



Santa Clara
Family Health Plan
The Spirit of Care

Santa Clara Community Health Authority Bylaws Committee Special Meeting

Wednesday, November 2, 2016
12:00 pm
210 E. Hacienda Avenue (Cambrian)
Campbell, CA 95008

Via Teleconference At:
Residence
1985 Cowper Street
Palo Alto, CA 94301

AGENDA

1. Roll Call

2. Public Comment

Members of the public may speak to any item not on the agenda; two minutes per speaker. The Bylaws Committee reserves the right to limit the duration of the public comment period to 30 minutes.

3. Meeting Minutes

Review meeting minutes of the June 16, 2016 Bylaws Committee.

Possible Action: Approve June 16, 2016 Bylaws Committee minutes

4. Revisions to the Bylaws

Discuss and consider potential revisions to the Santa Clara Community Health Authority Bylaws.

Possible Action: Recommend Governing Board Body approval of the proposed revisions to the Bylaws

5. Adjournment

Notice to the Public—Meeting Procedures

- Persons wishing to address the Committee on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.
- The Bylaws Committee may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the possible action.
- In compliance with the Americans with Disabilities Act, those requiring accommodations in this meeting should notify Rita Zambrano 48 hours prior to the meeting at 408-874-1842.
- To obtain a copy of any supporting document that is available, contact Rita Zambrano at 408-874-1842. Agenda materials distributed less than 72 hours before a meeting can be inspected at the Santa Clara Family Health Plan offices at 210 E. Hacienda Avenue, Campbell.
- This agenda and meeting documents are available at www.scfhp.com.



Santa Clara
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12:30 pm
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Campbell, CA 95008

Via Teleconference At:
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1985 Cowper Street
Palo Alto, CA 94301

AGENDA

1. Roll Call

2. Public Comment

Members of the public may speak to any item not on the agenda; two minutes per speaker. The Bylaws Committee reserves the right to limit the duration of the public comment period to 30 minutes.

3. Meeting Minutes

Review meeting minutes of the June 16, 2016 Bylaws Committee.

Possible Action: Approve June 16, 2016 Bylaws Committee minutes

4. Revisions to the Bylaws

Discuss and consider potential revisions to the Santa Clara County Health Authority Bylaws.

Possible Action: Provide direction to staff on proposed revisions to the Bylaws

5. Adjournment

Notice to the Public—Meeting Procedures

- Persons wishing to address the Committee on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.
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**BYLAWS OF
SANTA CLARA COUNTY HEALTH AUTHORITY
(Adopted as amended May 15, 2014)**

**ARTICLE I
AUTHORITY, PURPOSES, STATUS AND POWERS**

Section 1.1 Authority. These Bylaws are adopted by the Santa Clara County Health Authority ("Authority") to establish rules for its proceedings, as authorized by Welfare and Institutions Code 14087.38 ("Section 14087.38") and Ordinance No.300.576 ("Ordinance"), as amended from time to time. The Authority is a public agency created by the Board of Supervisors of Santa Clara County ("County") pursuant to authority conferred by Section 14087.38.

Section 1.2 Purposes. The purposes of the Authority are to meet the problems of delivery of publicly assisted medical care in the County, to demonstrate ways of promoting quality care and cost efficiency, and to further such other purposes as are contemplated by Section 14087.38 and described in the Ordinance.

Section 1.3 Status. The Authority is an entity separate from the County. Obligations, acts, omissions or liabilities of the Authority shall be obligations, acts omissions or liabilities solely of the Authority, and shall not, directly or indirectly, be obligations, acts, omissions or liabilities of the County or any officials, employees or agents of the County.

Section 1.4 Powers. The Authority shall have the power to negotiate and enter into contracts with the Department of Health Care Services and to arrange for the provision of health care services for Medi-Cal beneficiaries as authorized by Section 14087.38. To the extent authorized by Section 14087.38, the Authority may also enter into contracts to arrange for the provision of health care services to individuals including, but not limited to, those covered under Subchapter XVIII (commencing with Section 1395) of Chapter 7 of Title 42 of the United States Code, those entitled to coverage under other publicly supported programs, those employed by public agencies or private businesses, and uninsured or indigent individuals. The Authority shall have all rights, powers, duties, privileges and immunities expressed, either directly or implicitly, in Section 14087.38. Chapter 1 of Division A6 of the Ordinance Code of the County, containing general rules and procedural requirements applicable to boards and commissions of the county, they may apply now.

**ARTICLE II
GOVERNING BOARD**

Section 2.1 Governance. Responsibility for governing and managing the affairs of the Authority shall be vested in a governing board ("Governing Board").

Section 2.2 Number. The Governing Board shall consist of thirteen (13) members ("Board Members"), each of whom shall have a fiduciary duty to act in the best interest of the Authority.

Section 2.3 Qualifications. Board Members shall be chosen for their willingness and ability to effectively contribute to and support the objectives of the Authority, shall have a commitment to a health care system that seeks to improve access to quality health care for persons served by the Authority and shall have a commitment to maintaining and preserving a health care safety net for the medically indigent and uninsured populations of the County. Board Members shall either reside, be employed, or provide services in the county, and shall be generally representative of the diverse backgrounds, interests and demography of persons residing in the County. When nominating members to the Governing Board candidates possessing the following backgrounds should be considered: expertise in business, finance, managed care, hospital administration, information technology, medicine, health care policy, or law.

Section 2.4 Nominations. Nominations shall be made as follows: Board members shall be nominated by the County Board of Supervisors.

Section 2.5 Appointment. Appointments shall be made upon a majority vote by the County Board of Supervisors.

Section 2.6 Term. The terms for all Board Members shall be two years. No Board Member may serve more than four (4) consecutive terms without a break in service from the Board of at least one year.

Section 2.7 Resignation. Any Board Member may resign at any time by giving written notice of such resignation to the Chairperson of the Governing Board. Such resignation shall take effect at the time specified in the notice; provided, however, that if the resignation is not to be effective immediately upon receipt of the notice by the Chairperson, the Governing Board must affirmatively vote to accept the effective date specified, and if the Governing Board does not approve such later date, the resignation shall be effective immediately.

Section 2.8 Removal. A Board Member may be removed from the Governing Board by either of the following methods:

2.8.1 The Governing Board, by an affirmative vote of no less than six Board Members, may remove a Board member. The reasons for removal may include:

2.8.1.1 The Board Member fails to meet the qualifications as a Board Member;

2.8.1.2 The Board Member fails to attend three (3) consecutive regular meetings of the Governing Board;

2.8.1.3 The Board Member fails during any twelve (12) month period to attend a minimum of 50% of (a) the regular and special meetings of the Governing Board, or (b) the meetings of the committees of which the Board Member is a member;

2.8.1.4 The Board Member fails to discharge legal obligations as a member of a public agency;

2.8.1.5 The Board Member is convicted of a crime involving corruption or any felony; or the Board Member is barred, suspended or excluded from participation in federal programs or has been barred from serving as a Board Member pursuant to the Knox-Keene Act;

2.8.1.6 A request for removal has been submitted by the Board of Supervisors.

2.8.1.7 Other good cause, as reasonably determined by the Board.

2.8.2 A Board Member shall be given reasonable notice and an opportunity to respond before the Governing Board prior to any vote by the Governing Board regarding potential removal of that Board Member.

Section 2.9 Vacancies. Any vacancy in the Board, however created, shall be filled by the County Board of Supervisors.

Section 2.10 Reimbursement Of Expenses.

2.10.1 Board Members, other than County employees, may be reimbursed for services and out-of-pocket expenses at a rate to be determined by the Board for each Board meeting attended.

ARTICLE III **OFFICERS**

Section 3.1 Designation. The Officers of the Authority shall be:

3.1.1 A Chairperson, who shall be a Board Member, and who shall preside at all meetings of the Governing Board.

3.1.2 A Vice-Chairperson who shall be a Board Member, and who in the Chairperson's absence, or inability to act, shall preside at the meetings of the Governing Board.

If both the Chairperson and the Vice-Chairperson are absent or unable to act, the Board Members present shall by resolution select one of the Board Members present to act as chairperson pro tempore, who, while so acting, shall have all of the authority of the Chairperson.

3.1.3 A Treasurer, shall be a Board Member or such other person as appointed by the Governing Board, including but not limited to the Chief Financial Officer, who is employed by the Authority, and who shall have custody of and disburse the Authority's funds. The Treasurer shall have the authority to delegate the signatory function of the Treasurer to such persons as authorized by the Governing Board.

3.1.4 A Secretary, who shall be a Board Member or other person appointed by the Governing Board, including a person employed by the Authority, and who shall be responsible for preparing and keeping the minutes of the Governing Board; shall attest to the signature of the Chairperson, Vice-Chairperson, Treasurer, Chief Executive Officer or other authorized signatory on documents executed on behalf of the Authority; shall give, or cause to be given, notice of all meetings of the Governing Board and committees of the Authority as required by law; shall keep the seal of the Authority, if one be adopted, in safe custody; and shall have such other duties as may be prescribed by resolution of the Governing Board or these Bylaws.

