

UNIVERSITY HOSPITAL BOARD OF DIRECTORS BYLAWS

ARTICLE I: PURPOSES AND DEFINITIONS

1. Purposes

The purposes of the Hospital are set forth in New Jersey statutory law, which is incorporated herein. The purposes of the Hospital are to provide general hospital and other health care services to patients and to serve as an integral part of UMDNJ. These purposes include but are not limited to the following:

To provide and manage facilities, personnel and services designed to diagnose and treat Hospital patients on an inpatient and outpatient basis and provide the highest quality patient care.

To serve as a principal site for clinical education for the New Jersey Medical School and other units of UMDNJ, including undergraduate and graduate medical education, other health professions education, and clinical research.

To conduct and host public education related to health care and the promotion of health and wellness.

To manage, operate and participate in activities which promote the health of the community.

2. Definitions

As used in these Bylaws, the following words shall have the meanings indicated:

“Allied Health Professionals”: Appropriately licensed providers in a health-related field, such, as advanced practice nurses and physician assistants, who have been granted privileges by the Board to treat patients in the Hospital, but who are not members of the Medical Staff.

“Chairperson”: The individual designated by the Governor to serve as the Chairperson of the Hospital Board of Directors.

“Dentist”: An individual who is licensed to practice dentistry in the State of New Jersey.

“Dean”: The Dean of the New Jersey Medical School (“NJMS”).

“Deans”: The Deans of all of the schools within UMDNJ.

“Executive Committee”: The Executive Committee of the Hospital Board of Directors.

“Ex-Officio”: Service as a member of a body by virtue of an office or position held.

“Governor”: The Governor of the State of New Jersey.

“Hospital”: University Hospital.

“Hospital Board of Directors” (“Directors”): The body empowered by New Jersey Law to provide governance oversight of the Hospital. Wherever the term "Director" is used in the Bylaws, it means a member of the Hospital Board of Directors.

“Hospital Management”: The Hospital’s President/CEO, Chief Financial Officer, Chief Operations Officer, Vice-President of Patient Care/Chief Nursing Officer, Chief of Staff, Chief Medical Officer, Medical Director of Quality Improvement, and Vice-President of Strategic Planning/Communications.

“Medical Staff”: The Medical Staff of the Hospital is comprised of all licensed physicians, dentists and podiatrists who have been granted privileges to treat patients in the Hospital.

“Physician”: An individual licensed to practice medicine and surgery in the State of New Jersey.

“Podiatrist”: An individual licensed to practice podiatry in the State of New Jersey.

“President/CEO”: The individual recommended by the Hospital Board of Directors and appointed by the UMDNJ Board, to implement the policies of the Hospital under the supervision of the President of UMDNJ or his/her designee.

“President of UMDNJ”: The individual appointed by the UMDNJ Board, to implement the policies of UMDNJ and supervise the President/CEO of the Hospital.

“University of Medicine and Dentistry” or “UMDNJ”: the State of New Jersey’s Health Sciences University as created by New Jersey law.

“UMDNJ Board of Trustees” (“Trustees”): The UMDNJ Board empowered by New Jersey Law to govern the UMDNJ, and all of its health care facilities, including University Hospital.

“UMDNJ Vice-President/Chief Compliance Officer”: The Vice-President/Chief Ethics and Compliance Officer of the University of Medicine and Dentistry of New Jersey.

ARTICLE II: HOSPITAL BOARD OF DIRECTORS

1. Number, Appointment and Term of Office

The Hospital Board of Directors shall be comprised of up to nine members. Four of the Directors shall be voting members of the UMDNJ Board and shall be appointed by the Chair of the UMDNJ Board. These Directors shall serve ex-officio, with voting rights. Five of the Directors shall be appointed by the Governor with the advice and consent of the New Jersey Senate. These Directors shall serve five year terms; except that in the case of the initial gubernatorial appointees, two shall serve a term of two years, one for a term of three years, one for a term of four years, and one for a term of five years. A Director shall serve until his/her successor is appointed and has been qualified.

2. Compensation

A Director shall serve without compensation but may be reimbursed for actual and proper expenses incurred in the performance of their duties.

3. Vacancies

Any vacancies in the membership other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.

4. Oath of Office

Each Director, before entering upon his duties, shall take and subscribe an oath to perform the duties of his office faithfully, impartially, and justly to the best of his abilities. A record of the oath shall be filed with the office of the New Jersey Secretary of State.

5. Removal from Office

Except for the ex-officio members, a Director may be removed from office by the Governor, for cause, after a public hearing.

6. Quorum

One more than half of the voting members of the Hospital Board of Directors qualified as of the date of the meeting shall constitute a quorum necessary to conduct the business of the Hospital Board of Directors.

ARTICLE III: POWERS AND DUTIES OF THE HOSPITAL BOARD OF DIRECTORS

The authority and responsibility for oversight of the Hospital shall be vested in the Hospital Board of Directors, subject to the authority of the UMDNJ Board as prescribed by law. The powers and duties of the Hospital Board of Directors shall include the following:

1. To oversee the operation, services, quality of care, patient safety, and the requirements for the establishment and operation of auxiliary organizations and volunteer services at the Hospital.

2. To support all matters involving the Hospital's teaching, educational and research functions, in collaboration with the deans and the UMDNJ Board.
3. To establish and facilitate formal means of liaison and communication among the Hospital Board of Directors, the Hospital Management, the Medical Staff, other health professionals practicing in the Hospital, and the greater Newark community.
4. To direct that a plan for continuous quality improvement is established and that an annual hospital performance report and patient safety report are prepared for the Hospital, and to review, reappraise, and amend them annually, or more frequently as directed by the Hospital Board of Directors.
5. To review and approve the procedures for the production and reporting of continuous quality improvement information and to review reporting mechanisms to assure that the highest quality patient care is provided to all patients in the Hospital pursuant to the requirements of law, the standards of relevant accrediting organizations and required standards of professional conduct.
6. To require the periodic production of reports assessing the quality of patient care, and to ensure that Hospital Management has taken corrective action, as may be appropriate.
7. To provide periodic reports to the UMDNJ Board describing the state of continuous quality improvement in the Hospital, and to report, as appropriate, the improvement and modification of the plan for continuous quality improvement and annual hospital safety report and the improvement and modification of other systems to assure the proper collection of patient safety and quality data.
8. To recommend the Hospital's Medical Staff Bylaws to the UMDNJ Board.
9. To periodically review the Hospital's compliance program with respect to all federal and state laws and regulations applicable to health care providers and academic medical centers, including all laws and regulations permitting the Hospital to participate in appropriate health care reimbursement programs and to make recommendations regarding the compliance program , as appropriate, to the UMDNJ Board.
10. To establish procedures to receive regular or periodic reports from the UMDNJ Vice President/Chief Ethics & Compliance Officer or his or her designee, on matters related to the status of the Hospital's compliance program, and on specific compliance policy initiatives, consistent with the procedures established by the UMDNJ Vice-President/Chief Ethics & Compliance Officer and the UMDNJ Board.

