by THN's ACO who:
 - a. Does not have a conflict of interest with the ACO.
 - b. Has no immediate family member with a conflict of interest with the ACO.
 - c. Is not an ACO Participant Provider or Preferred Provider; and
 - d. Does not have a direct or indirect financial relationship with the ACO, a ACO Participant Provider, or a Preferred Provider, except that such person may be reasonably compensated by THN's ACO for his or her duties as a member of the ACO governing body of THN.
 - e. Has voting rights on the ACO's governing body.
2. THN's governing body shall include at least one person with training or professional experience in advocating for the rights of consumers ("Consumer Advocate"), who is not the same person as the Beneficiary Representative of the ACO REACH PA, and who:
 - a. Does not have a conflict of interest with the ACO.
 - b. Has no immediate family member with a conflict of interest with the ACO
 - c. Is not a ACO Participant Provider or Preferred Provider; and
 - d. Does not have a direct or indirect financial relationship with the ACO, a ACO Participant Provider or Preferred Provider, except that such person may be reasonably compensated by the ACO for his or her duties as a member of the ACO governing body of THN.
 - e. Has voting rights on the ACO's governing body.
3. THN's ACO governing body shall not include a Prohibited Participant, or an owner, employee, or agent of a Prohibited Participant.
4. the Beneficiary Representative described in Section 3.02.B.1 and the Consumer Advocate described in Section 3.02.B.2 must be two unique individuals. If Beneficiary and/or Consumer Advocate

representation on the ACO governing body is prohibited by state law, the ACO shall notify CMS and request CMS approval of an alternative mechanism to ensure that its policies and procedures reflect consumer and patient perspectives. CMS shall use reasonable efforts to approve or deny the request within 30 Days.

5. The governing body members may serve in similar or complementary roles or positions for ACO Participant Providers or Preferred Providers, subject to Section 3.02.C of the ACO REACH PA.
 6. As of Performance Year 2023, at least 75 percent control of THN's governing body shall be held by
 - a. ACTIVE Participant Provider that has an Organization NPI affiliated with the ACO; or
 - b. Designated representative of an active Participant Provider that is an entity but may NOT represent an individual Participant Provider with an Individual NPI. For the purposes of this requirement, a designated representative must be an individual employed by or under contract with the Participant Provider entity that designates the representative.
 - c. The Beneficiary and Consumer Advocate required under Section 3.02 of the ACO REACH PA will be included in both the numerator and the denominator when calculating the percent control. THN may seek an exception from the 75 percent control requirement by submitting a proposal to CMS describing the current composition of THN's governing body and how THN will involve ACO Participant Providers in innovative ways in THN's governance. Any exception to the 75 percent control requirement will be at the sole discretion of CMS.
- C. **Operations.** Operations shall be managed by an executive, officer, manager, general partner, or similar party whose appointment and removal are under the control of the ACO's governing body and whose leadership team has demonstrated the ability to influence or direct clinical practice to improve the efficiency of processes and outcomes.
1. The BOM will meet at least four (4) times annually and other meeting will be called as needed.
 2. The ACO compliance official will provide quarterly reports to the ACO Board Members on the Compliance and Integrity Program activities and results.
 3. The ACO compliance official is responsible to implement and maintain documentation on the Board of Manager's participation in the annual Conflict of Interest disclosure, the Code of Conduct and Compliance training.

4. The ACO compliance official will track, audit, and monitor the eligibility and composition of the Board of Managers quarterly.
 5. The ACO compliance official is responsible to audit annually:
 - a. The Board of Manager Policy,
 - b. Code of Conduct and compliance training,
 - c. Conflict of Interest disclosures,
 - d. Sharing of the current year Participation Agreement,
 - e. Compliance Reports,
 - f. Board of Manager eligibility and composition, and
 - g. Board of Manager meeting agendas and meeting minutes.
 6. The ACO Executive Assistant will be responsible to document and maintain on a secure site all Board of Manager meeting agendas and meeting minutes, ACO committee reports, ACO Compliance Report and all actions taken by the Board of Managers.
 7. The ACO Board of Managers are required to complete the annual Conflict of Interest disclosure and the Code of Conduct and Compliance training annually.
 8. All records, documents and presentations will be maintained in accordance with the THN Record Retention policy for a period of 10 years.
 9. Each ACO Board of Manager shall be entitled to one vote. When a quorum is present at any meeting, the affirmative vote of a majority of all votes entitled to be cast by the Managers shall be the act of the Board of Managers for all purposes, unless the vote of a greater or lesser proportion or number is otherwise expressly required by the Act, the Articles of Organization, or this Agreement. Notwithstanding the foregoing, when the Greater Quorum is present at a meeting to approve a Contract, the affirmative vote of two-thirds (2/3) of all votes entitled to be cast by the Managers shall be required to approve such Contract. Unless otherwise expressly provided herein or required under applicable law, Managers who have a direct or indirect interest (economic or otherwise) in the outcome of any matter upon which the Board of Managers votes, may not consent upon any such matter and their vote shall not be counted in the determination of whether the requisite matter was approved by the Board of Managers.
- D. **Conflict of Interest.** THN shall have a Conflict-of-Interest policy that applies to members of the ACO governing body and satisfies the following criteria:

