

**SOUTH EAST MICHIGAN  
HEALTH INFORMATION EXCHANGE**

**Operating Rules**

**January 26, 2009**

*(As amended and restated by the Board of Directors on 2/2/09)*

## 1.0 INTRODUCTION

This document describes the operational methods and procedures to implement the provisions of the Governing Documents of the South East Michigan Health Information Exchange (the “Corporation”). The Corporation’s Governing Documents are the Articles of Incorporation, the Bylaws and these Operating Rules. The rules contained in this document are intended to augment the provisions of the Bylaws. Since the Operating Rules document rarely repeats Bylaws provisions, it should be used as a companion to Bylaws and not as a stand alone source of information.

## 2.0 MEMBERS

### 2.1 Eligibility for Membership and Classes of Members

- A. Eligibility for Membership. To become a Member of the Corporation, an applicant for membership must (1) be an Organization as defined in Section 14.8, (2) be dedicated to the purposes of the Corporation, and (3) satisfy the applicable membership criteria. Such applicant shall be eligible for membership on approval of the membership application by the Board of Directors (“Board”) and payment of such dues and fees as the Board may affix from time to time.
- B. Classes of Member. Members shall be divided into classes of membership based on the nature of such member. Members may elect only one of the following classes of membership as defined in the Section 3.3 of the Bylaws:
1. Physician Organizations.
  2. Community Groups.
  3. Consumers.
  4. Employers.
  5. Government.
  6. Health Plans.
  7. Health Systems.
  8. Ancillary Services.

9. Medical Societies.

10. At Large.

## **2.2 Qualification and Election of Members and Tenure**

- A. Qualification of Members. To qualify as a Member, each new applicant must submit to the Board, by delivery to the Secretary of the Corporation, a signed copy of the South East Michigan Health Information Exchange Membership Agreement or a document demonstrating an organization's commitment to participate (subject to Board's approval). The Board will confirm that the applicant meets the general qualifications for membership set forth in Section 2.1(A) of these Operating Rules, and that it is an Organization falling within the class of membership under Section 2.1(B) of these Operating Rules with respect to which it is making application.
- B. Member Participation. Each new Member shall participate immediately following the Member's satisfaction of the requirements for membership specified in Sections 2.1(A) and 2.1(B) of these Operating Rules and the designation of a Member Representative in accordance with the provisions of Section 3.6 of the Bylaws.
- C. Tenure. Except as otherwise provided in these Operating Rules, each Member shall participate until the member resigns their membership or as otherwise specified in the Membership Agreement signed by the Member. A copy of the Membership Agreement Form is attached as appendix A to these Operating Rules.

## **2.3 Successor Member Representative**

The procedure for designating a successor Member Representative shall be identical to that used for designating the original Member Representative, as stipulated in Section 3.6 of the Bylaws.

## **3.0 MEETINGS OF THE MEMBERS**

**3.1 Meetings.** Meeting types, quorums, participation, notices and actions are

described in Section 3.10 of the Bylaws.

### **3.2 Voting Procedures**

- A. Voting by Class. Members shall vote by class on actions brought before them. Each class shall have a single vote as described in Sections 3.15 and 3.18 of the Bylaws. Written consents by the Members shall be effective as of the date specified in the written consents.
- B. Class Quorum. One-half of the Members of that class qualified to vote shall be necessary and sufficient to constitute a quorum for transaction of general business for that class. The class vote of “no vote” will be recorded for any class failing to have a quorum at a duly called meeting or in actions without a meeting.
- C. Vote. As stated in Bylaws Section 3.15 “The vote of each member class shall be determined by an affirmative majority vote of the Members of that class present and qualified to vote on such matter, taken at a meeting of the Members duly called and at which a quorum is present or upon written consent as permitted by these Bylaws.” Each class must attain an affirmative majority vote within the class to approve any action or to elect a Member of the Board of Directors to represent that class. The vote of the class for any action or election of Members of the Board of Directors shall then be submitted to the Chairperson either at a duly called meeting or via other means in actions without a meeting. The Chairperson will then tally the class votes to determine the outcome of any action, or to confirm the composition of the Board of Directors. Board of Director seats that are vacant shall be filled in the manner stipulated by Section 4.7 of the Bylaws.