11. To recommend to the UMDNJ Board for appointment and/or removal the President/CEO.
12. To review annual budgetary proposals produced by the President/CEO and to provide recommendations thereon to the UMDNJ Board's Finance Committee.
13. To provide policy guidance to the President/CEO, who shall implement Hospital policies under the supervision of the President of UMDNJ or his/her designee to ensure consistency with UMDNJ policies and procedures.
14. To review the Hospital's operations to ensure compliance with the ethical codes of conduct and procedures for the confidential, anonymous submission of employee concerns regarding alleged wrongdoing at Hospital, as adopted by the UMDNJ Board and the State of New Jersey.
15. To define the duties and procedures of committees, standing and special, and to appoint to the committees Directors, members of Hospital Management, UMDNJ administrative staff, the Medical Staff, the community and others whose participation would be necessary or conducive to the efficient management of the Hospital.
16. To establish procedures with regard to the conduct of meetings at such times and places it shall designate.
17. To ensure that all meetings of the Hospital Board of Directors at which there is a quorum in attendance shall be conducted in conformance with the Open Public Meetings Law, providing the public an opportunity to hear discussion, except with respect to those matters subject to an exception pursuant to N.J.S.A. 10:4-12(b), including matters relating to personnel and the initial appointment, renewal, and discipline of paid and voluntary medical staff members.
18. To develop mechanisms by which the Medical Staff can fully contribute to the matters before the Hospital Board of Directors, including but not limited to ensuring that the President of the Medical Staff or a designee is invited to all public board meetings and may participate, without vote, in all discussions of the Hospital Board of Directors, excepting only those matters as to which such participation is determined by the Chairperson to be inappropriate.
19. To establish that procedures to ensure that all members of the Medical Staff and Allied Health Professionals are licensed, registered or certified, as applicable, by the State of New Jersey and hold, or are in the process of obtaining, faculty appointment at New Jersey Medical School or New Jersey Dental School, as required by the Medical Staff Bylaws.

20. To ensure that, in accordance with the provisions of the Medical Staff Bylaws, all treatment and care at the Hospital or any other health care facilities managed by Hospital shall be limited to those members of the Medical Staff who have been granted appropriate privileges therefore and qualified Allied Health Professionals.
21. To require, upon initial appointment to the Hospital Board of Directors, and from time to time thereafter, that all Directors participate in an orientation program, which shall include training on ethics, conflicts of interest and hospital governance.

ARTICLE IV: OFFICERS OF THE HOSPITAL BOARD OF DIRECTORS

1. Appointment

The Governor shall designate one of the members of the Hospital Board of Directors as Chairperson. The Hospital Board of Directors shall elect from among its members a Vice-Chairperson and a Secretary.

2. Chairperson

The Chairperson shall preside at all meetings of the Hospital Board of Directors. The Chairperson shall also perform all duties incident to the office of Chairperson and such other duties as may be prescribed by the Hospital Board of Directors from time to time.

3. Vice Chairperson

The Vice Chairperson shall perform such duties as may be assigned to him or her by the Hospital Board of Directors or the Chairperson. In the absence of the Chairperson or when, for any reason, the Chairperson is unable or refuses to perform his or her duties, the Vice Chairperson shall perform those duties with the full powers of, and subject to the restrictions on the Chairperson. The Vice Chairperson shall be a member of the UMDNJ Board, unless the Chairperson is a member of the UMDNJ Board. In addition, if the Vice Chairperson is a member of the UMDNJ Board, he or she shall be responsible for the certification of documents related to the Medical Staff. If the Vice Chairperson is not a member of the UMDNJ Board, the Chairperson shall be responsible for the certification of documents related to the Medical Staff.

4. Secretary

The Secretary shall provide for the keeping of minutes of all meetings of the Hospital Board of Directors and shall assure that such minutes are filed with the records of the Hospital and forwarded to the UMDNJ Board. The minutes shall show the time and place, the members present, the subjects considered, the actions taken, the vote, and any other information required to be shown in the minutes by law. He or she shall give or cause to be given appropriate notices in accordance with these Bylaws or as required by law and shall perform all duties incident to the office and such other duties as may be assigned from time to time by the Chairperson or the Hospital Board of Directors; and may delegate any duties to any elected or appointed Assistant Secretary or a Recording Secretary.

ARTICLE V: RESERVED POWERS OF THE UMDNJ BOARD

Any preceding provision of these Bylaws notwithstanding, the powers of the Hospital Board of Directors are limited by the powers of the UMDNJ Board, committed to it by law, the provisions of which are incorporated herein as though set out in full. The Hospital Board of Director's powers are limited by the UMDNJ Board's retained powers, including but not limited to those involving the performance regular audits of the Hospital, the performance and oversight of all legal and ethical compliance functions for the Hospital, the hiring or discharge of personnel, the fixing of compensation for personnel, the acceptance of contributions, the investment of funds, the borrowing of funds, and the coordination and oversight of all purchasing and procurement activities for the Hospital.

