

BYLAWS
OF THE
KANSAS HOSPITAL ASSOCIATION

215 SE 8th Avenue
Topeka, Kansas 66603

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AMENDED AND RESTATED BYLAWS OF THE KANSAS HOSPITAL ASSOCIATION

SECTION 1 NAME

The Association shall be known as the **KANSAS HOSPITAL ASSOCIATION**, hereinafter called the “**Association**.”

SECTION 2 VISION AND MISSION STATEMENT

The vision of the Association is to be an organization of hospitals working together to improve access, quality, and affordability of health care for all Kansans. The Association’s mission is to be the voice and resource for community-based hospitals by meeting Member needs for advocacy and service.

SECTION 3 MEMBERSHIP

3.1 **Election of Members.** Membership in the Association on an institutional basis shall be available to organizations in Kansas and contiguous states supporting the vision and mission of the Association. Application for membership shall be made in writing to the President. The applicant shall become a member upon receiving the approval of a majority of a quorum of the Board of Directors of the Association (hereafter “**Board**”) and upon payment in advance of one (1) year's dues for the appropriate category of membership as established from time to time by the Board. The term “**Members**” shall refer to all members of the Association regardless of category. Otherwise, the name of the specific category of membership will be used.

3.2 **Memberships.** The Association will have the following membership categories:

(a) ***Community Hospital Members:*** The Community Hospital category of membership shall be comprised of community hospitals in the State of Kansas which have a compatible mission and vision with that of the Association, as determined by the Board in its sole discretion; provide a broad set of medical and surgical services to patients with a wide variety of acute conditions consistent with other members of this category of membership; treat Medicare and Medicaid patients without discrimination; provide treatment to patients with emergent conditions regardless of their ability to pay for such services; participate in the emergency and trauma system in the State of Kansas; and/or which have been designated as a critical access hospital by Medicare. A system of community hospitals and related facilities meeting the above criteria may be a member in this category of membership if its Kansas hospitals are members of the Association.

The members of this category of membership shall comprise the voting members of the Association and shall be entitled to the full benefits of membership; provided hospital systems shall not be entitled to vote, as such, but shall be represented in the votes taken by the Association through its Community Hospital Member hospitals of the system. Subordinate or affiliated health care entities which operate under the provider number of a Community Hospital Member will be permitted to enjoy the benefits of Association membership through their affiliated Community Hospital, but will not be entitled to a separate vote on Association matters.

(b) ***Specialty Hospital Members.*** The Specialty Hospital category of membership shall be comprised of business entities that provide health care services directly to Kansans and which do not otherwise qualify as a Community Hospital Member. Such entities must have a vision and mission compatible with the vision and mission of the Association and meet other criteria for membership as determined by the Board in its sole discretion. Specialty Hospital Members will be characterized by offering a limited or specialized set of services and being licensed as a hospital by the State of Kansas. Health care entities that are affiliated with Specialty Hospital Members but which operate under their own provider number may also be members of the Association in this category. The Members of this category of membership shall not be entitled to vote on matters coming before meetings of the Association.

(c) ***Health Care Organization Members.*** The Health Care Organizations category of membership shall be comprised of business entities that provide health care services directly to Kansans and which do not otherwise qualify as a Community Hospital Member or a Specialty Hospital Member. Such entities must have a vision and mission compatible with the vision and mission of the Association and meet other criteria for membership as determined by the Board in its sole discretion. Health care entities that are affiliated with Community Hospital Members but which operate under their own provider number may also be members of the Association in this category. The Members of this category of membership shall not be entitled to vote on matters coming before meetings of the Association.

(d) ***Health Insurance Company Members.*** The Health Insurance Company category of membership shall be comprised of companies which offer health care insurance coverage to the citizens of Kansas regardless of the type of coverage: indemnity, health maintenance organization (HMO), preferred provider organization (PPO), or other. To qualify for membership, members of this category must have a vision and mission compatible with the vision and mission of the Association and meet other criteria for membership as determined by the Board in its sole discretion. The Members of this category of membership shall not be entitled to vote on matters coming before meetings of the Association.

