

# HealthCare Executive Group: Bylaws



## ARTICLE I - NAME

The name of the organization shall be the HealthCare Executive Group referred to herein as “HCEG”.

## ARTICLE II - PURPOSE

1. The purpose of HCEG is to promote the exchange of information, ideas, opinions, and experiences among executives and senior leaders from healthcare organizations
2. The immediate and specific objectives shall be
  - 2.1. Create a close-knit environment for the open exchange of information and industry insights.
  - 2.3 Provide information and education on policy and regulatory changes, clinical and administrative trends, new and emerging technologies, and other innovations that will directly impact costs, effective service and quality of healthcare.
  - 2.4 Promote dialogue on HCEG’s Top 10 Issues list, critical trends and technology to ensure the market’s products and services meet present and future healthcare needs, through periodic Executive Leadership Roundtables, webinars, whitepapers, etc.
  - 2.5 Hold an annual forum whose defined program will leverage speakers, education, information sharing, industry insights, and one-on-one networking opportunities; while providing direct access to insights from industry leaders and innovators.
  - 2.6 Drive the success of the group through selective membership and participation limits.

## ARTICLE III - LIMITATIONS

1. HCEG shall have no power or authority over its member organizations or representatives of the member organizations except as enumerated in these rules and operating procedures.
2. HCEG shall not be responsible for the actions of any representative of its member organizations or attendees at its sessions except as enumerated in these rules and operating procedures.

## ARTICLE IV – PARTICIPATION

1. Membership
  - 1.1. Qualifications
    - 1.1.1. An HCEG member is a healthcare organization, represented by an executive from said Healthcare Organization. Qualified members will be public and private organizations

from varying healthcare sectors, including, but not limited to, insurance payers, hospitals, and providers. Being a member provides the entire organization with access to HCEG resources.

1.1.2. An HCEG Board Member is an executive from an HCEG member organization which is in good standing and who has been selected and voted in by the HCEG Board of Directors.

1.1.3. Alumni and Advisor memberships are specific to individual executives and also under the purview of the HCEG Board.

## 2. Becoming a Member

Membership is granted on an invitation-only basis and limited to 60 Healthcare Organizations. The HCEG Membership Committee identifies both key organizations for invitation, as well as the individual HCEG Board Members that will present direct invitations to prospective members. Membership is effective on the date when the Board has formally approved the application and all dues are paid in full. Membership automatically renews upon receipt of payment. Past members of MCEG/HCEG will be given priority and will be invited to renew their memberships with HCEG, provided member organizations have not exceed a total of 60.

Members are expected to maintain active membership by payment of dues and active participation. Non-payment of dues will result in the termination of the organizations' membership.

## 3. Continuing Executive Participation

A healthcare executive who joins HCEG while an employee of a qualified organization who later changes employment status (retirement, new employment, self-employment, etc.) may continue membership as an HCEG Alumni member, pending Board approval and payment of dues.

## 4. Dues

The Board will establish membership dues on a yearly basis. Dues include paid participation of two individual attendees to the HCEG Annual Forum. Attendees above the allotted membership will be charged a nominal fee to attend the Forum (Maximum of 5 executives per member allowed). Dues will be used for HCEG, operations, marketing activities, contracted support staff and event speakers, food/beverage, activities, etc. as approved by the HCEG Board.

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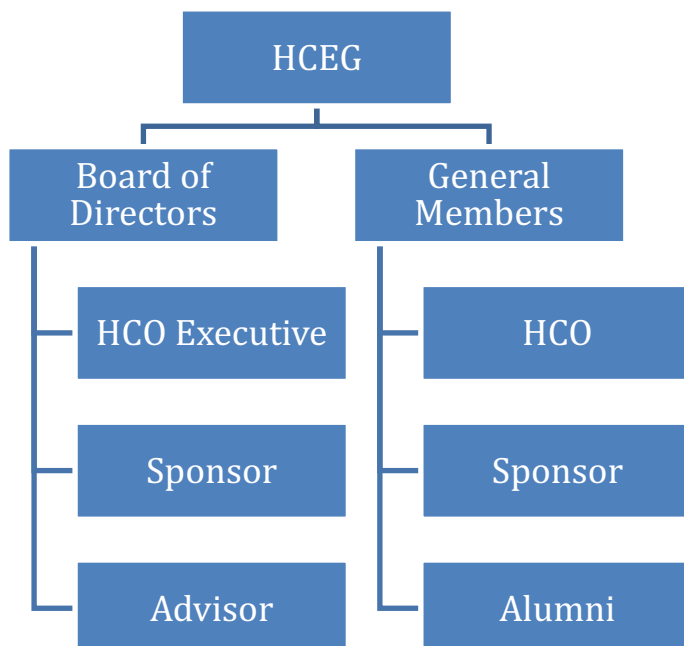
## 5. Suspension or Termination of Membership