ARTICLE VI: HOSPITAL BOARD OF DIRECTOR COMMITTEES

1. Standing, Special or Ad Hoc Committees

Except as otherwise provided in these Bylaws, the Chairperson shall appoint the chairperson and directors to serve on each standing and special committee. The Chairperson may also appoint members to the standing and special committees from outside the Hospital Board of Directors with the concurrence of the Hospital Board of Directors.

The standing committees are the Executive Committee, the Strategic Planning and Development Committee, the Quality of Care Committee and the Medical Liaison Committee. The President/CEO, the Dean and the UMDNJ President or his/her designee shall be ex-officio members, without a vote, on all of the standing committees. The President of the Medical Staff shall also be an ex-officio member of all of the standing committees, but shall have a vote on all of those committees, with the exception of the Executive Committee.

The UMDNJ Vice-President/Chief Compliance Officer or his or her designee shall receive notice of and may attend any of committee meetings. Special committees may be established by the Chairperson, with the concurrence of the Hospital Board of Directors. A Director shall chair each of the standing committees. Meetings may be called by the Chairperson or the Chairperson of the committee. Notice of meetings may be given at any time and in any manner reasonably designed to inform the members of the time and place of the meeting. A vote of a majority of members present at the time of the vote shall constitute the act of the committee. All committee actions and votes shall be considered as recommendations to the full Hospital Board of Directors, and shall not independently be deemed as authorization for any action on behalf of the Hospital Board of Directors. Upon completion of the task for which created, a special committee shall stand discharged.

Minutes of all meetings of standing, special and ad hoc committees shall be made available to the Hospital Board of Directors. If a quorum of the Hospital Board of Directors is present at any committee meeting, the meeting shall be governed by the

provisions of the New Jersey Open Public Meetings Act. The minutes of any committee meeting shall be deemed government records within the meaning of the Open Public Records Act, after acceptance by the Hospital Board of Directors, subject to redaction as authorized by law.

2. Executive Committee

The Executive Committee shall be comprised of the Hospital Board of Directors Chairperson, the Hospital Board of Directors Vice Chairperson, the Hospital Board of Directors Secretary, and the Chairperson of the Strategic Planning and Development Committee, if that Director is not otherwise included in the membership, and the ex-officio members. The Chief Operating Officer, Chief Financial Officer and Chief Medical Officer and Chief Nursing Officer shall be invited to meetings of the Executive Committee.

The Executive Committee shall consider the regular business of the Hospital in the intervals between meetings of the Hospital Board of Directors, subject to prior limitations imposed by the Hospital Board of Directors or by statute. Recommendations of the Executive Committee shall be reported at the next regular meeting of the Hospital Board of Directors.

Meetings of the Executive Committee shall be at the call of the Chairperson, and advance notice of the time and place of such meetings shall be given to each Committee member. Consistent with the policies and procedures of UMDNJ pertaining to employment, the Executive Committee shall also review the performance of the President/CEO, and recommend appropriate action to the Hospital Board of Directors. The Executive Committee shall consult with the President/CEO concerning his/her performance, but President/CEO and any individual who is not a voting member of the Executive Committee shall be excluded from the deliberations and recommendations of the Committee, unless as otherwise authorized by the Chairperson.

3. Strategic Planning and Development Committee

The Strategic Planning Committee shall be comprised of not fewer than three Directors, the ex-officio members, the Chief Operating Officer, Chief Financial Officer, Chief Medical Officer and the Chief Nursing Officer. The Committee shall review and analyze the Hospital's performance in patient care, teaching, research and community service. It shall call on persons from within the Hospital, UMDNJ, and the broader community to assist it in assessing plans for the Hospital's future. It shall regularly produce reports on the performance and future of the Hospital, and forward those reports to the Hospital Board of Directors for discussion and review.