(e) **Associate Members.** Associate Membership may be granted by the Board to organizations and entities which provide services to the health care industry and, in particular, to members of the Association, but which do not qualify for any other category of membership as described above. Associate Members must have a vision and mission compatible with the vision and mission of the Association and meet other criteria for membership as determined by the Board in its sole discretion. The Members of this category of membership shall not be entitled to vote on matters coming before meetings of the Association.

3.3 **Resignation of Members.** A Member not in default of payment of dues, and against whom no complaint or charge is pending, may, at any time, resign in writing to the President. The resignation shall become effective as of the date received.

3.4 **Expulsion and Reinstatement of Members.** Membership in the Association is a privilege extended to those coming within the provisions of these Bylaws as they may be implemented and interpreted by the Board. Members shall, by their acts and conduct, further the objectives of the Association. Any Member which fails to do so, or which by their statements or actions cast discredit upon the Association, shall be subject to censure, suspension, or expulsion, as determined by a two-thirds ($\frac{2}{3}$) majority vote of the entire Board. In the event the Board determines to institute any censure, suspension, or expulsion, it shall, through the Secretary, notify the Member involved of the proposed action and the reasons therefor within ten (10) days following the Board's decision. Any Member suspended or expelled may be reinstated by an affirmative vote of a majority of the entire Board. All notifications required to be given herein shall be made by certified mail, return receipt requested.

3.5 **Dues.** The schedule of dues for each category of Members shall be established and modified from time to time by the Board. The Board may adopt policies providing for the timely payment of dues and the maintenance of membership in good standing of Members who are financially unable to meet the requirements of the schedule of dues.

3.6 **Voting Members.** Community Hospital Members is the only category of Member with the right to vote on Association issues coming before the membership at the Annual Convention, any regular or special Member meeting or at any District meeting. Each Community Hospital Member shall be entitled to one (1) voting representative at any meeting of the Association or in any election or referendum conducted by the Association. This voting representative shall be the chief administrative officer or any other individual whom the Community Hospital Member may designate.

3.7 **Privileges of Non-Voting Members.** All Members, other than Community Hospital Members, shall be entitled to rights and privileges of membership as established by the Board from time to time, including the right to attend the Annual Convention, except such Members shall not have the right to vote.

3.8 **Quorum.** Voting representatives of at least one-third ($\frac{1}{3}$) of the total Community Hospital Members present in person at any business session of the Association duly convened shall constitute a quorum.

3.9 **Annual Convention.** There shall be an Annual Convention of the Association which shall constitute the annual meeting of the Association for the purpose of electing Directors and Officers of the Association and to conduct such other business as deemed appropriate by the Board. The Annual Convention shall include meetings of the Members and the Board and may include meetings of Standing Committees, Board Task Forces, Councils, Advisory Groups, and Allied Organizations as may be determined by the Board. The Board shall have the authority to establish a convention registration fee, except that none shall be required for attendance at the business session. The time and place of the Annual Convention shall be designated by the Board and shall be announced at least two (2) months in advance of the Convention.

3.10 **Regular and Special Meetings.** Regular meetings of the Members may be established in advance by the Board. Special meetings of the Members may be called by the Chair or the President upon recommendation of the Executive Committee or upon written request of not less than ten (10) voting representatives of Community Hospital Members. Notice of special meetings shall be given no less than fifteen (15) nor more than thirty (30) days in advance of the date of such meeting by mail or by other means of communication, including electronic transmission, to the principal administrative officer of each Member entitled to attend such meeting based on such Member's membership category and the nature of the business to be conducted at such meeting. Notice shall be deemed to be delivered when deposited in the United States mail, with postage thereon prepaid, or when sent by electronic means. The notice shall specify the purpose of the meeting, and no other business shall be transacted at such meeting. Nothing in these Bylaws shall be construed as prohibiting the holding of meetings by telephone conference or other electronic means by which all Members may communicate directly with all other Members.

