

**BYLAWS OF CONCORD HOSPITAL, INC.**

	<u>Page</u>
DEFINITIONS.....	1
ARTICLES	
1. NAME, PURPOSE AND SEAL.....	2
2. MEMBERSHIP.....	2
3. BOARD OF TRUSTEES.....	2
4. OFFICERS.....	6
5. PRESIDENT.....	8
6. COMMITTEES.....	10
7. MEDICAL STAFF.....	17
8. CONCORD HOSPITAL ASSOCIATES.....	19
9. CONFLICT OF INTEREST.....	19
10. INDEMNIFICATION.....	19
11. THIRD PARTIES.....	20
12. AMENDMENTS.....	20
13. MISCELLANEOUS.....	20

Amended 10/30/18

## **DEFINITIONS**

1. BOARD OF TRUSTEES or BOARD means the governing body of the Corporation.
2. CORPORATION means this Corporation, Concord Hospital, Inc.
3. MEMBER means Capital Region Health Care Corporation, acting through its Board of Trustees, which is the sole Member of the Corporation.
4. EXECUTIVE COMMITTEE means the Executive Committee of the Board of Trustees.
5. EX OFFICIO means the service as a member of a body by virtue of an office or position held and, unless otherwise expressly provided, means with voting rights.
6. HEALTH PROFESSIONAL AFFILIATE or AFFILIATE means a practitioner, other than a licensed physician or dentist, whose patient care activities require that the privileges to perform specified patient care services be processed through the usual Medical Staff channels. Such practitioners are affiliated with, but not members of, the Medical Staff.
7. HOSPITAL means Concord Hospital of Concord, New Hampshire.
8. MEDICAL STAFF or STAFF means the formal organization of all licensed physicians and dentists who are authorized to attend patients and to supervise the activities of Health Professional Affiliates at Concord Hospital.
9. PRIVILEGES means, unless otherwise expressly limited, both clinical privileges exercised by physicians and dentists and specified patient care services exercised by Health Professional Affiliates.

## **ARTICLE 1: NAME, PURPOSES AND SEAL**

- 1.1 The name of this organization shall be Concord Hospital, Inc.
- 1.2 The purposes of the Corporation shall be as set forth in the Articles of Agreement, as amended from time to time.
- 1.3 The Hospital is dedicated to serve its patients without regard to race, color, ethnic origin, creed, age, sex, sexual orientation, marital status, disability or inability to pay for services.
- 1.4 The seal of the Corporation shall bear the name of the Corporation and its year of incorporation.

## **ARTICLE 2: MEMBERSHIP**

### 2.1 Member

Capital Region Health Care Corporation, a charitable corporation, acting through its Board of Trustees, shall be the sole Member of the Corporation.

### 2.2 Annual Meeting

The annual meeting of the Corporation shall be held in Concord, New Hampshire in the first quarter of each calendar year.

### 2.3 Special Meetings

Special meetings of the Corporation may be called by the Chair or the Member.

### 2.4 Notice of Meetings

Notice of the time and place of annual meetings and of the time, place and purposes of any special meeting of the Corporation shall be given in hand, sent by mail or e-mail by the Secretary not less than five (5) days (exclusive of the day of the meeting and the day of the giving of the notice) prior to the meeting.

## **ARTICLE 3: BOARD OF TRUSTEES**

### 3.1 Number and Composition

The Board of Trustees shall be composed of not less than fourteen (14) nor more than nineteen (19) persons excluding ex officio Trustees, the number to be established by and, except for ex officio Trustees, elected by the Member. The President of the Corporation and the President of the Medical Staff shall be

ex officio members of the Board, with vote. Not less than sixty percent (60%) of the Trustees, excluding ex officio Trustees, shall be residents of one of the communities of Concord Hospital's primary service area as follows:

Allenstown	Deering	Pembroke/Suncook
Andover	Dunbarton	Pittsfield
Barnstead/Center Barnstead	Epsom	Salisbury
Boscawen	Henniker	Warner
Bow	Hillsboro	Washington
Bradford	Hooksett	Weare
Canterbury	Hopkinton	Webster
Chichester	Loudon	Windsor
Concord/Penacook	Northwood	

### 3.2 Term of Office

The term of office of each Trustee shall begin at the annual meeting of the Corporation at which the Trustee is elected. Ex officio Trustees shall serve until the expiration of their tenure in the positions qualifying them as ex officio members of this Board. Approximately one-third of the elected Trustees shall initially hold office for a term of one year, one-third for a term of two years, and one-third for a term of three years; thereafter, as the term of office of each such Trustee expires, a successor shall be elected and shall hold office for a term of three years. No Trustee except ex officio Trustees shall serve more than four consecutive full terms. If the Board Chair's term ends the same year or subsequent year as his/her Chairmanship, the Chair will have the option of remaining on the Board for another two years.

