

**Rule No. 560-X-62-.03 - Regional Care Organizations - Governing Board of Directors NEW RULE**

(1) A regional care organization and an organization with probationary regional care organization certification shall have a governing board of directors composed of the following members:

(a) Twelve members shall be persons representing risk-bearing participants in the regional care organization or organization with probationary certification. A participant bears risk by contributing cash, capital, or other assets to the regional care organization. A participant also bears risk by contracting with the regional care organization to treat Medicaid beneficiaries at a capitated rate per beneficiary or to treat Medicaid beneficiaries even if the regional care organization does not reimburse the participant.

(b) Eight members shall be persons who do not represent a risk-bearing participant in the regional care organization.

(i) Five members shall be medical professionals who provide care to Medicaid beneficiaries in the region.

Three of these members shall be primary care physicians, one an optometrist, and one a pharmacist. One primary care physician shall be from a Federally Qualified Health Center appointed jointly by the Alabama Primary Health Care Association and the Alabama Chapter of the National Medical Association and the other two primary care physicians shall be appointed by a caucus of county boards of health in the region through a meeting of the chairpersons of each county board of health or his/her physician designee. The optometrist shall be appointed by the Alabama Optometric Association, or its successor organization. The pharmacist shall be appointed by the Alabama Pharmacy Association, or its successor organization. All five medical professionals shall work in the region served by the regional care organization. None of these members shall be a risk-bearing participant in the regional care organization or be an employee of a risk-bearing participant, but these members may contract with the regional care organization on a fee-for-service basis.

(ii) Three members shall be community representatives and may not be risk-bearing participants in the regional care organization or employees of a risk-bearing participant. They are comprised as follows:

(A) The chair of the citizen's advisory committee established pursuant to the Medicaid Administrative Code.

(B) A citizen's advisory committee member, elected by the committee, who is a representative of an organization that is part of the Disabilities Leadership Coalition of Alabama or Alabama Arise, or their successor organizations.

(C) A business executive, nominated by a chamber of commerce in the region, who works in the region.

(2) A majority of the members of the board may not represent a single type of provider, such as hospitals or doctors engaged in medical practice.

(3) Medicaid shall have the power to approve the members of the governing board and the board's structure, powers, bylaws, or other rules of procedure. No organization shall be granted probationary regional care organization certification or full regional care organization certification without approval.

(4) The regional care organization, the caucus of county boards of health in the region, the citizen's advisory committee, and the optometric and pharmacy associations shall promptly fill any vacancy on the board of directors. The Medicaid Commissioner shall appoint a replacement board member if a board seat is left vacant for at least three months.

(5) The governing board may not take any action unless at least one physician, appointed by a caucus of county boards of health in the region, who does not represent a risk-bearing participant and who does not hold one of the three seats held by community representatives, votes on the prevailing side.

(6) The membership of the governing board of directors shall be inclusive and reflect the racial, gender, geographic, urban/rural, and economic diversity of the region. All non-risk bearing members of the governing board must reside in the Medicaid region during his/her tenure as a board member.

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**Statutory Authority:** Code of Alabama, 1975 Section 22-6-150 *et seq.*

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