SECTION 4 **BOARD OF DIRECTORS**

4.1 **Powers.** The executive power of the Association shall be vested in the Board which shall have charge of the property and funds of the Association, shall be responsible for the management of the affairs of the Association and shall have the power and authority to do and perform all acts and functions consistent with these Bylaws.

4.2 **How Constituted.** There shall be a Board of Directors of the Association (the "**Board**"), which shall consist of a total of no less than seventeen (17) and no more than twenty-one (21) voting members (individually "**Director**" and collectively "**Directors**") representing Community Hospitals Members. The Board shall be comprised of the following: the five (5) Officers of the Association (the Chair, Chair-Elect, Past-Chair, President, and Secretary/Treasurer); one (1) person serving as a Delegate and one (1) person serving as an Alternate Delegate, respectively, to the American Hospital Association ("**AHA**") who shall serve on the Board *ex-officio* with

vote by virtue of their positions with the AHA. Two (2) trustees currently serving on the governing body of two (2) Community Hospital Members who are not employed by those Members, two (2) physicians licensed to practice medicine or surgery in the State of Kansas who are either employed by a Community Hospital Member or are members of the medical staff of a Community Hospital Member. The remaining Community Hospital Member representatives on the Board shall be a principal administrative officer of a Community Hospital Member or a legal entity, including a corporation or partnership, which controls, is controlled by, or under common control with a Community Hospital Member; provided such corporation or partnership is a Member of the Association. The Board membership shall be balanced to assure all Districts, as hereafter defined, shall be represented on the Board.

4.3 **Election and Term.** The Directors representing Community Hospital Members, other than the Association Officers or AHA delegates, shall serve for staggered three (3)-year terms. These Directors shall be divided into three (3) classes with the terms of one (1) class terminating each year. At each Annual Convention, one (1) class of such Directors shall be elected. Elections of such Directors shall take into consideration the requirement that all Districts must be represented on the Board. Each Director shall serve terms of three (3) years beginning on the first day of January immediately subsequent to the Annual Convention at which he or she was elected. Directors may not be elected to more than two (2) consecutive three (3)-year terms. The appointment of a Director to fill the unexpired term of a Director shall not be considered in determining the number of consecutive terms served. Election to the Board for the named Officers of the Association and the AHA Delegate and Alternate Delegate shall coincide with the term of the office so held.

4.4 **Meetings.** The annual meeting of the Board shall be held during the Annual Convention. Special meetings of the Board may be called by the Chair or by any five (5) members of the Board and shall be held at such place as may be designated. Nothing in these Bylaws shall be construed as prohibiting the holding of meetings by telephone conference or other electronic means by which all Directors may communicate directly with all other Directors. Written notice of any special meeting of the Board shall be delivered not less than five (5) nor more than ten (10) days before the date of the meeting, by mail or by other means of communication including electronic transmission, to each Director entitled to vote at such meeting. Such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Director at the Director's address as it appears on the records of the Association, with postage thereon prepaid, or when sent by electronic means. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4.5 **Vacancies.**

(a) Should a vacancy occur on the Board, or in the office of Delegate or Alternate Delegate to the American Hospital Association House of Delegates,

it shall be the duty of the Board, at the next regular meeting after which the vacancy has occurred, to appoint an individual representing a Community Hospital Member of the Association to serve until the next Annual Convention, at which time an individual representing a Community Hospital Member shall be elected for the unexpired term of the person giving rise to the vacancy.

