

Application Packet for Biennial Report Recertification of Non-Profit Health Organization (NPHO)

Each health organization certified under Texas Occupations Code Sec. §162.001(b) shall file with the board a biennial report in September of each odd-numbered year if the organization was initially certified in an odd-numbered year or in September of each even-numbered year if the organization was initially certified in an even-numbered year. A **penalty fee of \$1,000** will be assessed for applications and/or payments postmarked after September 30 of the renewal year. A health organization that fails to submit an accurate and complete biennial report application packet along with the required fees postmarked by December 31 will be decertified and must submit a new initial application packet and fee.

INSTRUCTIONS:

The application packet submitted to the Texas Medical Board (TMB) must include the following:

- Completed and notarized Application for Biennial Report Recertification
- Director Statements
- Required Supplemental Documentation (if applicable)
- Check or Money Order for the required fee stapled to the *Invoice for Nonprofit Health Organization Recertification Application Fee*:
 - For payment postmarked on or before September 30: **\$1125.00**
 - For payment postmarked on October 1 to December 31: **\$2125.00**
- Contact Information Sheet

A checklist has been provided to assist you in gathering the required supplemental documents. Applications are processed in accordance with Texas Occupations Code Chapter 162 and Texas Administrative Code Rule §174.2.

The application must be reviewed by the individual authorized by the organization's bylaws to act as the Chief Executive Officer. Please note that the CEO need not be a physician.

Required supplemental documentation:

- If the **Articles of Incorporation** have been amended since the last filing:
 - The current, amended copy of the Articles **with amendments highlighted**.
 - Copy of acknowledgement of Articles of Amendment from the Secretary of State.
 - Concise explanation of the revisions providing corresponding page numbers in the Articles.
- If the **Bylaws** have been amended since the last filing:
 - The current, amended copy of the Bylaws **with amendments highlighted**.
 - Copy of the minutes that show the adoption of the amendments, or unanimous written consent.
 - Concise explanation of the revisions providing corresponding page numbers in the Bylaws.
 - Indicate the date that the changes were approved by the Board.

Director Statement:

- Make as many copies of the Director's Statement form as needed. A Director's Statement must be completed by each active director. The director's statement must be signed and dated.
- Financial relationships between a Director and any of the following must be indicated:
 - the nonprofit organization
 - the member
 - any supplier
 - other Directors
- Financial relationships include services, benefits, etc. that are **rendered** as well as those that are received. Amounts of compensation are **not** requested. However, if "No Financial Relationships" is selected, and TMB discovers that financial relationships do exist, the Director may be subject to disciplinary action by TMB.

CHECKLIST/WORKLIST FOR 162.001(b) NON-PROFIT RECERTIFICATION

Completed Application, Documents, and Fee

- Biennial Identification Statement/Compliance Statement
- Biennial Document Statement/Document Compliance Statement
- Biennial Report Fee of \$1125 if postmarked before on or before September 30
- Biennial Report Fee of \$2125 if postmarked on October 1 to December 31

Director Statements

- Biennial Directors' Statements signed and verified by each current Director
- Licensed by the TMB
- Actively engaged in the practice of medicine
- Director will exercise independent judgment
- Health Organization to comply with all relevant provisions of the Act and the Rules
- Director will report violation to TMB
- Director must report financial relationships

Articles of Incorporation (if revisions made since last report)

- Organized for any or all purposes (i through v)
- Initial Board of Directors selected consistent with organization's mission
- Copy of Certificate of Incorporation
- Articles of Incorporation
- Whether revisions recommended or approved by the Board of Directors
- Concise explanation of revisions with corresponding page numbers

Bylaws (if revisions made since last report)

- Copy of Bylaws
- Whether revisions recommended or approved by the Board of Directors
- Concise explanation of revisions with corresponding page numbers

Special Requirements - If a Member is not a practicing physician or an entity or organization is not wholly owned and controlled by physicians, Bylaws must include:

- All credentialing, quality assurance, utilization review and peer review policies shall be made exclusively by the Board of Directors
- A majority of the Board of Directors is required to appoint or elect a new Director by a Member unless required by law
- A majority of the Board of Directors is required to amend the bylaws of the Health Organization unless required by law
- Requirements in Tex. Occ. Code Chapter 162, Subchapter A, may not be voided or waived by contract, but member of health organization may establish ethical and with religious directives and a physician may contractually agree to comply with those directives
- The Board of Directors has developed policies of the health organization for the following areas:
 - Credentialing
 - Quality Assurance
 - Utilization Review
 - Peer Review
- The health organization's policies must reserve the sole authority to engage in the practice of medicine to a physician participating in the health organization, regardless of the physician's employment status with the health organization



TEXAS MEDICAL BOARD

Invoice for Nonprofit Health Organization Recertification Application Fee

Complete this form and attach a Cashier’s Check or Money Order made payable to the Texas Medical Board for:

- For payment postmarked on or before September 30: \$1125.00
• For payment postmarked on October 1 to December 31: \$2125.00

Nonprofit Health Organizations will be decertified if recertification applications and/or payments are postmarked after December 31.

Attach the Cashier’s Check or Money Order to this Invoice and mail it to the address listed below to ensure accurate and efficient processing.

Regular Mail:
Texas Medical Board
Attn: Licensure Department
PO Box 2029
Austin TX 78768-2029

Overnight Mail:
Texas Medical Board
Attn: Licensure Department
1801 Congress Ave, Suite 9-200
Austin, TX 78701

Date: _____

Business, Management Company, or Registered Agent Paying on Behalf Of NPHO:

Nonprofit Health Organization Name:

Table with 2 columns: Agency Use Only, Revenue Code, Amount. Rows include codes 4461 (\$1125) and 4463 (\$1000), and a Date Received row.

**APPLICATION FOR RECERTIFICATION:
BIENNIAL REPORT FOR A CERTIFIED 162.001(b) NONPROFIT HEALTH ORGANIZATION**

I hereby request recertification of: _____
(name of Nonprofit Health Organization)

(street address, city, state, zip code)

as a non-profit health organization pursuant the Medical Practice Act of Texas, Texas Occupations Code Section 162.001(b) (the "Act"), and Chapter 174 of the Rules of the Texas Medical Board (the "TMB rules"). By my signature at the end of this Application for Recertification, Biennial Identification/Compliance Statement, Biennial Document/Compliance Statement, I certify that am the _____

(title)

of said organization; that I am the officer authorized in the bylaws to act as the chief executive officer; that the following information in support of this Application for Recertification, Biennial Identification/Compliance Statement, Biennial Document/Compliance Statement has been personally reviewed by me for accuracy, and this information is true and correct.

I. BIENNIAL IDENTIFICATION STATEMENT/COMPLIANCE STATEMENT

The following information is true and correct, the names and mailing addresses are current, and the information is in compliance with the requirements for continued certification as required by the Act and the TMB rules:

1. NON-PROFIT CORPORATION:

NAME

ADDRESS

2. Has the Corporation changed its name since the last filing? YES NO (Select one)

If yes, please indicate the previous name below.

6. OFFICERS:

<u>NAME</u>	<u>OFFICE TITLE</u>	<u>ADDRESS</u>

II. BIENNIAL DOCUMENT STATEMENT/DOCUMENT COMPLIANCE STATEMENT

The current Articles of Incorporation and Bylaws of this nonprofit health organization are in compliance with the requirements for certification and continued certification as required by the Act and the TMB rules, and a current copy of these documents is attached hereto if not already on file with TMB. Also:

1. The **Articles of Incorporation** HAVE HAVE NOT (*select one*) been revised since the last report to TMB (if yes, refer to the instructions).
2. The **Bylaws** HAVE HAVE NOT (*select one*) been revised since the last report to TMB (if yes, refer to the instructions).
3. Such revisions were approved by the Board of Directors on _____ (*date*). (*Insert N/A if appropriate*)

III. DIRECTORS' STATEMENTS

Signed statements of each of the current Directors of this Nonprofit Health Organization are attached hereto and are in compliance with the requirements for certification and continued certification as required by Texas Occupations Code, Section 162.001(b), and Chapter 174 of the Rules of the Texas Medical Board.