Section 3.2 Election. The Governing Board, at its first meeting of each calendar year, or as soon thereafter as possible, shall elect officers for one two-year term.

Section 3.3 Resignation. Any officer may resign effective on giving written notice to the Secretary or the Chairperson, unless the notice specifies a later time for his or her resignation to become effective. Upon receipt of such notice by the Secretary or the Chairperson, as applicable, the Secretary shall notify (or, if applicable, the Chairperson shall direct the Secretary to notify and the Secretary shall then notify) all the other officers of the Authority and shall enter the notice in the proceedings of the Governing Board. The acceptance of a resignation shall not be necessary to make it effective.

Section 3.4 Vacancies. A vacancy in any office for any cause shall be filled by a special election of the Governing Board at the next regular or special meeting of the Governing Board.

ARTICLE IV

MEETINGS

Section 4.1 Regular And Special Meetings. The date, time and place of regular meetings of the Governing Board shall be established by resolution of the Governing Board. The Governing Board shall hold regular meetings during at least each of four (4) months of each calendar year, at least one of which shall be a strategic planning session. Special meetings may be held upon the call and the discretion of the Chairperson. However, upon the request of any three (3) or more Board Members, the Chairperson shall call a special meeting. Special meetings shall be subject to the rules otherwise set forth in these Bylaws.

Section 4.2 Open And Public. Meeting shall be open and public and all persons shall be permitted to attend, except for closed sessions, all as required and permitted by applicable law, including the Ralph M. Brown Act (Gov. Code 54950 *et. seq.*) and Section 14087.38.

Section 4.3 Notice.

4.3.1 Notice of every regular meeting, and any special meeting which is called at least one (1) week prior to the date set for the meeting, shall be given to each member of the Governing Board and to any person who has filed a written request for notice with the Authority. Any such mailed notice shall be mailed at least one (1) week prior to the date set for the meeting to which it applies, except that the Governing Board may give the notice as it deems practical of

special meetings called less than seven (7) days prior to the date set for the meeting. Any request for notice filed pursuant to this section shall be valid for one (1) year from the date on which it is filed unless a renewal request is filed. All requests for notice shall be filed with the Secretary of the Authority. Renewal requests for notice shall be filed within ninety (90) days after January 1 of each year.

4.3.2 Written notice of each special meeting shall be delivered personally or by mail to each Board Member and, to each local newspaper of general circulation, radio and television station, requesting such written notice in writing. Such notice shall be received at least twenty-four (24) hours before the time of such meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the agenda for the meeting. No other business shall be considered at such meeting. Notice shall be required pursuant to this section regardless of whether any action is taken at the special meeting. In cases of emergency, notice of special meetings may be dispensed with only to the extent permitted by applicable law.

Section 4.4 Waiver Of Notice. Written notice may be dispensed with as to any Board Member who, at or prior to the time the meeting convenes, files with the Secretary a written waiver of notice. Such waiver may be given by any means that allows for a permanent record and may be authorized by law. Such written notice also may be dispensed with as to any Board Member who is actually present at the meeting at the time it convenes.

Section 4.5 Attendance And Participation. Board Members must attend the regular meetings of the Governing Board and of committees to which they are appointed and shall contribute their time and special abilities as may be required for the benefit of the Authority.

Section 4.6 Quorum. A quorum is a majority of the Board Members (i.e. seven members). A quorum must be present to initiate the transaction of business at any regular or special meeting of the Governing Board.

Section 4.7 Meeting Agendas. For all meetings that are open and public pursuant to the Ralph M. Brown Act (Gov. Code 54950 *et seq.*), the provisions of Sections 4.7.1 through 4.7.3 shall apply.

4.7.1 The Chief Executive Officer of the Authority shall prepare an agenda for every meeting of the Governing Board setting forth a brief general description of each item of business to be transacted or discussed at the meeting and the time and location of the meeting. Each agenda for a regular meeting shall provide an opportunity for members of the public to address the Governing Board directly on items of interest to the public that are within the subject matter jurisdiction of the Authority. At least seventy-two (72) hours before a regular meeting, the Chief Executive Officer shall cause the agenda for the meeting to be posted at the main entrance of the Authority's executive offices and online on the Health Authority's website, or, as determined by duly adopted resolution of the Governing Board, any other location that is freely accessible to members of the public.

4.7.2 No action shall be taken at a regular meeting on any item not appearing on the posted agenda; provided, however, that the Board Members may take action on items of business not appearing on the posted agenda under the following conditions:

4.7.2.1 The Governing Board determines by a majority vote of the Board Members present that an emergency situation exists under Government Code 54956.5; or

4.7.2.2 The Governing Board determines by a two-thirds vote of the Governing Board, or, if less than two-thirds of the Board Member are present, by a unanimous vote of those Board Members present, that the need to take the action arose subsequent to the posting of the agenda; or

4.7.2.3 The item was included in the posted agenda for a meeting of the Governing Board occurring not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

4.7.3 At least twenty-four (24) hours before a special meeting, the Chief Executive Officer shall cause the agenda for the meeting to be posted with the call and notice of the meeting at the main entrance of the Authority executive offices, or, as determined by duly adopted resolution of the Governing Board, any other location that is freely accessible to members of the public. No business not set forth in the posted agenda shall be considered by the Governing Board at such special meeting.

Section 4.8 Conduct Of Business. The items on the agenda shall be considered in order unless the Chairperson shall announce a change in the order of consideration. Unless an agenda item identifies a particular source for a report, the Chief Executive Officer, the Board Members, the Authority staff and consultants shall report first on the item, after which the item shall then be open to public comment upon recognition of the speaker by the Chairperson. To the extent that conduct of the meeting is not governed by these bylaws or the Ralph M. Brown Act, the current edition of Robert's Rules of Order shall apply.

Section 4.9 Resolutions and Motions. All official acts of the Authority shall be taken either by resolution or a motion, duly made, seconded and adopted by vote of the Board Members.

Section 4.10 Voting. Except as otherwise provided by these Bylaws, when a quorum is present all official acts of the Governing Board shall require the affirmative vote of a majority of the Board Members present and eligible to vote.

Section 4.11 Disqualification From Voting. A Board Member shall be disqualified from voting on any motion or resolution relating to a transaction in which he or she has a financial interest, as required by law or by the Conflicts of Interest Policy of the Authority, as described in Article IX. Except as required by law or by the Conflict of Interest Policy of the Authority, no Board Member shall be disqualified from serving as a Board Member or taking part in any proceedings of the Governing Board because of any financial interest of a Board Member.

Section 4.12 Minutes. The Secretary shall cause to have prepared the minutes of each meeting of the Governing Board. The minutes shall be an accurate summary of the Governing Board. The minutes shall be an accurate summary of the Governing Board's consideration of each item on the agenda and an accurate record of each action of the Governing Board. At a subsequent meeting, the Secretary shall submit the minutes to the Governing Board for approval by a majority vote of Board Members in attendance at the meeting covered by the minutes. When approved, the minutes shall be signed by the Secretary and kept with the proceedings of the Governing Board.

Section 4.13 Closed Sessions. The Governing Board shall meet in closed session only as permitted by applicable law, including, but not limited to, the Ralph M. Brown Act (Gov. Code 54950 *et seq.*) and Section 14087.38. The Governing Board shall post an agenda and report the actions taken at a closed session to the public to the extent required by applicable law. A closed session minute book shall be established and maintained for minutes of all closed sessions, which shall reflect only the topics of discussion and decisions made at the session. The closed session minute book shall be kept confidential, shall not be a public record, and shall be available to the Board Members, the Chief Executive Officer, and the Governing Board's legal counsel, except as otherwise required by applicable law.

Section 4.14 Public Records. All documents and records of the Authority, not exempt from disclosure under applicable law, shall be public records under the California Public Records Act (Government Code 6250 *et seq.*). The Governing Board and the Chief Executive Officer shall take appropriate steps to maintain the confidentiality of all documents and records of the Governing Board for which exemptions from disclosure are available under applicable statutes.

Section 4.15 Adjournment. The Governing Board may adjourn any meeting to a time and place specified in the resolution of adjournment, notwithstanding less than a quorum may be present and voting. If no member of the Governing Board is present at a regular or adjourned meeting, the Chief Executive Officer or his or her designee may declare the meeting adjourned to a stated time and place and shall cause written notice to be given in the same manner as provided in Section 4.3 of the Bylaws for special meetings, unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be posted as required by applicable law.

ARTICLE V

COMMITTEES OF THE GOVERNING BOARD

Section 5.1 Bylaws Committee. The Governing Board shall appoint a three (3) member Bylaws Committee, all of whom shall be Board Members. Proposed amendments to these Bylaws shall not be effective unless approved by a majority vote of the Bylaws Committee, and by the affirmative vote of no less than a majority of Board Members, as set forth in Article XII.

Section 5.2 Executive Committee. The Governing Board shall appoint a five (5) member Executive Committee. One Alternate may be appointed by the Governing Board. The Alternate shall be entitled to vote as an Executive Committee member when an Executive Committee member is absent from the Executive Committee meeting.

5.2.1 The Executive Committee shall consist of its Chair and Vice Chair, plus 3 other Board members. The Alternate shall be a Board member. At least one of the members of the Executive Committee shall have financial expertise. The Chief Executive Officer of the Health Authority shall serve as an ex officio member of the Executive Committee, without vote.

5.2.2 In the event of a financial, operational, legal, personnel or public relations emergency, which the Chief Executive Officer or the Executive Committee reasonably determines requires handling before the next scheduled meeting of the Governing Board or before a special meeting of the Governing Board can be called, the Executive Committee shall have all of the powers and authority of the Board of Directors to act in the intervals between meetings of the Board of Directors.

5.2.3 Notwithstanding the above, the Executive Committee shall not have authority to: amend or repeal the Bylaws or adopt new Bylaws; fill vacancies on the Governing Board; or fix compensation of Directors. By majority vote of the Governing Board, the Board may at any time revoke or modify the authority delegated to the Executive Committee.

5.2.4 Any action taken by the Executive Committee must be reported for discussion to the Governing Board at the next meeting.

5.2.5 The Executive Committee shall also serve as the Finance Committee of the Governing Board, responsible for: developing and reviewing fiscal policy; monitoring investment activity and financial performance; reviewing and making recommendations regarding financial statements, audits, financial management and business plan objectives; and reviewing with, and making recommendations to the Governing Board, regarding the annual budget and variations from the budget. The Governing Board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the Governing Board or the Executive Committee. Annual and periodic financial reports shall be submitted to the Governing Board.

Section 5.3 Additional Committees. The Governing Board may by resolution, from time to time, create and appoint the members of such additional committees and subcommittees of the Governing Board as it deems necessary to carry out its purposes. Except as provided in Article VI, only Board Members shall serve on committees and subcommittees, but no committee or subcommittee may be composed of a number of Board Members constituting a quorum of voting Board Members. The Governing Board may designate one (1) or more Board Members as alternate members of any committee or subcommittee to stand in for any absent member at any meeting of the committee or subcommittee.

Section 5.4 Authority. All such other committees and subcommittees shall be advisory only, unless otherwise specified by the Governing Board.

Section 5.5 Meetings. Regular meetings of the committees and subcommittees shall be held at such times and places as are determined by the chairperson of the committee or subcommittee. Special meetings may be held at any time and place as may be designated by the Chairperson, the chairperson of the committee or subcommittee, the Chief Executive Officer or a majority of

the members of the committee or subcommittee. Except for the Executive Committee, at least one third of the authorized number of members of the committee or subcommittee shall constitute a quorum for the transaction of business. In the case of the Executive Committee, a majority of the seated members of the committee shall constitute a quorum for the transaction of business.

Section 5.6 Open and Public. Meetings of committees and subcommittees shall be open and public, except such meetings that may be held in closed session to the extent permitted by applicable law, including, but not limited to, the Ralph M. Brown Act (Gov. Code 54950 *et seq.*) and Section 14087.38.

Section 5.7 Notice and Agenda Posting. To the extent that meetings of committees and subcommittees are subject to the Ralph M. Brown Act (Gov. Code 54950 *et seq.*), notice and agenda posting regarding such regular and special meetings shall be carried in the same manner as that applicable to regular and special meetings of the Governing Board as set forth in Article IV of these Bylaws.

Section 5.8 Minutes. The Secretary or his or her designee shall prepare minutes of each meeting of every committee and subcommittee. The minutes shall be an accurate summary of the committee's or subcommittee's consideration of the matters before it and an accurate record of each action of the committee or subcommittee. At a subsequent meeting, the Secretary or designee shall submit the minutes to the committee or subcommittee for approval by a majority vote of members in attendance at the meeting covered by the minutes. When approved, copies of minutes shall be forwarded by the Secretary or designee to the Board Members and to the Chief Executive Officer.

ARTICLE VI

ADVISORY AND STANDING COMMITTEES

Section 6.1 Provider Advisory Council.

6.1.1 The Governing Board shall establish one or more Provider Advisory Council, composed of participating providers, to provide expertise to the Authority relative to their respective specialties. Each Provider Advisory Council shall have a sufficient number of members to provide the necessary expertise and to work effectively as a group. The Governing Board shall determine the number and composition of each Council with the assistance of recommendations made by the Chief Executive Officer. Provider Advisory Council members shall serve for a maximum of three two-year terms.

6.1.2 Each Provider Advisory Council shall have a chairperson and a vice chairperson appointed by the Governing Body. The Chief Executive Officer shall designate a staff person to serve as secretary and to be responsible for notifying members of the dates and times of meetings and preparing a record of the Council's meetings.

6.1.3 Each Provider Advisory Council shall meet on a regular basis, and shall make recommendations and reports to the Governing Board. Meetings of the Provider Advisory

Council shall be open and public pursuant to the Ralph M. Brown Act (Gov. Code § 54950 *et seq.*).

Section 6.2 Consumer Affairs Committee.

6.2.1 The Governing Board shall establish a standing Committee of the Board to be called the Consumer Affairs Committee, which shall be responsible for participating in establishing public policy of the health care service plan (“the Plan”) established by the Authority. Public policy includes, but is not necessarily limited to, policies to assure the comfort, dignity, and convenience of the members, as described in the Knox-Keene Act, Section 1369 of the Health and Safety Code. The Consumer Affairs Committee shall constitute the “Community Advisory Committee,” referenced in Section A-18-334 of the Ordinance. The Consumer Affairs Committee shall have a sufficient number of members to provide community involvement and an appropriate representation of the interests of enrolled Plan members. The Governing Board shall determine the number and composition of the Committee with the assistance of recommendations made by the Chief Executive Officer. Committee members shall serve for a maximum of three two-year terms, unless the committee member who is appointed to represent plan members is no longer qualified for Plan enrollment or otherwise loses eligibility for Plan membership.

6.2.2 The Consumer Affairs Committee shall have a chairperson and a vice-chairperson appointed by the Governing Board. The Chief Executive Officer shall designate an employee of the Authority to serve as secretary and to be responsible for notifying members of the dates and times of meetings and preparing a record of the Committee’s meetings.

6.2.3 The Consumer Affairs Committee shall meet not less than two times per year, and shall make recommendations and reports to the Governing Board. Meetings of the Consumer Affairs Committee shall be open and public pursuant to the Ralph M. Brown Act (Gov. Code § 54950 *et seq.*).

6.2.4 The Consumer Affairs Committee recommendations and reports shall be regularly and timely reported to the Governing Board. The Governing Board shall take action upon the Committee’s recommendations. Such action shall be recorded in the minutes of the Governing Board.

Section 6.8 Additional Advisory Committees. The Governing Board may, as it deems necessary, establish advisory committees. A resolution of the Governing Board establishing any additional advisory committee shall specify the number and qualifications of members, scope of matters on which such group or committee will provide review and recommendations, parameters for the conduct of proceedings, and conditions and procedures for dissolution for the advisory committee.

ARTICLE VII
EXECUTION OF DOCUMENTS

Section 7.1 Contracts and Instruments.

7.1.1 The Governing Board may authorize any officer or officers, agent or agents, employee or employees to enter into any contract or execute any instrument in the name of and on behalf of the Authority, and this authority may be general or confined to specific instances; and, unless so authorized or ratified by the Governing Board, no officer, agent or employee shall have any power or authority to bind the Authority by any contract or engagement or to render it liable for any purpose or for any amount.

7.1.2 The Secretary shall have the authority to attest to the signatures of those individuals authorized to enter into contracts or execute instruments in the name of and on behalf of the Authority and to certify the incumbency of those signatories.

7.1.3 Each and every contract, indenture, mortgage, loan or credit document, lease, or other instrument or obligation of the Authority shall contain a statement to the effect that the Authority is a separate legal entity from the County, that the County, and its officials, employees and agents, are not responsible for the obligations of the Authority, and that (except if the county is a direct party to the particular document or instrument) the parties to the particular document or instrument do not intend to, or have the power to, confer on any person or entity any rights or remedies against the County or any officials, employees or agents of the County.

Section 7.2 Checks, Drafts, Evidences of Indebtedness. All checks, drafts or other orders for payment of money, notes or other evidences issued in the name of or on behalf of the Authority or payable to the order of the Authority, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Governing Board.

ARTICLE VIII

CHIEF EXECUTIVE OFFICER

Section 8.1 Appointment and Tenure. The Governing Board shall select and appoint a Chief Executive Officer who shall be its direct executive representative in the management of the affairs and activities of the Authority. The Chief Executive Officer shall serve at the pleasure of the Governing Board, subject to the provisions of any contract of employment between the Authority and the Chief Executive Officer. The Governing Board shall adopt by resolution a program (including timing and method) for evaluating the Chief Executive Officer.

Section 8.2 Duties.

8.2.1 The Chief Executive Officer shall have the necessary authority and responsibility to conduct the Authority's activities, subject to the oversight and authority of the Governing Board and the Chairperson. The Chief Executive Officer shall be responsible to carry out the formal and informal policies, procedures and practices of the Authority.

8.2.2 The Chief Executive Officer shall act as the duly authorized representative of the Authority in all matters in which the Authority has not formally designated some other person to act.

8.2.3 The Chief Executive Officer shall designate a Chief Financial Officer and a Medical Director of the Authority both of whom shall be employees of the Authority. The Chief Executive Officer may also appoint and engage individuals to fill such other executive, administrative and management positions for the Authority as the Governing Board shall authorize by resolution. All personnel shall serve at the pleasure of the Chief Executive Officer, subject to any contract of employment between the Authority and any such employee and the personnel policies adopted by the Governing Board.

ARTICLE IX

CONFLICT OF INTEREST POLICY

Section 9.1 Adoption. The Governing Board shall by resolution adopt and from time to time may amend a Conflict of Interest Code for the Authority as required by applicable law.

Section 9.2 Board Member Statements. Each Board Member shall file statements disclosing reportable investments, business positions, interests in real property and income in accordance with the Political Reform Act of 1974 (Government Code 81000 *et seq.*) and the regulations of the Fair Political Practices Authority.

Section 9.3 Prohibition On Board Members With Financial Interest. Except as may be permitted by Section 9.4, a Board Member shall not make, participate in making, or in any way attempt to influence a Governing Board decision in which the Board Member knows, or has reason to know, that he or she has a financial interest as defined by California law or as set forth in the Authority's Conflict of Interest Code.

Section 9.4 Conflict of Interest Exemption. In accordance with Welfare & Institutions Code § 14087.38(h), a Board Member shall not be deemed to be interested in a contract entered into by the Authority within the meaning of Government Code 1090, *et. seq.* if all of the following apply:

(a) The Board of Supervisors appointed the Board Member to represent the interests of physicians, health care practitioners, hospitals, pharmacies, or other health care organizations, or beneficiaries.

(b) The contract authorizes the Board Member or the organization the Board Member represents to provide services to beneficiaries under the Authority's programs.

(c) The contract contains substantially the same terms and conditions as contracts entered into with other individuals or organizations that the Board Member was appointed to represent.

(d) The Board Member does not influence or attempt to influence the Governing Board or another Board Member to enter into the contract in which the Board Member is interested.

(e) The Board Member discloses the interest to the Governing Board and abstains from voting on the contract.

(f) The Governing Board notes the Board Member's disclosures and abstention in its official records and authorizes the contract in good faith by a vote of the Governing Board sufficient for the purpose without counting the vote of the interested Board Member.

ARTICLE X
PROCEDURES, PRACTICES AND POLICIES
RELATING TO IMPLEMENTATION OF THE TWO-PLAN MODEL

Section 10.1 Compliance With Two-Plan Model. The Authority shall, in connection with the conduct of its business and the discharge of its responsibilities, comply fully with the concepts and philosophy of the Medi-Cal Two-Plan Model for Managed Care ("Two-Plan Model"), as issued by the State Department of Health Care Services ("DHCS"). In conducting its business and discharging its responsibilities, the Authority shall meet the particulars set forth in this Article X.

Section 10.2 Contract Negotiation and Renegotiation. The Authority shall, in negotiating and renegotiating contracts, give preference to providers (sometimes referred to herein as "preferred providers"): (1) based on (a) the number of Section 10.2.1 categories a provider is within, and (b) the number of and extent to which the factors set forth in each Section 10.2.1 category apply to the provider; (2) in the manner prescribed in Section 10.2.2; and (3) in accordance with the standards set forth in Section 10.3.

10.2.1 The following are the preference categories that shall be applicable for the Authority in negotiating and renegotiating contracts:

(a) **Disproportionate Share Hospitals.** The Authority shall give substantial preference to those hospitals that have regularly and repeatedly qualified for disproportionate share status under the Medi-Cal program. For purposes of the Section 10.2.1(a), "regularly and repeatedly" means that, at any particular time, the hospital has been recognized as a disproportionate share hospital under the Medi-Cal program for no less than three (3) of the most recent four (4) years. Among hospitals that have regular and repeatedly qualified for disproportionate share status, the Authority shall give greater preference to those hospitals that historically have had the highest levels of disproportionality, as measured on both a relative and absolute basis, over the most recent four (4) years.

(b) **Safety Net Providers.** The Authority shall give preference to FQHCs and any other providers that DHCS has defined as safety net providers in the general policies relating to the Two-Plan Model.

(c) **Traditional Medi-Cal Providers.** The Authority may give preference to community-based clinics and private providers with a history of serving a substantial proportion of Medi-Cal patients. For purposes of this Section 10.2.1(c), "substantial proportion" means that

in each of two (2) of the most recent four (4) years, a community-based clinic or private provider has received at least \$25,000 in payments per year from serving Medi-Cal patients.

(d) Medically Indigent and Uninsured Care Providers. The Authority shall give substantial preference to providers that have regularly and repeatedly provided the highest levels of ratios of care to the medically indigent and uninsured.

10.2.2 The following prescribes the manner in which the Authority shall give preference to providers in negotiating and renegotiating contracts:

(a) Generally. Preference shall be given in a fashion to preserve the health care safety net in the County, including public health services, as envisioned by the Two-Plan Model and in accordance with the standards set forth in Section 10.3.

(b) Disproportionate Share Hospitals. The Authority shall give substantial preference to those hospitals that have regularly and repeatedly qualified for disproportionate share status under the Medi-Cal program in a fashion to ensure that these hospitals have sufficient Medi-Cal patient participation so that: (1) all available federal funding is retained for the geographic area of the county; and (2) among these hospitals, the hospitals that historically have had the highest levels of disproportionality receive federal funding commensurate with their higher levels of disproportionality. The most recent four (4) years shall be the "historical" period for purposes of this provision.

(c) All Preferred Providers. Subject to provider capacity and patients' medical interests, the Authority may take one or more of the following measures, as necessary or appropriate to meet the requirements of the Section 10.2.2: (1) assign patients to preferred providers, especially to those providers entitled to substantial preference under Section 10.2.1(a) and 10.2.1(d); (2) give preferential pricing terms to preferred providers; (3) give rights of first refusal on negotiating and renegotiating contracts to preferred providers; and (4) furnish preferred providers with such special or additional administrative or clinical support services as may be necessary or appropriate to assist such providers in transitioning to a managed care environment.

(d) Impact of Preferences. As among preferred providers, it is expected that higher levels of funding may be given by the Authority to those entitled to substantial preference, as compared to other preferred providers. The Authority shall fulfill its obligations under this Section 10.2 notwithstanding any detriment or adverse impact to non-preferred providers that may be caused by the fulfillment of such obligations, and notwithstanding that certain special or additional administrative clinical support services may be unavailable to non-preferred providers.

Section 10.3 Establishment and Maintenance of Provider Network. The Authority shall meet the standards set forth in this Section 10.3 in establishing and maintaining the provider network and in implementing the preferences described in Section 10.2.

10.3.1 The Authority shall foster and maintain the clinical relationships between Medi-Cal, medically indigent and uninsured patients and their health care providers.

10.3.2 The Authority shall, in establishing and maintaining the provider network, recognize and accommodate the cultural and linguistic diversity of Medi-Cal, medically indigent and uninsured patients.

10.3.3 The Authority shall, in establishing and maintaining the provider network, recognize, accommodate and support those special programs and activities of providers that have been regularly and repeatedly successful in addressing the medical and social needs of Medi-Cal, medically indigent and uninsured patients.

ARTICLE XI

MISCELLANEOUS, PROCEDURES, PRACTICES AND

POLICIES, INSURANCE, BONDS

Section 11.1 Purchasing, Hiring, Personnel, Etc. The Governing Board shall by resolution adopt and, from time to time may amend, procedures, practices and policies for purchasing and acquiring the use of equipment and supplies, acquiring, constructing and leasing real property and improvements, hiring employees, managing its personnel and for all other matters, in the determination of the Governing Board, as are necessary and appropriate for the proper conduct of the Authority's activities and affairs and the furtherance of its authorized purposes. Copies of all such procedures, practices and policies shall be maintained with the minutes of proceedings of the Governing Board.

Section 11.2 Enforcement. Subject to the ultimate authority of the Governing Board, the Chief Executive Officer shall be responsible to implement all procedures, practices and policies adopted by the Governing Board.

Section 11.3 Insurance. The Chief Executive Officer shall procure, at the Governing Board's direction, such liability, property, casualty, workers' compensation, and such other insurance (including, without limitation, directors' and officers' liability, professional liability, and health plan re-insurance) in such amounts and with such carriers as the Governing Board shall from time to time determine is prudent in the conduct of its activities; provided, the Governing Board may in its discretion provide self-insurance or participate in consortia or similar associations to obtain coverage in lieu of commercial coverage.

