

Biennial Report Processing

Nonprofit corporations that are certified by the Texas Medical Board (TMB) as Nonprofit Health Organizations are required to submit reports every two years from the year of initial certification.

Complete the biennial report and submit it to the Texas Medical Board (TMB) with the required documents and fee no later than September 30th. The fee is **\$1,125.00**. If a health organization is more than 30 days late in submitting their completed biennial report and fee, a **penalty fee of \$1,000** will be assessed.

A health organization that fails to submit an accurate biennial report along with the required fees within 90 days of its due date may be decertified at the next meeting of the board.

A checklist is included at the end of these instructions for your use in gathering the required documents.

The report 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. The President's or CEO's statement must be notarized. Be sure the date of signature and date of notarization match.

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.

Make as many copies of the blank Director's Statement form as needed. A Director's Statement must be completed by each active director. The director's signature must be original; copies or stamps will not be accepted. Notarizations are not required on the Director's Statements.

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.**

TMB Contact Information

Texas Medical Board
P.O. Box 2029
Austin, Texas 78768-2029
(512) 305-7030

Texas Medical Board
1801 Congress Ave, Ste. 9-200
Austin, TX 78701

CHECKLIST/WORKLIST FOR BIENNIAL REPORT - 162.001(b) NON-PROFIT
(with references to Board Rules)

Completed Application, Documents, and Fee

- _____ 177.6(1), Biennial Identification Statement/Compliance Statement
- _____ 177.6(4)
- _____ 177.6(5) Biennial Report Fee \$1,125
- _____ 177.6(2) Biennial Document Statement/Document Compliance Statement
- _____ 177.6(2) Copy of Bylaws, if revisions made since last report
- _____ 177.6(2)(A) Bylaws, if revisions made since last report

Articles of Incorporation, if revisions made since last report

- _____ 177.6(2) Copy of Certificate of Incorporation,
- _____ 177.6(2)(A) Articles of Incorporation
- _____ 177.4(2)(A) Organized for any or all purposes (i through v)
- _____ 177.4(2)(B) Initial Board of Directors selected consistent with organization's mission
- _____ 177.6(2)(B) Whether revisions recommended or approved by the Board of Directors
- _____ 177.6(2)(C) Concise explanation of revisions with corresponding page numbers

Bylaws, if revisions made since last report

- _____ 177.6(2) Copy of Bylaws
- _____ 177.6(2)(A) Bylaws
- _____ 177.6(2)(B) Whether revisions recommended or approved by the Board of Directors
- _____ 177.6(2)(C) Concise explanation of revisions with corresponding page numbers

Directors' Statements

- _____ 177.6(3) Biennial Directors' Statements signed and verified by each current Director
- _____ 177.6(3)(A) Director is licensed by the TMB
- _____ 177.6(3)(B) Director is actively engaged in the practice of medicine
- _____ 177.6(3)(C) Director will exercise independent judgment
- _____ 177.6(3)(D) Director will exercise best efforts to cause the Health Organization to comply with all relevant provisions of the Act and the Rules
- _____ 177.6(3)(E) Director will report violation to TMB
- _____ 177.6(3)(F) Director must report financial relationships

Special Requirements - If a Member is not a practicing physician or an entity or organization is not wholly owned and controlled by physicians, and bylaws or policies have changed since last report

Bylaws must include:

- _____ 177.5(a)(1) All credentialing, quality assurance, utilization review and peer review policies shall be made exclusively by the Board of Directors
- _____ 177.5(a)(2) A majority of the Board of Directors is required to appoint or elect a new Director by a Member unless required by law
- _____ 177.5(a)(3) A majority of the Board of Directors is required to amend the bylaws of the Health Organization unless required by law
- _____ 177.5(d) 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 religious directives and a physician may contractually agree to comply with those directives

_____ 177.5 The board of directors has developed policies of the health organization for the following areas:

_____ 177.5(b)(1) credentialing

_____ 177,5(b)(2) quality assurance

_____ 177.5(b)(3) utilization review

_____ 177.5(b)(4) peer review

_____ 177.5(c) 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

FOR OFFICE USE ONLY

Licensure Staff: _____ Date: _____

Legal Staff: _____ Date: _____

Committee Approval Date: _____

Board Approval Date: _____

Comments:

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Date application/report received: _____

Posted in PENDING LOG _____

Posted in Agency APPROVED LOG _____

Posted in Public APPROVED LOG _____

Posted in REPORT LIST _____