

## Carequality® Dispute Resolution Process

- Prior to submitting a Dispute<sup>1</sup> to the Dispute Resolution Process, the parties<sup>2</sup> involved in the Dispute will meet and confer with each other, at least once, in good faith and at a mutually agreeable location (or by telephone), to try to reach resolution (the "Informal Conference").<sup>3</sup>
- If the parties are unable to reach resolution through the Informal Conference, any involved Implementer may escalate the Dispute to the Dispute Resolution Process. To begin the formal Dispute Resolution Process, an Implementer must submit a written Dispute Summary to Carequality via email to [admin@carequality.org](mailto:admin@carequality.org). The Dispute Summary must contain the following elements:
  - a. The other parties involved in the Dispute;
  - b. A concise statement of the issue;
  - c. A brief description of the Informal Conference; and
  - d. Any additional attachments or references that might be helpful to the Dispute Panel.
    - i. The Dispute Summary may not include any Protected Health Information (PHI).

### Disputes Between Implementers

- Upon receipt of a Dispute Summary for a Dispute between Implementers, Carequality will notify the Dispute Resolution Subcommittee that a Dispute Summary was received.
  - The Dispute Resolution Subcommittee (the "Subcommittee") will be a six (6) member standing subcommittee of the Carequality Steering Committee. The members must be Advisory Council members, representatives of Implementers, or representatives of Carequality Connections. The Subcommittee members should have adequate knowledge of Carequality and the Carequality Elements such that they can help facilitate and reach resolution on conflicts between the Implementers related to interpretation or implementation of the Carequality Elements.
  - All members of the Subcommittee, and all members of the Advisory Council, shall sign a Confidentiality Agreement by which they agree to maintain the confidentiality of any Confidential Information (as defined in this document) that they learn as part of a Dispute.

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<sup>1</sup> "Disputes" means any controversy, dispute or disagreement arising out of or relating to the interpretation or implementation of the Carequality Elements.

<sup>2</sup> Throughout this Dispute Resolution Process document, we use the term "parties" to refer to those involved in the Dispute. While Implementers are the only organizations that are permitted to bring a Dispute to the Dispute Panel, they may bring forward a Dispute on behalf of a Carequality Connection (CC). To the extent that an Implementer brings a Dispute on behalf of its CC, it is expected that the CC will participate in the Dispute Resolution Process and would be included in the term "party."

<sup>3</sup> This informal conference applies to Implementers since they are the only type of organizations that can bring a Dispute through this process. To the extent that it is a CC-to-CC or CC-to-Other Implementer dispute, the CC Terms will require the CC to work in good faith with the other CC or Implementer to try to resolve the Dispute. If they cannot resolve the Dispute through informal mechanisms, then the CC will notify its Sponsoring Implementer of the Dispute and the Sponsoring Implementer will begin this Dispute Resolution Process.

- For each Dispute that is submitted to the Dispute Resolution Process, the Subcommittee members are required to declare any conflicts of interest. Once a Subcommittee member declares a conflict, the remaining Subcommittee members shall decide amongst themselves whether such member is ineligible from serving on the Dispute Panel for such Dispute.
- Following the declaration of conflicts of interest, the Subcommittee will appoint three of its members to hear the Dispute (the “Dispute Panel”). If there are not three Subcommittee members who do not have a conflict of interest, the Subcommittee will ask the Steering Committee to appoint as many individuals as are needed to constitute a three person Dispute Panel.
- The Subcommittee and, if necessary, the Steering Committee, will strive to constitute the Dispute Panel within twenty (20) business days of receiving notice and the Dispute Summary from Carequality. In no case will the constitution of the Dispute Panel take longer than forty (40) business days, except with the consent of both parties.
- Once the Dispute Panel is constituted, the Dispute Panel will have thirty (30) calendar days in which to convene a meeting of the involved parties (“First Panel Meeting”). During this meeting, each party shall have an opportunity to present its version of the Dispute and any information that it believes is pertinent to the Dispute Panel’s decision.
  - The Dispute Panel will have access to Subject Matter Experts, including but not limited to Carequality legal counsel, to advise it on relevant matters.
- Within ten (10) business days of the First Panel Meeting, the Dispute Panel may notify the parties that a second meeting (the “Second Panel Meeting”) is required to obtain further information. The Dispute Panel and the parties shall strive to convene the Second Panel Meeting within fifteen (15) business days of the parties receiving notice from the Dispute Panel that the Second Panel Meeting is needed.
- At any point during the process, the Dispute Panel shall have the ability to request additional information from the parties to help it make its determination. Implementers shall cooperate with such requests in accordance with the Carequality Connected Agreement. The Dispute Panel, however, shall not have the authority to compel a response or the production of testimony or documents by the parties. If a party refuses to supply information that is requested by the Dispute Panel, the Dispute Panel will have the right to evaluate whether it can continue to hear the Dispute. To the extent that the parties do respond to requests of the Dispute Panel by producing documents, each party shall have the ability to mark the documents produced as “Confidential Information” and the Dispute Panel shall treat those documents as such in accordance with the terms of the Confidentiality Agreement that each member of the Dispute Panel has signed.
- The Dispute Panel is expected to develop an appropriate and equitable resolution of each submitted Dispute, considering all available evidence; the goals of Carequality; the requirements of the Carequality Connected Agreement, the Carequality Connection Terms, the relevant Implementation Guide; any related Carequality Policies and other relevant considerations. To the extent necessary to address any issues identified through the Dispute, the Dispute Panel has the authority to recommend corrective action plans with required timelines for implementation of such plans, suspension of a party’s ability to participate in Carequality activities, or termination of a party’s status as an Implementer or Carequality Connection. The type of recommendation will depend on the nature and severity of the issues identified through the Dispute. The Dispute Panel