(b) If a person who has been elected to serve on the Board is qualified as a current member of the governing body of a Community Hospital Member, as a physician employed by or on the medical staff of a Community Hospital Member or the principal administrative officer of a Community Hospital Member, for any reason ceases to hold such qualification, that person's term of service as a Director of the Association shall automatically terminate. The vacancy shall be filled as provided in Section 4.5(a) with a person who is qualified to serve in such position under the provisions of Sections 4.2 and 4.3.

4.6 **Quorum.** A majority of the Board shall constitute a quorum.

4.7 **Voting.** Each Director shall have one (1) vote on all matters coming before the Board. A majority of a quorum shall be required to approve Board action.

4.8 **Attendance.** Directors are expected to attend all meetings, and any Director absent from two (2) successive meetings without adequate reason, in the view of the Chair, may be terminated from such position. Should the Chair determine that the member vacate his or her position, the Board member so affected may, within ten (10) days, request a review of the decision by the Board. Any vacancy created hereunder shall be filled in accordance with Section 4.5.

SECTION 5 **OFFICERS**

5.1 **Officers.** The Officers of the Association shall include the following: a Chair, a Chair-Elect, a Past-Chair, a President, one or more Vice Presidents, and a Secretary/Treasurer. The Officers of the Association shall be elected or appointed as set forth below:

(a) ***Chair.*** The Chair shall be the individual who was serving as the Chair-Elect at the end of the preceding calendar year. The Chair shall assume the office of Chair on the first day of January immediately subsequent to the year in which that individual served as the Chair-Elect.

(b) ***Chair-Elect.*** A Chair-Elect shall be elected at each Annual Convention by a majority of the voting Members of the Association in good standing, present and voting. The Chair-Elect shall assume the office of Chair-Elect on the first day of January immediately subsequent to the Annual Convention at which that individual was elected, and the office of Chair on the first day of the next succeeding January.

(c) **Past-Chair.** The Past-Chair shall be the individual who was serving as the Chair at the end of the preceding calendar year. The Past-Chair shall assume the office of Past-Chair on the first day of January immediately subsequent to the year in which that individual served as the Chair.

(d) **President.** The person employed full time as the chief executive officer of the Association shall be deemed to have been elected to the office of, and installed as, the President of the Association upon commencement of employment. The President shall continue to serve as President until the term of employment in such capacity is terminated.

(e) **Vice Presidents.** The Vice Presidents of the Association shall be employees of the Association and appointed to office by the President. They shall serve at the pleasure of the President and shall perform such duties as shall be determined by the President.

(f) **Secretary/Treasurer.** The Secretary/Treasurer of the Association shall be elected by a majority of the voting Members of the Association in good standing, present and voting at each Annual Convention.

(g) **Delegates and Alternates to the American Hospital Association.** Delegates and Alternate Delegates to the AHA House of Delegates shall be elected in accordance with, and serve terms established by, the Bylaws of the AHA.

5.2 **Duties.** The Officers of the Association shall perform the duties as set forth below:

(a) **Chair.** The Chair shall be a chief administrative officer of a Community Hospital Member of the Association, shall serve as the Chairman of the Board and shall preside at all meetings of the Members, Directors, and Executive Committee. The Chair shall serve as an *ex-officio* voting member of all Standing Committees, Task Forces, Councils, Advisory Groups, and other Board-appointed committees and shall appoint individuals to serve on the same, except as otherwise provided in these Bylaws. The Chair, along with the President, shall possess the power to sign all certificates, contracts, and other instruments of the Association that may be authorized by the Board unless required by law to be otherwise signed or executed. During the absence or disability of the President, the Chair shall exercise all the powers and discharge all the duties of the President. In addition, the Chair shall have all other powers, duties, and responsibilities that may be delegated by the Board. In the event the Chair is absent or the office of Chair becomes vacant for any reason at any time after the Annual Convention of the Association at which the Chair has assumed office, the Chair-Elect shall serve as Chair during the period of absence or during the remainder of the unexpired term of the Chair in addition to the term for which the Chair-Elect was scheduled to serve as Chair.

