

**ROME MEMORIAL HOSPITAL, INC.
BYLAWS**

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**ROME MEMORIAL HOSPITAL, INC.
BYLAWS**

**ARTICLE I
MEMBERSHIP, PURPOSES AND DEFINITIONS**

1.1 MEMBERSHIP. The Sole Member of the Corporation is Greater Rome Affiliates, Inc., which shall act hereunder by duly authorized resolutions of its Board of Directors and communicate its actions to the Board through its chairperson or other duly authorized officer.

1.2 PURPOSES. The purposes of the Corporation shall be set forth in the Certificate of Incorporation of the Corporation, which include to operate Rome Memorial Hospital and provide general hospital and other health care services, including but not limited to the following:

1.2.1 Providing and managing facilities, personnel and services designed to diagnose and treat Hospital patients (patient care will be provided without regard to age, race, creed, color, sex, sexual orientation, national origin, military status, disability, predisposing genetic characteristics, or marital status).

1.2.2 Providing facilities and services to best serve the needs of patients; improving the standards of health care in the community; and to assuring the quality of patient care.

1.2.3 Conducting education related to health care and the promotion of health.

1.2.4 Managing, operating and participating in activities which promote the health of the community.

1.3 DEFINITIONS

1.3.1 "Allied Health Personnel": Appropriately licensed specialists in a health-related field, such as nurse practitioners and physician assistants, who have been granted privileges by the Board to attend patients in the Hospital, but who are not members of the Medical Staff.

- 1.3.2 "Board of Trustees" or "Board":** The governing body of the Corporation. Wherever the term "Trustee" is used in the Bylaws, it means a member of the Board of Trustees.
- 1.3.3 "Chairperson":** The individual elected by the Board to serve as the Chairperson of the Board.
- 1.3.4 "Corporation":** Rome Memorial Hospital, Inc. (or referred to herein as the "Hospital")
- 1.3.5 "Dentist":** An individual who is licensed to practice dentistry in New York State.
- 1.3.6 "Executive Committee":** The Executive Committee of the Board, unless specific reference is made to the Executive Committee of the Medical Staff.
- 1.3.7 "Ex-Officio":** Service as a member of a body by virtue of an office or position held, and unless otherwise expressly provided, without voting rights.
- 1.3.8 "Medical Staff":** The Medical Staff of the Hospital, comprised of all licensed physicians, dentists and podiatrists who have been granted privileges by the Board to attend patients in the Hospital.
- 1.3.9 "Physician":** An individual licensed to practice medicine and/or surgery in New York State.
- 1.3.10 "Podiatrist":** An individual licensed to practice podiatry in New York State.
- 1.3.11 "Hospital President":** The individual appointed by the Board to serve as the President of the Hospital and to act on its behalf as Chief Executive Officer (CEO) in the overall management of the Corporation.
- 1.3.12 "Sole Member":** Greater Rome Affiliates, Inc., the sole corporate member of the Corporation.

ARTICLE II
MEETINGS

2.1 ANNUAL MEETING OF SOLE MEMBER. The annual meeting of the Sole Member shall be held each year at a date, time and place designated by the Board of Directors of the Sole Member, for the purpose of the appointment of Trustees and the transaction of such other business as may come before the Sole Member.

2.2 ANNUAL MEETING OF BOARD OF TRUSTEES. The annual meeting of the Board of Trustees shall occur as soon as practicable following the annual meeting of the Sole Member for the purpose of electing officers and transacting such other business as may come before the Board. Written notice of the annual meeting of the Board shall be given by mail or electronic mail to each Trustee at least seven (7) days in advance of the scheduled meeting date.

2.3 REGULAR MEETINGS. Regular meetings of the Board shall be held no less than quarterly at the Hospital or such other location specified by the Board. If such meetings are held according to a fixed schedule, as determined by the Chairperson, no special notice shall be required, otherwise Trustees shall be given at least three (3) days notice.

2.4 SPECIAL MEETINGS. Special meetings of the Board may be called:

2.4.1 By the Chairperson; or

2.4.2 Upon the request of one-third (1/3) of the Trustees.

2.5 NOTICE OF SPECIAL MEETINGS. Trustees shall be given at least three (3) days prior notice of a special meeting in person, by telephone, by fax, by mail or electronic mail. The Notice shall specify the time and place of the meeting and the agenda. Such notice may be waived in writing and the waiver document shall become part of the record of the meeting. A waiver of notice may be given by mail or electronically.

