

**[N.J. Rev. Stat. § 30:4D-8.4.]**

§ 30:4D-8.4. Applicants for certification; time to apply; limitation upon number; additional qualification requirements: Medical Assistance and Health Services Act

4. a. The department shall accept applications for certification from demonstration project applicants beginning 60 days following the effective date of this act, and shall certify an applicant as a Medicaid ACO for participation in the demonstration project following its determination that the applicant meets the requirements specified in this section. The department may deny certification of any ACO applicant that the department determines does not meet the requirements of this act. The department may consider applications for approval, including revised applications submitted by an ACO not previously approved to participate in the demonstration project.

b. The department, in consultation with the Department of Health, may certify as many ACOs for participation in the demonstration project as it determines appropriate, but shall certify no more than one ACO for each designated area.

c. Prior to certification, a demonstration project applicant shall demonstrate that it meets the following minimum standards:

(1) The applicant has been formed as a nonprofit corporation pursuant to the "New Jersey Nonprofit Corporation Act," P.L.1983, c.127 (C.15A:1-1 et seq.), for the purposes described in this act;

(2) The applicant's governing board includes:

(a) individuals representing the interests of: health care providers, including, but not limited to, general hospitals, clinics, private practice offices, physicians, behavioral health care providers, and dentists, patients, and other social service agencies or organizations located in the designated area; and

(b) voting representation from at least two consumer organizations capable of advocating on behalf of patients residing within the designated area of the ACO. At least one of the organizations shall have extensive leadership involvement by individuals residing within the designated area of the ACO, and shall have a physical location within the designated area. Additionally, at least one of the individuals representing a consumer organization shall be an individual who resides within the designated area served by the ACO;

(3) The applicant has support of its application by: all of the general hospitals located in the designated area served by the ACO; no fewer than 75% of the qualified primary care providers located in the designated area; and at least four qualified behavioral health care providers located in the designated area;

(4) The applicant has a process for receipt of gainsharing payments from the department and any voluntarily participating Medicaid managed care organizations, and the subsequent distribution of such

gainsharing payments in accordance with a quality improvement and gainsharing plan to be approved by the department, in consultation with the Department of Health;

(5) The applicant has a process for engaging members of the community and for receiving public comments with respect to its gainsharing plan;

(6) The applicant has a commitment to become accountable for the health outcomes, quality, cost, and access to care of Medicaid recipients residing in the designated area for a period of at least three years following certification; and

(7) The applicant has a commitment to ensure the use of electronic prescribing and electronic medical records by health care providers located in the designated area.

d. Nothing in this act shall be construed to prevent the department from certifying an applicant as a Medicaid ACO that also participates in a Medicare ACO demonstration project approved by the federal Centers for Medicare & Medicaid Services.