DIRECTOR'S STATEMENT

STATEMENT OF _____

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

_____, hereby states to the Texas Medical Board (the "TMB") with full knowledge that the TMB will rely upon these statements in acting upon an application for certification or for purposes of continued certification of _____ under Chapter 174 of the TMB rules, as follows:

1. My name is _____. I am licensed under the Medical Practice Act, Texas Occupations Code, Subtitle B, (the "Act") to practice medicine in the State of Texas. My medical license number is _____.
2. I am on the Board of Directors of _____, a non-profit corporation incorporated in Texas (the "Corporation"). Pursuant to the Articles of Incorporation and Bylaws of the Corporation, the directors of the Corporation and their successors in office are required to be licensed by the TMB and "actively engaged in the practice of medicine". In making this statement, I have reviewed the Articles of Incorporation and the Bylaws of the Corporation.
3. I am "actively engaged in the practice of medicine" defined as follows: engaged in diagnosing, treating or offering to treat any mental or physical disease or disorder or any physical deformity or injury or performing such actions with respect to individual patients for compensation and shall include clinical medical research, the practice of clinical investigative medicine, the supervision and training of medical students or residents in a teaching facility or program approved by the Liaison Committee on Medical Education of the American Medical Association, the American Osteopathic Association or the Accreditation Council for Graduate Medical Education, and professional managerial, administrative, or supervisory activities related to the practice of medicine or the delivery of health care services. The term "full-time basis," for purposes of this section, shall mean at least 20 hours per week for 40 weeks duration during a given year.
4. In serving as a director of the Corporation, I shall comply with all relevant provisions of the Act and the TMB rules.
5. In serving as a director of the corporation, I shall exercise best efforts to cause the Corporation to comply with all relevant provisions of the Act and the TMB rules.
6. I shall exercise independent judgment as a director in all matters and, specifically, matters relating to credentialing, quality assurance, utilization review, peer review, and the practice of medicine.
7. I shall immediately report to the TMB any act or event that I reasonably and in good faith believe constitutes a violation or attempted violation of the Actor the TMB rules.

8. Any financial relationship that I have with (i) the members of the Corporation, or (ii) the other directors of the Corporation, any Supplier (as defined below), or any affiliate with any member, other director, or Supplier, has been disclosed to the members of the Corporation and the Board of Directors of the Corporation. All such financial relationships are described below, and I am disclosing such financial relationship(s) to the TMB by this statement. The term "Supplier" as used in this letter means (i) a physician retained to provide medical services to or on behalf of the Corporation, or (ii) any other person providing or anticipated to provide services or supplies to or on behalf of the Corporation in excess of \$10,000 during a twelve-month period.

FINANCIAL RELATIONSHIPS

Indicate financial relationships held with suppliers, the non-profit health organization, members, or other directors - DO NOT LEAVE BLANK

Check all that apply:

- | | | |
|---|---------------------------------------|--|
| <input type="checkbox"/> Salary | <input type="checkbox"/> Stipend | <input type="checkbox"/> Per Diem |
| <input type="checkbox"/> Commission | <input type="checkbox"/> Royalties | <input type="checkbox"/> Stock Options |
| <input type="checkbox"/> Benefits Package | <input type="checkbox"/> Office Space | <input type="checkbox"/> Other |
| <input type="checkbox"/> No Financial Relationships | | |

I hereby affirm that the information included on this Director's Statement is true and correct in every detail.

Signature of Physician

Date

Nonprofit Application Contact Sheet

Please provide name(s) and contact information for all individuals that can be contacted by Board staff with questions about the application. Correspondence such as the approval notification will also be emailed to the contact(s) provided.

Name of Contact:

- 1.
- 2.
- 3.

Email Address:

- 1.
- 2.
- 3.

Phone Number: