

Application Processing

Complete the application and submit it to the Texas Medical Board (TMB) with the required documents and application fee. The application fee is **\$2,500.00**. A checklist is included at the end of these instructions for your use in gathering the required 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:

- Copy of the Certificate of Incorporation from the Texas Secretary of State. For instructions on obtaining copies of the Certificate of Incorporation for your Nonprofit Corporation go to the Secretary of State's website at <http://www.sos.state.tx.us>.
- Copy of the Articles of Incorporation
- Copy of the Bylaws
- Index of the Bylaws referencing TMB Rules
The index should give the page numbers for each section of the rules that is covered in the bylaws. You may use the enclosed checklist to create the index. For example:

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.

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

(Mailing)

Texas Medical Board
P. O. Box 2029
Austin, Texas 78768-2029

(Physical)

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

CHECKLIST/WORKLIST FOR INITIAL 162.001(b) NON-PROFIT CERTIFICATION

Qualifications for Certification:

- Formed solely by persons licensed by the TMB
- Non-profit corporation under the Texas Non-profit Corporation Act
- Board of Directors consists solely of persons licensed by the TMB and are actively engaged in the practice of medicine
- Organization is not established or organized or operated in contravention to or with the intent to circumvent any of the provisions of the Act

Completed Application, Documents, and Fee

- Initial Identification Statement/Compliance Statement
- Initial Document Statement/Document Compliance Statement
- Copy of Certificate of Incorporation
- Copy of Bylaws
- Initial Fee of \$2,500

Directors' Statements

- Initial 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

- Organized for any or all purposes (i through v)
- Initial Board of Directors selected consistent with organization's mission

Bylaws

- Sole authority to physicians to engage in the practice of medicine
- Director must report violation to TMB
- Director must report financial relationships (or "NONE")
- Termination of physician employees

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

FOR OFFICE USE ONLY

Licensure Staff: _____ Date: _____

Committee Approval Date: _____

Board Approval Date: _____

Comments: