



HEALTH POLICY COMMISSION

By-Laws

The Health Policy Commission (the “Commission”) is an independent public entity established within the executive office for administration and finance, but not under its control. The Commission is created by and exercises its powers and responsibilities in accordance with Massachusetts Law, including the provisions of Chapter 6D of the Massachusetts General Laws (“M.G.L.”), as added by Chapter 224 of the Acts of 2012, as may be amended from time to time (the “Enabling Act”). The purpose of the Commission is to monitor the reform of the health care delivery and payment systems in Massachusetts and develop health policy to reduce overall cost growth while improving the quality of patient care.

ARTICLE I

1.1 Office

The principal office of the Commission shall be in Boston, Massachusetts. The Commission may from time to time establish and maintain an additional office or offices at such place or places within the Commonwealth of Massachusetts as it may determine to be necessary or convenient.

1.2 Official Seal

a. The official seal of the Commission shall consist of the name “Health Policy Commission” and such other words and figures or such design as may be determined by resolution of the Board of Commissioners, and upon the adoption of such resolution, the Executive Director, as Secretary of the Board of Commissioners, shall obtain and take custody of such seal.

b. In the execution on behalf of the Commission of any instrument, document, writing, notice or paper, unless otherwise required by law, it shall not be necessary to affix the official seal of the Commission thereon, and any such instrument, document, writing, notice or paper when executed without such seal affixed thereon shall be of the same force and effect and as binding on the Commission as if said official seal had been affixed thereon in each instance.

1.3 Books and Records

Except as may be otherwise required or permitted by resolution of the Board, or as the business of the Commission may from time to time require, all of the books, documents, papers, minute book or journal and the official seal of the Commission shall be kept at its principal office. Such documents shall be available at all reasonable times for inspection by any member of the Board and as otherwise required by law.

1.4 Fiscal Year

The fiscal year of the Commission shall commence with the first day of July and end with the ensuing thirtieth day of June.

ARTICLE II

2.1 Board of Commissioners

The powers of the Commission shall be exercised by or under the supervision of a Board of Commissioners (the "Board") consisting of eleven members whose appointments, terms and qualifications shall be governed by the provisions Enabling Act and all other applicable law. The Board shall perform the duties imposed on the Board by the Enabling Act, by these By-laws and by resolution of the Board. Any member appointed by the governor may be removed by the governor, any member appointed by the attorney general may be removed by the attorney general, and any member appointed by the state auditor may be removed by the state auditor, in each case for cause. Any appointed member may resign by sending a written letter of resignation to the governor, if appointed by the governor, to the attorney general, if appointed by the attorney general, or to the state auditor, if appointed by the state auditor, and in each case with a copy to the Chairperson. A resignation shall be effective upon acceptance. In the event of a vacancy among the appointed members of the Board, the Chairperson shall promptly notify the governor, the attorney general or the state auditor, dependent upon which official appointed the person whose absence has caused the vacancy. Only such official may appoint a replacement. Each member of the Board serving *ex officio*, if unable to perform his or her duties by reason of absence or disability, may appoint a designee in writing pursuant to M.G.L. c. 30, § 6A. Subject to the provisions of the Enabling Act any other applicable law concerning the initial members, the initial terms of the board members are staggered from one to five years, but a person appointed to fill a vacancy shall serve only for the unexpired term. Any appointed member shall be eligible for reappointment. No member may be employed by, a consultant to, a member of the board of Commissioners of, affiliated with, have a financial stake in or otherwise be a representative of a health care entity while serving on the board.

All persons appointed to the Board shall be sworn to the faithful performance of his or her duties by an oath taken in accordance with M.G.L. c. 30 §§ 11 and 12. All members of the Board shall be expected to perform their duties diligently, including attending meetings, and to keep themselves informed about matters relating to the Board. Members of the Board shall serve without compensation. Members shall be reimbursed for all expenses reasonably incurred in the performance of their duties, pursuant to reimbursement rules approved by the Board.

2.2 Chairperson

The Chairperson will be appointed by the Governor and shall have such duties and powers as are commonly incident to his or her office and such duties and powers as may be imposed upon him or her by law or as the Board may from time to time delegate by resolution. The Chairperson, in conjunction with the Executive Director, shall establish the agenda for all meetings of the Board, shall preside over all meetings of the Board and shall have such other powers as the members of the Board shall determine.