1. Requires each member of the governing body to disclose relevant financial interests on annual basis.
2. Requires each member to be cleared of a conflict of interest prior to the start of the Performance year.
3. Provides a procedure to determine whether a conflict of interest exists and sets forth a process to address any conflicts that arise; and
4. Addresses remedial actions for members of the governing body that fail to comply with the policy.

E. Roles and Responsibilities: The ACO Board of Managers acting collectively (and not separately or individually) shall have full, exclusive, and complete discretion, power, and authority, to make all ACO decisions affecting such business and affairs, including:

1. electing the officers of THN who shall report directly to the ACO Board of Managers.
2. acquire by purchase, exchange, lease, or otherwise, any real or personal property, tangible or intangible.
3. construct, operate, maintain, finance, and improve, and to own, sell, convey, assign, mortgage, or lease any real estate and any personal property.
4. sell, dispose, trade, or exchange THN's assets.
5. determine the amount of cash reserves to be maintained.
6. enter into agreements and contracts and give receipts, releases, and discharges.
7. purchase liability and other insurance to protect THN's properties and businesses.
8. borrow money for and on behalf of THN, on a secured or unsecured basis.
9. prepay, in whole or in part, refinance, amend, modify, or extend any mortgages or deeds of trust which may affect any asset of THN and in connection therewith to execute for an on behalf of THN any extensions, renewals, or modifications or such mortgages or deeds of trust.
10. execute any and all other instruments and documents which may be necessary or in the opinion of the ACO Board of Managers desirable to carry out the intent and purpose of the Operating Agreement of Triad Healthcare Network, LLC.
11. make any and all expenditures which the ACO Board of Managers deems necessary or appropriate in connection with the management of the affairs of THN, including, without limitation, all legal, accounting, and other related expenses incurred in connection with the organization and financing and operation of THN.



12. enter into any kind of activity necessary to, in connection with, or incidental to, the accomplishment of the purposes of THN.
13. employ legal counsel, investment counsel and other agents in any manner in connection with the administration of the assets of THN and to pay such compensation and expenses in connection therewith as the Board of Managers deem reasonable under the circumstances.
14. provide such oversight and strategic direction to THN as it deems advisable; and
15. establish committees as it deems necessary to assist it in carrying out its duties and responsibilities to THN on a continuing basis and shall appoint all members of the standing committees. .

F. Maintenance of Records: THN ACO shall maintain, and shall require all Participant Providers, Preferred Providers, and individuals and entities performing functions or services related to ACO Activities or Marketing Activities to maintain, such books, contracts, records, documents, and other evidence for a period of 10 years from the expiration or termination of the Agreement or from the date of completion of any audit, evaluation, inspection, or investigation, whichever is later, unless:

1. CMS determines there is a special need to retain a particular record or group of records for a longer period and notifies the ACO at least 30 Days before the normal disposition date; or There has been a termination, dispute, or allegation of fraud or similar fault against the ACO, its Participant Providers, Preferred Providers, or other individuals or entities performing functions or services related to ACO Activities or Marketing Activities, in which case the records shall be maintained for an additional six years from the date of any resulting final resolution of the termination, dispute, or allegation of fraud or similar fault. shall maintain all records and documentation consistent with the document retention policy RR-001.

References:

1. PY2023 REACH ACO Participation Agreement
2. Operating Agreement of Triad Healthcare Network, LLC, (Amended Nov. 28, 2023)
3. Conflict of Interest Policy CPE-003
4. THN Code of Conduct
5. Education and Training Policy TD-001
6. Document Retention Policy RR-001



Date	Reviewed	Revised	Notes
January 1, 2022	X		Original Publication
August 2022	X		No changes
May 2023		X	Converted to REACH Changed title from Board of Directors to Board of Managers
December 2023		X	Added Operation and Roles and Responsibilities sections. Updated Reference section