



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, 2026
Title of Person Responsible: Director of ACO Operations	THN Approval Council: THN Operations Committee	Date Approved: October 21, 2025	Date Approved by THN's Accountable Care Organization Board of Managers: August 15, 2023

- 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's REACH ACO and make final decisions on behalf of THN's REACH ACO, consistent with the terms of THN's Operating Agreement.

- 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's REACH ACO and is responsible for holding THN management accountable for THN's REACH ACO 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 REACH PA.

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. ACO Participant Providers; or
 - b. Designated representatives of a Participant Provider that is an entity. 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. **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.
 2. Provides a procedure to determine whether a conflict of interest exists and sets forth a process to address any conflicts that arise; and
 3. Addresses remedial actions for members of the governing body that fail to comply with the policy.



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:

- i. 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
- ii. 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.
- iii. 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 XXX
- 4. 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
December 2024		X	Removed "assistant" from title of person responsible
October 2025		X	Removed Operation and Roles and Responsibilities sections