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## 42 C.F.R. § 510.500

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### Sharing arrangements under the CJR model.

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(a) *General.* (1) A participant hospital may enter into a sharing arrangement with a CJR collaborator to make a gainsharing payment, or to receive an alignment payment, or both. A participant hospital must not make a gainsharing payment or receive an alignment payment except in accordance with a sharing arrangement.

(2) A sharing arrangement must comply with the provisions of this section and all other applicable laws and regulations, including the applicable fraud and abuse laws and all applicable payment and coverage requirements.

(3) Participant hospitals must develop, maintain, and use a set of written policies for selecting individuals and entities to be CJR collaborators. These policies must contain criteria related to, and inclusive of, the quality of care delivered by the potential CJR collaborator. The selection criteria cannot be based directly or indirectly on the volume or value of past or anticipated referrals or business otherwise generated by, between or among the participant hospital, any CJR collaborator, any collaboration agent, any downstream collaboration agent, or any individual or entity affiliated with a participant hospital, CJR collaborator, collaboration agent, or downstream collaboration agent. A selection criterion that considers whether a potential CJR collaborator has performed a reasonable minimum number of services that would qualify as CJR activities will be deemed not to violate the volume or value standard if the purpose of the criterion is to ensure the quality of care furnished to CJR beneficiaries.

(4) If a participant hospital enters into a sharing arrangement, its compliance program must include oversight of sharing arrangements and compliance with the applicable requirements of the CJR model.

(b) *Requirements.* (1) A sharing arrangement must be in writing and signed by the parties, and entered into before care is furnished to CJR beneficiaries under the sharing arrangement.

(2) Participation in a sharing arrangement must be voluntary and without penalty for nonparticipation.

(3) The sharing arrangement must require the CJR collaborator and its employees, contractors (including collaboration agents), and subcontractors (including downstream collaboration agents) to comply with all of the following:

(i) The applicable provisions of this part (including requirements regarding beneficiary notifications, access to records, record retention, and participation in any evaluation, monitoring, compliance, and enforcement activities performed by CMS or its designees).

(ii) All applicable Medicare provider enrollment requirements at § 424.500 of this chapter, including having a valid and active TIN or NPI, during the term of the sharing arrangement.

(iii) All other applicable laws and regulations.

(4) The sharing arrangement must require the CJR collaborator to have or be covered by a compliance program that includes oversight of the sharing arrangement and compliance with the requirements of the CJR model that apply to its role as a CJR collaborator, including any distribution arrangements.

(5) The sharing arrangement must not pose a risk to beneficiary access, beneficiary freedom of choice, or quality of care.

(6) The board or other governing body of the participant hospital must have responsibility for overseeing the participant hospital's participation in the CJR model, its arrangements with CJR collaborators, its payment of gainsharing payments, its receipt of alignment payments, and its use of beneficiary incentives in the CJR model.

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