2.6 QUORUM AND VOTING. The “whole number” means the total number of Trustees excluding any Trustee disqualified from voting. A majority of the whole number shall constitute a quorum for the transaction of business for the Board. The vote of a majority of Trustees present at the time of the vote, if a quorum is present, shall constitute the act of the Board. Trustees who are present at a meeting but not present at the time of a vote, due to a conflict of interest or Related Party Transaction (as such term is defined in the Hospitals’s Conflict of Interest Policy) shall be determined to be present at the time of the vote. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent to the adoption of a resolution authorizing the action. Such consent may be given by mail or electronically. A majority of the Trustees present, whether or not a quorum exists, may adjourn a meeting.

2.7 MINUTES. The Secretary is responsible for ensuring that a written record of all Board proceedings is maintained. The minutes will reflect all business conducted, including findings, conclusions and recommendations and reflects the actual vote taken on all motions.

2.8 TELEPHONE PARTICIPATION. Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or Committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

ARTICLE III **BOARD OF TRUSTEES**

3.1 NUMBER AND QUALIFICATIONS. The Board of Trustees shall consist of not less than seven (7), but not more than fifteen (15) members. The exact number of the Board, which shall include voting *ex-officio* members if any, shall be determined by resolution adopted from time to time by the Board. The requirements for composition of the Board are as follows:

- 3.1.1 Trustees must be at least eighteen (18) years of age.
- 3.1.2 Trustees shall be selected by considering his/her experience, relevant areas of interest and expertise, and ability and willingness to participate effectively in fulfilling the Board's responsibilities.
- 3.1.3 Other than as set forth herein, selection of a Trustee shall be made with no restriction as to age, race, creed, sex, sexual orientation, color, national origin, military status, disability, predisposing genetic characteristics or marital status.

3.2 **APPOINTMENT: TERM OF OFFICE**

- 3.2.1 **Appointment.** At the annual meeting, the Sole Member shall appoint individuals to fill the positions on the Board created by those whose terms have or are about to expire.
- 3.2.2 **Term.** Each Trustee shall hold office for a term not to exceed three (3) years. Except as to Trustees holding office upon the effective date¹ of the limitation immediately following: [No person shall be eligible to serve more than four (4) consecutive full three (3) year terms]. The terms of office of Trustees shall be determined such that each year the terms of office of approximately one-third (1/3) of the Board shall expire. Vacancies on the Board which occur between annual meetings may be filled by the Board and any person appointed to fill such vacancy shall serve until the expiration of the term of person who created the vacancy.

3.3 **MEDICAL STAFF**

- 3.3.1 **Board Member:** The Board of Trustees shall at all times include among its members at least one Physician who is a member of the Medical Staff.

¹ December 22, 2009

3.3.2 Medical Staff President: The Medical Staff President will serve as an ex-officio, non-voting member at meetings of the Board of Trustees to represent the views and policies of the Medical Staff.

3.4 GOVERNANCE. Unless otherwise provided herein, the Corporation shall be governed under the authority of the Board. The business affairs of the Corporation and the operation of the Hospital shall be managed by the Hospital President under the Board's direction. The Board's responsibilities shall include the following: (1) periodic review and amendment of these Bylaws and the review, adoption and periodic amendment of Board governance policies; (2) approval and monitoring of the Hospital's operating and capital budget(s); (3) implementation of effective fiscal accounting system(s); (4) an ongoing Hospital wide quality assessment performance improvement (QAPI) program, including a written plan of implementation; (5) provision of adequate resources to implement the Hospital's programs of service; (6) provision for the adequacy of the physical plant; (7) an annual self-evaluation of the Board's performance; (8) appointment of a Hospital President, who shall act as Chief Executive Officer and shall be responsible for managing the entire Hospital; (9) as more fully hereinafter provided in Article IV, determine, in accordance with applicable law, which categories of practitioners are eligible candidates for appointment to the Medical Staff; (10) appoint members of the Medical Staff after considering the recommendations of the existing members of the Medical Staff; (11) assure that the Medical Staff has, through its Bylaws, an organized structure; (12) approve Medical Staff Bylaws and other Medical Staff Rules and Regulations; ensure that the Medical Staff is accountable to the governing body for the quality of care provided to patients; (13) ensure the criteria for appointment and reappointment to the Medical Staff are individual character, competence, training, experience, and judgment; and (14) ensure that under no circumstances is the accordance of Medical Staff membership or professional privileges dependent solely upon certification, fellowship or membership in a specialty body or society.

3.5 RESIGNATION AND REMOVAL. A Trustee may resign by giving written notice to the Chairperson or Secretary. Such resignation may be given by mail or electronically. A Trustee may be removed from office by the Sole Member or by the Board upon unanimous vote of the Trustees present at a regular or special meeting called for that purpose, provided the Trustee whose removal is in question receives written prior notice of his or her removal (at least 30 days' in advance of such meeting) and is given an opportunity to be heard.

3.6 ATTENDANCE REQUIREMENTS. Failure of a Trustee to attend three (3) consecutive meetings of the Board may be grounds for removal from the Board unless the absence is excused by formal action of the Board. The Board may vote to excuse the absent members at the beginning of each meeting.

3.7 COMPENSATION OF TRUSTEES. Trustees shall not receive compensation, but may receive reimbursement for travel and associated out-of-pocket expenses, to be audited by the Board and paid as are other expenses of the Corporation.

3.8 CONFIDENTIALITY. The discussions, actions, minutes and records of the Governing Body, Medical Staff, its departments and committees are strictly confidential and will not be disclosed to individuals or groups within or outside of the Hospital or its Sole Member, except as is required or permitted by law. Failure to maintain this confidentiality may subject a member of the Board of Trustees to be removed under these bylaws.

3.9 ORIENTATION AND EDUCATION: SELF EVALUATION

3.9.1 Orientation and Education. Upon appointment to the Board, Trustees are required to participate in a formal orientation program. Trustees are required to avail themselves of continuing educational opportunities. A written record of orientation and continuing education programs presented to the Board shall be maintained by the Secretary.

3.9.2 Self-Evaluation. The Board shall conduct an annual self-evaluation of its performance and shall formulate a plan of corrective action if necessary.

ARTICLE IV OFFICERS

4.1 OFFICERS. The officer of the Board shall be a Chairperson. The Board of Trustees may also elect or appoint a Vice Chairperson. The officers of the Corporation shall be a Hospital President, a Secretary, and a Treasurer, and such other officers as the Board of Trustees may elect or appoint, including without limitation additional Assistant Secretaries and Assistant Treasurers. The Hospital President shall serve as Chief Executive Officer (see Article III, Section 4.5.1).

4.2 ELECTION AND TENURE. The Board shall elect the Chairperson, Vice Chairperson (if any) and the officers of the Corporation other than the Hospital President at its annual meeting and, except as otherwise provided in Section 4.3, each shall hold office for a one year term and until his/her successor is elected. The Chairperson, Vice Chairperson, Secretary and Treasurer must be selected from among the Trustees of the Corporation.

4.3 RESIGNATION AND REMOVAL

4.3.1 Resignation. Any officer may resign at any time by giving written notice to the Chairperson or the Secretary. Such resignation may be given by mail or electronically and shall become effective on the date of receipt thereof or at such later time as may be specified therein.

4.3.2 Removal. Any elected or appointed officer or agent may be removed by the Board whenever in its judgment the best interests of the Corporation will be served thereby. Removal shall be without prejudice to the contract rights, if any, of the person so removed.

4.4 VACANCIES. A vacancy in any office at any time may be filled by the Board for the unexpired portion of the term.

4.5 DUTIES OF OFFICERS

4.5.1 Chairperson: The Chairperson shall preside at all meetings of the Board and the Executive Committee [and is an *ex-officio* member with vote of all Board Committees]. He or she may sign on behalf of the Corporation any documents or instruments which the Board has authorized to be executed, except where the signing and execution thereof is expressly delegated by the Board or by these Bylaws to some other officer or agent, or is required by law to be otherwise signed or executed. The Chairperson shall also perform all duties incident to the office of Chairperson and such other duties as may be prescribed by the Board from time to time. No employee of the Corporation shall serve as Chairperson of the Board.

4.5.2 Vice Chairperson: If so determined by resolution of the Board, there shall be a Vice Chairperson who shall perform such duties as may be assigned to him or her by the Board or the Chairperson. In the absence of the Chairperson or when, for any reason, the Chairperson is unable or refuses to perform his or her duties, the Vice Chairperson shall perform those duties with the full powers of, and subject to the restrictions on, the Chairperson.

4.5.3 Hospital President/Chief Executive Officer. The Board shall select and appoint a qualified hospital administrator to serve as the Hospital President (who shall also serve as the Chief Executive Officer) and to be its direct executive representative in the management of the Hospital. The Hospital President and Chief Executive Officer shall be given the necessary authority and held responsible for the management of the Hospital in all its departments subject only to the policies enacted by the Board or any Committees to which the Board has delegated power for such action. He or she shall be an *ex-officio* non-voting member of the Board and all Committees, [an *ex-officio* non-voting member of all organizations that are associated or affiliated

with the Hospital] and an *ex-officio* non-voting member of all Medical Staff committees including the Medical Staff Executive Committee. He or she shall act as the duly authorized representative of the Board in all matters except those in which the Board has formally designated some other person or group to act.

4.5.4 Secretary. The Secretary shall provide for the keeping of minutes of all meetings of the Board, and if specifically requested, any or all Board Committees, and shall assure that such minutes are filed with the records of the Corporation. He or she shall give or cause to be given appropriate notices in accordance with these Bylaws or as required by law; shall act as custodian of all corporate records and reports and of the corporate seal, assuring that it is affixed, when required by law, to documents executed on behalf of the Corporation; shall perform all duties incident to the office and such other duties as may be assigned from time to time by the Chairperson or the Board; and may delegate any duties to any elected or appointed Assistant Secretary or a Recording Secretary.

4.5.5 Treasurer. The Treasurer shall keep or cause to be kept correct and accurate accounts of the properties and financial transactions of the Corporation and in general perform all duties incident to the office and such other duties as may be assigned from time to time by the Chairperson or the Board. The Treasurer may delegate any of his or her duties to any duly elected or appointed Assistant Treasurers.

ARTICLE V **COMMITTEES**

5.1 COMMITTEES OF THE BOARD / COMMITTEES OF THE CORPORATION. The

5.1.1 Committees of the Board and Committees of the Corporation. The Board of Directors may create Committees of the Board. Committees of the Board must have at least three (3) members of the Board of Directors and shall have the authority to

bind the Board of Directors if authorized to do so by resolution of the Board. Additional committees, referred to as Committees of the Corporation, may be created and appointed by the Chairperson upon approval of a majority of the Board of Directors as needed for special purposes. These committees may include members of the Board as well as members of the community that have related expertise. Committees of the Corporation shall have no authority to bind the Board and upon completion of the task for which created, the Committee of the Corporation shall stand discharged.

5.1.2 Appointment. Except as otherwise provided in these Bylaws, the Chairperson shall appoint the chairperson and members of each Committee.

5.1.3 Committees. The Committees of the Board shall be the Executive/Governance Committee, the Finance/Audit Committee, Strategic Planning Committee, Corporate Compliance Committee and the Quality Council. Committees of the Corporation may include the Nominating Committee and Medical Liaison Committee, each of which shall meet on an *ad hoc* basis.

5.1.4 Minutes. Minutes of all meetings of the Committees of the Board and Committees of the Corporation shall be made available to the Board upon its request.

5.2 EXECUTIVE/GOVERNANCE COMMITTEE. The Executive/Governance Committee shall consist of the Chairperson, the Vice Chairperson, if any, the Hospital President, the Secretary, the Treasurer and the Assistant Treasurer and/or Assistant Secretary, if any, and, if so authorized by the Board, one (1) member of the Board of Trustees appointed by the Chairperson. The Executive/Governance Committee shall oversee the regular business of the Corporation in the intervals between meetings of the Board and, subject to prior limitations imposed by the Board or by statute, shall have the power and authority of the Board to transact all regular business of the Corporation. Actions of the Executive/Governance Committee shall be reported at the next regular

meeting of the Board. Meetings of the Executive/Governance Committee shall be at the call of the Chairperson. The Executive/Governance Committee shall review the performance, compensation, and terms of employment of the Hospital President and shall authorize the execution of his/her employment agreement on behalf of the Corporation. The Executive/Governance Committee shall consult with the Hospital President concerning his/her performance, compensation and terms of employment, but the President shall be excluded from the deliberations or voting on such matters of the Executive/Governance Committee. The Executive/Governance Committee shall also review the performance of the Vice Presidents of the Hospital and, upon consideration of any recommendations by the Hospital President, approve their compensation.

5.3 FINANCE/AUDIT COMMITTEE. The Finance/Audit Committee shall consist of not less than three (3) and not more than seven (7) members and is responsible for general oversight of the financial affairs of the Corporation. Committee members shall be independent members of the Board of Trustees, as such term is defined under New York Not-for-Profit Corporation Law § 102. The Committee will review, advise, and report to the Board of Trustees on the investment and management of the financial resources of the Corporation and shall review the annual budget and capital plans, fund management procedures, and internal controls relating to the safeguard of financial assets. The Committee shall: (1) act as financial advisor to the Board in all financial affairs of the Corporation, including the annual operating budget, which will include all anticipated income and expenses; (2) review the proposed scope of the annual audits of the Corporation by independent auditors and identify areas of particular concern to the Board; (3) review the independent auditors' reports on the financial statements at the conclusion of the audit of the Corporation, including: (a) any material risks and weaknesses in internal controls identified by the independent auditors; (b) any restrictions on the scope of the independent auditors' activities or access to requested information; (c) any significant disagreements between the independent auditors and management; and (d) the adequacy of the Corporation's accounting and

financial reporting processes; (4) review the independent auditors' "management letters" to the Corporation and management's responses thereto; (5) review the adequacy of accounting policies and of the Corporation's internal control structures; (6) annually consider the performance and independence of the independent auditors including a review of relationships between management and the independent auditors; (7) annually retain, or renew the retention of independent auditors to the Board of Trustees; (8) review periodically the Corporation's conflicts of interest and whistleblower policies and oversee compliance therewith; and (9) review investment policies/procedures. The Committee shall meet at the call of the Finance/Audit Committee Chairperson.

5.4 QUALITY COUNCIL. The Quality Council shall be chaired by a member of the Board and shall be comprised of the Chief Medical Officer and representatives of the Board, Administration, Medical Staff, Nursing and others, as determined by the Chairperson of the Board. The Council shall oversee the quality improvement activities and priorities of the Hospital, and as part of its duties, shall receive reports from the Medical Staff Performance Improvement Committee as well as other appropriate committees and departments. The Council shall meet on a regular basis, as determined by its Chairperson or the Board, and shall report its findings and recommendations to the Board.

5.5 STRATEGIC PLANNING COMMITTEE. The Strategic Planning Committee Shall be chaired by a member of the Board and shall be comprised of representatives of the Board, Administration, Medical Staff, and Hospital staff as determined by the Chairperson of the Board. The Committee shall make recommendations to the Board of Trustees relating to overall corporate business policy, long range strategic plans and urgent corporate strategic issues. The Committee will also make recommendations relating to expansion as a regional system and exercise oversight regarding information systems and technology. The Committee shall meet on a regular basis as determined by its Chairperson and shall report its findings and recommendations to the Board.

5.6 CORPORATE COMPLIANCE COMMITTEE. The Corporate Compliance Committee shall be chaired by a member of the Board and shall be comprised of representatives of the Board, Administration, Hospital Staff, and legal counsel. The Committee is responsible for directing the duties of the Corporate Compliance Officer (CCO) and the Management Compliance Committee. Based on reports and information provided by the CCO and the Management Compliance Committee, the Corporate Compliance Committee will provide reports to the Board of Trustees on a periodic basis. The Committee will review all bi-monthly Corporate Compliance Committee meetings, review all new policies, review and approve yearly work plan, review HIPAA issues, review all external audits and self-reporting disclosures, and make recommendations to the Board as to the approval of revisions/updates to the Corporate Compliance Manual.

5.7 GENERAL COMMITTEE PROVISIONS. A Trustee shall chair each of the Committees of the Board. Meetings may be called by the Chairperson, the chairperson of the Committee, or a majority of the Committee's voting members. Notice of meetings may be given at any time and in any manner reasonably designed to inform the members of the time and place of the meeting (including by electronic mail). A majority of members of a Committee shall constitute a quorum for the transaction of business, and a vote of a majority of members present at the time of the vote, if a quorum is present, shall constitute the act of the Committee. Committees shall keep minutes and report to the Board. Except as provided as to the Executive Committee and to the Finance/Audit Committee above, Committees shall be empowered only to make recommendations. Committees may hold joint meetings to discuss matters of common interest. In such meetings, a majority of the total members of the Joint Committee shall constitute a quorum.

5.8 MEDICAL LIAISON COMMITTEE. The Medical Liaison Committee shall be a Committee of the Corporation composed of four (4) members of the Board of Trustees and four (4) members of the Medical Staff and shall meet on an as needed basis. The Medical Liaison Committee will meet on the call of the Chairperson of the Board of Trustees or the Medical Staff

President. Members shall be selected by the Chairperson of the Board and the Medical Staff President. The chairmanship of the Medical Liaison Committee for each meeting will be selected from among which of either the Board or Medical Staff which called for the meeting. The Hospital President and Chief Executive Officer and the Chief Medical Officer will be *ex-officio*, non-voting members of the Medical Liaison Committee. The Medical Liaison Committee will constitute a forum for interaction or liaison between and among the Board of Trustees, the Medical Staff and Administration on such matters as may be referred by the Board of Trustees or the Medical Executive Committee. Recommendations of the Medical Liaison Committee shall be forwarded to the Medical Executive Committee and the Board for any final action.

5.9 HOSPITAL OPERATIONS COMMITTEES. Hospital Operations Committees shall be a Committee of the Corporation and may be established for the purpose of meeting regulatory requirements, operational improvements, or other activity requested by the Board of Trustees (e.g. Safety, Infection Control, Pharmacy and Therapeutics Committees).

ARTICLE VI MEDICAL STAFF

6.1 ORGANIZATION AND APPOINTMENTS

6.1.1 Medical Staff Function. In accordance with applicable New York State laws and regulations, the Board of Trustees shall ensure that the Medical Staff is accountable to the Board for the quality of care provided to patients of the Hospital, and that members of the Medical Staff and Allied Health Personnel abide by these Bylaws and all Hospital rules and regulations. The Medical Staff shall be organized under, and shall function according to, its Bylaws, Rules and Regulations, as same are approved by the Board. In the case of any conflict between such Medical Staff Bylaws, Rules or Regulations and the rules and regulations of the Hospital or these Bylaws, a meeting of the Medical Liaison Committee will be called.

6.1.2 Appointments. The Board shall appoint Physicians, Dentists and Podiatrists to the Medical Staff, shall appoint Allied Health Personnel and shall grant clinical privileges. The Executive Committee of the Medical Staff shall make recommendation to the Board regarding Medical Staff and Allied Health Personnel appointments, membership and clinical privileging.

6.1.3 Medical Staff and Allied Health Personnel Qualifications. Criteria for selection shall be as stated in the Medical Staff Bylaws, Rules and Regulations and shall include individual character, clinical competence, education, experience and judgment.

6.1.4 Board Authority: Assessment of Hospital Needs. The Board of Trustees may deny, withhold or terminate an appointment or deny, withhold, terminate or diminish clinical privileges for cause. Although an open staff policy shall generally prevail, consideration of appointment or reappointment, as the case may be, and the granting of clinical privileges may, in the discretion of the Board, also involve the following criteria:

6.1.4.1 The availability of health care professionals presently on the Medical Staff or serving as Allied Health Personnel sufficient to serve the current or foreseeable needs of the Hospital's patients

6.1.4.2 The availability of sufficient Hospital facilities, personnel and support services to accommodate the clinical privileges requested by the applicant and those currently held by members of the Medical Staff or Allied Health Personnel, as the case may be.

6.1.4.3 In applying this criteria the Board shall consider, among other factors, the extent to which granting clinical privileges will have an adverse impact on the quality of care furnished to patients of the Hospital including, but not limited to, the ability of the Medical Staff and Hospital to conduct adequate peer review of members of the Medical Staff and Allied Health Personnel.

6.1.5 Medical Staff Leadership. The Medical Staff shall operate as a part of the Hospital through its clinical departments and through its committees. The head of each such department and any such committee, as well as all Medical Staff officers, are responsible and accountable to the Board of Trustees for the discharge of those duties and responsibilities delegated to it by the Board, the Medical Staff Bylaws, the Rules and Regulations of the Medical Staff, policies and procedures of the Hospital and these Bylaws. The head of each clinical department shall be a member of that department qualified by training, experience and administrative ability for the position. The selection of department heads shall be made by the Medical Staff, subject to the approval of the Board.

6.1.5.1 The Chairperson of all committees will be appointed by the Medical Staff President, with the counsel of the Chief Medical Officer and subject to approval by the Medical Executive Committee. In approving the selection of department heads the Board shall apply such criteria as it may establish from time to time, including the aforesaid qualities of training, experience and administrative ability and a demonstrated willingness to actively participate in the improvement of quality of care, including peer review, and to

cooperate with other members of the Medical Staff, the Board and the Hospital Administration.

6.1.5.2 Recall of a Medical Staff Officer, or an at-large member of the Medical Executive Committee, or committee chairperson may be initiated for a specified cause (i.e. failure to properly discharge their responsibilities, professional misconduct, abusive behavior or behavior disruptive of Hospital operations or inability to discharge their duties due to physical or mental impairment, etc.), by the Board of Trustees. Recall will be considered at a special meeting of the Medical Staff. In accordance with the Medical Staff Bylaws such vote shall occur as soon as reasonably practical but in any event within thirty (30) days of the recall request of the Board of Trustees. In the event the Medical Staff fails to vote within such thirty (30) days, the Board of Trustees may recall the officer or member by a vote of two-thirds (2/3) of the entire board. No recall officer or at-large member will have any procedural rights under Article 11 of the Medical Staff Bylaws.

6.1.6 Administrative/Employed Physicians. Physicians, Dentists, Podiatrists and Allied Health Personnel serving the Hospital in administrative positions or otherwise employed by the Hospital requiring appointment to the Medical Staff or as Allied Health Personnel, as the case may be, achieve appointment by the same procedures of application, review and appointment applicable to other appointees. However, the Medical Staff does not have authority to hire or terminate employment of such Physicians, Dentists, Podiatrists or Allied Health Personnel, and the termination of such employment is governed solely by the terms of such individual's employment

agreement and does not affect the exercise of clinical privileges or entitle the individual to the procedural rights under Article 11 of the Medical Staff Bylaws.

6.1.7 Contract Physicians Providing Professional Services. The Board of Trustees, after consultation with and advice from the Medical Executive Committee may designate hospital facilities/services, subject to exclusive contractual arrangements with qualified practitioners. The practitioners providing specified professional services pursuant to a contract with the Hospital must meet the same membership qualifications as any other applicant or member. Contract practitioners must meet the general qualifications as set forth in the Medical Staff Bylaws 4.5-11.

6.1.8 Medical Staff Bylaws and Organization. The Medical Staff shall have Bylaws and Rules and Regulations consistent with these Bylaws, which enable the Medical Staff to carry out its responsibilities. Medical Staff Bylaws and Rules and Regulations may be recommended by the Medical Staff, but must be approved by the Board. The Board retains the right to rescind any authority or procedures delegated to the Medical Staff. Medical Staff Bylaws shall be reviewed periodically by the Medical Staff, amended as necessary, and approved by the Board. The Medical Staff, through its Executive Committee, shall make recommendations to the Board regarding the structure of the Medical Staff, the procedures used to review credentials and to delineate clinical privileges, the procedures by which membership on the Medical Staff may be terminated, and procedural rights under fair hearing procedures.

6.1.9 Chief Medical Officer. The Board of Trustees shall appoint a person to the position of Chief Medical Officer in consultation with the Medical Executive Committee. The Chief Medical Officer must become and remain a member of the Medical Staff. The Hospital President/CEO will establish the responsibilities of the Chief Medical

Officer in conformity with all applicable state laws and regulations. The Hospital President/CEO will consult with the Medical Staff President as part of its annual review of the Chief Medical Officer. The Chief Medical Officer is responsible for ensuring the Medical Staff is organized pursuant to standards adopted and approved by the Board of Trustees and that the Medical Staff, as organized, functions according to its Bylaws and Rules and Regulations, as they may be adopted and amended from time to time and as approved by the Board of Trustees. Such responsibility shall be carried out, to the extent practicable, through the officers of the Medical Staff. The Chief Medical Officer shall also have the responsibility for monitoring the conduct and performance of members of the Medical Staff to ensure that they comply with professional standards established by the Medical Staff and approved by the Board of Trustees. The Chief Medical Officer shall be an *ex-officio* nonvoting member of the Medical Executive Committee and an *ex-officio*, non-voting member of all other Medical Staff Committees.

6.1.9.1 The Chief Medical Officer shall make reports to the Board of Trustees through the Hospital President, on a regular basis and at such times as specifically requested by the Board of Trustees. Such reporting shall include: Medical Staff appointments and credentialing, monitoring the clinical performance and professional assessment of members of the Medical Staff, evaluation of clinical services and medical education programs, quality assurance programs, incident reports, requests for corrective actions against or investigations of members of the Medical Staff and matters relative to maintaining liaison between the Board of Trustees and the Medical Staff.

6.2 QUALITY OF CARE AND SUPPORT. The Medical Staff, through its Executive Committee, shall make recommendations to the Board regarding Quality Improvement activities of the Medical Staff as well as the process used to oversee, evaluate and revise such activities. The Board shall require the Medical Staff to have a procedure for reviewing the quality of patient care provided by members of the Medical Staff and all other individuals who provide patient care and services. The Board, through the President, shall be responsible for providing the Medical Staff with the administrative assistance necessary to conduct Quality Improvement activities in accordance with the Hospital's Quality Improvement Plan. The nature and the frequency of submission of required reports shall be in accordance with the Hospital's Quality Improvement Plan.

ARTICLE VII HOSPITAL STAFF

7.1 HOSPITAL STAFF. The Board of Trustees, through the Hospital's quality improvement program, shall assure that all individuals who provide patient care services, but who are not subject to the Medical Staff privilege delineation process, are competent to provide such services.

ARTICLE VIII INDEMNIFICATION

8.1 INDEMNIFICATION AND INSURANCE. The Corporation shall indemnify and save harmless any Trustee or officer against the reasonable expense, including costs and attorneys' fees, actually and necessarily incurred in connection with the defense of any action, or threatened action, in which such Trustee or officer is made a party, or threatened to be made a party, by reason of (1) acting as such Trustee or officer of the Corporation, or (2) serving another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, providing such person was a Trustee or officer of the Corporation and so served said other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise at the request of the Corporation.

Indemnification shall likewise apply to any sums actually paid by way of settlement of any actual or threatened action, or in satisfaction of any judgment rendered against such Trustee or officer. Indemnification in any case, however, shall apply only when such Trustee or officer acted in good faith for a purpose which he or she reasonably believed to be in the best interests of the Corporation or, in the case of service for any other corporation, partnership, joint venture, trust, employee benefit plan or otherwise enterprise, not opposed to the best interests of the Corporation, and in the case of criminal actions or proceedings, in addition had no reasonable cause to believe the conduct was unlawful. Indemnification shall not apply when a judgment or other final adjudication adverse to the Trustee or officer establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled. The Corporation is authorized to purchase insurance for indemnification of its Trustees and officers to the maximum extent permitted by the laws of the State of New York.

**ARTICLE IX
COMPENSATION**

9.1 COMPENSATION COMMITTEE

9.1.1 A voting member of the Board, or of any Committee whose jurisdiction includes compensation matters, and who receives compensation, directly or indirectly, from the Corporation for services is precluded from being present at, participating in, or voting on matters pertaining to that member's compensation; provided, however, the Committee may request that such person present information as background or answer questions of the Committee prior to the commencement of deliberations or voting relating thereto.

9.1.2 A Physician who receives compensation, directly or indirectly, from the Hospital, whether an employee or independent contractor, is precluded from membership on any Committee whose jurisdiction includes compensation matters.

9.1.3 A Physician who is a voting member of the Board and receives compensation, directly or indirectly, from the Corporation for services is precluded from discussing and voting on matters pertaining to that member's and other Physicians' compensation. No Physician, either individually or collectively, is prohibited from providing information to the Board regarding Physician compensation.

9.2 CONTINUING DUTY: COMPETITIVE INTERESTS

9.2.1 In recognition of the continuing duty of Trustees to discharge their fiduciary responsibilities to the Corporation even after their service on the Board has ended whether by expiration of term, resignation or otherwise, no Trustee may directly or indirectly acquire an interest in or undertake a business opportunity, or assist another to do so, which said business opportunity is in competition with or otherwise antagonistic to the Corporation, by utilizing material information which such Trustee obtained while serving on the Board.

9.2.2 No person who has an ownership or investment interest in, or is an officer, director or key employee of, a business entity or venture which is, or potentially may be, in direct competition with the Hospital shall be eligible to serve as a Trustee.

**ARTICLE X
MISCELLANEOUS PROVISIONS**

10.1 **AMENDMENTS TO BYLAWS.** These Bylaws may be amended by affirmative vote of two-thirds of the whole number of the Board at any regular or special meeting, provided that a full statement of proposed amendments is mailed to the members at least three (3) days in advance of the meeting, and further provided that any amendment adopted by the Board may be amended or

repealed by the Sole Member. Bylaws may also be adopted or amended by the Sole Member and any such Bylaw may not be amended or repealed by the Board.

10.2 PROCEDURES. The Board and its Committees may adopt rules and procedures consistent with these Bylaws.

10.3 BYLAWS REVIEW. These Bylaws shall be reviewed by the Board of Trustees on a periodic basis but no less than biannually.

10.4 BYLAWS REVISION HISTORY

ADOPTED: DECEMBER 28, 1994

AMENDED: SEPTEMBER 24, 1996

AMENDED: APRIL 29, 1997

AMENDED: JUNE 24, 1999

AMENDED: JUNE 27, 2001

AMENDED: OCTOBER 22, 2002

AMENDED: NOVEMBER 1, 2005

AMENDED: DECEMBER 18, 2007

AMENDED: MARCH 31, 2009

AMENDED: AUGUST 25, 2009

REVIEWED, REVISED & APPROVED: DECEMBER 22, 2009

AMENDED: AUGUST 17, 2011

AMENDED: JUNE 25, 2013

AMENDED: OCTOBER 26, 2015

AMENDED: NOVEMBER 29, 2016

AMENDED: NOVEMBER 26, 2019


DARLENE A. BURNS, SECRETARY