may not impose any monetary penalty on any party or otherwise require the provision of funds or in-kind support by one party to the other. Corrective action plans recommended by the Dispute Panel must be limited to those steps necessary to restore a party to compliance with the Carequality Elements as determined by the Dispute Panel.

- The Dispute Panel will strive to issue a written recommendation for resolution to the Steering Committee (“Recommendation for Resolution”) within twenty (20) business days of the First Dispute Meeting, or if applicable, within fifteen (15) business days of a Second Panel Meeting. In no case will the Dispute Panel take longer than forty (40) business days to issue the Recommendation for Resolution, unless it has the consent of both parties.
- The Steering Committee shall review the Recommendation for Resolution along with the information on which such Recommendation for Resolution was based, and either refer the Dispute back to the Dispute Panel for further study or information or issue a decision (“Steering Committee Resolution”). The Steering Committee will strive to complete its review within twenty (20) business days, and in no case will take longer than forty (40) business days, except with the consent of both parties.
- Within twenty (20) business days of receiving the Steering Committee Resolution, each party shall determine whether to accept or reject the Steering Committee Resolution and so notify the Steering Committee.
  - If a party chooses to accept the Steering Committee Resolution, it must act in accordance with such Steering Committee Resolution. If it fails to act in accordance with such Steering Committee Resolution, the party may be declared in breach of the Carequality Connected Agreement or Carequality Connection Terms for failing to comply with the Carequality Elements and suspended or terminated accordingly.<sup>4</sup>
  - If a party chooses not to accept the Steering Committee Resolution, it may appeal the decision to the Advisory Council.
  - If a party chooses not to accept the Steering Committee Resolution and does not appeal the decision to the Advisory Council, such party must terminate its participation in Carequality.
  - If neither party appeals the Steering Committee Resolution, it becomes the definitive interpretation of any Carequality Element in question (“Final Resolution”).
- If a party notifies the Steering Committee that it is appealing the Steering Committee Resolution to the Advisory Council, the Steering Committee will notify the Advisory Council, which will strive to form an Appeal Panel within twenty (20) business days. In no case will the constitution of the Appeal Panel take longer than forty (40) business days, except with the consent of both parties.
  - Upon notification of the appeal to the Advisory Council, Advisory Council members are required to declare any conflicts of interest. If one or both Advisory Council Co-Chairs declare a conflict, the remaining Council members who have not declared a conflict shall elect one or two of their number to serve in the role of Co-Chair solely for

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<sup>4</sup> If the corrective action plan or other resolution applies to a Carequality Connection (CC), the CC’s Sponsoring Implementer is responsible for enforcing the plan or resolution against such CC.

purposes of discharging the duties of the Co-Chair under this Dispute Resolution Process, for the specific Dispute being appealed.

