



GREATER DETROIT AREA HEALTH COUNCIL

Greater Detroit Area Health Council, Inc.

**OFFICIAL BYLAWS
OF THE
GREATER DETROIT AREA HEALTH COUNCIL, INCORPORATED**

(i) Adopted

December 15, 1982

February 15, 2013

**THE GREATER DETROIT AREA HEALTH COUNCIL (GDAHC)
BYLAWS**

ARTICLE I

PURPOSE

1.1 Purpose

GDAHC is a regional health care coalition bringing together diverse stakeholders at a single table to create value for southeast Michigan. Its mission is to unite and leverage stakeholders to drive collaborative improvements in healthcare quality, cost effectiveness and access to care across southeastern Michigan.

ARTICLE II

MEMBERSHIP

2.1 Eligibility

Member organizations shall be organizations selected by the Board of Directors of this corporation having a presence in this corporation's service area:

(a.) Types

Organizations, including agencies of Federal, State and local government, which operate a hospital, nursing home, home for the aged, ambulatory health care facility, home health care program or other health services facility or program, and including professional organizations of physicians and associations and consortia of hospitals and other providers of health care.

Organizations including purchasers, employers, unions, universities, community colleges, K-12 schools, community organizations, faith-based organizations, and business coalitions, among others that have a demonstrated interest in health affairs within the service area of this corporation, support its role and programs,

and have indicated their wish to become member organizations and, in the judgment of the Board of Directors, have the capacity to assist in the role and programs of this corporation.

(b) Rights

To become a Member, an organization chosen by the Board of Directors must sign a Member Agreement in the form chosen by the Board. The Member Agreement will, among other things, prescribe the level of financial support by the Member.

(c) Resignation and Termination

Any Member may withdraw from membership by providing written notice to the Corporation. The Board of Directors of the corporation may suspend or terminate a Member at any time because of:

- nonpayment of dues or assessments; or
- consistently failed to meet its obligations to the corporation.

Action to terminate membership may be taken only after reasonable notice to the Member and opportunity for hearing before the Board of Directors or Executive Committee.

(d) Compliance

Member organizations, not individual members, shall be members of the corporation within the meaning of the Michigan corporation laws.

(e) Reinstatement

Reinstatement of membership shall require completion of the new member process.

ARTICLE III

MEMBERS OF THE CORPORATION

3.1 Member

Members of GDAHC shall be organizations having a presence in the GDAHC's service area which are committed to improving the health status of all citizens while working to control costs and improve quality.

3.2 Definitions

(a) Designated Members

- i. Each Member shall be entitled to designate two individuals to serve on the corporation's Board. One shall be appointed the director with voting rights

and the second individual appointed as his alternate with voting rights in the director's absence.

- ii. Each Member shall verify in writing to the corporation the names and addresses of the persons who are its designated members, and any change in such designations. The corporation shall be entitled to rely on the latest written verification with respect to such Board members for all purposes. Verification will be confirmed annually at such time as yearly dues are received.

(b) Public Member Organizations

- i. There shall be such number of public member organizations as the Board of Directors shall from time-to-time determine, representing the general interest of the community at large in the business and affairs of the corporation.
- ii. Public members shall be elected for terms of three years each, or for the unexpired portion of a three-year term, and the terms of approximately one-third of such members shall expire annually at the annual meeting of the corporation. In electing public members, the electors shall designate the term or unexpired portion of a term for which such members are elected. Public members shall be elected annually at the annual meeting of the members of the corporation by a vote of a majority of the members of the corporation present or represented by proxy at that meeting, excluding members whose terms of office expire at that meeting.
- iii. Each public member organization shall be entitled to name one individual to the Board and shall notify the corporation in writing of the Board Member it appoints. In the case of the death or resignation of its designated Board Member, the public member organization, which named such Board Member, shall be entitled to name a replacement-designee.

3.3 Responsibility

Member Organizations shall not be liable or responsible in any way for the expenses, liabilities, or financial obligations of the corporation.