### 3.3 Election

All Trustees except ex officio Trustees shall be elected by the Member at the annual meeting of the Member. A nomination slate for the Trustees shall be submitted by the Governance/Nominating Committee of the Corporation.

### 3.4 Removal

Any Trustee may be removed at any time, with or without cause, by a two-thirds vote of the entire Board of Trustees, except the Trustee in question.

### 3.5 Vacancies

Vacancies on the Board of Trustees due to death, resignation, loss of qualifying status or other cause shall be filled by election by the remaining members of the Board of the Corporation. Trustees elected to fill vacancies shall hold office until

the next annual meeting of the Member, at which time successors shall be elected in the manner provided for in the case of original elections and they shall then hold office for the remainder of the term of the Trustee who created the vacancy.

### 3.6 Powers

The affairs of the Corporation shall be managed by the Trustees who shall have and may exercise all the powers of the Corporation except those reserved to the Member by law, the Articles of Agreement or these Bylaws.

- A. Any voluntary dissolution, merger or consolidation of the Corporation or the sale or transfer of all or substantially all of the Corporation's assets or the creation or acquisition of any subsidiary or affiliate corporation shall be subject to approval by the Member.
- B. Any amendment of these Bylaws or of the Corporation's Articles of Agreement shall be subject to approval by the Member.
- C. Any changes in the Corporation's non-profit status shall be subject to approval by the Member.

### 3.7 Meetings

Regular meetings of the Board shall be held at least six (6) times per year, as determined by the Board from time to time, at the Hospital or at such other location as may be designated by the Chair. The annual meeting of the Board shall be held in the first quarter of the calendar year.

Special meetings may be called by the Chair, the President, or upon written request by one-third of the Trustees or upon written request by the Member. Written notice of special meetings shall be mailed by the Secretary of the Corporation to each Trustee at least five days before the date of such special meeting. The notice shall state the time and place of the meeting and the business for which the special meeting has been called. No business other than that stated in the notice may be transacted at such special meetings. A Trustee may waive the right to notice by filing a written waiver with the Secretary prior to, at or after the meeting.

Unless specifically prohibited by law, the Articles of Agreement, or these By-Laws, meetings of the Board of Trustees may be held by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other at the same time. The same requirements for quorums, voting and record keeping which are provided for in

these By-Laws with respect to meetings in person shall apply to meetings held by communications equipment.

Unless specifically prohibited by law, the Articles of Agreement or these By-Laws, any action required or permitted to be taken by the Board of Trustees at a meeting may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by and/or e-mailed from a majority or more of all the voting Trustees. Such consents may be evidenced by signed writings (which may be a single writing, or multiple counterparts) and/or by Board members' e-mail confirmations. Votes taken by e-mail shall be printed out with the printed copy showing the Board member's e-mail address. E-mail confirmations and written consents shall be filed with the records of the meetings of the Board of Trustees. Such consents shall be treated for all purposes as a vote at a meeting.

### 3.8 Quorum and Voting

A majority of the Board of Trustees shall constitute a quorum for the transaction of business. Each Trustee shall have one vote and there shall be no voting by proxy. Except as otherwise provided for herein or by law, all actions of the Board shall be effected by majority vote of the Trustees present and voting.

If less than a quorum shall be present at a meeting, action of the Board may be taken by a vote of the Trustees present and consents in writing, setting forth the action so taken, signed by and/or e-mailed from enough other voting Trustees whose consents, when added to the affirmative votes of the Trustees present at the meeting, shall equal a majority of the voting members of the Board. Such consents shall be evidenced by signed writings (which may be a single writing, or multiple counterparts) and/or by Board members' e-mail confirmations. Votes taken by e-mail shall be printed out with the printed copy showing the Board member's e-mail address. E-mail confirmations and written consents shall be filed with the records of the meeting of the Board of Trustees.

If a quorum shall be present at a meeting, but by reason of conflicts of interest less than a sufficient number of Trustees who are qualified to vote on a particular issue are present, action of the Board may be taken on the issue by a vote of the Trustees present and consents in writing, setting forth the action so taken, signed by and/or e-mailed from enough other qualified voting Trustees whose consents, when added to the affirmative votes of the qualified Trustees present at the meeting, shall equal the number of affirmative votes required to carry the issue. Such consents shall be evidenced by signed writings (which may be a single writing, or multiple counterparts) and/or by Board members' e-mail confirmations. Votes taken by e-mail shall be printed out with the printed copy showing the Board member's e-mail address. E-mail confirmations and written consents shall be filed with the records of the meetings of the Board of Trustees.

### 3.9 Executive Sessions

In order for the Board to enter executive session, the Chair may declare an executive session or a motion to do so may be made, seconded and passed by a majority vote. No voting member of the Board will be disqualified from voting on the motion except in the case of a known conflict of interest. The Chair shall determine who will be excluded from the executive session. Minutes of an executive session shall be recorded, but kept in a separate binder. Access to the minutes of executive sessions will be limited to those Trustees who were not excluded from the executive session, and others as approved by the Chair. Only upon motion and vote in executive session will any action taken in executive session be repeated in open session and recorded in the minutes thereof.

## **ARTICLE 4: OFFICERS**

### 4.1 Identification

The regular officers of the Corporation shall be:

- A. Chair
- B. Vice Chair
- C. President
- D. Treasurer
- E. Secretary

The Board of Trustees may from time to time establish other offices subordinate to the foregoing as are appropriate to conduct the affairs of the Corporation and shall elect or appoint the officers to such positions, as the Board may determine. All officers of the Corporation except the President and the Treasurer must be members of the Board of Trustees. Neither the Chair nor the Vice Chair shall be employees of the Corporation. No two or more offices may be held by the same person.

### 4.2 Election

The Chair, Vice Chair, Secretary and such other officers as the Board may from time to time establish shall be elected by the Board at the annual meeting of the Board from a nomination slate submitted by the Governance/Nominating Committee of the Corporation, which may be supplemented by nominations from the floor. If no candidate for an office receives a majority vote on the first ballot, a runoff election shall be held promptly to choose between the two candidates receiving the highest number of votes for such position. The President and the Treasurer shall be appointed by the Board.

#### 4.3 Term

Each officer, other than the President and Treasurer, shall hold office for a term of one year or until a successor shall have been duly elected and qualified. The President and Treasurer shall serve at the pleasure of the Board (except that its provision shall not be construed to prohibit employment contracts with such officers.)

#### 4.4 Removal

Any officer may be removed at any time, with or without cause, by a vote of two-thirds of the entire Board of Trustees other than the officer in question if the officer is also a Trustee.

#### 4.5 Vacancies

Vacancies in offices, other than that of Chair, shall be filled by the Board at its next regular or any special meeting by the same method as provided for in Section 4.2. If there is a vacancy in the office of Chair, the Vice Chair shall serve the remaining term.

#### 4.6 Duties

- A. CHAIR: The Chair shall serve as the principal elected officer of the Corporation. As such, the Chair shall:
1. call, preside at and be responsible for all meetings of the Board of Trustees;
  2. be notified of and may attend all meetings of all committees of the Board (but the Chair shall not vote unless otherwise a member of the committee);
  3. have all other powers and duties usually attributed to the office not inconsistent with these Bylaws.
- B. VICE CHAIR: The Vice Chair shall perform the duties of the Chair in the event of the Chair's absence, disability or refusal to act, together with such other duties as may be, from time to time, designated by the Board.
- C. SECRETARY: The Secretary shall:
1. give proper notice of all meetings of the Board and of the Executive Committee on order of the appropriate authority;



2. be responsible for minutes for all meetings and records of all transactions of the Board and the Executive Committee;
3. act as custodian of all records of the Board and of the Executive Committee;
4. perform such other duties as ordinarily pertain to the office.

In the absence of the Secretary from any meeting of the Board of Trustees or the Executive Committee, the Chair may appoint a temporary secretary who shall keep the minutes of that meeting.

D. TREASURER: The Treasurer shall be appointed by the Board and, except as otherwise directed by the Board, shall:

1. have charge and custody of and be responsible for all the funds and securities of the Corporation;
2. disburse the funds of the Corporation and sign in the name of the Corporation all checks, notes, drafts and other orders for the payment of monies of the Corporation;
3. endorse and deposit all instruments payable to the Corporation;
4. maintain accurate and complete records of receipts and disbursements;
5. make such reports to the Board and the Executive Committee as the Board or the Executive Committee may prescribe and make annual reports to the Member;
6. perform such other duties as ordinarily pertain to the office.

The Treasurer shall give such bond for the faithful performance of the duties of the office as the Board may from time to time require.

## **ARTICLE 5: PRESIDENT**

### 5.1 General

Subject to the approval of the Member, the Board of Trustees shall employ the President of the Corporation who shall, subject to policies and directives determined by the Board, be the Chief Executive Officer of and be responsible

for the general operation of the Corporation. The compensation for the President shall be authorized and approved by the Compensation Committee in a manner that qualifies for the rebuttable presumption of reasonableness available under the Intermediate Sanctions regulations, but, to the extent such compensation may constitute a pecuniary benefit transaction (as defined by RSA 7:19-a and as referenced in Article 9), no such compensation shall be payable until also approved by the Board in a manner that satisfies RSA 7:19-a.

## 5.2 Power and Duties

The powers and duties of the President shall include:

- A. preparation and submission of an annual budget, showing expected receipts and expenditures, and of a strategic plan;
- B. selection, employment, control and discharge of employees of the Corporation and the development and maintenance of employee personnel policies and practices;
- C. maintenance of the physical properties of the Corporation in a good state of repair and operating condition;
- D. supervision of the business affairs of the Corporation to insure that funds are collected and expended to the best advantage of the Hospital;
- E. cooperation with the Medical Staff and with all those concerned with the rendering of professional medical services;
- F. preparation and presentation to the Board or an appropriate committee thereof of periodic reports reflecting the professional medical services and financial activities of the Hospital and preparation and submission of such special reports as may be, from time to time, required by the Board or its committees;
- G. attendance at all meetings of the Board and its committees unless excused therefrom (but the President shall not vote unless the President is otherwise a member of the committee);
- H. serving as liaison officer and channel of communication for all official communications between the Board and its committees and the Medical Staff and the Hospital administration;

- I. execution of all contracts and other legal documents on behalf of the Corporation, unless some other person is specifically designated by the Board, by law, or pursuant to the administrative policy addressing contract and expenditure approval levels;
- J. execution of Medical Staff actions for members and affiliates of the Medical Staff (In the absence of the President/CEO, the COO shall have the authority to execute Medical Staff actions);
- K. performance of such other duties as may be assigned by the Board or its committees or as may be appropriate to the interests of the Corporation;
- L. serving as President of Capital Region Health Care, unless another individual serves in that role.

## **ARTICLE 6: COMMITTEES**

### 6.1 Designation and Substitution

Committees of the Board shall be standing and special. The standing committees shall be established by these Bylaws. Special committees may, from time to time, be established by the Chair or the Board.

Whenever these Bylaws or the Bylaws of the Medical Staff require that a function be performed by or that a report or recommendation be submitted to:

- A. a named committee of the Corporation or the Hospital, but no such committee shall have been appointed, the Executive Committee shall perform such function or receive such report or recommendation;
- B. the Executive Committee, but a standing or special Committee shall have been formed to perform the function, the committee so formed shall act in accordance with the authority delegated to it in place of the Executive Committee.

### 6.2 Powers

Subject to the general supervision of the Board, each committee shall have the specific powers delegated to it by these Bylaws or by the authority appointing the committee and such additional powers as may be necessary or appropriate to the proper discharge of its duties. The activities of all committees shall be under the supervision of the Board.

### 6.3 Composition

Unless otherwise specifically provided, each committee shall be composed of a minimum of three members, at least a majority of whom shall be Trustees. Members of any committee who are not Trustees of the Corporation shall serve with vote unless otherwise specified by these Bylaws or the Board.

### 6.4 Appointment and Vacancies

Unless otherwise specifically provided, the members of all committees of the Board and Board members of committees of the Medical Staff shall be appointed by the Chair. All vacancies due to death, resignation, disqualification or other cause, except removal, shall be filled by the Chair. Vacancies due to removal shall be filled by the Board.

### 6.5 Removal

A committee member may be removed, with or without cause, by a vote of two-thirds of the entire Board of Trustees, other than the committee member in question if the member is a Trustee.

### 6.6 Committee Officers

Unless otherwise specifically provided, the Chair shall designate a chair of each committee, who shall serve in such office at the Chair's pleasure.

### 6.7 Quorum and Voting

The provisions in these Bylaws which relate to meetings/actions of the Board of Trustees with respect to notice of meetings, quorums at meetings, voting at meetings, taking action by written or e-mail consents and conducting meetings by conference telephone or similar communications equipment shall also apply to meetings/actions of all Board Committees.

### 6.8 Term

Each standing or special committee member shall hold office until the next annual meeting or until a successor shall have been duly elected or appointed.

### 6.9 Meetings and Records

Committees shall meet as required by the Bylaws, but if not specified, not less than annually. The time and place of meetings shall be designated by the chair of the committee.

Each committee shall keep an accurate record of its meetings and actions and the attendance of its members. The secretary or chair of the committee shall submit minutes of its meetings to the Board.

#### 6.10 Standing Committees

There shall be the following standing committees of the Board:

- A. Executive Committee
- B. Quality and Patient Safety Committee
- C. Governance/Nominating Committee
- D. Finance Committee
- E. Investment Committee
- F. Planning Committee
- G. Audit and Compliance Committee
- H. Compensation Committee

All other committees shall be special committees. Special committees may be established and constituted by the Chair, with the approval of the Board, or by the Board.

#### 6.11 Executive Committee

- A. Members – The Executive Committee shall consist of the Chair, Vice Chair and Secretary of the Board, the President of the Corporation and at least two other Trustees. The Chair of the Board shall serve as chair of the committee.
- B. Duties
  - 1. To manage the affairs of the Corporation between meetings of the Board.
  - 2. To review and/or revise the President’s annual fiscal year goals and objectives and recommend for approval to the full Board.

#### 6.12 Quality and Patient Safety Committee

- A. Members – The Quality and Patient Safety Committee shall consist of at least nine members. Five members shall be Trustees, one member shall be the President of the Corporation or his/her designee, and four members shall be on the Active or Associate Medical Staff of the Hospital, one of whom shall be the Vice President of the Medical Staff. A Trustee shall be the chair of the committee.

B. Duties

1. The committee shall assist the Board of Trustees in overseeing and ensuring the quality of clinical care, patient safety, and customer service provided throughout the organization.
2. The committee shall direct the development of a written plan describing and governing the operation of the Quality Assurance Program to include patient safety and customer service of the Hospital and the Medical Staff. The relevant components of the plan shall be referred to the Medical Staff Executive Committee and the President, respectively, for review and the plan shall be approved by the Board.
3. The committee shall receive reports from all departments and committees of the Medical Staff and the Hospital pertaining to their quality assurance activities.
4. The chair shall periodically report findings of the committee to the Board to ensure for the Board that quality and appropriateness reviews are ongoing, that indicated corrective action is taken and that follow up monitoring is conducted as needed and appropriate.

6.13 Governance/Nominating Committee

A. Members – The Governance/Nominating Committee shall consist of at least five persons including the Chair and the Vice Chair of the Board and at least three other Trustees appointed by the said Chair. Members of the community who are not also Trustees may be appointed to the Committee so long as a majority of the Committee is composed of Trustees.

B. Duties

1. To review annually and formulate and recommend changes in the bylaws of the Corporation and its subsidiaries.
2. To nominate candidates for the Boards of Trustees and officers of the Corporation and its subsidiaries.
3. To develop orientation and educational programs for the Boards of Trustees of the Corporation and its subsidiaries.
4. To perform such other functions concerning the organization, structure and operation of the Corporation as the Board may, from time to time, assign.

5. To develop goals and objectives for the self-evaluation of the Board of Trustees of the Corporation.
6. To monitor the charitable activities of the Corporation and its tax-exempt subsidiaries.
7. To develop, review and recommend the ethical policies of the Corporation and its subsidiaries.
8. To monitor local, state and national legislation and regulation impacting upon the Corporation and its subsidiaries.
9. To review succession planning for senior management, unless a special committee has been formed to perform that function.
10. To develop and review trustee and Board Chair job descriptions.
11. To annually approve the hospital mission.

#### 6.14 Finance Committee

- A. Members – The Finance Committee shall consist of at least seven persons, at least a majority of whom shall be Trustees of the Corporation. The committee shall include at least one representative from the board of trustees of each of the Corporation’s wholly-owned subsidiaries.
- B. Duties
  1. To review the financial performance of the Corporation and its subsidiaries;
  2. To review and recommend annual operating budgets and capital budgets to the Boards of Trustees of the Corporation and its subsidiaries and to evaluate any significant deviations from the approved budgets;
  3. To review and recommend unbudgeted expenditures for major projects and equipment for the Corporation and its subsidiaries;
  4. To review and recommend the purchase, sale, lease and/or mortgaging of any real property owned by the Corporation and its subsidiaries;
  5. To review the debt structure of the Corporation and its subsidiaries and to make loan recommendations to the appropriate Boards of Trustees;

6. To perform such other functions concerning the finances of the Corporation which the Board may, from time to time, assign.

#### 6.15 Investment Committee

A. Members – The Committee shall consist of at least five persons. Non-trustee members can serve. A majority of the Committee shall be trustees of Concord Hospital, and the chair shall be a trustee of Concord Hospital. A quorum shall be a majority of trustee members. In extraordinary circumstances the chair, with the approval of the Chair of the Board of Trustees of Concord Hospital, if available, may act alone.

#### B. Duties

1. The Committee shall recommend to the Board of Trustees of Concord Hospital an investment policy for the Hospital's pension and non-pension Funds.
2. The Committee shall consult with the Finance Committee of Concord Hospital as the Finance Committee establishes a withdrawal rate for the relevant Funds.
3. The Committee shall carry out all other aspects of managing the pension and non-pension Funds, including hiring outside firms or individuals as it deems necessary.

#### 6.16 Planning Committee

A. Members – The Planning Committee shall consist of at least nine persons. At least one representative from Administration and one member of the Medical Staff shall be members of the committee.

#### B. Duties

1. To review the strategic plans, including the long-range building and facility goals and proposals for major new projects and services, for the Corporation and its subsidiaries, and to make recommendations regarding them to the Boards of Trustees of the Corporation and its subsidiaries, at least annually;
2. To review the physician and other personnel needs of the Corporation and its subsidiaries and to make recommendations regarding them to the Boards of Trustees of the Corporation and its subsidiaries;



3. To perform such other functions concerning planning for the Corporation which the Board may, from time to time, assign.

#### 6.17 Audit and Compliance Committee

A. Members – The Audit and Compliance Committee shall consist of at least three Trustees who are financially literate and are not officers of the Corporation, at least one of whom shall be a member of the Finance Committee and at least one of whom shall be a financial expert.

B. Duties

1. To review the audited financial statements and management letters associated with the Corporation and each of its subsidiaries and to report thereon to the Board.
2. To oversee the work of the internal audit and compliance programs and external auditors.
3. To select and establish compensation for an independent auditor.
4. To approve all financial auditing services provided by any independent auditors.
5. To approve all non-auditing services provided by the current independent auditors.
6. To resolve any disagreements between management and the Manager of Audit and Compliance or external auditor regarding internal control or financial reporting, respectively.
7. To review and approve procedures, complaints, and/or inquiries submitted by employees and others regarding accounting, auditing or general compliance matters.
8. To receive and review internal audit, enterprise risk, and compliance updates and report thereon to the Board.
9. To oversee the performance of the Compliance Department, which includes a review of the compliance work plan and the internal audit plan.
10. To engage and compensate independent counsel, accountants or others, to the extent it deems appropriate, to advise the Committee, or to assist in an investigation.

## 6.18 Compensation Committee

- A. Members – The Compensation Committee shall consist of at least five Trustees of the Board.
- B. Duties
1. To annually review the performance of the President.
  2. To annually review and approve the compensation (including changes in compensation) of the President (and other members of senior management as the Compensation Committee deems appropriate) in a manner that qualifies for the rebuttable presumption of reasonableness under the Intermediate Sanction regulations, provided that to the extent such compensation may constitute a pecuniary benefit transaction (as defined by RSA 7:19-a), no such compensation shall be payable until also approved by the Board in a manner that satisfies RSA 7:19-a. The Compensation Committee may, as necessary, select and establish compensation for a consultant to assist in this process.
  3. To provide to the Board a full and fair disclosure of the material facts of any compensation arrangement that may constitute a pecuniary benefit transaction (as defined by RSA 7:19-a).
  4. Review and reassess the adequacy of the committee charter and executive total compensation philosophy annually, and recommend amendments to the Board for approval as the Compensation Committee deems appropriate. The committee charter and executive total compensation philosophy (and any amendments thereto) shall become effective when approved by the Board in accordance with these Bylaws.