The Board has authority to vote on the suspension of a member. A suspended member must be notified of the cause of suspension and given 30 days to respond. Within the 30 days following receipt of response, the Board will either terminate or reinstate the suspended member. Each member (healthcare organization) is required to register once a year and be current on all financial obligations in order to maintain in good standing. If two notifications are returned undeliverable, the member will be removed from HCEG for lack of address.

Probable reasons for suspension include:

- 5.1. Failure to meet qualifications
- 5.2. Failure to comply with roles and responsibilities
- 5.3. Being financially in arrears
- 5.4. Violating HCEG's Rules and Operating Procedures

## 6. Membership Levels



### 6.1 Board of Directors

#### 6.1.1 HCO Executives – Senior executives from Healthcare Organizations (8 on HCEG Board)

- 6.1.2** Sponsors – Vendors of goods and services to Healthcare Organizations that can contribute to HCEG’s vision, mission and objectives. Sponsorship of HCEG provides the vendor an opportunity to participate interactively, learn from, and influence HCEG members and industry leaders (4, voting on Board)
- 6.1.3** Advisors – Senior executives from healthcare organizations that provide strategic advice to the HCEG Board, and individual members.

## 6.2 General Members

- 6.2.1** Healthcare Organizations (HCO) – From varying industry subsectors. (Maximum 60 Healthcare Organizations)
- 6.2.2** Sponsors- Vendors of goods and services to Healthcare Organizations that can contribute to HCEG’s vision, mission and objectives. Sponsorship of HCEG provides the vendor an opportunity to participate interactively, learn from, and influence HCEG members and industry leaders (Maximum 6 non-voting Vendor Organizations)
- 6.2.3** Alumni – A Healthcare Executive who joins MCEG/HCEG while an employee of a qualified member organization, who later changes employment status (retirement, self-employment, etc.) may continue membership pending Board approval and payment of dues as approved by the HCEG Board. Typically only “unaffiliated” sponsor alumni will be considered for membership and on a limited basis.

## 7. Sponsorship

### 7.1. Qualifications and Purpose

Qualified sponsors will be vendors of goods or services to the healthcare industry who can assist HCEG to achieve and further HCEG’s Purpose as set forth in Article II. Sponsorship of the HCEG provides a vendor the opportunity to participate, interact with and influence HCEG’s members and industry leaders.

### 7.2 Non-exclusivity

Sponsorship does not inherently provide, nor is it intended to provide or maintain, any element of exclusivity to sponsors in any area of overlap or line of business. Within the dynamics of the marketplace and economy, HCEG’s Board of Directors (elected members, advisors and sponsor-representatives) will endeavor to achieve a balance among the number of sponsors, sponsorship fees, the participation of existing sponsors, and the breadth and depth of existing sponsors together with HCEG’s financial and in-kind service needs to meet its Purpose. In a rapidly changing marketplace, the competing elements of HCEG’s needs, the number of

sponsors, and the sponsorship fees are best left to an annual dialogue and democratic process as set forth below.

## 7.3 Good Standing

A sponsor maintains good standing by paying fees when due, by participating in scheduled meetings and events, and by actively assisting HCEG to achieve its Purpose and avoiding actions that are in conflict with the Purpose.

Sponsors who do not maintain good standing as determined by a two-thirds ( $\frac{2}{3}$ ) majority vote of the voting elected members of the Board of Directors are subject to termination. Sponsors deemed to no longer be in good standing will be notified in writing of the Board's determination and reasons and will be allowed a 30-day cure period. Failure to take corrective action as determined by the Board of Directors will cause immediate termination of sponsorship with forfeiture of any monies paid. The Board of Directors will notify the membership of the Group of the termination of the sponsor.