ARTICLE IV

MEETINGS

4.1 Regular Meetings

Meetings of the members of the corporation shall be held at such place or places as the chairperson of the Board of Directors shall appoint, unless a different meeting place or places shall be designated by the members of the corporation. Meetings of the Board of Directors of the corporation shall be held not less often than annually.

4.2 Annual Meetings

The annual meeting of the members of the corporation shall be held in the month of June each year as determined by the chairperson of the Board of Directors.

4.3 Special Meetings

Special meetings of the members of the corporation may be called by the chairperson of the Board of Directors, and shall be called by the president at the written request of the Board of Directors, of the Executive Committee, or of any one-third of member organizations.

4.4 Notice of Meeting

Notice of the time, place and purpose of each meeting of the members of the corporation shall be mailed or emailed as provided by the laws of the State of Michigan, or delivered personally to each member of the corporation, not less than ten days prior to the date of the meeting; notices mailed or emailed shall be directed to the address designated by the member for that purpose, or if none is designated, to the member's last known address; no notice need be given of adjourned meetings of members if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the adjourned meeting, only such business may be transacted as might have been transacted at the original meeting.

Notice of any meeting may be waived by any member of the corporation in writing, either before or after the meeting, or in such other manner as may be permitted by the laws of the State of Michigan. Attendance of representatives of a member at a meeting of the members of the corporation in person or by proxy, constitutes a waiver of notice of the meeting, except when the member attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

4.5 Quorum

One-third of member organizations present in person, calling in, or by proxy shall constitute a quorum at all meetings of the members of the corporation and the vote of a majority provided by law or these bylaws. With the exception of the Executive Committee which requires a simple majority for a quorum. The members present in person, calling in, or by proxy at such meetings may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. Whether or not a quorum is present, the meeting may be adjourned by vote of the members present.

4.6 Voting (Proxy)

Any member of the corporation entitled to vote at a meeting of the members of the corporation may authorize other persons to act for such member by proxy signed by the member or its authorized agent or representative. The validity and revocability of the proxy shall be as determined by the laws of the State of Michigan.

4.7 Chairperson

The chairperson or a vice chairperson of the Board shall act as chairman of every meeting of the members of the corporation and the secretary of the Board shall act as secretary of such meetings, unless the members present at such meeting shall designate another chairman or secretary of the meeting.

ARTICLE V

BOARD OF DIRECTORS

5.1 Governance

The business and affairs of the corporation shall be governed by a Board of Directors except as otherwise provided by the articles of incorporation or the laws of the State of Michigan. The Board of Directors delegates day to day operations of business to the president and Chief Executive Officer of the corporation.

5.2 Number of Directors

The number of Directors of the corporation shall be not less than fifty, nor more than seventy-five, as the members of the corporation shall from time-to-time determine, but this limitation will not be applied so as to deprive any member from appointing its two designated Board members and for public member organizations, one public member, pursuant to Section 3.2. The president of the corporation shall be ex officio a non-voting member of the Board of Directors. The composition of the Board of Directors shall generally, but need not precisely, reflect the balance in the total membership of the corporation as prescribed in these bylaws.

5.3 Terms

The terms of Directors serving ex officio or who are members of the corporation's professional staff appointed to the Board shall terminate upon cessation of employment by the corporation.

5.4 Terminations and Resignations

Any director may resign as a director at any time, by written notice to the corporation. Directors may be removed by the members of the corporation at any time in accordance and upon compliance with the laws of the State of Michigan pertaining thereto.

5.5 Vacancies

Vacancies in the Board of Directors occurring by reason of death, resignation, increase in the number of Directors authorized, or otherwise, shall be filled by the affirmative vote of a majority of the remaining members of the Board, although less than a quorum of the Board, unless filled by proper action of the members of the corporation. In the case of the death or resignation of its designated Board Member, the member organization, which named such Board Member, shall be entitled to name a replacement.

5.6 Compensation

Directors shall receive no compensation for their services and attendance at meetings of the Board or of any committee or task force of the corporation, but may be reimbursed for travel and other expenses of attendance at meetings upon express approval of the CEO.

5.7 Director Emeritus

Any number of Directors emeritus may be elected by the Board from time-to-time from among persons who have previously served as Directors of the corporation and who, in the opinion of the Board, have made significant contributions to the affairs of the corporation. Directors emeritus shall have full privileges of the floor at all meetings of the corporation and at all meetings of the Board of Directors. Directors emeritus may not vote and their presence shall not be counted for purposes of determining the existence of a quorum.

ARTICLE VI

EXECUTIVE COMMITTEE

6.1 Roles and Responsibilities

There shall be an Executive Committee of the Board of Directors, which is authorized to exercise any or all powers and authorities of the Board in the governance of the business and affairs of the corporation between meetings of the Board, except that the Executive Committee shall not have power or authority to:

- amend the articles of incorporation;
- adopt an agreement of merger or consolidation;
- recommend to the members of the corporation the sale, lease, or exchange of all or substantially all of the corporation's property and assets;
- amend the bylaws of the corporation;
- fill vacancies on the Board of Directors;
- fix compensation of Directors for serving on the Board or on a committee; or,
- cancel or terminate the membership of a member of the corporation.

All action by the Executive Committee shall be reported orally or in writing to the next meeting of the Board of Directors, except as the Board may waive compliance with this requirement. The Board of Directors may reconsider any action by the Executive Committee, and take action thereon, provided that no such reconsideration shall adversely affect the rights of third parties who have acted in reliance on action of the Executive Committee taken in accordance with the authorities conferred by these bylaws.

6.2 Members of the Executive Committee

The Executive Committee shall consist of 13 dues paying members. Chairs are appointed by President and CEO of the corporation and in concurrence with the Executive Committee, as well as the 7 additional seats; two of which shall expire annually. Additionally, this shall be in compliance and phased in by year end 2014:

- Board chairperson
- Chair-elect
- Chair of the Audit Committee
- Chair of the Budget and Finance committee
- Past chairperson of the Board
- GDAHC president and CEO

6.3 Term

Members of the Executive Committee shall be appointed for an initial three year term; with an opportunity of an additional three year term if appointed by the Executive committee. Members shall be limited to no more than two consecutive terms.

The appointed members shall be approved annually by the Board of Directors at its first meeting following the annual meeting of the members of the corporation.

6.4 Meetings

The Executive Committee shall meet at the call of the chairperson or a vice chairperson of the Board of Directors, as such time and place as such person shall appoint, and unless a different meeting place or time shall be directed or approved by a majority of the members of the committee. Simple majority of the members of the committee shall constitute a quorum at all meetings; and the vote of a majority of the members present, by proxy or calling in at any meeting shall be the action of the committee. Action by the committee may be taken without a meeting if, before or after the action, all members of the committee consent thereto in writing.

Members of the Executive Committee may participate in any meeting of the committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this bylaw constitutes presence at the meeting.

ARTICLE VII

OTHER COMMITTEES

7.1 Nominating Committee

There shall be a nominating committee of the corporation, which shall annually prepare a slate of nominees to serve as public members of the corporation, a slate of nominees to serve as members of the Executive Committee of the corporation, and a slate of nominees to serve as officers' of the corporation. At the request of the Executive Committee, the nominating committee may also recommend persons to fill vacancies. The number of members and composition of the nominating committee shall be as the Executive Committee shall from time-to-time determine, and may include members of the corporation as well as Directors.

7.2 Audit and Finance Committees

There shall be a budget and finance committee which will meet at least three times each year to review annual budget recommendations from the corporation's president, review and accept the auditors' report, approve changes to the dues structure, monitor the financial condition of the corporation, and to advise the Board and Executive Committees on financial matters. The treasurer shall serve as the chair of the finance and budget committee. The Audit Committee will be responsible for the annual review of the Audit Findings. Other members of the committee, which shall not exceed eight Board members, shall be nominated by the nominating committee for terms not to exceed three years. Terms may be renewable.