(b) **Chair-Elect.** The Chair-Elect shall, in the event of the absence, death, disability or inability to act of the Chair, perform the duties and exercise the authority and powers of the Chair. The Chair-Elect shall serve as a voting member of the Board and the Executive Committee and shall serve *ex-officio* without vote on all Standing Committees, Task Forces, Councils, Advisory Groups, and other Board-appointed committees unless otherwise provided in these Bylaws. The Chair-Elect shall have such other authority and power and perform such other duties as prescribed by the Chair and the Board. In the event the office of Chair-Elect becomes vacant for any reason, the Board shall select a replacement as Chair-Elect at its next regular meeting of the Board following the date the vacancy occurs.

(c) **Past-Chair.** The Past-Chair shall serve as a voting member of the Board and of the Executive Committee until his/her successor assumes the position. The Past-Chair shall perform such duties prescribed by the Chair and the Board.

(d) **President.** The President shall be the principal executive officer of the Association and, subject to the control of the Board, shall supervise and control all of the business and affairs of the Association. The President may sign any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except where execution thereof shall be expressly delegated by the Board or by these Bylaws to some other Officer or agent of the Association or as required by law to be otherwise signed or executed. The President shall in general perform all duties incident to the office of the President and such other duties as may be prescribed by the Board from time to time. The President shall be responsible for hiring and administering the Association's staff and for the day-to-day operations and activities of the Association. In the absence of the Chair, should there be no Chair-Elect, the President shall perform the duties of the Chair. The President shall also serve as an *ex-officio* voting member of all Standing Committees, Task Forces, Councils, Advisory Groups, and other Board-appointed committees unless otherwise provided in these Bylaws.

(e) **Secretary/Treasurer.** The Secretary/Treasurer shall: (i) keep the minutes of the proceedings of the Members and of the Board in one or more books provided for that purpose; (ii) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) be custodian of the corporate records of the Association; (iv) keep a register of the current post office address of each Member; (v) have general charge of the books and records of the Association; (vi) have charge and custody of and be responsible for all funds of the Association; (vii) receive and give or cause to be given receipts of monies due and payable to the Association from any source whatsoever, and deposit or cause to be deposited all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board; and (viii) in general perform all duties incident to the office of Secretary/Treasurer and such other duties as from time to time may be assigned

by the Chair or by the Board. Duties of the Secretary/Treasurer may be delegated to the Association staff as deemed appropriate.

5.3 **Reports.** The Chair shall submit an executive report and the Secretary/Treasurer shall submit a financial report at the Annual Convention. The financial records of the Association shall be subjected to an annual audit by an independent Certified Public Accountant.

5.4 **Faithful Performance.** If required by the Board, certain Officers of the Association shall give it a bond in the sum and with one (1) or more sureties satisfactory to the Board, for the faithful performance of the duties of their respective offices, and for the restoration to the Association, in the case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, or other property of whatever kind in such Officer's possession or control which belong to the Association.

SECTION 6

STANDING COMMITTEES

6.1 **Standing Committees.** Subject to the approval of the Board, the Chair shall appoint the following Standing Committees ("**Standing Committees**"):

(a) ***Executive Committee.***

(i) **Establishment and Purpose.** The Executive Committee is established by the Board to fulfill the duties delegated to it by the Board and shall have and exercise all the powers of the Board at such times when the Board is not in session. The Executive Committee shall develop the compensation and benefits package for the President and assure that such compensation meets requirements of the Association's policies and applicable laws, rules and regulations governing the compensation of highly compensated employees of tax-exempt entities. The Executive Committee shall develop criteria for performance evaluations of the President, assure such performance reviews are conducted annually, and determine the criteria for payment of an annual bonus to the President, if any. The Executive Committee shall use consultants and/or independent market studies of compensation for executives in like circumstances in performing its duties and obligations. The President and other Members of the Association staff shall not be included in that portion of Executive Committee meetings at which compensation issues are acted upon.

