



Southern Coos Health District Bylaws

Amended November 21, 2024

Article I Scope and Purpose

1. Nature of District

Southern Coos Health District is a municipal corporation of the State of Oregon which is organized, existing and exercising the powers and functions of a health district under Oregon laws relating to municipal corporations, special districts and health districts as approved by public vote in 1955. These bylaws are subject to applicable provisions of Oregon Revised Statutes relating to units of local government and health care facilities, including government ethics, public records and meetings, local budgets, public purchasing and contracting, and district elections, as they now exist or may hereafter be amended. In any cases of conflict, Oregon law supersedes these bylaws.

- a. Amendment and Repeal. The Bylaws may be changed by a majority vote of the Board at any meeting of the Board of Directors.
- b. Suspension. Any provision of these Bylaws may be suspended by the unanimous consent of the Board Members at any duly constituted meeting of the Board of Directors.

2. The Purposes of the District are:

- To assure quality health care with a personal touch is provided to every patient;
- To improve the health of the community served by the District;
- To assure the ongoing financial viability of facilities operated by the District;
- To build a culture of service excellence for our customers;
- To meet all provisions of Oregon law.

Article II District Board

1. Members and Qualifications

The business and affairs of the District shall be managed by a Board of Directors consisting of five (5) members. Board members shall be registered voters within the health district elected as provided by the applicable provisions of Oregon Revised Statutes relating to health care facilities.

2. Conflicts of Interest

Board members are strictly prohibited from using a position in public office for private financial gain. Board members must give public notice of any actual or potential conflict of interest at a public board meeting, and such notice will be reported in the meeting minutes. The disclosure shall be repeated and recorded in the meeting minutes in each instance where the matter is discussed.

- a. Potential Conflict of Interest: Exists when a decision being deliberated by the board could result in financial gain or avoidance of financial loss to the board member, a relative of the board member, or a business owned by the board member or a relative

of the board member. A potential conflict must be disclosed, but the board member may still participate in the discussion and vote on the issue.

- b. **Actual Conflict of Interest:** Exists when a decision by the board will result in a financial gain or avoidance of financial loss to the board member, a relative of the board member, or a business owned by the board member or a relative of the board member. An actual conflict must be disclosed and the board member may not participate in discussion of the matter or vote on the issue.

3. **Election and Terms of Office**

Each newly elected Board member shall take an Oath of Office at the Board meeting in July. Board members appointed to fill vacancies shall take the oath at the first Board meeting they attend. The oath declares that the Board member will faithfully perform the duties of the office as required by law and will support the Constitution of the United States, the Constitution of the State of Oregon, and the laws made pursuant thereto. Each new Board member shall execute a Conflict of Interest Statement and a Confidentiality Statement. The term of office is four (4) years.

4. **Board Pay and Expense Reimbursement**

The members of the Board of Directors shall receive a stipend of \$100 per month. Also, expenses shall be allowed for a Director's actual necessary traveling and incidental expenses incurred in the performance of official business of the District.

5. **Employment Restrictions**

No member of the District Board of Directors may be an employee of Southern Coos Hospital District & Health Center.

Article III Meetings of the Board

- 1. All meetings of the Board shall be conducted in accordance with the requirements of Oregon law.
- 2. District Boards must have a quorum in order to have an official meeting. A quorum shall consist of three (3) members which shall be sufficient to transact business. In Oregon, it takes a majority of the entire membership of the board to adopt a motion, resolution or ordinance or take any other action. A majority of a quorum is insufficient. This means that three affirmative votes on a five person board are required to pass a motion. All official business of the board shall be conducted only during said regular or special meetings at which a quorum is present and all said meetings shall be open to the public, except for executive sessions.
- 3. The agenda for Board meetings shall be developed by the Chair of the Board. Any Director may request a matter be added to the next regular meeting of the Board for which there is sufficient time to fully comply with all notice and agenda posting requirements. Board members and administration should make every effort to ensure that agenda items they wish to be considered are submitted in a timely manner in advance of the meeting. However, a board member may also move to add an item to the agenda at the beginning of

a meeting, subject to unanimous board approval. If approved by the board, the item will be added to the agenda to be considered as the last item under New Business.