7.3 Additional Committees

The Board of Directors, Executive Committee, and senior vice chairperson (chair-elect) of the Board of Directors may from time-to-time create additional committees and task forces, define their powers and duties, elect or appoint their members, prescribe procedures for meetings and action at meetings, and confer other appropriate authorities and prescribe limitations with respect thereto, subject to the laws of the State of Michigan and these bylaws. A task force shall be deemed to be a committee for purpose of Michigan law and these bylaws.

7.4 Quorum

One-third of the members of the committee or task force shall constitute a quorum at all meetings. The vote of the majority of the members present or calling in at any meeting shall be the action of the committee or task force. Action by the committee or task force may be taken without a meeting if, before or after the action, all members of the committee or task force consent thereto in writing. Participation in a meeting may be by means of conference telephone or similar communications equipment.

ARTICLE VIII

OFFICERS

8.1 Appointments

The officers of the corporation shall be a chairperson and one or more vice chairpersons of the Board of Directors, a president, a secretary, and a treasurer, appointed by the Board of Directors. The chairperson and all members of the Board of Directors, the president, the secretary, and the treasurer shall be members' of the Board of Directors. All other officers may but need not be members of the Board of Directors. Any two or more offices other than president and vice president may be held by the same person. The Board of Directors may appoint such other officers and agents, as it may deem necessary for the transaction of the business of the corporation.

8.2 Term

The president of the corporation shall hold that office during his or her term of employment as its chief executive officer. Other officers of the corporation shall hold their office and positions for such terms as shall be fixed by the Board. Any officer or agent of the corporation may be removed at any time by the Board, with or without cause. Such removal shall not impair the right of the officer or agent to recover damages for breach of any contract of employment. Vacancies occurring in any office or position at any time may be filled by the Board. Officers shall be appointed for an initial one-year term; with an opportunity of an additional one-year term if elected by the Board of Directors.

ARTICLE IX

DUTIES OF OFFICERS

9.1 Chair

The chairperson of the Board of Directors shall act as chairperson of every meeting of the members of the corporation, and of every meeting of the Board of Directors, at which present. The chairperson shall consult with the officers of the corporation to such extent as he or she shall deem advisable, and shall have the general supervisory authority vested by law or custom in the office of chairperson.

9.2 Chair-elect

The senior vice chairperson (chair-elect) of the Board of Directors of the corporation shall have the authorities and duties of the chairperson of the Board of Directors in case of the absence or disability of the chairperson; shall preside at meetings of the Executive Committee of the corporation; and shall have such other authorities and duties as are

elsewhere specified in these bylaws or as may from time-to-time be prescribed by the Board of Directors.

9.3 President Responsibilities

The president shall be the chief executive officer of the corporation. The president shall report directly to the Board of Directors and Executive Committee. The president shall carry out the policies and decisions of the Board of Directors and the Executive Committee and shall make recommendations to the Board of Directors concerning policies, procedures and activities of the corporation. The president shall prepare an annual budget for consideration and presentation by the treasurer to the Board of Directors and shall account for receipts and expenditures under the approved budget. The president shall have, within the approved budget, full authority and responsibility to hire, discharge, supervise and administer the salaries of all employed personnel and to carry out all of the daily internal operations of the corporation under the policies and procedures established by the Board of Directors and the Executive Committee. The president shall have full authority and responsibility, within the approved budget, to provide and maintain the facilities, equipment and supporting services necessary to conduct the activities of the corporation. The president shall be responsible for developing programs of service to the people of the geographic area served by the corporation, and to member organizations, within the policies and under the direction of the Board of Directors and the Executive Committee. The president shall report on the activities of the corporation at regular intervals to the Board of Directors and Executive Committee and to the members of the corporation and the president shall serve as a principal spokesman for the corporation. The president shall meet with the Board of Directors and Executive Committee at all regular and special meetings and the president shall be an ex officio member of all committees and task forces of the corporation.

9.4 Secretary

The secretary shall attend all meetings of the members of the corporation and of the Board of Directors and cause to be recorded all votes and minutes of all proceedings in books to be kept for such purpose. The secretary shall give or cause to be given notice of all meetings of the members of the corporation and the Board of Directors, and shall have such other authorities and duties as may be prescribed by the Board of Directors or by the senior vice chairperson of the Board. The secretary may delegate any such authorities and duties to one or more delegates, unless delegation is prohibited by the Board of Directors.