(ii) **Composition and Meetings.** The Executive Committee shall consist of the Chair, the Chair-Elect, the Past-Chair, the President, the Secretary/Treasurer, and one (1) non-Officer Director elected by the Board. Appointments to the Executive Committee for the named Officers shall coincide with the term of the office so held. The non-Officer Director elected to the Executive Committee shall serve for a term of one (1) year commencing on January 1. The Executive Committee shall meet

at the call of the Chair or the President. The minutes of its meetings shall be reviewed by the Board and, upon approval by the Board, made a part of the minutes of the next succeeding meeting of the Board. The Executive Committee shall also plan the agenda for any upcoming meeting of the Board.

(b) ***Audit Committee.***

(i) Establishment and Purpose. The Audit and Finance Committee is established by the Board for the primary purpose of assisting the Board in overseeing (1) the integrity of the Association's financial statements, (2) the Association's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, (4) the performance of the Association's independent auditor, (5) the Association's internal audit and corporate compliance program, and (6) the investment policy statement and investment performance of the Association's investment portfolio, and (7) the Association's system of internal controls regarding finance, accounting, legal compliance, and ethics established by the Association staff and the Board from time to time. Consistent with this function, the Audit and Finance Committee shall encourage continuous improvement of, and foster adherence to, the Association's policies, procedures and practices at all levels. The Audit and Finance Committee has the authority to obtain advice and assistance from outside legal, accounting, or other advisors as deemed appropriate to perform its duties and responsibilities. The Audit and Finance Committee will report regularly to the Board regarding the execution of its duties and responsibilities.

(ii) Composition and Meetings. The Audit and Finance Committee shall be comprised of four (4) non-Officer Directors and one (1) independent non-Board member as chosen by the Chair who possess particular expertise in financial and accounting matters. The President and Secretary/Treasurer shall serve on the Audit and Finance Committee without vote. Each Audit and Finance Committee member, other than the President and Secretary/Treasurer, shall be independent and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit and Finance Committee. The Audit and Finance Committee members should have a working familiarity with basic finance and accounting practices. Appointments to the Audit and Finance Committee for the named Officers shall coincide with the term of the office so held. The non-Officer Audit and Finance Committee members shall be elected by the Board and shall serve for a term of one (1) year commencing on January 1. The Chair will designate the chair of the Audit and Finance Committee from among the voting members of the Audit and Finance Committee. The President and Secretary/Treasurer are prohibited from serving as chair of the Audit and Finance Committee. The Audit and Finance Committee shall meet at least

two (2) times annually, or more frequently as circumstances dictate. Each regularly scheduled meeting shall conclude with an executive session of the Audit and Finance Committee without the President and other members of management being present and on such terms and conditions as the Audit and Finance Committee may elect.

(iii) Sub-Committees. The and Finance Committee may appoint sub-committees as necessary to carry out its duties. As the KHA Audit and Finance Committee may also have oversight of financial and investment matters of subsidiary organizations to the Association, the Audit and Finance Committee may include officers or directors from these subsidiary organizations to serve on sub-committees. Such officers or directors shall have full voting rights.

(c) ***Governance Committee.***

(i) Establishment and Purpose. The Governance Committee is established by the Board for the primary purpose of assisting the Board in perpetuating the effectiveness of the Association through (1) periodic review of the Association's Bylaws and developing revisions of the Bylaws for Board consideration, (2) periodic review of Board policies and procedures and developing such necessary revisions for Board action, (3) evaluating Board performance, (4) identifying the qualities and characteristics required for effective governance, (5) identifying, developing and training effective Directors and Officers, (6) serving as the Association's nominating committee to nominate candidates for election to the Board and to serve as Officers, and (7) establishing the criteria for Association membership.