## **ARTICLE 7: MEDICAL STAFF**

### 7.1 Organization

The Medical Staff shall be organized into an administrative unit and shall, subject to the approval of the Board, adopt such bylaws, rules and regulations for the governance of their practice as shall be appropriate to the purposes of the Hospital. The Board of Trustees shall appoint the members and Affiliates of the Medical Staff who shall be authorized to practice in the Hospital and whose qualifications, prerogatives and responsibilities shall be specified in the Bylaws of the Medical Staff.

## 7.2 Relation to Hospital and Patients

Unless otherwise expressly provided for by written agreement between the parties, no member or Affiliate of the Medical Staff shall be an employee or agent of the Hospital and shall, on the contrary, be an independent contractor. No such member or Affiliate of the Medical Staff shall have the authority or power to act in the name of the Hospital, to execute contracts or other obligations in behalf of the Hospital or otherwise to bind the Hospital with third parties. Subject only to the Bylaws and Rules and Regulations of the Medical Staff, such members and Affiliates of the Medical Staff shall have the full authority and responsibility for the exercise of their professional judgment and the rendering of medical services to patients at the Hospital committed to their care.

## 7.3 Board Action on Appointments, Reappointments and Corrective Action

All actions taken by the Board with respect to the appointment, the reappointment or corrective action of a member or Affiliate of the Medical Staff shall be done in accordance with the criteria and procedures provided for in the Bylaws of the Medical Staff, as approved by the Board. In the absence thereof, the Board may adopt such criteria or procedures.

## 7.4 Responsibilities

The Medical Staff shall have the following responsibilities:

- A. to provide the appropriate professional medical care to patients within the Hospital;
- B. to conduct a continuing review and appraisal of the quality of professional care rendered in the Hospital and to report thereon to the Quality and Patient Safety Committee of the Corporation;
- C. to make recommendations to the Board concerning appointments, reappointments and changes in Medical Staff status, the granting, revocation or suspension of privileges for members and Affiliates of the Medical Staff, all other matters relating to the professional competency of persons providing medical services at the Hospital and such specific matters as may be referred to it by the Board.

## 7.5 Medical Staff Bylaws, Rules and Regulations and Other Policies

The Medical Staff shall make recommendations to the Board concerning its bylaws, its rules and regulations, departmental rules and regulations, the qualifications and prerogatives of various categories of Health Professional

Affiliates and other Medical Staff policies of general application, all of which shall be subject to approval by the Board. In the event of any inconsistencies between the bylaws or other policies of the Medical Staff and these Bylaws, these Bylaws shall prevail.

### **ARTICLE 8: CONCORD HOSPITAL ASSOCIATES**

The Concord Hospital Associates as constituted and organized upon the original date of adoption of these Bylaws is hereby recognized as an affiliated organization of the Corporation for the purpose of aiding in the operation of the Hospital in accordance with these Bylaws and such amendments thereto as may be approved by the Board. Upon request, the Board shall consult with the president of the Associates or the executive committee of the Associates with respect to services to be provided by and functions of Concord Hospital Associates.

### **ARTICLE 9: CONFLICT OF INTEREST**

Any Trustee, officer or committee member who or a member of whose immediate family proposes to enter into a pecuniary benefit transaction (as defined by RSA 7:19-a) with the Corporation shall have an affirmative obligation to disclose such interest or that of the family member and shall be prohibited from participating in the discussion on the subject or voting thereon. The Board shall authorize the Corporation to enter into such pecuniary benefit transactions only in accordance with the applicable provisions of RSA 7:19-a, as they may exist from time to time. The compensation for the CEO shall be authorized and approved in the manner described in Section 5.1 of these Bylaws. The compensation for any other disqualified person (as defined in the Intermediate Sanctions regulations), such as an officer or trustee, shall be authorized and approved by the Compensation Committee in a manner that qualifies for the rebuttable presumption of reasonableness available under the Intermediate Sanctions regulations, but, to the extent such compensation may constitute a pecuniary benefit transaction (as defined by RSA 7:19-a), no such compensation shall be payable until also approved by the Board in a manner that satisfies RSA 7:19-a.