4. **Regular Meetings:** The District Board shall hold at least one regular meeting each month at the Hospital or at such other location as determined by the Board. Notice of time and place designated for all regular meetings shall be posted in a public place and public notice provided at least 48 hours before the meeting by whatever means is considered most efficient and effective. Notice of changes of date or time or place of regular meetings shall be posted as above providing at least three (3) days prior to such meeting if possible.
5. **Special Meetings:** Special meetings of the Board may be called by the Chair, or the CEO or upon the written request of any two members of the Board. Sufficient notice of any special meeting shall be made by email or phone to each Board member at least two (2) days before the date of such meeting. In addition, notice must be posted in a public place and public notice provided by whatever means is considered most efficient and effective at least 24 hours in advance of the meeting date, time and place. The notice will include the principle subjects to be discussed.
6. **Executive Sessions:** Executive sessions of the Board may be called by the Chair, or the CEO or upon the written request of any two members of the Board. Executive sessions must conform to Oregon law, which limits the purposes for which such sessions may be called. Sufficient notice of any special meeting shall be made by email or phone to each Board member at least two (2) days before the date of such meeting. In addition, notice must be posted in a public place and public notice provided by whatever means is considered most efficient and effective at least 24 hours in advance of the meeting date, time and place. The Oregon Ethics Commission may investigate claims of violations of Executive Session laws on its own without necessarily receiving a complaint.
7. **Emergency Meetings:** An emergency meeting may be called and held in the same manner as a special meeting, except that the notice may be given less than 24 hours prior to the meeting and the Board shall place in the minutes the reason for the emergency.
8. Any member of the Board, or any committee established by the Board, may participate in the meeting gathering in a physical location, using electronic, video or telephonic technology, in order to communicate among participants.
9. A quorum of the members of the Board shall not, outside of a meeting conducted in compliance with Oregon Public Meetings Law, use a series of communications of any kind, directly or through intermediaries, for the purpose of deliberating toward a decision. This includes the following types of communications: in-person, telephone calls, videos, video-conferencing, written communications (including electronic written communications), use of intermediaries.

Article IV Board of Directors

1. Authority

Members of the Board of Directors may exercise authority with respect to the District and its affairs only when acting as part of the Board of Directors and during Board of Directors' meetings or meetings of authorized committees of the Board of Directors. The Chair of the Board of Directors is expected to confer with the Hospital Chief Executive Officer regarding committee agendas, and other matters between scheduled meetings of the Board of Directors. As individuals, Directors may not commit the District to any policy, act or expenditure except when specifically delegated by the Board.

2. Duties and Fiduciary Responsibilities

- a. The Board of Directors shall have responsibility for the oversight of operations, affairs of the District, and its facilities according to the best interests of the District.
 - 1) Duty of Care. Directors shall exercise proper diligence in their decision-making process by acting in good faith in a manner that they reasonably believe is in the best interest of the District, and with the level of care that an ordinarily prudent person would exercise in like circumstance.
 - 2) Duty of Loyalty. Directors shall discharge their duties unselfishly, in a manner designed to benefit only the District and not the Directors personally or politically, and shall disclose to the full Board of Directors situations that they believe may present a potential for conflict with the purposes of the District.
 - 3) Duty of Obedience. Directors shall be faithful to the underlying purposes and mission of the District.
 - 4) Fiduciary duty. Directors act in the best interests of the District.
 - 5) If it is determined, by majority vote of the Board of Directors in office at that time, that a Director has violated any of their duties to the detriment of the District, such Director is subject to sanctions according to the procedures set forth in Article IV Section 6.
- b. Upon the recommendation of the medical staff executive committee and the CEO the Board of Directors shall approve membership of the Medical Staff as well as the bylaws for the governance of the Medical Staff as provided in Article 7 of the District Bylaws. The Board of Directors may delegate certain powers to the Medical Staff and other adjunct organizations in accordance with the Medical Staff Bylaws.
- c. Review and approve the Hospital's and clinic's Quality Assurance Program. Responsible for the quality of care rendered to patients by both the medical and professional staff.
- d. Responsible for the financial soundness and success of the organization, and for strategically planning its future. It shall, upon recommendations of the Budget and Finance Committees review the annual operating budget and capital expenditures, and evaluate and approve financial statements for all financial matters of the District.
- e. Hire the Chief Executive Officer (CEO) and approve the plans and budgets by which the CEO will accomplish the quality, financial and strategic goals of the Board. Develop a performance review document for the CEO. Plan and establish the Chief Executive Officer's compensation.
- f. Act as trustee for District assets.
- g. Grant physician staff clinical privileges.

- h. Identify health needs of the community and establish the District's role in meeting those needs.
- i. Periodically review and evaluate the effectiveness of programs and services offered by the District.
- j. Establish an appropriate orientation program for new Board members. Board members are expected to participate in the entire Board Orientation process and additional ongoing training.
- k. Every Board Member is required to attend or view training provided by the Oregon Ethics Commission at least once during the member's term of office and verify the member's attendance.
- l. The Board shall endeavor to eliminate from its decision-making processes financial or other interests possessed by its members that conflict with the District's interests.
- m. The Board of Directors must approve all contracts, unless they have delegated this authority elsewhere, such as to the CEO. The scope of this delegation for approval of contracts, including assigning dollar limits to this authority.
- n. Key reports should be regularly provided to the Hospital Board for review. These reports should include financial statements, Medicare cost reports, Quality and Patient Safety reports, Compliance and Regulatory reports, Risk Management and Incident reports, Grant and Funding reports, Strategic Planning reports, Human Resources reports, Board Governance and Ethics reports, and any other essential report so that the Board has the necessary information to make informed decisions about the operation compliance, and strategic direction of the Hospital and Healthcare Clinic

3. **Officers**

The officers of the District Board shall be a Chair, Secretary and Treasurer, all of whom shall be elected by the Board at the July meeting each year and shall hold office for a period of one year or until their successors have been elected.

- a. The **Board Chair** shall preside at all meetings of the Board, shall execute documents which are official acts of the District or its Board, stating and putting to vote all questions which are regularly moved, or necessarily arise in the course of the proceedings, and to announce the result of the vote, shall make committee appointments upon approval of the Board, and implement processes designed to facilitate the collective awareness of the Board regarding major activities within the district so that all individual Board members are provided the opportunity to stay informed. During the absence of the Chair, any other Board member may perform the duties of the Chair.
- b. The **Secretary** shall attest to documents executed by the Board, shall review correspondence to and from the Board and shall review and sign minutes of Board meetings. The Secretary shall perform such other duties as usually pertain to this office.
- c. The **Treasurer** shall execute financial and banking documents when appropriate or authorized by the District Board.

4. **Resignations**

Any member may resign from the Board at any time by giving written notice to the Chair or Secretary of the Board, and the acceptance of such resignation shall not be necessary to make it effective.

5. **Vacancy**

Board vacancies shall occur if a duly elected Board member resigns, is recalled, or cannot fulfill the duties of office. A vacancy shall be filled by vote of a majority of the remaining Board members. The appointee shall serve until the next regular election for that position. If the remaining Board members cannot agree on a majority vote, the selection of appointee shall be turned over to County Board of Commissioners or as provided by Oregon law.