(ii) Composition and Meetings. The Governance Committee shall be comprised of the Chair, the President, four (4) other Directors, and two (2) independent non-Board members. Each Governance Committee member, other than the Chair and the President, shall be independent and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Governance Committee. The non-Director Governance Committee members shall be representatives of Community Hospital Members. An attempt shall be made to assure each District is represented among the Governance Committee membership. Appointments to the Governance Committee for the named Officers shall coincide with the term of the office so held. The non-Officer and non-Director Governance Committee members shall be chosen by the Chair and shall serve for a term of one (1) year commencing on January 1. The Chair will serve as the chair of the Governance Committee. The Governance Committee shall meet at least one (1) time annually, or more frequently as circumstances dictate. At least once per year, a meeting shall conclude with an executive session of the Governance Committee

without the President and other members of management being present and on such terms and conditions as the Governance Committee may elect.

6.2 **Other Committees.** The Board may establish such other Board committees as it deems necessary to accomplish its purposes. The Board resolution creating such committees shall specify such committee's purpose, composition, duration, and reporting responsibility. Such committees shall be chaired by a member of the Board as designated by the Chair, but may include non-Board members as members of the Committee.

6.3 **Quorum and Voting.** A majority of the members of any Standing or other committee shall constitute a quorum. A majority of a quorum shall be required for a committee to recommend action.

SECTION 7 **DISTRICTS**

7.1 **Districts.** The Board may divide the state into geographical areas consisting of two (2) or more contiguous counties for the purpose of facilitating the work of the Association (each such geographical area shall be known as a “**District**”).

7.2 **District Members.** Community Hospital Members located within the geographical boundaries of a District shall be Members of such District.

7.3 **Meetings and Purpose.** **District meetings shall be held at least once each year for voting and other Association members as determined by the Board. The purpose of these meeting is to develop and convey policies, facilitate the work and objective of the Association and provide a forum for the discussion of relevant issues.**

7.4 **Actions Taken.** Resolutions adopted or recommendations made by a majority vote of the Community Hospital Members of a District pertaining to the business of the Association shall be submitted to the President and considered by the Governance Committee.

SECTION 8 **POLICY AND ADVISORY GROUPS**

8.1 **Board Task Forces.** The Chair, with approval of the Board, may from time to time appoint such Board Task Forces as are necessary to assist the Board in developing and implementing specific Association policies or programs. The Chair shall define the purpose and responsibilities of any Board Task Force to be appointed. The duration of a Board Task Force shall be for an amount of time determined by the Board. Board Task Forces shall report either directly to the Board or a specific Standing Committee as directed by the Chair. Appointments to a Board Task Force will be for a

term of one (1) year or less, depending on the nature of the Board Task Force's responsibility. Membership of any Board Task Force may include individuals representing all membership categories. The Chair shall appoint the chair and vice chair of the Task Force

8.2 **Councils.**

(a) ***Establishment.*** Councils may be created and maintained for the purpose of giving guidance to the Board regarding matters requiring special expertise which are of ongoing and specific concern to Members. The Board may create or discontinue such Councils as the need may indicate. Councils shall have such power and duties, not inconsistent with these Bylaws, as may be determined by the Board.

(b) ***Membership.*** Each Council shall have no less than fifteen (15) members and may include representatives from all membership categories. The Council members shall be appointed by the Chair, subject to the approval of the Board. The Chair shall appoint the chair and vice chair of the respective Councils to serve for one (1) year. A sufficient number of Council members shall be appointed annually for terms of from one (1) to three (3) years, to achieve the desired number on each Council and to assure that the term of approximately one-third ($\frac{1}{3}$) of the Council membership will expire annually. The Chair may appoint *ex-officio* members of Councils with special interests or abilities. Vacancies on Councils may be filled by appointment by the Chair. Community Hospital Members shall have no more than one (1) representative on any one (1) council.

(c) ***Attendance.*** Members of Councils are expected to attend all meetings, and any member absent from two (2) successive meetings without providing adequate notice shall have the appointment terminated, such vacancy to be filled by the Chair.