2.3 Vice Chairperson

The members of the Board shall annually elect one of its members to serve as Vice Chairperson. The Vice Chairperson shall perform the duties of Chairperson in the absence or incapacity of the

Chairperson. In the absence or incapacity of the Vice Chairperson, or in the case of his/her resignation or death, the members shall elect from their number an interim Vice Chairperson. The interim Vice Chairperson shall serve until the Vice Chairperson returns or his/her successor is elected. The member serving as Vice Chairperson may be removed from his/her capacity as Vice Chairperson by the members of the Board, with or without cause. The Vice Chairperson may resign by sending a written letter of resignation to the Chairperson.

2.4 Executive Director

The Board shall appoint an Executive Director by majority vote. The Executive Director shall direct and supervise the administrative affairs, general management and operations of the Commission. The Executive Director shall have all of the duties and powers set forth in the Enabling Act and such other duties and powers as are commonly incident to his or her office and such duties and powers as may be imposed on him or her by law or by these By-laws, or as the Board may from time to time specify by resolution or delegate. The Executive Director shall receive a salary commensurate with the duties of the office.

2.5 Secretary

The Executive Director shall serve as Secretary of the Board, *ex officio*. The Secretary shall have such duties and powers as are commonly incident to his or her office and such duties and powers as may be imposed upon him or her by law or as the Board may from time to time delegate by resolution. The Secretary shall keep a true and accurate record of the proceedings of the Board and shall be custodian of all books, documents and papers filed by the Board and of its minutes book and official seal. The Secretary and the assistant Secretary, if any, shall each have authority to cause copies to be made of all Board minutes and other records and documents of the Commission and to give certification to the effect that such copies are true copies, and all persons dealing with the Commission may rely upon such certification. The Secretary shall cause notice to be given of all meetings of the Board as required by law or by these By-laws. In the absence of the Secretary from any meeting of the Board, the assistant Secretary, if any, shall keep a true and accurate record of the proceedings. In the absence of the Secretary or an assistant Secretary, a temporary Secretary, who shall be a member of the Board or an officer or employee of the Commission, may be chosen by the Board and shall keep a true and accurate record of the proceedings. The Secretary may appoint an assistant Secretary or Secretaries as he or she shall deem appropriate, each of whom shall be a member, officer or employee of the Commission.

2.6 Other Officers and Duties

Subject to approval by the Board, the Executive Director shall have the authority to appoint any and all other officers and employees necessary to the functioning of the Commission. The Executive Director shall provide notice to the Chairperson upon appointment of any officer. In addition to the duties and powers herein set forth, any officer who may be appointed by the Executive Director shall each have such duties and powers as are commonly incident to his or her office and such duties and powers as may be imposed upon him or her by law or as the Executive Director or Board may from time to time delegate. Any officer appointed by the Executive Director shall serve at the pleasure of the Executive Director. Any officer appointed by

the Executive Director may resign by sending a written letter of resignation to the Executive Director. Any officer shall be sworn to the faithful performance of his or her duties.

2.7 Other Employees and Agents

The Executive Director, with the approval of the Board, shall employ such personnel as may be necessary, and shall engage such providers of accounting, management, legal, financial, consulting and other professional services as may be necessary or convenient in the judgment of the Executive Director. In addition, the Board itself may, by majority vote, retain such outside counsel and auditors as it deems necessary or convenient to report directly to the Board.

ARTICLE III

3.1 Regular Meetings

Regular meetings of the Board for the transaction of any lawful business of the Commission shall be held with such frequency as the Chairperson may determine, but at least once each calendar quarter, or otherwise upon the call of the Chairperson. In the absence of the Chairperson, or upon the failure of the Chairperson to act, a majority of Board members may call a meeting. Meetings of the Board shall be held at the principal office of the Commission or such other place as may be designated in the notice of the meeting. Any regularly scheduled meeting of the Board may be dispensed with or rescheduled by the members at any prior meeting of the Board.

3.2 Annual Meeting

An Annual Meeting of the Board shall be held in the month of December in each year for all purposes, including the election of officers.

3.3 Special Meeting

Special meetings of the Board may be held at any time and at any place within the Commonwealth when called by the Chairperson for the purpose of transacting any business. In the event that the Chairperson fails or refuses to call a special meeting within three business days after written request for such meeting by any four members of the Board, a meeting may be called by said four members. Reasonable notice of any special meeting shall be given to each member of the Board by the Executive Director, as Secretary. Notice shall be deemed sufficient if sent by mail at least five business days before the time fixed for the meeting, or if sent by facsimile, electronic mail, telephone or hand delivery at least four business days prior to the time fixed for such special meeting. Notice of a special meeting shall include a general summary of the business expected to come before the meeting. At such special meeting, no business shall be considered other than as designated in the notice, but, if all members either are present at a special meeting or have signed a waiver of notice and consent to the consideration of such business at such special meeting, any and all business may be transacted at such special meeting.

3.4 Notice

The notice of a meeting shall describe in broad terms the business to be conducted at the meeting. Notice of the time and place of each meeting shall be given to each member of the Board by the Executive Director, as Secretary of the Board, or the Executive Director's designee, at least four business days prior to the time of such meeting. In emergency circumstances, notice of a special meeting may be given upon such lesser notice and by such means as will reasonably inform members of the time, place and subject thereof. Notice of all meetings shall be given by mail, facsimile, electronic mail, or other delivery in writing to each member at their last known business or residential address, or in person by telephone or by handing the member a written notice. Whenever any notice is required, a waiver thereof in writing, signed by the person entitled to such notice, whether before or after the time of event noticed, shall be deemed equivalent to timely and effective notice and shall be retained with the records of the meeting. Public notice of meetings shall be given by the Executive Director, as Secretary of the Board, in accordance with the provisions of M.G.L. c. 30A, § 11A½, as amended from time to time (the "Open Meeting Law"). The provisions of the Open Meeting Law shall not apply to any meeting of members of the Commission serving *ex officio* in the exercise of their duties of officers of the Commonwealth if no matters relating to the official business of the Commission are discussed and decided at the meeting.

3.5 Transaction of Business

Except as otherwise provided in these By-laws, at any meeting the Board may consider and act upon any business described in the notice of the meeting and any additional business if no member present objects to such consideration or action prior to adjournment.

3.6 Conduct of Meetings

Meetings of the Board shall be conducted in accordance with the Open Meeting Law. Meetings shall be open to the public, except as otherwise provided in said statute.

3.7 Quorum

Six members of the Board shall constitute a quorum, and the affirmative vote of six members shall be necessary and sufficient for any action taken by the Board. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and duties of the Commission. In the absence of a quorum, the Chairperson may recess a meeting to some other time or until a quorum is obtained.

3.8 Participation by Telephone or Telecommunications Device

If a quorum of the members of the Board is physically present at a meeting of the Board, one or more other members may participate by means of a conference telephone or similar communications equipment whereby all persons participating in or attending the meeting can speak to and hear each other.

3.9 Delegation to Authorized Individuals or Committees

The Board may delegate any and all things necessary or convenient to carry out or perform actions authorized or taken by the Board in the exercise of its powers to any one or more members, officers, the Executive Director, or employees of the Commission.

ARTICLE IV

4.1 Committees

The Board may create and define the duties of standing and temporary committees for any purpose. The Chairperson, with the approval of the Board, shall appoint the members of any such committees from among the members of the Board. Committee shall, by majority vote, appoint a Committee Chairperson. Committees shall report regularly on their activities to the members of the Board. Deliberations of a committee shall not diminish the requirement that six members shall constitute a quorum necessary for actions of the Board as provided herein.

4.2 Advisory Council

There shall be an Advisory Council to the Commission. The Advisory Council shall advise on the overall operation and policy of the Commission. Members of the Advisory Council shall be chosen by the Executive Director. The Commission shall meet with the Advisory Council quarterly or more frequently as requested by the Commission. The Executive Director shall be responsible for scheduling the quarterly meeting with the Advisory Council.

ARTICLE V

5.1 Indemnification by the Commission

The Commission shall and hereby does indemnify and hold harmless each person who has served, serves or shall serve at any time as a Board member, officer or employee of the Commission, against any liability, loss, damage cost or expense, including, but not limited to, all amounts paid in satisfaction of judgments or as fines and penalties, and counsel fees and disbursements, reasonably incurred by him or her in connection with the defense or disposition of, or otherwise in connection with or resulting from, any claim, action, suit, or other proceeding, whether civil or criminal, administrative or investigative, before any court or administrative or legislative or investigative body, threatened or brought against such person, or in which he or she may be involved as a party or otherwise, by reason of any action alleged to have been taken or omitted by him or her as a Board member, officer or employee, whether or not he or she continues to be a Board member, officer or employee at the time of incurring such costs and expenses, including amounts paid or incurred by him or her in connection with the reasonable settlement of any claim, action, suit or proceeding, provided that no person shall be so indemnified in relation to any matter which has been disposed of through a settlement or compromise payment by such person, except with the approval of a court of competent jurisdiction or of not less than six disinterested members of the Board. Any rights to reimbursement and indemnification granted under this Article to any Board member, officer or employee shall not be exclusive of other indemnification rights arising under any by-law, agreement, vote of Board members or otherwise and shall extend to the heirs and legal representatives of such member, officer, or employee. No such reimbursement or indemnification shall be provided for any person with respect to any action, suit or proceeding as to which the person shall have been finally adjudicated in any such proceeding to have been guilty of, or liable for, willful dishonesty or intentional violations of law in connection with the

matter with respect to which indemnification is to be made. Reimbursement or indemnification under this Article may in the discretion of the Board include payment by the Commission of costs and expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated not to be entitled to indemnification under this Article. Nothing in this Article is intended to, or shall prevent a settlement by the Commission prior to final adjudication of any claim, including claims for reimbursement or indemnification under this Article, against the Commission when such settlement appears to be in the best interest of the Commission. The provisions of this Article shall be binding on the Commission to the same extent as if they were agreed to in a written contract between the Commission and each person for whom indemnification is provided under this Article. No Board member, officer, or employee of the Commission shall be liable to anyone for making any determination as to the existence or absence of liability of the Commission under this Article or for making or refusing to make any payment under this Article in reliance upon the advice of counsel. The indemnification herein provided shall apply only so long as the defense of any proceeding as to which indemnification is claimed is made by an attorney approved by the Commission or by an attorney obligated under the terms of an insurance policy to defend against such proceeding.

5.2 Insurance

The Commission shall have power to purchase and maintain insurance on behalf of any present or past Board member, officer, employee or other agent of the Commission or any person or entity who is or was serving at the request of the Commission as a director, officer, employee, or agent of another organization in which the Commission has an interest, against any liability incurred by him, her or it in any such capacity or arising out of his, her or its status as such, whether or not the Commission would have the power to indemnify him, her or it against such liability.

5.3 Personal Liability

The Board members, officers and employees of the Commission shall not be personally liable as such on the Commission's contracts, or for torts not committed or directly authorized by them, or for any other debt, liability or other obligation of the Commission. All persons, corporations, or other entities extending credit to, contracting with, or having any claim against, the Commission may look only to the funds and property of the Commission for the payment of any such contract or claim or for the payment of any debt, damages, judgment or decree or for any money that may otherwise become due or payable to them from the Commission.

ARTICLE VI

6.1 Amendment

These By-laws may be amended, added to, altered or repealed in whole or in part by resolution of the Board adopted by the affirmative vote of at least six members at any meeting of the Board, provided that the notice to the members shall specify the subject matter of the proposed amendment or the Article or Articles of the By-laws to be affected.

6.2 Execution of Instruments, Contracts

Except as otherwise provided by law or by resolution of the Board, any contracts or other written instruments or documents may be signed, acknowledged and delivered, in the name of and on behalf of the Commission, by the Chairperson or Executive Director. For contracts valued at more than \$200,000.00, however, the Board must approve said contracts by resolution and specifically authorize the Chairperson or Executive Director to sign any such contracts. For contracts valued at more than \$5,000 and up to \$200,000, the Executive Director shall provide notice of his/her intent to execute each such contract to the Chairperson, including a brief summary of its value, purpose and term and the identity of the other party or parties, five business days prior to such execution.