

Required Public Disclosure for Waiver of the Fraud and Abuse Laws
Beth Israel Deaconess Care Organization
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Background. The U.S. Department of Health and Human Services established a waiver of certain fraud and abuse laws (the “ACO Participation Waiver”) in connection with the operation of an Accountable Care Organization (“ACO”) participating in the Medicare Shared Savings Program (“MSSP”).

Requirements to Grant Waiver. Beth Israel Deaconess Physician Organization, LLC d/b/a Beth Israel Deaconess Care Organization (“BIDCO”) meets the necessary requirements to grant an ACO Participation Waiver; namely, that (1) BIDCO has entered into an MSSP participation agreement with the Centers for Medicare & Medicaid Services – which agreement remains in good standing, (2) BIDCO’s governance, leadership and management meet the ACO requirements set forth in the MSSP regulations, and (3) BIDCO’s governing body has made a *bona fide* determination that the arrangement described below is reasonably related to the purposes of MSSP participation.

Parties to the Arrangement; Description of the Arrangement. The parties seeking waiver protection are Pro Sport Orthopedics, Inc. (“PSO P.C.”) and Pro Sports Orthopedics, LLC. Under the arrangement, PSO P.C. will create a drop-down medical practice subsidiary, organized as Pro Sports Orthopedics, LLC (“PSO LLC”), which in turn will then participate in BIDCO’s ACO.

Purpose of the Arrangement. The purpose of the arrangement is to permit PSO, LLC to participate in BIDCO’s ACO, which therefore promotes accountability for the quality, cost, and overall care for a Medicare patient population as described in the Shared Savings Plan.

Date of the Arrangement. The effective date of the arrangement is June 1, 2017. Thereafter, PSO, LLC will submit enrollment documentation with a participation effective date of January 1, 2018.

Items, Services, Facilities, and/or Goods Covered by the Arrangement. PSO LLC will be a wholly-owned subsidiary of PSO P.C. Each entity will submit claims for services that each entity renders, including designated health services (as such term is defined under the Stark Law) that each entity provides. PSO P.C. will enter into a management agreement with PSO LLC, effective on or about the effective date of the ACO Participation Waiver, pursuant to which PSO P.C. will provide PSO LLC with “turn-key” management services, including all space, equipment, supplies and all clinical and non-clinical personnel so that PSO LLC may operate its medical practice.