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**Applicability:** Stanislaus Surgical Hospital

## Comprehensive Care for Joint Replacement (CJR) Collaborator Eligibility Criteria Policy

### PURPOSE

This policy is designed to promote compliance with the regulatory requirements for Medicare's Comprehensive Care for Joint Replacement (CJR) program at 42 CFR 510, as well as other fraud and abuse, referral, nonprofit and tax-exemption laws. All decisions subject to this policy must comply with the requirements and procedures set forth in this policy, unless an exception has been approved in advance by the Office of General Counsel (OGC).

### POLICY

Sutter Health Hospital Affiliates that participate in the CJR Model must use consistent Eligibility Criteria in selecting CJR Collaborators. Eligibility Criteria must not be based directly or indirectly on the volume or value of referrals or revenue generated between the Hospital and the CJR Collaborator.

### SCOPE

Except as set forth below, this policy applies to Sutter Health, its Affiliated Entities and Operating Corporations (as those terms are defined in the Sutter Health bylaws) and other entities or organizations in which Sutter Health and/or an Affiliated Entity or Operating Corporation has a direct or indirect voting control or equity interest of greater than 50% (collectively hereafter referred to as "Sutter Health," individually referred to each as an "Affiliate").

### DEFINITIONS

- A. **CJR Collaborator** means a physician, Medical Group, or other Medicare-enrolled person or entity identified in 42 CFR § 510.2 that enters into a Sharing Arrangement with a Hospital that participates in the CJR Model.
- B. **CJR Episode** means all Medicare Part A and B covered items and services, with the exception of the items and services described in 42 CFR § 510.200(d), that are furnished to an eligible beneficiary (per 510.205) during the time period that begins with the beneficiary's admission to a Hospital for a lower extremity joint replacement (LEJR) and ends on the 90th day after the date of discharge from that hospitalization, with the day of discharge itself being counted as the first day of the 90-day post-discharge period.

- C. **CJR Model** means the Comprehensive Care for Joint Replacement (CJR) Model mandated by the Centers for Medicare and Medicaid Services (CMS) in 67 Metropolitan Statistical Areas throughout the United States, governed by regulations at 42 CFR § 510.
- D. **Eligibility Criteria** means the minimum standards that a prospective CJR Collaborator must meet in order to enter into a Sharing Arrangement with a Hospital.
- E. **Gainsharing Payment** means a payment from a Hospital to a CJR Collaborator, under a Sharing Arrangement, composed of only reconciliation payments or internal cost savings or both.
- F. **Hospital:** For the purposes of this policy, the term "Hospital" means a Sutter Health Hospital Affiliate located in a Metropolitan Statistical Area chosen by CMS for implementation of the CJR Model, excluding those hospitals that are participating in the Bundled Payments for Care Improvement (BCPI) initiative for LEJR procedures or are Critical Access Hospitals.
- G. **Medical Group:** For the purposes of this policy, the term "Medical Group" includes physician groups and medical foundations.
- H. **Sharing Arrangement** means a financial arrangement between a Hospital and a CJR Collaborator for the sole purpose of making Gainsharing Payments or alignment payments under the CJR model.

## PROCEDURE

- A. **Eligibility Criteria:** A physician or other person or entity that wishes to participate in a Sharing Arrangement with a Hospital as a CJR Collaborator must meet the following Eligibility Criteria as of the effective date of the Sharing Arrangement and remain in compliance with and abide by these criteria throughout the term of the Sharing Arrangement. Meeting these Eligibility Criteria is the threshold for participation in a Sharing Arrangement, but does not guarantee that a CJR Collaborator will receive any Gainsharing Payments. Physicians or others that meet these criteria are not obligated to enter into Sharing Arrangements with a Hospital.
  - 1. Eligibility cannot be based directly or indirectly on the volume or value of referrals or revenue generated between the Hospital and the CJR Collaborator.
  - 2. Any physician who wishes to be a CJR Collaborator must –
    - a. Possess a valid and unrestricted license to practice medicine in California;
    - b. Be a credentialed member in good standing of the Hospital's medical staff;
    - c. Hold a current narcotics number issued by the appropriate governmental agency;
    - d. Be insured against professional liability at a level not less than the level of coverage required by Hospital's medical staff bylaws; and
    - e. Comply with applicable state and federal laws; standards of The Joint Commission; the code of ethics of the AMA; and the bylaws, rules, regulations, policies, and reasonable directives of Hospital and its medical staff, if noncompliance would result in exclusion from Medicare participation.
  - 3. **No Excluded Providers.** All CJR Collaborators must be eligible to participate in the Medicare program. No contract may be entered into with any Physician, Medical Group, or other entity that has been excluded from any governmental healthcare program. The Hospital must verify that the CJR Collaborator providing services is not listed on the GSA List of Excluded Parties located at: <http://www.epls.gov/>, the Office of Inspector General (DHHS) Federal Healthcare Program List of Excluded Individuals/Entities Search at: <http://exclusions.oig.hhs.gov>, or Medi-Cal Suspended and

Ineligible database at: [http://files.medi-cal.ca.gov/pubsdoco/publications/bulletins/part1/part1bull\\_i.asp](http://files.medi-cal.ca.gov/pubsdoco/publications/bulletins/part1/part1bull_i.asp) (under the "susp A" list).

4. **Compliance Program.** CJR Collaborators must agree to maintain a compliance program that includes oversight of the Sharing Arrangement and compliance with all requirements of the CJR Model.
5. **Beneficiary Notification.** Physicians who are CJR Collaborators must agree to provide written notice to eligible Medicare beneficiaries of the structure of the CJR Model and the existence of the physician's Sharing Arrangement with the Hospital at the time that the decision to undergo LEJR surgery is made. Other CJR Collaborators must agree to provide written notice of the existence of their Sharing Arrangements with the Hospital to Medicare beneficiaries no later than the time at which the beneficiary first receives services from the provider or supplier during the CJR Episode.

**B. Eligibility for Gainsharing Payments.**

1. The Hospital must not condition the opportunity to receive Gainsharing Payments on the volume or value of past, current, or anticipated referrals or other business generated to, from, or among the Hospital or its CJR Collaborators.
2. To be eligible to receive a Gainsharing Payment, each CJR collaborator must meet quality criteria for the calendar year for which the Gainsharing Payment is determined by the Hospital. The Hospital must establish quality criteria that are directly related to CJR Episodes.
3. Physician and Medical Group CJR Collaborators must:
  - a. have billed for an item or service rendered to a beneficiary during a CJR Episode that occurred during the calendar year in which the Hospital's internal cost savings was generated, or to which CMS's payment reconciliation process described at 42 CFR § 510.305 applied; and
  - b. contribute to the Hospital's care redesign in the CJR model and be clinically involved in the care of CJR beneficiaries. Being "clinically involved" includes, but is not limited to,
    - i. providing care coordination services to beneficiaries during a CJR Episode,
    - ii. performing a role in implementing care redesign strategies that are intended to improve quality and reduce spending for LEJR procedures, or
    - iii. coordinating with other providers and suppliers to implement strategies for managing beneficiaries' comorbidities during a CJR episode.
4. Medical Group CJR Collaborators must agree to comply with the terms of the Notice of Waivers of Certain Fraud and Abuse Laws in Connection with the CJR Model, issued on November 16, 2015, for distributing Gainsharing Payments to their member physicians.
5. Non-physician/non-medical group CJR Collaborators must directly furnish a billable service to a Medicare beneficiary during CJR Episode that occurred in the calendar year in which the savings or loss was created.

**C. Board Approval.** If a Sharing Arrangement qualifies as a Self-Dealing Transaction or is with a Disqualified Person, it must be approved by the Affiliate and/or Sutter Health Board of Directors pursuant to California Corporations Code Section 5233 and according to the processes and requirements set forth in the Conflicts of Interest Policy and the Intermediate Sanctions Transactions Policy. The terms "Self-Dealing Transaction" and "Disqualified Persons" shall have the meanings as set forth in such policies.

**D. Legal Review/Approval.** Any Hospital that plans to enter into a new or renewal Sharing Arrangement, or that plans to amend or extend an existing Sharing Arrangement, must work with the OGC in advance to

ensure that all such contracts comply with the CJR Model regulations and other applicable law, as well as any applicable policies of Sutter Health, including those relating to physician payments, physician contracting and web based contract management.

- E. **No Retroactive Contracts.** No contract for a Sharing Arrangement may be executed with a retroactive effective date. All parties to the contract should be informed, in advance, that the contract cannot take effect until final approval by the OGC and execution by all parties. The Sharing Arrangement will apply to eligible beneficiaries whose CJR Episodes begin on or after the Sharing Arrangement's effective date. Unless a legal exception exists, no amendments shall be executed with retroactive effective dates.
- F. **Monitoring of Performance.** The Hospital must develop and implement an appropriate procedure for monitoring the CJR Collaborator's performance in the Sharing Arrangement in order to verify compliance with Sharing Arrangement terms and areas for improvement in any renewal.

## REFERENCE

- 42 CFR § 510
- Notice of Waivers of Certain Fraud and Abuse Laws in Connection with the Comprehensive Care for Joint Replacement Model, November 16, 2015

All revision dates:

9/21/2020

### Attachments

No Attachments

### Approval Signatures

Step Description	Approver	Date
GB	Jasdeep Sihota: Area Quality Manager	9/21/2020
MEC	Jasdeep Sihota: Area Quality Manager	9/10/2020
DMC	Dawn Giles: Chief Nursing Executive	8/20/2020
Policy Owner	Dawn Giles: Chief Nursing Executive	8/18/2020