### **3.3 Agenda**

The Chairperson shall prepare the agenda for all Member meetings, which shall include, but not be limited to the following: the date, time, place and topics from the model agenda to be discussed.

Any Member Representative may submit any item to the Chairperson for consideration

at a Member meeting or any subcommittee thereof.

### **3.4 Conduct of Meeting**

Member Meetings will be conducted in accordance with the model agenda adopted by the Corporation, subject to the business and nature of individual meetings. This may include:

1. Call to Order and Declaration of a Quorum;
2. Approval of Minutes of Previous Meetings;
3. Comments/Invited Speakers;
4. Chairperson's Report;
5. Committee Reports;
6. Old Business;
7. New Business;
8. Member comments; and,
9. Adjournment.

The topics for consideration at Member meetings may be restricted to those items listed in the posted agenda. Deviations from the agenda are subject to approval of Members participating in the Meeting.

The Chairperson will use Robert's Rules of Order to make any administrative or procedural determination that is required.

### **3.5 Meeting Minutes**

Minutes shall be prepared by the Secretary of the Corporation and distributed to each Member. Minutes will include a record of the persons present and a complete and accurate description of all resolutions that passed or failed, other matters discussed and conclusions reached, and all copies of reports received, issued or approved by the Members.

## 4.0 BOARD MEMBERS

### 4.1 General

Subject to the provisions of the Act (as referenced in the Articles of Incorporation) and any limitations in the Governing Documents, the affairs of the Corporation shall be conducted by the Board of Directors (“Board”),

### 4.2 Directors

A. Qualifications. All Directors, except for the President, must meet the general qualifications for membership set forth in Section 2.1 of these Operating Rules, and also must submit to the Board, by delivery to the Secretary, a completed Potential Conflict of Interest and Acknowledgement Statement, as adopted by the Board. All candidates for election to Director positions must also meet the qualifications set forth in Section 2.1 and submit completed Potential Conflict of Interest and Acknowledgement Statement forms prior to acceptance as a candidate. The President must be dedicated to the purposes of the Corporation and also must submit to the Board, by delivery to the Secretary, a completed Potential Conflict of Interest and Acknowledgement Statement, as adopted by the Board,

B. Representation. Each class of Members, as set forth in the Bylaws shall be entitled to representation on the Board in the representative manner prescribed in the Bylaws

C. Tenure. Except for Directors elected in the initial election and as otherwise provided in the Governing Documents, a Director shall hold the position of Director for a three year term. Directors are eligible for re-election. The term of office shall begin and end at the conclusion of the Annual Meeting of the Directors

### 4.3 Resignation or Removal of Director and Filling Director Vacancies

A. Resignation or Removal of Director. The process for resignation or removal of a Director is set forth in Sections 4.5 and 4.6 of the Bylaws.

B. Vacancies. In accordance with Bylaws Section 4.7, vacancies occurring on the Board of Directors by reason of death, resignation, removal, the inability to serve or an

increase in the number of Directors shall be filled through an appointment by the remaining Directors on the Board. A Director appointed shall be a Member Representative of the Member class that is to be represented by the vacant Director position. The Director appointed to fill a vacancy shall serve until a successor is elected at the next annual meeting of the Members. Prior to appointment of a replacement Director, the Board will confirm that the appointee meets the general qualifications for membership set forth in Section 2.1(A) of these Operating Rules. The appointee also must submit to the Board, by delivery to the Secretary, a completed Potential Conflict of Interest and Acknowledgement Statement, as adopted by the Board. The appointment of a replacement Director requires the vote of a majority of the Directors..

## **5.0 BOARD MEETINGS**

**5.1 Meetings.** Meeting types, quorums, participation, notices and actions are described in Article IV of the Bylaws.

**5.2 Chairperson .** The Chairperson shall preside at all meetings as set forth in Section 5.4 of the Bylaws.

### **5.3 Meeting Procedure**

Where not inconsistent with the Governing Documents, meetings of the Board shall be governed procedurally by Robert's Rules of Order, Newly Revised. Votes shall be taken in accordance with these Operating Rules.

### **5.4 Voting Procedure**

When a decision or recommendation of the Board is required, the Chairperson will request a motion for a vote. Any Director, including the Chairperson, may make a motion for a vote. Board business shall be transacted by a majority vote of the Directors present, except for: (1) the confirmation of the appointment and termination of the Chairperson, which requires a majority vote of the Directors currently serving, and (2) the adoption, amendment, or suspension of the Bylaws or these Operating Rules, each of which requires a majority vote of the Directors currently serving on the Board.

- A. General Director Vote. Action upon general matters before the Board may be taken or authorized by an affirmative majority vote of the Directors which are present and qualified to vote on such a matter, taken at a meeting duly called and at which a quorum is present. Each Director shall have a single vote, to be cast by the Director. The Director vote shall be entered by roll call during meetings or by written document outside of ongoing meetings.

Each Director shall vote on matters in accordance with the instructions of the Member that he or she represents. However, the Board shall be entitled to rely upon the Director's vote and each Member shall be bound by the vote of its Member Representative, who also is a Director, unless prior notice in writing to the contrary is received by the Board from the Member.

**5.5 Powers and Duties** Powers and duties of the Board are set forth in Article IV of the Bylaws.

### **5.6 Agenda**

The Chairperson shall prepare the agenda for all meetings, which shall include, but not be limited to the following: the date, time, place, and topics from the model agenda to be discussed.

Any Director may submit any item to the Chairperson for consideration at a meeting or any Committee thereof.

### **5.7 Conduct of Meeting**

Meetings will be conducted in accordance with the model agenda adopted by the Board, subject to the business and nature of individual meetings. This may include:

1. Call to Order and Declaration of a Quorum;
2. Approval of Minutes of Previous Meetings;
3. Comments/Invited Speakers;
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6. Old Business;
7. New Business;
8. Director comments; and,
9. Adjournment.

The topics for consideration at Board meetings may be restricted to those items listed in the posted agenda. Deviations from the agenda are subject to Director approval.

The Chairperson will use Robert's Rules of Order, Newly Revised, to make any administrative or procedural determination that is required.

### **5.8 Meeting Minutes**

Minutes shall be prepared by the Secretary and distributed to each Director. Minutes will include a record of the persons present and a complete and accurate description of the matters discussed and conclusions reached, and all copies of reports received, issued or approved by the Board.

## **6.0 OFFICERS**

### **6.1 Officers**

The officers of the Corporation shall be elected as set forth in the Bylaws.

**6.2 Term of Office.** Each officer shall hold office for approximately one year. The term of office shall begin and end at the conclusion of the Annual Meeting of the Directors

**6.3 Powers and Duties of Officers** Powers and duties of the Officers are set forth in Article V of the Bylaws. In addition to the powers and duties set forth in the Bylaws, the Secretary, Treasurer, and President shall have additional powers and duties as set forth below.

- A. Secretary. The Secretary, or appointed alternate, shall approve the minutes of all meetings of the Board and the Annual meeting of the Members; maintain a copy of official records and file directly, or through an appointed designee, all papers and submissions required by federal law or regulations; and act as the Board agent to validate invoices for pre-approved expenditures as required.

When necessary or proper, the Secretary may sign, together with the Chairperson, in the name of and on behalf of the Corporation, any contracts or agreements authorized by the Board. The Secretary shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board, and shall do and perform such other duties as may be assigned to him or her from time to time by the Board.

- B. Treasurer. The Treasurer shall: be a member of the Board; attend all meetings of the Board; periodically monitor statements of cash flows, income statements, and balance sheets; oversee the deposit of all monies, securities, and other valuable effects in the name of the Corporation in such depositories and places as may be designated for that purpose by the Board; oversee disbursement of the funds of the Corporation, including any Grants received by, or on behalf of the Corporation; render, whenever required by the Chairperson or the Board, an account of all financial transactions, including those financial transactions carried out by or on behalf of the Corporation; render, whenever required by the Chairperson or the Board, an account of the financial condition of the Corporation; if required, be bonded in an amount determined by the Board, the cost of such bond to be paid from the funds of the Corporation; and perform such other duties as are required of his or her office by these Operating Rules or by appropriate action of the Board.

The Treasurer shall enter regularly on the books of the Corporation, to be kept by the Treasurer for that purpose, a full and accurate account of all monies and obligations received and paid or incurred by or on behalf of the Corporation, and said books shall be open to inspection by any Member or Director at all times during the usual hours of business.

The Treasurer shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board, and shall do and perform such other duties as may be assigned to him or her from time to time by the Board.

The Treasurer shall obtain an annual review of the Corporation books, and shall make and shall file all reports required by federal or state law, by these Operating

Rules, or by Resolution of the Board. The Directors shall be given a copy of such report. The Members shall be given a copy of such report upon written request to the Secretary or Treasurer.

- C. President. The powers and duties of the President are described in the Bylaws. Additional duties may be assigned by the Board of Directors.

## **7.0 AMENDMENT OF THE OPERATING RULES**

These Operating Rules may be amended, repealed, or altered, in whole or in part, and additional Operating Rules may be adopted, by an affirmative majority vote of the Directors present at a meeting duly called and at which a quorum is present, provided however, that no amendment may authorize the Board to conduct the affairs of the Corporation in any manner or for any purpose contrary to the Governing Documents. All instruments amending these Operating Rules shall be kept attached to the executed original of the Operating Rules held by the Secretary.

Any proposal for amendment to these Operating Rules may be initiated by Resolution of a Director.

## **8.0 RESTRICTION OF THE DISSEMINATION OF AND CONFIDENTIATILITY OF DATA**

The Board shall approve such policies that will be developed with regard to the following matters:

- A. The restrictions upon sale, or free or inadvertent dissemination, of health data to outside persons;
- B. The prohibition of the reproduction or resale of health data sold or distributed to Members and to outside persons;
- C. The establishment of other safeguards regarding the confidentiality of health data to be included as provisions in contracts between Members or outside persons who receive health data distributed by the Corporation; and

D. Any other necessary and appropriate limitation placed upon the sale and dissemination to and use of health data by Members or outside persons in accordance with Michigan law and the objective of protecting individual identity and data confidentiality.

## 9.0 DEFINITIONS

9.1 “**Advisory Panels**” are designated by the Board of Directors for the purpose of providing expert advice on financial, legal, technical, privacy, and standards issues.

9.2 “**Board of Directors**” (“**Board**”) means the governing body of the Corporation.

9.3 “**Board of Directors Member**” (“**Director**”) means, with the exception of the President, the Representative designated by the Member Organization who participates on the Board of Directors. The President also is a Director, but is not a Representative designated by a Member Organization.

9.4 “**Committee**” means a committee, subcommittee, work group, task force, or other group designated by the Board to carry out business of the Corporation, as set forth in Section 71.

9.5 “**Corporation**” means the South East Michigan Health Information Exchange.

9.6 “**Member**” means the Organization that officially supports the Corporation through a South East Michigan Health Information Exchange Joint Participation Agreement or a document demonstrating an organization's commitment to participate (subject to Board's approval).

9.7 “**Member Representative**” means the Representative designated by the Organization that participates as a Member of the Corporation.

9.8 “**Organization**” means any association, business, corporation, company, joint stock company, joint venture, non-profit corporation, partnership, or political subdivision or agency or instrumentality of the government. Only Organizations may become Members.

# SOUTH EAST MICHIGAN HEALTH INFORMATION EXCHANGE

## Operating Rules

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