4. Quality of Care Committee

The Quality of Care Committee shall be comprised of not fewer than three Directors, the ex-officio members, Chief Medical Officer, Chief Nursing Officer, the Medical Director of Quality Improvement and additional representatives of the Hospital Management, the Medical Staff, Nursing Staff and others, as determined by the Chairperson of the Board. The Quality of Care Committee shall oversee the quality

improvement activities of the Hospital, and as part of its duties, shall receive reports from the Quality Assurance and Performance Improvement Committee of the Medical Staff, as well as other appropriate committees and departments. The Committee shall meet on a regular basis, as determined by its Chairperson or the Hospital Board of Directors, and shall report its findings and recommendations to the Hospital Board of Directors.

5. Medical Liaison Committee

The Medical Liaison Committee shall be comprised of not fewer than three Directors, including the Vice Chairman if that Director is also a member of the UMDNJ Board, the ex-officio members, the Chief Medical Officer, Chief Nursing Officer, the Medical Director of Quality Improvement and additional representatives of the Hospital Management, the Medical Staff, Nursing Staff, the Senior Vice President for Legal Affairs or his or her designee and others, as determined by the Chairperson of the Board.

The Committee shall serve as a formal means of liaison to assure effective communication among the Hospital Board of Directors, NJMS [UMDNJ] and the Medical Staff. It shall consider all matters concerning the Medical Staff Bylaws and other matters concerning professional practice in the hospital. It shall review the recommendations of the Medical Executive Committee (“MEC”) of the Medical Staff, relating to initial appointment and reappointment, and renewal or modification of staff categories and clinical privileges, seeking additional review and clarification from the MEC as it may deem necessary. The Medical Liaison Committee shall report its findings and make recommendations with respect to these issues to the Hospital Board of Directors. The Vice Chairperson, if that Director is also a member of the UMDNJ Board, shall report to the UMDNJ Board on the recommendations pertaining to appointments and reappointments, modifications in staff categories and the grant of specific delineated clinical privileges. The Medical Liaison Committee shall meet on a regular basis as determined by its Chairperson or the Board, but shall meet at least six times per year.

ARTICLE VII: HOSPITAL BOARD OF DIRECTORS RELATIONSHIP WITH MEDICAL STAFF

1. Hospital Board of Directors Review of Medical Staff Bylaws

The Hospital Board of Directors shall review and approve Medical Staff Bylaws, which shall provide for the organization and self governance of the Medical Staff and set forth its responsibilities. Through the Medical Staff Bylaws, the Hospital Board of Directors shall ensure that mechanisms are in place to:

- (a) properly assess the qualifications of the members of the Medical Staff, through clearly defined procedures developed to facilitate a comprehensive review of licensure status, credentials relating to training, experience and clinical competence,

- (b) establish the categories of medical staff privileges and set forth the qualifications, prerogatives, responsibilities and limitations of such categories,
- (c) provide for a process under which emergency or temporary privileges may be granted to any qualified physician, dentist, podiatrist who is not a member of the Medical Staff or Allied Health Professional,
- (d) hold the Medical Staff accountable for the quality of professional care and treatment provided to patients of the Hospital,
- (e) assure that members of the Medical Staff will abide by all Bylaws and Hospital rules and regulations and that appropriate procedures are available in the event of non-compliance or conduct which poses a risk to Hospital patients, and
- (f) provide for fair hearing and appellate procedures by which membership on the Medical Staff may be terminated or modified.

The approval of the Hospital Board of Directors of the Medical Staff bylaws, and any changes to those bylaws, shall be subject to the review and approval of the UMDNJ Board.

2. Hospital Board of Directors Review of Matters relating to Appointments to the Medical Staff

The Hospital Board of Directors shall make recommendations to the UMDNJ Board regarding Medical Staff, Advanced Practice Nurses and Physician Assistant staff appointments and reappointments, the categories of staff privileges authorized and specific delineated clinical privileges granted, after review and consideration of the recommendations of the MEC.