## 7.4 Representation

Sponsors will designate a senior executive to speak on behalf of the sponsor and to participate in scheduled Board meetings, the annual Forum, planning meetings and other Board or HCEG events, as designated by the Board of Directors. Designated representatives are non-voting except for sponsorship questions regarding good standing, termination, fees, terms, renewal and/or additional sponsors as determined by the Chair of the Board.

The representative so designated will be the contact person for all written communication from HCEG or the Board of Directors. The sponsor will notify the HCEG's Secretary in writing of its designated representative and any changes thereto. A designated representative unable to attend a Board meeting from time to time may have a substitute attend the meeting in his/her place. Sponsors in good standing are entitled to have a number of representatives as determined by the Board, in addition to its designated representative, attend the annual Forum.

## 7.5 Sponsorship Acceptance, Fees and Length of Term

The sponsorship term will be effective immediately after receiving payment of sponsorship fees, and shall be effective for the duration of the calendar year. The sponsorship fee for an

annual term shall be invoiced upon a sponsor's annual acceptance of sponsorship. Payments are due upon receipt of invoice, unless otherwise agreed upon.

The Board of Directors will annually, but not later than a Board meeting held during the annual Forum, affirm, modify or otherwise determine: good standing qualifications, the number of sponsors, the calendar dates of sponsorship terms, sponsorship fees, qualifications for additional or replacement sponsors, if any; and, identify a slate of firms as renewing sponsors and/or additional or replacement sponsors, if any. The Board may identify such firms by any categorization it deems appropriate. Such affirmation or modification will be made by seventy-five (75%) majority vote of the elected members of the Board of Directors along with the sponsor representatives present at the time of voting. The Board will notify existing sponsors in writing of its determinations and the slate of sponsors. Existing sponsors invited to renew their sponsorship will have 30-days from the date of the written notification to accept a new annual term by notifying the HCEG's Secretary in writing of its acceptance.

## 8. Roles and Responsibilities

### 8.1 Board of Directors– ALL BOARD MEMBERS

- Establish policies - that define focus and differentiate responsibilities among the board, the management, and members.
- Make significant and strategic decisions about the organization's vision, mission, and strategies.
- Member Invites – Based on recommendations from the Membership Committee, Board Members are responsible for recruiting a minimum of 2 new member organizations.
- Participation- in at least 10 Board of Director meetings and/or conferences per year.
- Committee Participation – Board Member organizations are required to assign an executive to participate in committees on a yearly basis.
- Committee Management – Board Members are required to chair at least one committee every 3 years.
- Forum Participation – Board Members are required to attend HCEG’s Annual Forum until the close of the event, unless otherwise cleared by the Board.
- Provide Mentoring to HCEG General Members.
- Oversight of Management
- Set Strategic Direction of organization.
- Elect New Board Members
- Elect Committee Members

## 8.2 Committees

### 8.2.1 Membership Committee

- Member Solicitation – Committee will lead annual new member drive. Crafting and executing individual outreach and meet membership goals.
- Relationship Management - Committee will develop and maintain relationships with new member organizations by developing ongoing communications plans.

### 8.2.2 Sponsorship Committee

- Sponsor Solicitation – Committee will drive sponsorship campaigns. Crafting and executing individual outreach.
- Relationship Management - Committee will develop and maintain relationships with sponsors, and ensure value is being derived and to be derived.

### 8.2.3 Annual Forum Program Committee

- Program Development – Committee will lead program development, speaker recruitment/preparation, event logistics, etc. for the HCEG Annual Forum.
- Relationship Management – Committee will provide opportunity for member networking and idea exchanges with invited thought leaders and speakers.

#### 8.2.4 Education Committee

- Provide value-add to HCEG sponsors and members through ongoing education opportunities.
- Committee will oversee HCEG Communications Calendar and provide input and support as needed.
- Committee will oversee HCEG Digital Marketing Campaigns and provide input and support as needed.

### 8.3 Additional Roles Executive Board, per title

#### 8.3.1 HCO Execs

- Member Invitations – Working with Membership Committee and Sponsors, Board Members are responsible for direct invitations of potential members.