6. **Determination of and Sanctions for Misconduct in Office**

The Board shall establish a Board Sanction Policy to address individual Board misconduct or malfeasance in office. Such Policy will be reviewed periodically. The Policy will describe the process to be utilized by the Board in circumstances where an individual Board Member has been found by a majority of the Board to have violated their duties to the detriment of the District, violated the provisions of the Bylaws or any Board Policy. The Board Sanction Policy will be consistent with the laws of the Oregon Government Ethics Commission.

Article V Committees

1. **Committees and Powers**

- a. Committees of the Board shall be Standing, or Advisory and established by majority vote of the Board. Standing Committees shall be the Budget Committee, Quality & Patient Safety Committee, Finance Committee and such other standing committees as the Board may authorize.
- b. The Committee chair and all members of each committee shall be appointed by the Board following the July meeting. Members of each committee shall hold office for one year or until their successors are appointed. The Board will fill any vacancies that occur on committees for the remainder of the year.
- c. Committees shall have power to act only as stated in these Bylaws or as conferred by the District Board in specific matters.
- d. Committee members may include persons in advisory or consulting capacity, who are not members of the District Board.
- e. Minutes shall be recorded for all committee meetings and filed in the appropriate manner per Southern Coos Health District & Health Center policy and by applicable Oregon law.
- f. Qualifications for committee members will be as follows:
 - 1) Committee members shall be residents of the district.
 - 2) Neither district employees nor persons having a contractual relationship with the district may serve on district committees as public members.
- g. Board members may suggest persons for committee.
- h. The district will give public notice of committee vacancies.
- i. The board may, by majority vote, remove a member of the public from a district committee prior to the expiration of the term of office.
- j. Committees and their members have no authority to represent the district's official position on any matter except by express and explicit approval of the board for such.

2. **Standing Budget Committee**

The Budget Committee shall consist of the CEO, CFO, all members of the Board and at least five (5) members of the community. One (1) Board member shall be appointed by the Chair of the Board, following Board approval, following the July meeting to serve as the committee chair. The Budget committee shall meet once annually, and as needed, in a public meeting to review and approve the annual operating budget for adoption by the District Board and submission to Coos County.

3. **Standing Quality and Patient Safety Committee**

The Quality and Patient Safety Committee shall consist of the CEO, CFO, CNO, Quality Risk Manager, hospital department managers and one (1) Board Member liaison who shall be appointed by the Chair of the Board, following Board approval, following the July meeting. The Quality Risk Manager shall act as the Committee chair.

- a. The Committee meets monthly to consider all matters concerning the clinical and safety operations of the facilities, the Medical Staff Bylaws, credentialing and privileges of medical staff, and other matters concerning professional practice.
- b. The Committee ensures the quality of care rendered in the District's facilities is at the highest level when compared to national standards and that actions are taken on behalf of the Board to ensure the safety and well-being of the citizens served. The duties of the Committee shall include but are not limited to:
 - 1) Regularly review and approve the systems annual and long-term quality assurance plans to ensure the identification, assessment, and resolution of patient care issues.
 - 2) Review, assess and establish that the system is meeting regulatory and governmental requirements and standards pertaining to the delivery of quality medical care in all its facilities and programs.
 - 3) Monitor institutional liability/risk experience and ensure proper systems are put in place to reduce exposure to loss.
 - 4) Review, assess and establish that credentials of Medical and Allied Health Staff are reviewed and privileges granted are renewed based on demonstrated professional competence and adherence to the bylaws and code of conduct set forth by the Medical Executive Committee.
 - 5) Provide oversight to the development and management of educational endeavors to improve staff performance and skills in the completion of their clinical care responsibilities.
 - 6) Regularly review and assess quality care reports, statistics and programs from Medical Staff and system departments to identify trends or clinical care issues and to recommend stewardship where appropriate.
 - 7) Perform such other duties as assigned by the Board.
- c. The Committee also serves as a formal means of liaison to assure effective communication between the Board of Directors and the Medical Staff.
- d. The Quality and Patient Safety Committee shall report its findings and recommendations with respect to these issues at the monthly District Board Meeting.