9.5 Treasurer

The treasurer shall have the right of custody of the funds and securities of the corporation and shall keep or cause to be kept full and accurate accounts of the financial transactions of the corporation in books belonging to the corporation. The treasurer shall cause all moneys, securities and other valuable effects to be deposited in the name and to the credit of the corporation in such depositories as may be designated

by the Board of Directors; shall cause to be rendered to the president and the Board of Directors, and to the members of the corporation, whenever they may require, an account of the financial operations and condition of the corporation; and shall have such other authorities and duties as may be prescribed by the Board of Directors or by its senior vice chairperson. The treasurer may delegate any of such authorities and duties to one or more assistant treasurers, unless delegation is prohibited by the Board of Directors.

ARTICLE X

BONDS AND INDEMNIFICATION

10.1 Bonds

The Board of Directors may require an officer, agent or employee to give bond for the faithful discharge of his or her duty and for the protection of the corporation, in such sum and with such surety or sureties as the Board may deem advisable. The cost of such bonds may be paid from the funds for the corporation.

10.2 Indemnification

The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, business corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation or its members and with respect to any criminal action or proceeding, had no reasonable cause to believe that conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation or its members and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

- (a) To the extent that a director, officer, employee, or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Bylaw 10.2, or in defense of any claim, issue, or matter therein, the successful party shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. Any

such indemnification (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because the person has met the applicable standard of conduct. Such determination shall be made in any of the following ways, as the Board of Directors shall determine:

- a. By the Board of a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceeding.
- b. If such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.
- c. By the members of the corporation.

Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Bylaw 10.2 may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in Bylaw 10.3 upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount unless it is ultimately determined that the person is entitled to be indemnified by the corporation.

Nothing contained in these bylaws shall affect any rights to indemnification to which persons other than Directors and officers may be entitled by contract or otherwise by law. The indemnification provided in these bylaws continues as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such person.

10.3 Insurance

The corporation shall purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, business corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against the person and incurred by the person in any such capacity or arising out of the person's status as such, whether or not the corporation would have power to indemnify the person against such liability under these bylaws.

ARTICLE XI

CHECKS AND OTHER INSTRUMENTS

All checks, drafts, or demands for money, and notes of the corporation, shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time-to-time designate.

The Board of Directors may in any instance designate the officers and agents who shall have authority to execute any contract, conveyance or other instrument of the corporation, or may ratify or confirm such execution by any officers or agents. In the absence of designation by the Board of Directors, the chairperson or senior vice chairperson (chair-elect) of the Board or the president may execute any instrument in the name and on behalf of the corporation and the secretary or treasurer or assistant treasurer may affix the corporate seal thereto. No officer shall execute, acknowledge or verify any instrument in more than one capacity.

ARTICLE XII

BOOKS AND RECORDS, REPORTS TO MEMBERS

The officers and agents of the corporation shall establish and maintain such books, records and accounts of the business and affairs of the corporation, and of the membership, as good business practice shall require or as the Board of Directors shall prescribe, and as shall be required by the laws of the State of Michigan and other authorities empowered to impose such requirements.

The Directors and officers of the corporation shall prepare and furnish to all member organizations and to the members of the corporation, an annual report of the operations and financial condition of the corporation, and such other reports as shall be required by the laws of the State of Michigan and other authorities empowered to impose such requirements. There shall be an annual audit of the corporation's financial statements by independent auditors.

ARTICLE XIII

AMENDMENTS OF THE BYLAWS

The bylaws of the corporation may be amended or repealed, in whole or in part, by the affirmative vote of a majority of the members of the corporation at any meeting of the members of the corporation, or by the affirmative vote of the majority of the Board of Directors then in office; provided that all amendments or repeals made by the Board of Directors shall be subject to review, modification or rescission at any time by the members of the corporation.