#### 8.3.2. Sponsor Execs

- Driving HCEG Value
- Facilitation of Education and Research Opportunities – HCEG Sponsors contribute to HCEG's marketing activities by contributing to webinars, white papers, virtual panels, blog entries, etc..

#### 8.3.3. Advisors

- Provide “wise counsel” on issues raised by the board, members, sponsors or management
- Act as a resource for executives
- Impose challenges that could improve the organization

### 8.4 General Member Roles & Responsibilities

#### 8.4.1 Healthcare Organizations (HCOs) and their HCEG Senior Executives

- Participation - Members are encouraged to participate in every opportunity possible.



- Committee Management – Members are required to participate in at least one committee.
- Development of Educational Opportunities – Members are strongly encouraged to participate in development of content for webinars, blog posts, virtual panels, white papers, etc.

#### 8.4.2 Sponsors

- Participation - Members are encouraged to participate in every opportunity possible.
- Facilitation of Education and Research Opportunities – HCEG Sponsors are encouraged to contribute to HCEG’s marketing activities by contributing to webinars, white papers, virtual panels, blog entries, etc. at least once per calendar year.

#### 8.4.3 Alumni

- Know and embrace the HCEG’s mission, vision, and objectives.
- Promote HCEG within one’s sphere of influence, whenever the opportunity arises.
- Provide direct input and feedback regarding organization direction and initiatives to HCEG Board.

## ARTICLE V - GOVERNANCE

### 1. Board of Directors: Management Committee

#### 1.1 Authority

The governance of HCEG shall be vested in the Board of Directors. The Board has the power to collect and disperse funds.

#### 1.2 Composition HCEO execs, sponsors, advisors (non-voting) General

The Board of Directors of HCEG shall consist of the following members:

- HCO Execs
- Sponsors
- Ex-officio non-voting Advisors, (2)

#### 1.3 Duties

The Board shall determine policy and interpret existing decisions of HCEG. It shall not wait until called upon for advice, but shall take an active interest in the government of HCEG. In the pursuit of this duty, members of the Board shall maintain close liaison with one another to monitor closely all policy matters and act as a continuing stimulus to HCEG.

## 1.4 Conduct of Business

A quorum of the Board of Directors is three-fifths of its voting membership. A simple majority carries a proposal. The Board may conduct its business by whatever means it deems appropriate.

## 2. Officers

### 2.1 Composition

The officers of HCEG shall consist of a Chairperson, Secretary, and Treasurer. Chairs of HCEG shall consist of the Forum Development Chair, Membership Development Chair, Educational Development and Sponsor Chair.

### 2.2 Duties

#### 2.2.1 CHAIRPERSON or Office of the Chairman

The Chairperson/Office of the Chair shall:

- Preside at all meetings of the Board of Directors and HCEG.
- Make provisions for the discharge of the necessary duties of absent members of the Board.
- Ensure that the regulations of HCEG are enforced.
- Perform such other duties that customarily pertain to the office of Chairperson.
- Complete the business of the current session.
- Act as the official representative of HCEG to other organizations
- Serve as coordinator for any special interest groups defined by the overall organization
- Approve all HCEG expenses.
- Authorized second signer for all HCEG accounts payable and bank accounts.

#### 2.2.2 SECRETARY

The Secretary shall:

- Working jointly with the Management Consulting Firm, oversee all official correspondence addressed to or originating from HCEG.
- Be the official secretary of the Board.

## 2.2.3 TREASURER

The Treasurer shall:

- Work jointly with the Management Consulting Firm in tracking budgets
- Be responsible for the supervision of all financial affairs of HCEG in accordance with the Board of Directors.
- Oversee accounting records and procedures to track the collection and disbursements of all funds as directed by the Board of Directors.
- Assure that all activities regarding the finances of HCEG are accomplished within the guidelines provided in these bylaws
- Oversee filing for all applicable state and federal filings on a yearly basis.