(d) ***Technical Advisory Groups.*** Each Council may recommend the appointment of Technical Advisory Groups as the need may arise to assist the appointing Council with certain projects or programs, subject to the approval of the Board. The Council shall define the purpose and responsibilities of the Technical Advisory Group to be appointed and the Technical Advisory Group shall report to the respective Council appointing such Technical Advisory Group. If approved by the Board, the duration of Technical Advisory Groups shall be for an amount of time determined by the Board.

8.3 **Public Advisory Group.** The Chair, with the approval of the Board, may appoint a Public Advisory Group, whose reports shall be received by the Board. The purpose of the Public Advisory Group is to provide a forum by which hospitals may benefit from advice and counsel of the public or specific constituencies of community hospitals. A Public Advisory Group shall consist of leading citizens who represent the public sector on issues related to hospitals and health care. The Council's governance structure, composition, and frequency of meetings shall be determined by the Board.

8.4 **Composition, Quorum and Voting.** A majority of the members of any policy or advisory group shall constitute a quorum. A majority of a quorum shall be required for such policy or advisory group to recommend action.

SECTION 9
MISCELLANEOUS

9.1 **Indemnification.** The Association will 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, by reason of the fact that he or she is or was a member of the Board, an Officer, employee or agent of the Association pursuant to and to the extent allowed by K.S.A. 17-6305 and any amendments thereto.

9.2 **Insurance.** The Association shall secure and maintain general liability insurance pursuant to K.S.A. 60-3601 so as to invoke the statutory immunity granted by such statute to protect members of the Board, Officers and volunteers from liability for damages in a civil action to the extent allowed by law. The Association will also have the power to purchase and maintain insurance on behalf of any other person who is or was a director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or rising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability under the provisions of these Bylaws or under the provisions of any law of the State of Kansas.

9.3 **Amendments.**

(a) These Bylaws may be amended by the affirmative vote of two-thirds ($\frac{2}{3}$) of the Directors at any regular or special meeting of the Board.

(b) Before any Bylaw amendment may be voted upon, the same shall be considered by the Governance Committee and its recommendation shall be reported to the Board.

(c) Either the Board or the Governance Committee may propose amendments to the Bylaws. Alternatively, not less than five (5) voting representatives of Community Hospital Members of the Association may prepare a suggested amendment and file it with the President. The President shall refer any proposed amendment to the Governance Committee for its recommendation and report.

(d) Notices of proposed amendments and the report of the Governance Committee shall be sent by mail, or by other means of communication including electronic transmission, to each Community Hospital Member of the Association not less than twenty (20) days prior to the Board meeting at which the amendment is to be considered. Such Notice shall contain a notification of the date, time, and place of the Board meeting when such proposed amendment will be considered. Any voting representative of Community Hospital Members, as defined in Section 3.2, shall be privileged to attend the Board meeting at which such

amendment is discussed and acted upon and shall be permitted to address the Board before action is taken. Any representative of a Community Hospital Member shall also be privileged to file a letter with the President by certified mail, which letter shall be presented to the Board regarding the proposed amendment before any action is taken on a proposed amendment.

9.4 **Fiscal Year.** The Board shall have power to fix and from time to time change the fiscal year of the Association. In the absence of action by the Board, however, the fiscal year of the Association will end each year on the date that the Association treated as the close of its first fiscal year, until such time, if any, as the fiscal year may be changed by the Board.

9.5 **Rules of Order.** The deliberation of the Association shall be governed in its parliamentary procedure by Robert's Rules of Order, unless such rules contravene the Bylaws and action taken by the Association.

CERTIFICATE

These Amended and Restated Bylaws of the Kansas Hospital Association were reviewed and adopted by the Board of Directors on September 7th, 2016 and made effective September 7, 2016, superseding and replacing any and all previous Bylaws.

Chair

Secretary/Treasurer