4. **Standing Finance Committee**

The Finance Committee shall consist of the CEO, CFO, 1 Board member, and at least 3 members of the community. The Board member shall be appointed by the Chair of the

Board, following Board approval, following the July meeting and will act as Board liaison to the Committee and as the committee chair.

The Finance Committee shall meet quarterly to review the financial status of the District and make recommendations based thereon.

5. **Additional Standing Committees**

- a. The board will create additional standing committees as needed for each major service area.
- b. Terms for standing committees will be determined by the Board
- c. Standing committees will report and/or respond to questions from the Board as requested.

6. **Ad Hoc Advisory Committees**

The Board may create ad hoc committees as needed to assess the needs of the district, evaluate existing programs and/or facilities, and recommend long-range goals and plans, or any other needs as determined by the board. Any ad hoc advisory committees formed will operate for such time as needed to accomplish the assigned purpose and may be discharged after their recommendations to the board, or at any other time at the discretion of the board. All recommendations must be ratified by the Board prior to any action taken.

Article VI – Administrator

The District Board shall employ a competent and qualified person to act as Administrator of the Health Care District, and the Board shall evaluate the performance of such administrator yearly. Such Chief Executive Officer (CEO) of the District shall exercise supervision and control over the Administrative functions of the District. The Administrator shall have the following powers, duties, functions, and responsibilities.

1. Responsible for carrying out policies and programs adopted by the Board and for following regulations provided by law or by the District Board.
2. Develop a plan of organization for the personnel involved in the operation of the District facilities and programs, have responsibility for the selection, employment, control, and discharge of employees and the development and maintenance of personnel policies and practices, shall establish means for accountability on the part of subordinates and shall provide for lines of authority and communication within and between District facilities, medical staff, auxiliary, and other personnel.
3. Shall ensure that the established mechanisms relating to the functions of the Medical Staff organization are carried out and to act as the official channel of contact between the District Board and the Medical Staff. The Administrator shall have the following specific powers:
 - a. To grant temporary privileges to Medical Staff whenever such action is in the best interest of patient care or safety, or to prevent disruption of its operation.
 - b. To summarily suspend all or any portion of the clinical privileges of a member of the medical staff whenever such action must be taken immediately in the best interest of patient care or safety to prevent disruption of District operations.

4. Shall attend meetings of the District Board and shall serve as liaison officer for communications between the District Board, its committees, medical staff, and the Foundation.
5. Shall prepare a proposed strategic plan for approval and adoption of the District Board and shall annually and as needed recommend appropriate modifications to such plan.
6. Shall be responsible for preparation of a proposed annual budget and for carrying out the fiscal policies of the District.
7. Shall pursue a continuing program of education in health care, administrative, and management systems and procedures and may participate in community, state, and national hospital associations and other professional activities.
8. Shall be employed by the District Board and, after receiving and reviewing an annual evaluation, the administrator's compensation shall be determined by the Board.
9. Responsible for continual planning and marketing of District services including program evaluation and development of new services taking into account clearly defined service populations, current technology and financial viability.

Article VII Medical Staff

1. **Medical Staff**

The Medical Staff shall be organized in accordance with the Medical Staff Bylaws. The Medical Staff shall govern its own affairs, elect its own officers, and conduct meetings in accordance with Medical Staff Bylaws.

2. **Medical Staff Bylaws**

Medical Staff Bylaws and related rules and regulations for the government and operation of the Medical Staff may be proposed and recommended by the Medical Staff to the District Board, but only those bylaws, rules and regulations which are adopted by the District Board shall become effective. In the exercise of the powers and functions delegated to it by the laws of the State of Oregon, the District Board shall adopt, amend, carry out and enforce rules and regulations for the government and operation of the Medical Staff and any of its functions and services.