## 2.2.4 PROGRAM DEVELOPMENT CHAIR

The Forum Development Chair shall:

- Work jointly with the Management Consulting Firm to develop agenda, obtain speakers, and drive the annual event with input from the Board.
- Solicit input on industry discussions and presentations.
- Assist the Chairperson in carrying out the program development and implementation functions of the Board.
- Perform the Chairperson's duties in the event of his absence or inability to serve.
- Serve as the focal point for decisions relating to location, facilities, logistics, etc.
- Announce program agenda in advance to all members.
- Present regular committee updates to Board of Directors

## 2.2.5 MEMBERSHIP DEVELOPMENT CHAIR

The Membership Development Chair shall:

- Work jointly with the Management Consulting Firm, to maintain a current list of the member organizations including records pertinent to membership status.
- Identify potential HCEG members through targeted campaigns

- Work jointly with the Board to oversee invitations, and manage member relationship
- Review applications.
- Ensure enforcement of membership rules
- Present regular committee updates to Board of Directors

## 2.2.6. EDUCATION DEVELOPMENT CHAIR

The Educational Development Chair shall:

- Working jointly with the Management Consulting Firm, develop the organization's yearly Communications Calendar based on the HCEG Top 10.
- Develop rollout of educational initiatives including, but not limited to monthly sponsor webinars, virtual panels, white papers, etc.
- Oversee engagement on social channels and provide input when industry-specific questions/observations are posted.
- Present regular committee updates to Board of Directors

## 2.2.7 MEMBERS AT LARGE

Members at Large shall:

- Volunteer to assist the Program Development Officer
- Volunteer to assist the Membership Officer
- Volunteer to other duties as needed and determined by the Board

## 3. Elections

### 3.1. Nominations

3.1.1 Membership will identify candidates for vacant offices at least annually and as often as fits the needs of the officers on the Board of Directors.

3.1.2 A representative of a member organization may be nominated for any vacant Board Member position in HCEG.

## 4 Term of Office

The Term of Office for members of the HCEG Board of Directors shall consist of the following:

- 4.1 There shall be a Board of Directors consisting of twelve (12) members elected for two (2) year terms, so arranged that an equal number of terms shall expire each year.
- 4.2 Terms of office will start at the beginning of the fiscal year (ending December 31<sup>st</sup>) following the election.
- 4.3 The Board will be responsible to annually designate the composition of Officers from among the serving board Members based on the requirements outlined in Section
- 4.4 V.5. Officer Terms.
- 4.5 All Officers serve for a two (2) year term and may be re-elected to multiple terms at the discretion of the Board of Directors.
- 4.6 All chairs serve a 1 year

## 5 Officer Terms:

- 5.1 On even years (2016, 2018, 2020, etc.), the following Board positions will be up for election within the Board:
  - Chairman
  - Treasurer
- 5.2 On odd years (2017, 2019, 2021 etc.), the following Board positions will be up for election within the Board:
  - Secretary

## 6. Election Procedure

- 6.1 Elections shall be held during the annual meeting.
- 6.2 During the annual meeting, the Board Members shall have the opportunity to create a slate of nominations.

## 7. Vacancies in Office

- 7.1 Vacancies in the office, which occur between regular elections, shall be addressed by vote of the Board of Directors.
- 7.2 If Chairperson is unable to fulfill their term, an interim **Office of the Chair** may be assembled to oversee the organization through the conclusion of the term.

## 8. Resignation from the Board of Directors

- 8.1 A member of the Board of Directors may resign by written notification to the Secretary.

- 8.2 A member of the Board may be required to resign by majority vote of the Board if he/she is no longer qualified as a member of HCEG.

## ARTICLE VI - COMMITTEES/TASK FORCES

The Board of Directors has the authority to create and disband any committee/task force, as it deems appropriate to help in carrying out its duties.

## ARTICLE VII - CONDUCT OF BUSINESS

### 1. Rules of Order

The rules contained in “Robert’s Rules of Order Revised” shall govern the proceedings at all general or committee meetings of HCEG except where these rules are inconsistent with the rules and operating procedures or special rules of HCEG in which case the latter shall govern.

### 2. Voting

2.1 The Chairperson of HCEG or other officer presiding at a meeting of HCEG shall determine in each case whether a motion may be voted upon at the meeting, or whether it must be referred to a written ballot.

2.2 Voting on matters of business during a general meeting will be by representative of member organizations in attendance, with a simple majority carrying the motion.

2.3 When a question has been proposed by vote of the membership by mail, the Secretary shall initiate a written ballot to the membership within 30 days. Thirty days, after sending out the ballots, the Secretary will count the votes and notify the Board of Directors of the vote on the motion.