### **ARTICLE 10: INDEMNIFICATION**

The Corporation shall indemnify its Trustees, officers and committee members and its former Trustees, officers and committee members, and their respective heirs, executors and administrators, against all judgments and assessments and reasonable costs and expenses, including attorney's fees, incurred by or imposed upon them in connection with any action, suit or proceeding to which they may be made a party or with which they shall be threatened by reason of their being or having been Trustees, officers or committee members of the Corporation, except with respect to matters as to which they shall be finally adjudged in such action, suit or proceeding to be liable for willful misconduct in the performance of their duties as Trustee, officer or committee member.

The Corporation shall have the right, but not the duty, to assume the defense of such Trustee, officer or committee member or former Trustee, officer or committee member in any such action, suit or proceeding. In the event that the Corporation does not assume the defense, the Corporation's liability for indemnification in the event of a proposed settlement of the action, suit or proceeding shall be conditioned upon the Corporation's express written approval of the settlement. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which any Trustee, officer or committee member may otherwise be entitled as a matter of law or contract.

### **ARTICLE 11: THIRD PARTIES**

These Bylaws shall not be construed to be for the benefit of third parties and are not intended to create any rights or interests in behalf of any other person or entity.

### **ARTICLE 12: AMENDMENTS**

These Bylaws may be altered, amended or repealed at any time by the Board at a meeting duly called for the purpose, subject to the approval of the Member.

### **ARTICLE 13: MISCELLANEOUS**

#### 13.1 Fiscal Year

The fiscal year of the Corporation shall be the twelve-month period ending September 30 in each year.

#### 13.2 Annual Audit

An annual audit of all books, vouchers and funds of the Corporation shall be made by an independent public accountant to be selected by the Audit Committee of the Board.

#### 13.3 Construction of Terms and Headings

Words used in these Bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the context requires. The captions or headings in these Bylaws are for convenience only and are not intended to limit or to define the scope or effect of any provision herein.

#### 13.4 Dissolution

Subject to the reserved power of the Member as provided for in Section 3.6(a) of these Bylaws, this Corporation may be dissolved upon the affirmative vote of

two-thirds of the entire Board at any meeting duly called for that purpose, upon receipt of at least ten days notice of the meeting and the purpose thereof.

Amended 1/18/95

Amended 3/17/97 – Sections 3.3, 4.2, 6.11, and 9

Amended 9/29/97 – Article 9

Amended 5/18/98 – Article 9

Amended 2/22/99 – Sections 6.10, 6.13, 6.14, 6.15 and 6.16

Amended 6/19/00 – Sections 6.10 and 6.17

Amended 3/17/03 – Sections 1.3 and 3.1 and changed “Chairman” to “Chair”  
Wherever it appeared

Amended 6/16/03 – Sections 6.10, 6.14, 6.16 and added Section 6.18

Amended 9/29/03 – Added Section 3.9

Amended and Restated – 1/26/04

Amended 3/21/05 – Sections 3.1, 5.2, 6.18

Amended 9/26/05 – Section 6.14 B 6

Amended 9/25/06 – Sections 3.1, 5.2, 6.11, 6.18

Amended 1/22/07 – Section 6.16

Amended 1/28/08 – Section 6.17 removal (Philanthropy Committee)

Amended 1/19/09 – Section 3.1 added “Chief Nursing Officer” as ex-officio trustee

Amended 5/18/09 – Sections 6.6, 6.10, 6.12, 6.17, 7.4

Amended 9/28/09 – Sections 3.7, 3.8, 6.7, 6.9

Amended 5/17/10 – Sections 6.9, 6.12, 6.13, 6.14, 6.15

Amended 5/16/11 – Section 6.17

Amended 5/21/12 – Section 6.13B

Amended 1/28/13 – Added Investment Committee as Standing Board Committee

Amended 10/30/13 – Section 6.15 Investment Committee

Amended 11/18/15 – Sections 5.1, 6.18B, Article 9

Amended 11/3/16 – Sections 2.4, 3.1, 3.2, 3.7, 5.2

Amended 11/7/17 – Section 4.1

Amended 10/30/18 – Section 6.17