3. **Conflicts with Medical Staff Bylaws**

In the event that any of the provisions of the Medical Staff Bylaws are in conflict with any of the provisions of the Southern Coos Hospital District & Health Center Bylaws, the District bylaws shall be deemed to be controlling.

4. **Medical Staff Membership**

- a. Membership on the Medical Staff is a privilege which shall be extended only to persons professionally competent in their related fields, licensed to practice in the State of Oregon, and whose education, training, experience, demonstrated competence,

references and professional ethics, assures, in the judgement of the District Board, that any patient admitted to or treated in Southern Coos Hospital and Health Clinic will be given high quality professional care. Each applicant and member shall agree to abide by the District Bylaws, Hospital & Clinic Policies and Procedures, Medical Staff Bylaws and Rules and Regulations.

- b. The District Board shall review and act upon the advice and recommendations of the Medical Staff, and shall give careful consideration for clinical privileges at our healthcare facilities.
- c. Duration. Appointment to the Medical Staff shall be for a maximum term of two (2) years. Medical Staff members shall be reappointed bi-annually in the birth month of the applicant.
- d. The Medical Staff will also make recommendations to the District Board concerning appointments, reappointments, alterations of staff status, the granting of clinical appointments, disciplinary actions, other matters relating to professional competency, and such other related matters as may be referred to it by the District Board.

5. **Allied Health Professionals**

The categories of allied health professionals eligible to hold specific practice privileges to perform services within the scope of their licensure, certification, or other legal authorization and corresponding privileges, prerogatives, terms and conditions for each such allied health professional category or practitioner shall be determined by the CEO upon recommendations received from the Medical Staff executive committee.

6. **Accountability**

The Medical Staff shall conduct continuing review and appraisal of the quality of professional care provided in District facilities, and shall, at least annually, or more frequently as needed, report such activities and their results to the District Board.

7. **Exclusion from the Medical Staff**

The District Board shall have the power to exclude from Medical Staff membership, to deny reappointment to the Medical Staff, or to retract privileges, of anyone who has not exhibited that standard of education, training, experience, and demonstrated competence, which will assure, in the judgement of the District Board, that any patient admitted to or treated in the Hospital or Health Clinic will be given high quality professional care.

Article VIII Indemnification

To the extent consistent with applicable Oregon laws, Southern Coos Health District and Health Center shall indemnify any Board Member or officer in connection with proceedings that arise from their service on behalf of the District if (a) they acted in good faith and in a manner that they reasonably believed to be in the best interests of the District; and (b) with respect to any criminal proceeding, they had no reasonable cause to believe conduct was unlawful. It is intended that the rights of indemnification provided hereunder shall be as broad as permitted under the Government Code of the State of Oregon. The District may advance expenses, including attorney's fees, for which the Board member or Officer is indemnified pursuant to this Article.

The District authorizes Southern Coos Health District & Health Center to purchase and maintain insurance on behalf of directors and officers against liabilities imposed upon them by reason of actions taken in their official capacity, their status as an officer or director, or arising from Southern Coos Health District & Health Center request(s).

Article IX Public Meeting Laws Violation

Anyone who believes a governing body has violated public meetings laws may, within 30 days of the alleged violation, file a written grievance with the Board, setting forth the specific facts and circumstances of the alleged violation. The Board must provide a written response within 21 days acknowledging receipt; denying the claim and setting out corrected facts and circumstances; admitting to them and explaining why they are not in violation; or admitting the violation happened and setting out a plan to address it. The written grievance and the response must be filed with the Oregon Ethics Commission.

Article X Foundation

The District Foundation shall develop and adopt Bylaws to delineate the purpose and function of the organization, form its own Board of Directors to include one (1) Board Member liaison, and establish a means of accountability to the District Board. Such Bylaws shall be in conformity with the policy of the Board and shall become effective upon approval of the Board.

Amended and adopted November 21, 2024.

Signed:



Thomas Bedell, Chairman



Mary Schamehorn, Secretary