When the Hospital Board of Directors has a need of further information and/or clarification with respect to such a recommendation, the Hospital Board of Directors shall refer the matter back to the MEC, which shall either appoint an Special Committee or refer the matter to a standing committee to investigate fully the concerns/questions raised and make a recommendation to the Hospital Board of Directors.

In accordance with the provisions of the Medical Staff Bylaws, the appointments to the Medical Staff shall be made in a timely manner, and with respect to reappointments, at or before the expiration of the appointment term.

3. Hospital Board of Directors Review of Disciplinary Actions and Corrective Actions

The Hospital Board of Directors may request that the Medical Staff undertake to review the performance of a member of the Medical Staff and consider such corrective action as may be warranted. Consistent with the Medical Staff bylaws, it shall fulfill all the obligations associated with such a request. In addition it shall review and make determinations with respect to MEC recommendations relating to summary suspensions,

automatic suspensions, corrective action or other adverse professional review actions made in accordance with the fair hearing procedures set forth in the Medical Staff Bylaws.

The Hospital Board of Directors will base its decision on a review of the record before the hearing committee constituted pursuant to the Medical Staff Bylaws and the MEC recommendation. The decision of the Hospital Board of Directors is subject to final review of the UMDNJ Board, in accordance with the Medical Staff Bylaws. If a member of the Medical Staff who is the subject of an adverse professional review action seeks appellate review of the determination, the Hospital Board of Directors, or a special committee as may be designated by the Chairperson, shall constitute the appellate review body and make a recommendation to UMDNJ Board.

4. Hospital Board of Directors Review of Designation of Chiefs of Clinical Services and Organization of Clinical Services

The Hospital Board of Directors shall review the recommendations of MEC pertaining to the organization of the Medical Staff in services, sections and divisions to facilitate the operation of the Hospital through its clinical departments and committees. The designation of Chiefs of Service (Chairperson) for each department shall be conducted in accordance with the Medical Staff Bylaws, subject to the approval of the Hospital Board of Directors. The Chief of Service of each clinical department shall be a member of that department qualified by training, experience and administrative ability for the position, appointed by the MEC, subject to the approval of the Hospital Board of Directors and the UMDNJ Board.

5. Hospital Board of Directors Responsibility for Review of Medical Staff Efforts to Ensure Quality of Care

The Hospital Board of Directors shall ensure that the Medical Staff has mechanisms to objectively, systematically and regularly monitor and evaluate the quality and appropriateness of patient care and clinical performance of the members of the Medical Staff. The Hospital Board of Directors shall delegate to the Medical Staff the responsibility to develop an ongoing effective and efficient quality assurance/performance improvement program and shall review the quality improvement activities of the Medical Staff as well as the processes used to oversee, evaluate and revise such activities. The Hospital Board of Directors, through the President/CEO, shall be responsible for providing the Medical Staff with the administrative assistance necessary to conduct quality improvement activities in accordance with the Hospital's Quality Assurance/Performance Improvement Plan and to provide reports of the nature and frequency set forth in the plan.

ARTICLE VIII - HOSPITAL STAFF

The President/CEO shall assure that procedures are in place to ensure that all individuals who provide patient care services, but who are not subject to the Medical Staff appointment and reappointment process, are qualified and competent to provide such service.

ARTICLE IX - MISCELLANEOUS PROVISIONS

1. Amendments to Bylaws

These Bylaws may be amended by affirmative vote of two-thirds of the whole regular or special meeting, provided that a full statement of proposed amendments is mailed to the members at least fourteen (14) days in advance of the meeting. Amendments to the bylaws must be approved by the UMDNJ Board.

2. Procedures

The Hospital Board of Directors and its committees may adopt rules and procedures consistent with these bylaws.

3. Bylaws Review

These Bylaws shall be reviewed by the Hospital Board of Directors at least every three years.

April 2, 2008