Section 11.4 Bonds. The Authority shall require all of the Board Members, as well as the Authority's officers, employees and agents, to be covered by fidelity bonds to the extent required by law, and otherwise to the extent the Governing Board determines prudent in the conduct of its activities. The cost of such bonds shall be paid for by the Authority.

Section 11.5 Defense and Indemnification. So long as such individual was acting within the scope of his or her employment or official capacity, the Authority shall defend and hold harmless its current and former members, officers, employees, and other agents to the full extent set forth by the California Tort Claims Act (Gov. Code 810 *et seq.*) and Section 14087.38(j).

Section 11.6 Immunities. The Authority, all Board Members, and all officers, employees, and agents of the Authority shall, to the full extent set forth by law, be protected by the Immunities applicable to public entities and individuals as provided by the California Tort Claims Act (Gov. Code 810 *et seq.* and Section 14087.38(j)).

Section 11.7 Reports to County Board of Supervisors. The Governing Board shall prepare and deliver to the County Board of Supervisors an annual written report describing the activities of the Authority during the preceding year, and outlining, in general terms, the anticipated nature of the Authority's activities for the forthcoming year.

ARTICLE XII

AMENDMENT OF BYLAWS

The Bylaws may be amended or repealed. Proposed changes to amend or repeal the Bylaws may be forwarded in writing by any Governing Board member to the Chairperson of the Bylaws Committee. The Bylaws Committee by a majority vote must approve proposed changes in advance of submitting proposed Bylaws changes to the governing Board. If approved by the Bylaws committees, the proposed Bylaws changes shall be placed on the agenda and provided to the Governing Board members at least 7 (seven) days prior to the Board meeting at which the proposed Bylaw changes shall be considered. The Governing board shall adopt the proposed changes by the voting approval of at least a majority of members of the Governing Board. The Bylaws Committee shall also nominate Officers of the Authority to the Governing Board for consideration.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of the Santa Clara County Health Authority, a local public agency; and

The foregoing Bylaws, comprising 17 pages, including this page, constitute the Bylaws of the Authority, as duly adopted by the Authority at a regular meeting, duly called and held on January 18, 1996, at San Jose, California, and subsequently amended on January 20, 2000, May 23, 2002, January 23, 2003, November 18, 2004, September 22, 2005, April 21, 2011, and May 15, 2014.



Elizabeth G. Pianca
Secretary of the Authority

**BYLAWS OF
THE SANTA CLARA COMMUNITY HEALTH AUTHORITY**

**ARTICLE I
AUTHORITY, PURPOSES, STATUS AND POWERS**

Section 1.1 Authority. These Bylaws are adopted by the Santa Clara Community Health Authority ("Joint Powers Authority") to establish rules for its proceedings. The Joint Powers Authority is a local public agency created by a Joint Powers Agreement entered into by and between Santa Clara County ("County") and Santa Clara County Health Authority, pursuant to Chapter 5, Division 7, Title 1 of the Government Code of the State of California (commencing with Section 6500), as from time to time amended.

Section 1.2 Purposes. The purposes of the Joint Powers Authority are to ~~meet the problems of delivery of publicly assisted medical care in the County~~ manage and operate non-Medi-Cal programs, to demonstrate ways of promoting quality care and cost efficiency, and to further such other purposes as are contemplated by the Joint Powers Agreement.

Section 1.3 Status. The Joint Powers Authority is an entity separate from the County and separate from Santa Clara County Health Authority. Obligations, acts, omissions or liabilities of the Joint Powers Authority shall be obligations, acts omissions or liabilities solely of the Joint Powers Authority, and shall not, directly or indirectly, be obligations, acts, omissions or liabilities of the County or any officials, employees or agents of the County. Either party to the Joint Powers Agreement may separately contract for or assume responsibility for specific debts, liabilities, or obligations of the Joint Powers Authority.

Section 1.4 Powers. The Joint Powers Authority shall have the power to negotiate and enter into contracts with the Department of Health Care Services, Centers for Medicare and Medicaid Services Managed-Risk Medical Insurance Board and other commercial businesses, and to accept assignment of contracts from the Santa Clara County Health Authority for the Healthy Families and/or Healthy Kids qualifying programs. To the extent authorized by the Joint Powers Agreement, the Joint Powers Authority may also enter into contracts to arrange for the provision of health care services to individuals under other publicly supported programs, those employed by public agencies or private businesses, and uninsured or indigent individuals. The Joint Powers Authority shall have all rights, powers, duties, privileges and immunities expressed, either directly or implicitly, set forth in the Joint Powers Agreement. The Joint Powers Authority may adopt any fictitious names, trade names and trademarks it deems appropriate for the conduct of its business and the identification and marketing of its health care programs.

Chapter 1 of Division A6 of the Ordinance Code of the County, containing general rules and procedural requirements applicable to boards and commissions of the county, shall not apply to the Joint Powers Authority.

ARTICLE II
GOVERNING
BODYBOARD

Section 2.1 Governance. Subject to the provisions of the Joint Powers Agreement and Government Code Section 6508, responsibility for governing and managing the affairs of the Joint Powers Authority shall be vested in a Governing BodyBoard.

Section 2.2 Members. The Governing Board of Santa Clara County Health Authority shall serve, *ex officio*, as the Governing BodyBoard of the Joint Powers Authority (the "Governing Body").

Section 2.3 Term. The term of office for a member of the Governing BodyBoard of the Joint Powers Authority ("Governing BodyBoard Member") shall run simultaneously with the term that that member serves on the Santa Clara County Health Authority governing board.

Section 2.4 End of Term. A Member of the Governing BodyBoard shall cease to be a Member upon the expiration of his/her term as a member of the Santa Clara County Health Authority governing bodyboard.

~~Section 2.5 Reimbursement Of Expenses. Governing Body Members, other than County employees, may be reimbursed for services and out-of-pocket expenses at a rate to be determined by the Governing Body for each Governing Body meeting attended.~~

ARTICLE III
OFFICERS AND ADMINISTRATIVE BODY

Section 3.1 Designation. The officers of the Santa Clara County Health Authority, and its Chief Executive Officer, shall serve, *ex officio*, as the Officers of the Joint Powers Authority. All officers and the Chief Executive Officer shall have the same respective duties and responsibilities in carrying out the business of the Joint Powers Authority as they have for Santa Clara County Health Authority.

Section 3.2 Administrative Body. Santa Clara County Health Authority shall serve as the administrative body, appointed by the Joint Powers Authority ~~through an Administrative Services Agreement~~ and will provide all administrative services necessary for the conduct of the business of the Joint Powers Authority.

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ARTICLE IV
MEETINGS

Section 4.1 Regular And Special Meetings. Regular meetings of the Governing BodyBoard shall be held at the same time and place as the meetings for the governing board of the Santa Clara County Health Authority. Special meetings of the Governing BodyBoard shall be held at the request of the Chairperson or a majority of the Members at any place within the County at a time that has been designated in the notice of meeting. Emergency meetings of the Governing BodyBoard may be held as permitted by the Ralph M. Brown Act. The Governing BodyBoard shall meet no less than ~~two-one~~ times per year.

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Section 4.2 Open And Public. Meeting shall be open and public and all persons shall be permitted to attend, except for closed sessions, all as required and permitted by applicable law, including the Ralph M. Brown Act (Gov. Code 54950 *et seq.*)

Section 4.3 Notice. Meeting notices, agendas and procedures of the Governing BedyBoard shall be governed by applicable provisions of the Ralph M. Brown Act.

Section 4.4 Attendance And Participation. Governing BedyBoard Members must attend the regular meetings of the Governing BedyBoard and of committees to which they are appointed and shall contribute their time and special abilities as may be required for the benefit of the Joint Powers Authority.

Section 4.5 Quorum. A quorum is a majority of the Governing BedyBoard Members. A quorum must be present ~~in-person to constitute a quorum~~ to initiate the transaction of business at any regular or special meeting of the Governing BedyBoard. ~~A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Governing BedyBoard Members, provided that any action taken is approved pursuant to Section 4.9.~~

Section 4.6 Meeting Agendas. For all meetings that are open and public pursuant to the Ralph M. Brown Act (Gov. Code 54950 *et seq.*), the provisions of Sections 4.6.1 through 4.6.3 shall apply.

4.6.1 The Chief Executive Officer of the Joint Powers Authority shall prepare an agenda for every meeting of the Governing BedyBoard setting forth a brief general description of each item of business to be transacted or discussed at the meeting and the time and location of the meeting. Each agenda for a regular meeting shall provide an opportunity for members of the public to address the Governing BedyBoard directly on items of interest to the public that are within the subject matter jurisdiction of the Joint Powers Authority. At least seventy-two (72) hours before a regular meeting, the Chief Executive Officer shall cause the agenda for the meeting to be posted online and at the main entrance of the Joint Powers Authority's executive offices, or, as determined by duly adopted resolution of the Governing BedyBoard, any other location that is freely accessible to members of the public.

4.6.2 No action shall be taken at a regular meeting on any item not appearing on the posted agenda; provided, however, that the Governing BedyBoard Members may take action on items of business not appearing on the posted agenda under the following conditions:

4.6.2.1 The Governing BedyBoard determines by a majority vote of the Governing BedyBoard Members present that an emergency situation exists under Government Code 54956.5; or

4.6.2.2 The Governing BedyBoard determines by a two-thirds vote of the Governing BedyBoard, or, if less than two-thirds of the Governing BedyBoard Members are present, by a unanimous vote of those Members present, that the need to take the action arose subsequent to the posting of the agenda; or

4.6.2.3 The item was included in the posted agenda for a meeting of the Governing BedyBoard occurring not more than five (5) calendar days prior to the date action is

taken

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on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

4.6.3 At least twenty-four (24) hours before a special meeting, the Chief Executive Officer shall cause the agenda for the meeting to be posted with the call and notice of the meeting at the main entrance of the Joint Powers Authority executive offices, or, as determined by duly adopted resolution of the Governing BodyBoard, any other location that is freely accessible to members of the public. No business not set forth in the posted agenda shall be considered by the Governing BodyBoard at such special meeting.

Section 4.7 Conduct Of Business. The items on the agenda shall be considered in order unless the Chairperson shall announce a change in the order of consideration. Unless an agenda item identifies a particular source for a report, the Chief Executive Officer, the Governing BodyBoard Members, the Joint Powers Authority staff and consultants shall report first on the item, after which the item shall then be open to public comment upon recognition of the speaker by the Chairperson. The proceedings of the Governing Board shall be governed by the provisions of law applicable thereto and, except as herein otherwise provided, by Robert's Rules of Order, newly revised. Provided, further, that the failure to follow the Rules of Order shall not invalidate any action taken.

Section 4.8 Resolutions/Official Acts. All official acts of the Joint Powers Authority shall be taken and adopted on motion, duly made, seconded and adopted by vote of the Governing BodyBoard Members.

Section 4.9 Voting. Except as otherwise provided by these Bylaws, when a quorum is present all official acts of the Governing BodyBoard shall require the affirmative vote of a majority of the Governing BodyBoard Members present and eligible to vote, ~~so long as all applicable quorum requirements have been met. No official act shall be approved with less than the affirmative vote of four (4) Members, unless the number of Governing BodyBoard Members prohibited from voting because of conflicts of interest precludes adequate participation in the vote.~~

Section 4.10 Disqualification From Voting. A Governing BodyBoard Member shall be disqualified from voting on any resolution relating to a transaction in which he or she has a financial interest, as required by law or by the Conflicts of Interest Policy of the Joint Powers Authority, as described in Article IX. Except as required by law or by the Conflict of Interest Policy of the Joint Powers Authority, no Governing BodyBoard Member shall be disqualified from serving as a Governing BodyBoard Member or taking part in any proceedings of the Governing BodyBoard because of any financial interest of the Member.

Section 4.11 Minutes. The Secretary shall cause to have prepared the minutes of each meeting of the Governing BodyBoard. ~~The minutes shall be an accurate summary of the Governing Body.~~ The minutes shall be an accurate summary of the Governing BodyBoard's consideration of each item on the agenda and an accurate record of each action of the Governing BodyBoard. At a subsequent meeting, the Secretary shall submit the minutes to the Governing BodyBoard for approval by a majority vote of Governing BodyBoard Members in attendance at the meeting covered by the minutes. When approved, the minutes shall be signed by the Secretary and kept with the proceedings of the Governing BodyBoard.

Section 4.12 Closed Sessions. The Governing BodyBoard shall meet in closed session only as permitted by applicable law, including, but not limited to, the Ralph M. Brown Act (Gov. Code 54950 et seq.). The Governing BodyBoard shall post an agenda and report the actions

taken at a

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closed session to the public to the extent required by applicable law. A closed session minute book ~~shall~~ may be established and maintained for minutes of ~~all~~ closed sessions, which shall reflect only the topics of discussion and decisions made at the session. The closed session minute book shall be kept confidential, shall not be a public record, and shall be available to the Governing BodyBoard Members, except as otherwise required by applicable law.

Section 4.13 Public Records. All documents and records of the Joint Powers Authority, not exempt from disclosure under applicable law, shall be public records under the California Public Records Act (Government Code 6250 *et seq.*). The Governing BodyBoard and the Chief Executive Officer shall take appropriate steps to maintain the confidentiality of all documents and records of the Governing BodyBoard for which exemptions from disclosure are available under applicable statutes.

Section 4.14 Adjournment. The Governing BodyBoard may adjourn any meeting to a time and place specified in the resolution of adjournment, notwithstanding less than a quorum may be present and voting. If no member of the Governing BodyBoard is present at a regular or adjourned meeting, the Chief Executive Officer or his or her designee may declare the meeting adjourned to a stated time and place and shall cause written notice to be given in the same manner as provided in Section 4.3 of the Bylaws for special meetings, unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be posted as required by applicable law.

ARTICLE V COMMITTEES OF THE GOVERNING BODYBOARD

Section 5.1 Committees. The Committees of the Santa Clara County Health Authority shall serve, *ex officio*, as the committees of the Joint Powers Authority, unless otherwise determined by the Governing BodyBoard by resolution. ~~Members of the Santa Clara County Health Authority's public policy committee shall serve, ex officio, as the public policy committee for the Authority, which committee is required by Section 1369 of the Health and Safety Code. Additional Committees may be established and dissolved by majority vote of the Governing Body. Appointments to committees are also made by majority vote. Member Advisory Committee meetings.~~ Notices agendas and minutes shall be prepared in accordance with the Santa Clara County Health Authority Bylaws governing committee meetings.

Comment [PE1]: Note to Health Authority—reference to H&S § 1369 is not applicable. Section 1369 applies to a health plan and not to an entity like the JPA.

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~~Section 5.2 Membership on Additional Committees. The Governing BodyBoard may by resolution, from time to time, create and appoint the members of such additional committees and subcommittees of the Governing BodyBoard as it deems necessary to carry out its purposes. Except as provided in Article VI, only Governing Body Members shall serve on committees and subcommittees, but no committee or subcommittee may be composed of a number of Governing BodyBoard Members constituting a quorum of voting Members. The Governing Body may designate one (1) or more Members as alternate members of any committee or subcommittee to stand in for any absent member at any meeting of the committee or subcommittee.~~

Section 5.23 Joint Powers Authority. All such other committees and subcommittees shall be advisory only, unless otherwise specified by the Governing BodyBoard.

ARTICLE VI
EXECUTION OF DOCUMENTS

Section 6.1 Contracts and Instruments.

6.1.1 The Governing BodyBoard may authorize any officer or officers, agent or agents, employee or employees to enter into any contract or execute any instrument in the name of and on behalf of the Joint Powers Authority, and this Joint Powers Authority may be general or confined to specific instances; and, unless so authorized or ratified by the Governing BodyBoard, no officer, agent or employee shall have any power or Joint Powers Authority to bind the Joint Powers Authority by any contract or engagement or to render it liable for any purpose or for any amount.

6.1.2 The Secretary shall have the Joint Powers Authority to attest to the signatures of those individuals authorized to enter into contracts or execute instruments in the name of and on behalf of the Joint Powers Authority and to certify the incumbency of those signatories.

6.1.3 Each and every contract, indenture, mortgage, loan or credit document, lease, or other instrument or obligation of the Joint Powers Authority shall contain a statement to the effect that the Joint Powers Authority is a separate legal entity from the County, that the County, and its officials, employees and agents, are not responsible for the obligations of the Joint Powers Authority, and that (except if the county is a direct party to the particular document or instrument) the parties to the particular document or instrument do not intend to, or have the power to, confer on any person or entity any rights or remedies against the County or any officials, employees or agents of the County.

Section 6.2 Checks, Drafts, Evidences of Indebtedness. All checks, drafts or other orders for payment of money, notes or other evidences issued in the name of or on behalf of the Joint Powers Authority or payable to the order of the Joint Powers Authority, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined in the same manner as determined for the County Health Authority. by resolution of The Governing Body.

Comment [PE2]: Note to Health Authority—a question from the prior bylaws meeting was whether the JPA Board has actually taken action to effectuate this section. How are checks and other orders of payment handled for the Community Health Authority?

ARTICLE VII
CONFLICT OF INTEREST POLICY

Section 7.1 Adoption. The Governing BodyBoard shall by resolution adopt and from time to time may amend a Conflict of Interest Policy for the Joint Powers Authority as required by applicable law.

Section 7.2 Governing ~~BodyBoard~~ Member Statements. Each Governing BodyBoard Member shall file statements disclosing reportable investments, business positions, interests in real property and income in accordance with the Political Reform Act of 1974 (Government Code 81000 *et seq.*) and the regulations of the Fair Political Practices Joint Powers Authority.

Section 7.3 Prohibition on Governing ~~Body~~Board Members With Financial Interest. ~~Except as may be permitted by Section 7.4, a~~ Governing ~~Body~~Board Member shall not make, participate in making, or in any way attempt to influence a Governing ~~Body~~Board decision in which the Governing ~~Body~~Board Member knows, or has reason to know, that he or she has a financial interest as defined by California law or as set forth in the Joint Powers Authority's Conflict of Interest Policy.

~~Section 7.4 Conflict of Interest Exemption. A Governing Body Member shall not be deemed to be interested in a contract entered into by the Joint Powers Authority within the meaning of Government Code 1090, et. seq. if all of the following apply:~~

~~(a) The Board of Supervisors appointed the Governing Body Member to represent the interests of physicians, health care practitioners, hospitals, pharmacies, or other health care organizations, or beneficiaries.~~

~~(b) The contract authorizes the Governing Body Member or the organization the Governing Body Member represents to provide services to beneficiaries under the Joint Powers Authority's programs.~~

~~(c) The contract contains substantially the same terms and conditions as contracts entered into with other individuals or organizations that the Governing Body Member was appointed to represent.~~

~~(d) The Governing Body Member does not influence or attempt to influence the Governing Body or another Governing Body Member to enter into the contract in which the Governing Body Member is interested.~~

~~(e) The Governing Body Member discloses the interest to the Governing Body and abstains from voting on the contract.~~

~~(f) The Governing Body notes the Governing Body Member's disclosures and abstention in its official records and authorizes the contract in good faith by a vote of the Governing Body sufficient for the purpose without counting the vote of the interested Governing Body Member.~~

Comment [PE3]: Note to Health Authority—this is carry over language from the Health Authority's bylaws. It stems from Welfare and Institutions Code section 14087.38(h). It does not apply to the Community Health Authority because the Community Health Authority is not organized pursuant to 14087.32.

ARTICLE VIII PROCEDURES, PRACTICES AND POLICIES RELATING TO IMPLEMENTATION OF THE TWO-PLAN MODEL

Section 8.1 Contract Negotiation and Renegotiation. The Joint Powers Authority shall, in negotiating and renegotiating contracts, give preference to providers (sometimes referred to herein as "preferred providers"): (1) based on (a) the number of Section 8.1.1 categories a provider is within, and (b) the number of and extent to which the factors set forth in each Section 8.1.1 category apply to the provider; (2) in the manner prescribed in Section 8.1.2; and (3) in accordance with the standards set forth in Section 8.2.

8.1.1 The following are the preference categories that shall be applicable for the Joint Powers Authority in negotiating and renegotiating contracts:

(a) **Disproportionate Share Hospitals.** The Joint Powers Authority shall give substantial preference to those hospitals that have regularly and repeatedly qualified for disproportionate share status under the Medi-Cal program. For purposes of the Section 8.1.1(a), "regularly and repeatedly" means that, at any particular time, the hospital has been recognized as a disproportionate share hospital under the Medi-Cal program for no less than three (3) of the most recent four (4) years. Among hospitals that have regular and repeatedly qualified for disproportionate share status, the Joint Powers Authority shall give greater preference to those hospitals that historically have had the highest levels of disproportionality, as measured on both a relative and absolute basis, over the most recent four (4) years.

Comment [PE4]: Note to Health Authority—is this applicable to the Community Health Authority given the work of the Community Health Authority

(b) **Safety Net Providers.** The Joint Powers Authority shall give preference to FQHCs and any other providers that SDHS has defined as safety net providers in the general policies relating to the Two-Plan Model.

(c) **Traditional Medi-Cal Providers.** The Joint Powers Authority may give preference to community-based clinics and private providers with a history of serving a substantial proportion of Medi-Cal patients. For purposes of this Section 8.1.1(c), "substantial proportion" means that in each of two (2) of the most recent four (4) years, a community-based clinic or private provider has received at least \$25,000 in payments per year from serving Medi-Cal patients.

(d) **Medically Indigent and Uninsured Care Providers.** The Joint Powers Authority shall give substantial preference to providers that have regularly and repeatedly provided the highest levels of ratios of care to the medically indigent and uninsured.

8.1.2 The following prescribes the manner in which the Joint Powers Authority shall give preference to providers in negotiating and renegotiating contracts:

(a) **Generally.** Preference shall be given in a fashion to preserve the health care safety net in the County, including public health services and in accordance with the standards set forth in Section 8.2.

(b) **Disproportionate Share Hospitals.** The Joint Powers Authority shall give substantial preference to those hospitals that have regularly and repeatedly qualified for disproportionate share status under the Medi-Cal program.

(c) **All Preferred Providers.** Subject to provider capacity and patients' medical interests, the Joint Powers Authority may take one or more of the following measures, as necessary or appropriate to meet the requirements of the Section 8.1.2: (1) assign patients to preferred providers, especially to those providers entitled to substantial preference under Section 8.1.1(a) and 8.1.1(d); (2) give preferential pricing terms to preferred providers; (3) give rights of first refusal on negotiating and renegotiating contracts to preferred providers; and (4) furnish preferred providers with such special or additional administrative or clinical support services as may be necessary or appropriate to assist such providers in transitioning to a managed care environment.

(d) Impact of Preferences. As among preferred providers, it is expected that higher levels of funding may be given by the Joint Powers Authority to those entitled to substantial preference, as compared to other preferred providers. The Joint Powers Authority shall fulfill its obligations under this Section 8.2 notwithstanding any detriment or adverse impact to non-preferred providers that may be caused by the fulfillment of such obligations, and notwithstanding that certain special or additional administrative clinical support services may be unavailable to non-preferred providers.

Section 8.3 Establishment and Maintenance of Provider Network. The Joint Powers Authority shall meet the standards set forth in this Section 8.3 in establishing and maintaining the provider network and in implementing the preferences described in Section 8.2.

8.3.1 The Joint Powers Authority shall foster and maintain the clinical relationships between medically indigent and uninsured patients and their health care providers.

8.3.2 The Joint Powers Authority shall, in establishing and maintaining the provider network, recognize and accommodate the cultural and linguistic diversity of medically indigent and uninsured patients.

8.3.3 The Joint Powers Authority shall, in establishing and maintaining the provider network, recognize, accommodate and support those special programs and activities of providers that have been regularly and repeatedly successful in addressing the medical and social needs of medically indigent and uninsured patients.

ARTICLE X MISCELLANEOUS, PROCEDURES, PRACTICES AND POLICIES, INSURANCE, BONDS

Section 9.1 Purchasing, Hiring, Personnel, Etc. The Governing BodyBoard shall ~~by resolution adopt and, from time to time may adopt and amend, procedures, practices and policies for purchasing and acquiring the use of equipment and supplies, acquiring, constructing and leasing real property and improvements, hiring employees, managing its personnel and for all other matters, in the same manner as determined by the County Health Authority. in the determination of the Governing Body, as are necessary and appropriate for the proper conduct of the Joint Powers Authority's activities and affairs and the furtherance of its authorized purposes. Copies of all such procedures, practices and policies shall be maintained with the minutes of proceedings of the Governing Body.~~

Section 9.2 Enforcement. Subject to the ultimate Joint Powers Authority of the Governing BodyBoard, the Chief Executive Officer shall be responsible to implement all ~~procedures, practices and~~ policies adopted by the Governing BodyBoard.

Section 9.3 Insurance. The Chief Executive Officer shall procure, at the Governing BodyBoard's direction, such liability, property, casualty, workers' compensation, and such other insurance (including, without limitation, directors' and officers' liability, professional liability, and health plan re-insurance) in such amounts and with such carriers as the Governing BodyBoard shall from time to time determine is prudent in the conduct of its activities; provided, the Governing BodyBoard may in

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its discretion provide self-insurance or participate in consortia or similar associations to obtain coverage in lieu of commercial coverage.

Section 9.4 Bonds. The Joint Powers Authority shall require all of the Governing BodyBoard Members, as well as the Joint Powers Authority's officers, employees and agents, to be covered by fidelity bonds to the extent required by law, and otherwise to the extent the Governing BodyBoard determines prudent in the conduct of its activities. The cost of such bonds shall be paid for by the Joint Powers Authority.

Section 9.5 Defense and Indemnification. So long as such individual was acting within the scope of his or her employment or official capacity, the Joint Powers Authority shall defend and hold harmless its current and former members, officers, employees, and other agents to the full extent set forth by the California Tort Claims Act (Gov. Code 810 *et seq.*).

Section 9.6 Immunities. The Joint Powers Authority, all Governing BodyBoard Members, and all officers, employees, and agents of the Joint Powers Authority shall, to the full extent set forth by law, be protected by the Immunities applicable to public entities and individuals as provided by the California Tort Claims Act (Gov. Code 810 *et seq.*)

Section 9.7 Reports to County Board of Supervisors. The Governing BodyBoard shall prepare and deliver to the County Board of Supervisors an annual written report describing the activities of the Joint Powers Authority during the preceding year, and outlining, in general terms, the anticipated nature of the Joint Powers Authority's activities for the forthcoming year. The report may be included as part of the annual report submitted by the Santa Clara County Health Authority to the Board of Supervisors.

ARTICLE X AMENDMENT OF BYLAWS

The Bylaws may be amended or repealed. Proposed changes to amend or repeal the Bylaws may be forwarded in writing by any Governing BodyBoard member to the Chairperson of the Bylaws Committee. The Bylaws Committee by a majority vote must approve proposed changes in advance of submitting proposed Bylaws changes to the Governing BodyBoard. If approved by the Bylaws committees, the proposed Bylaws changes shall be placed on the agenda and provided to the Governing BodyBoard members at least ~~7 (seven)~~ 3 (three) days prior to the Governing BodyBoard meeting at which the proposed Bylaw changes shall be considered. The Governing BodyBoard shall adopt the proposed changes by the voting approval of at least a majority of members of the Governing BodyBoard.

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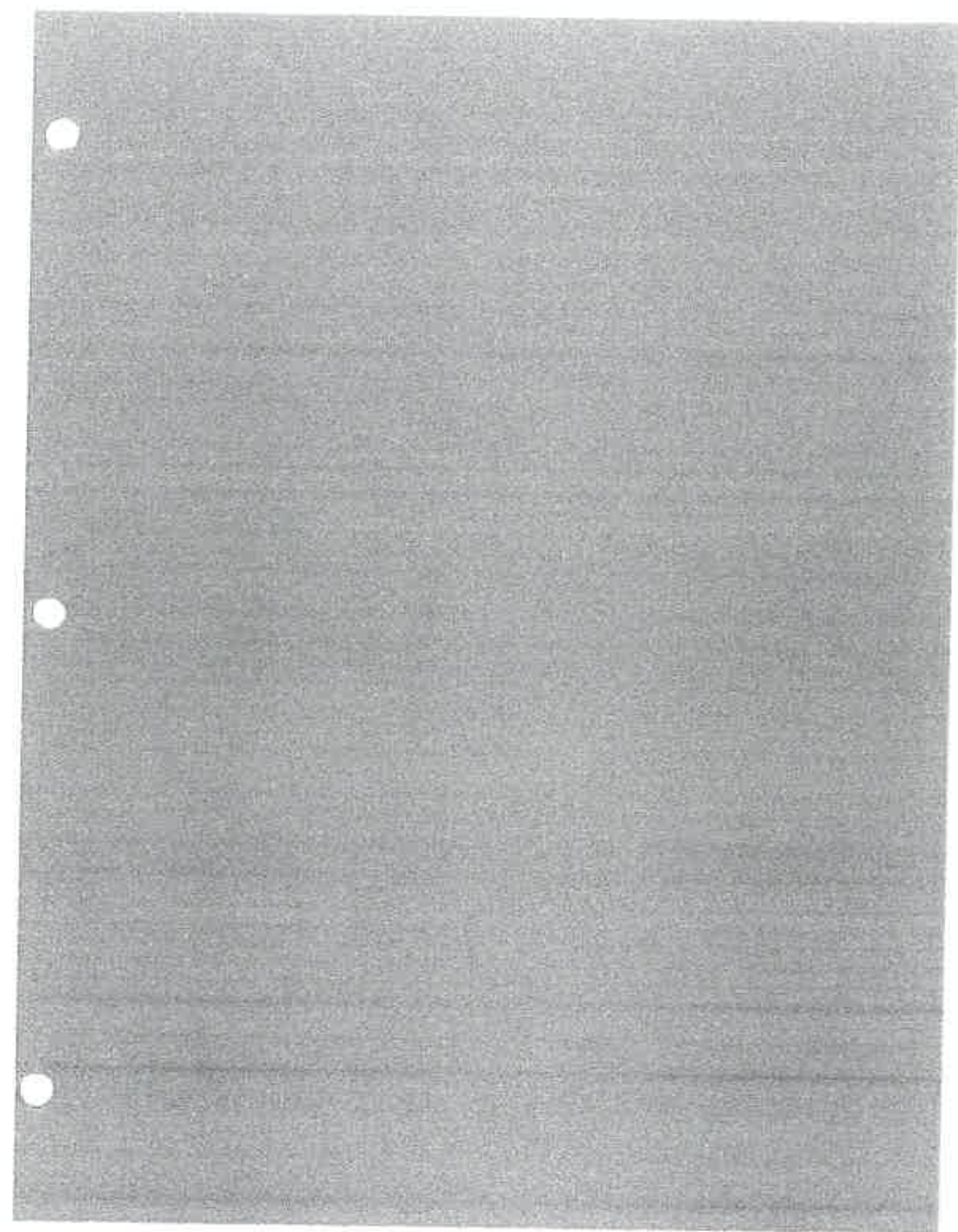
CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

| That I am the duly elected and acting Secretary of the Governing [BodyBoard](#) of the Santa Clara Community Health Authority, an independent local public agency; and

| That the foregoing Bylaws, comprising _ pages, including this page, constitute the Bylaws of the Santa Clara Community Health Authority, as duly adopted by the Governing [BodyBoard](#) of that Authority at a regular meeting, duly called on the __ day of __, 200_ at Campbell, California.

Secretary/Treasurer



**RESOLUTION OF THE SANTA CLARA COMMUNITY
HEALTH AUTHORITY**

**Delegating Authority to its Chief Executive Officer and Chief Financial Officer
to Enter into Management Services Agreements and Other Agreements
Necessary to the Operations of the Joint Powers Authority**

WHEREAS, the Santa Clara County Board of Supervisors approved creation of a Joint Powers Authority by Santa Clara County and Santa Clara County Health Authority; and,

WHEREAS, the purposes of the Joint Powers Authority are to meet the problems of delivery of publicly assisted medical care in the County, to demonstrate ways of promoting quality care and cost efficiency and for further such purposes as are contemplated by the Joint Powers Agreement; and,

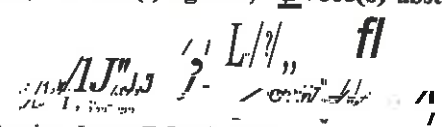
WHEREAS, under the Joint Powers Agreement the Governing Body and officers of the Santa Clara County Health Authority shall serve, ex officio, as the Governing Body of the Joint Powers Authority; and,

WHEREAS, the Joint Powers Authority needs to have the power to negotiate and enter into contracts with the Managed Risk Medical Insurance Board and other commercial businesses to accept assignment of contracts from the Santa Clara County Health Authority for the Healthy Families and/or Healthy Kids programs;

NOW, THEREFORE, BE IT RESOLVED by the Santa Clara Community Health Authority that the Chief Executive Officer and Chief Financial Officer are hereby authorized through the Joint Powers Agreement to enter into management services agreements and other agreements as necessary to the operations of the Joint Powers Authority

**Passed and Adopted by
November 17, 2005.**

vote(s) for, --vote(s) against, 5 vote(s) abstained, on


Staff Supervisor James T. Beall, Chairman



Santa Clara
Family Health Plan
The Spirit of Care



Santa Clara County Health Authority Bylaws Committee Special Meeting

Thursday, June 16, 2016
210 E. Hacienda Avenue (Cambrian)
Campbell, CA 95008

Minutes - **DRAFT**

Members Present

Brian Darrow
Paul Murphy

Staff Present

Christine Tomcala, Chief Executive Officer
Rita Zambrano, Executive Assistant

Members Absent

Lis Kniss

Others Present

Elizabeth Pianca, Secretary

1. Roll Call

The meeting was called to order at 10:45 am. Roll call was taken and a quorum was established.

2. Public Comment

There were no public comments.

3. Amendments to the Bylaws

The Committee met, discussed, and considered amendments to the Santa Clara County Health Authority Bylaws. The Committee members agreed to reconvene to continue the process of reviewing and recommending revisions of the Bylaws to the Board.

4. Adjournment

The meeting was adjourned at 11:00 am.

Elizabeth Pianca, Secretary to the Board



Santa Clara
Family Health Plan
The Spirit of Care



Santa Clara Community Health Authority Bylaws Committee Special Meeting

**Thursday, June 16, 2016
210 E. Hacienda Avenue (Cambrian)
Campbell, CA 95008**

Minutes - DRAFT

Members Present

Brian Darrow
Paul Murphy

Staff Present

Christine Tomcala, Chief Executive Officer
Rita Zambrano, Executive Assistant

Members Absent

Lis Kniss

Others Present

Elizabeth Pianca, Secretary

1. Roll Call

The meeting was called to order at 9:30 am. Roll call was taken and a quorum was established.

2. Public Comment

There were no public comments.

3. Amendments to the Bylaws

The Committee reviewed background information on establishment of the Santa Clara Community Health Authority in November 2005 and discussed the continued purpose of the Joint Powers Authority. Committee members proceeded to engage in a detailed review of the Santa Clara Community Health Authority Bylaws and proposed various revisions to the language. The Committee agreed to reconvene to review a revised draft of the Bylaws prior to presenting recommendations to the Board.

4. Adjournment

The meeting was adjourned at 10:44 am.

Elizabeth Pianca, Secretary to the Board