- Following the declaration of conflicts of interest, the Advisory Council Co-Chairs, in consultation with the other members of the Advisory Council who have not declared a conflict, will appoint five (5) members of the Advisory Council to serve as the Appeal Panel.
- Within twenty (20) business days of being formed, the Appeal Panel will convene a meeting of the involved parties (“Appeal Meeting”). During this meeting, the appealing party shall be able to present its rationale for the appeal, and each party will be able to present any information that it believes is pertinent to the Appeal Panel’s decision.
- At any point during the process, the Appeal Panel shall have the ability to request additional information from the parties to help it make its determination and Implementers shall cooperate with such requests in accordance with the Carequality Connected Agreement. The Appeal Panel, however, shall not have the authority to compel a response or the production of testimony or documents by the parties. If the appealing party refuses to supply information that is requested by the Appeal Panel, the Appeal Panel will have the right to evaluate whether it can continue to hear the appeal, or if the Steering Committee Resolution should become the Final Resolution. If the non-appealing party refuses to supply information that is requested by the Appeal Panel, the Appeal Panel will have the right to base its decisions on the information available to it and to take into account the refusal to supply information. To the extent that the parties do respond to requests of the Appeal Panel by producing documents, each party shall have the ability to mark the documents produced as “Confidential Information” and the Appeal Panel shall treat those documents as such in accordance with the terms of the Confidentiality Agreement that each member of the Appeal Panel has signed.
- The Appeal Panel shall issue a decision on whether or not the Steering Committee Resolution should be modified, and shall issue a modified decision, if applicable, which shall serve as the Final Resolution. If the Steering Committee Resolution is not modified, it becomes the Final Resolution. The Appeal Panel will strive to complete its work within twenty (20) business days of the Appeal Meeting. In no case will the Appeal Panel take longer than forty (40) business days to complete its work, unless it has the consent of both parties.
- Within twenty (20) business days of receiving the Final Resolution, each party shall determine whether to accept or reject the Final Resolution and so notify the Co-Chairs of the Advisory Council.
  - If a party chooses to accept the Final Resolution, it must act in accordance with such Final Resolution. If it fails to act in accordance with such Final Resolution, the party may be declared in breach of the Carequality Connected Agreement or Carequality Connection Terms for failing to comply with the Carequality Elements and suspended or terminated accordingly.<sup>5</sup>

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<sup>5</sup> If the corrective action plan or other resolution applies to a Carequality Connection (CC), the CC’s Sponsoring Implementer is responsible for enforcing the plan or resolution against such CC.

- If a party chooses not to accept the Final Resolution and pursues legal action related to the Dispute, the Steering Committee will determine whether such party's participation in Carequality must be suspended during the pendency of the action.
- If a party chooses not to accept the Final Resolution and does not pursue legal action related to the Dispute, such party must terminate its participation in Carequality.

## **Disputes involving Carequality**

There may be situations in which Carequality is a party to the Dispute. Carequality recognizes that some Implementers might believe that the Steering Committee has a conflict of interest in performing the duties assigned to it under this Dispute Resolution Process, if Carequality is a party to the Dispute. For that reason, if Carequality is a party to the Dispute, then the Advisory Council will appoint a five (5) person panel of Advisory Council members (the "Advisory Panel") that will perform the functions assigned to the Steering Committee under this Dispute Resolution Process, including but not limited to assisting with constitution of the Dispute Panel if conflicts of interest prevent the Subcommittee from doing so independently, and producing the Steering Committee Resolution. If either party wishes to appeal the Steering Committee Resolution produced by the Advisory Panel, the Advisory Council will form an Appeal Panel as described above, except that the Appeal Panel shall not include any members of the Advisory Panel.

Recognizing that the community of Implementers has an interest in Carequality's ongoing sustainability and operational efficiency, the Advisory Panel and the Appeal Panel are expected to develop an appropriate and equitable resolution to the Dispute, considering all available evidence; the goals of Carequality; the requirements of the Carequality Connected Agreement, the Carequality Connection Terms, and the relevant Implementation Guide; any related Carequality Policies and other relevant considerations, including the operational, business, and financial implications for Carequality.

Carequality acknowledges that its role in supporting exchange activities under the Carequality Connected Agreement comes with a responsibility to maintain the integrity of this Dispute Resolution Process and abide by the Final Resolution if possible. There is the potential, however, for a Final Resolution to impose an unacceptable operational burden or business risk on Carequality. Therefore, Carequality may choose not to accept the Final Resolution, and to pursue legal action related to the Dispute or to seek an alternative resolution through its consensus process. Specifically, in the latter case, Carequality will convene relevant stakeholders, including representatives of affected Implementers and the other party to the Dispute to the extent such party is willing to participate, in order to develop an amendment to the Carequality Elements, or other alternative as appropriate to the situation, that will resolve the underlying issue leading to the Dispute in a way that is consistent with Carequality's operational, business, and financial well-being.

Unless specifically addressed in the preceding paragraphs of this section, all other terms of this Dispute Resolution Process as defined for Disputes between Implementers will apply to Disputes involving Carequality.