2.4 A favorable vote, by two-thirds of the member organizations voting provided a quorum has voted, is required for motion to amend the rules and operating procedure, while a simple majority of those responding to a ballot shall be required to pass all other motions. A quorum is a simple majority of the active membership present.

### 3. Meeting

One meeting shall be held each year at a time and place approved by the Board and shall be called the HealthCare Executive Group Annual Forum. The purpose of the meetings shall be to exchange information and recommend action for the guidance of HCEG. Meetings shall be limited to representatives of member organizations and attendees from vendor sponsors as allocated by the Board.

The Board of Directors will meet as necessary through the year to handle various tasks such as planning for the HealthCare Executive Annual Forum, developing special interest's groups, governance issues, etc. The Board shall determine the agenda for each meeting according to current needs.

## Article VIII - CONTRACTS, INDEMNIFICATION AND RELATED MATTERS

### 1. Contracts and other Writings

Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the organization shall be executed on its behalf by the Management Company, Treasurer or other persons to whom the organization has delegated authority to execute such documents in accordance with policies approved by the board.

### 2. Indemnification

1. Mandatory Indemnification. The organization shall indemnify a director or officer; or former director or officer, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a director or officer of the organization against reasonable expenses incurred by him or her in connection with the proceedings.

2. Permissible Indemnification. The organization shall indemnify a director or officer or former director or officer made a party to a proceeding because he or she is or was a director or officer of the organization, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

## AMENDMENTS:

# HealthCare Executive Group: Bylaws



THESE RULES AND OPERATING PROCEDURES WILL BE REVIEWED ON EVEN YEARS AND MAY BE AMENDED BY TWO-THIRDS MAJORITY VOTE OF ALL MEMBERS VOTING. AMENDMENTS MUST BE PRESENTED IN WRITING AND ALL MEMBERS MUST BE NOTIFIED IMMEDIATELY OF THE CHANGES.

NOTE:

IT IS THE OPINION OF THE BOARD OF THE HEALTHCARE EXECUTIVE GROUP THAT WHENEVER COMPETITORS WITHIN AN INDUSTRY GATHER TOGETHER, APPROPRIATE CARE MUST BE EXERCISED TO ASSURE THAT VIOLATIONS OF ANTI-TRUST LAWS DO NOT TAKE PLACE.

ALL ATTENDEES OF THESE MEETINGS SHOULD AVOID ANY COLLUSIVE PRACTICES OR DISCUSSIONS, COLLUSION IS A SECRET AGREEMENT TO FRAUD AND IS USUALLY EVIDENCED IN THE FOLLOWING ANTI-TRUST VIOLATIONS: PRODUCT BOYCOTT, RESTRICTIVE MARKET ALLOCATION, REFUSAL TO DEAL WITH A THIRD PARTY, AND PRICE RESTRAINING ACTIVITIES; THERE NEED NOT BE WRITTEN OR VERBAL AGREEMENT TO FRAUD; CONVERSATIONS REGARDING ANY OF THESE SENSITIVE AREAS MAY BE CONSTRUED AS IMPLICIT VIOLATIONS. IN SUMMARY, ALL SHOULD AVOID DISCUSSIONS OF PRICING SUCH AS THE PRICES YOU PAY AND CHARGE, INCLUDING LABOR COSTS, MARKET SHARE AND ALLOCATION; QUALITY RATINGS OR PRODUCTS AND SUPPLIERS - PARTICULARLY THOSE WHICH MAY CAUSE A COMPETITOR TO LOCK OUT OR TO CEASE PURCHASING FROM A SPECIFIC SUPPLIER; AND ANY OTHER AREAS WHICH MIGHT HAVE ANTI-COMPETITIVE REPERCUSSIONS.

FOR YOUR PROTECTION AND THE PROTECTION OF YOUR COMPANY, THE GROUP RECOMMENDS THAT SHOULD ANY OF THESE SUBJECTS BE BROUGHT UP, IT WOULD BE IN YOUR BEST INTEREST TO VOICE YOUR OBJECTION TO IT AND TO DISASSOCIATE YOURSELF FROM THE DISCUSSION IF IT CONTINUES.