



Metropolitan Portland Health Information Exchange Governance Plan 2.0

Results and Reports Retrieval System

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Table of Contents

Appendix A6
Appendix B 14
Registered Agent 14
Address for Mailing Notices..... 14
Distribution of Assets Upon Dissolution..... 14
Type of Corporation (SELECT ONLY ONE)..... 14
Contact Name (TO RESOLVE QUESTIONS WITH THIS FILING.) 15
Appendix C 18
Article VII: Corporate Indemnity 22
Article VIII: Amendment to Bylaws..... 22
Appendix D..... 23
Appendix E 24
Appendix F 25

Introduction:

Following are the critical conceptual elements recommended for establishing the governance of the Metropolitan Portland Health Information Exchange. Appendix A provides additional options that were explored, and the rationale for the final recommendations. Appendices B-F provide the tools necessary for establishing and initiating governance.

Source of Authority:

The source of authority for the MPHIE should derive from its credibility as a multi-stakeholder, mission-driven organization that is governed by respected community leaders. A government authorization for MPHIE is not considered necessary or helpful at this time. Opportunities to engage government in the partnership should be considered at a future date, and may require legislation to manage the relationship. A relationship with the Medicaid agency and its information systems may prove fruitful at a future date.

Legal Entity:

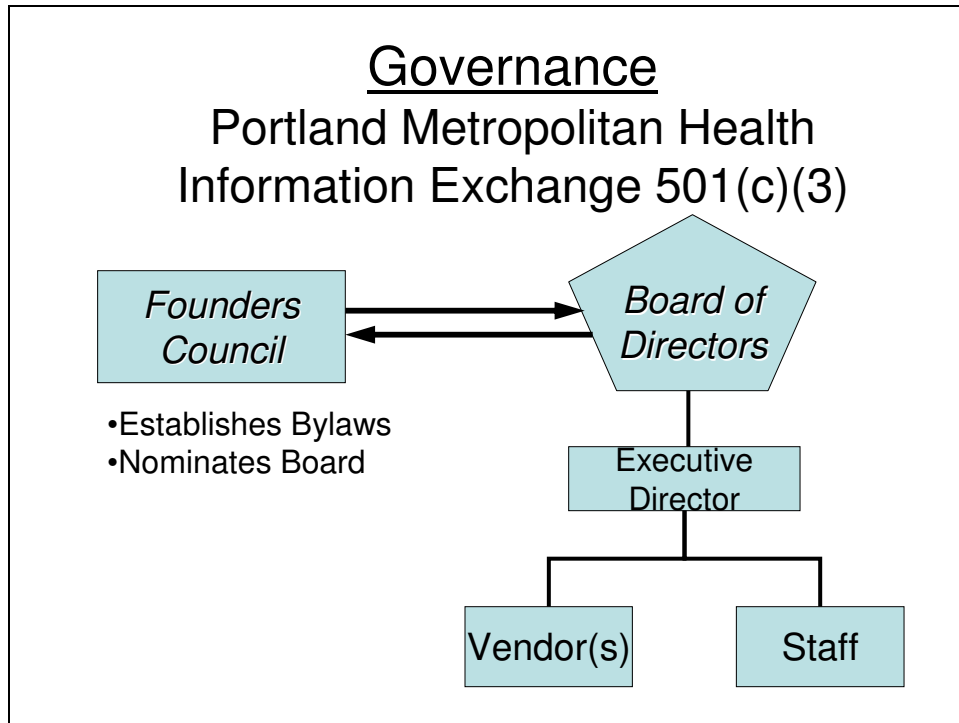
A new organization incorporated as a 501(c)(3) non-profit with the sole initial mission to implement the Portland Metropolitan Health Information Exchange is recommended. A non-profit is preferred because it can accept foundation and government funding. It conveys the community-wide purpose. It establishes the principle of transparency. Though some stakeholders are interested in a for-profit enterprise, the business case does not currently justify this approach. Current governance development will not preclude future addition of a for-profit enterprise if the opportunity emerges. Articles of Incorporation are included as Appendix B.

Governance Structure:

The organization should be managed by a stable, predicable, Board of Directors who can provide continuity and leadership and direction. The Board of Directors must be structured in a way that will engender trust and encourage:

- Organizations to fund it
- Organizations to provide core data
- Patients/consumers to opt in to participate
- Physicians to use it

The organization also must be sufficiently accountable to the organizations who are providing the funding for development of the MPHIE. The number of organizations providing funding may change over time. In order to balance these two strategic needs the MPHIE will be managed with authority split between a Founders Council and a Board of Directors. The Founders Council will be responsible for appointing the Board of Directors and approving bylaws. The Directors will be responsible for running the organization.



Following are key features of the Board:

- The Board of Directors is responsible to develop the vision for health information exchange in metropolitan Portland. The Board has the authority to establish strategic direction, develop policy, hire the Chief Executive Officer, and exercise oversight of the operations of the PMHIE to assure adherence to the vision.
- The Directors must be highly respected community leaders with the power to leverage resources and build trust. The community must have faith that these individuals will operate in the broad community interest, rather than representing their own institutions. As a group, the individuals must bring the skill set that can establish policy, select the top management, raise resources and guide the organization to financial sustainability.
- Directors shall serve two or three year terms, with a maximum of two full terms before waiting one year. Initial terms of the Directors may be staggered to promote continuity in leadership.
- Directors may be removed only for failure to perform their duties.

Committees

- The MPHIE will have a robust committee process to encourage broad stakeholder participation in the development and management of the exchange, regardless of ability to pay. The by-laws will allow establishment of committees as needed to address issues such as legal, technical, consumer, financial, clinical and evaluation concerns.

- The by-laws will mandate the existence, structure and duties of a Privacy and Security Council. Membership will include independent authorities sufficient to assure community trust in the PMHIE.

Membership on the Board of Directors and Founders Council

As proposed, the Board of Directors will consist of ten directors as follows:

- 2 health plans
- 2 hospital/delivery systems
- 2 physicians
- 2 purchasers
- 2 consumers

One or more of the Directors should be a public sector representative. Criteria for selecting the Board of Directors is suggested in Appendix D.

The Directors will be appointed by a Founders Council. The Council shall consist of one representative from each health system, health plan, health care provider organization, government organization, or purchaser that commits to contribute a fixed amount per year for three years to the PMHIE. Founders will select their own representative. The amount required to join the Council will be determined by the initial group agreeing to provide the seed funding.

The Founders Council will have authority for replacing directors only when vacancies occur or when directors fail to perform their duty.

Three years from initial formation of the organization, the Founders Council is required to reconfigure its membership structure and fees in order to create appropriate representation for all entities that support the PMHIE including through memberships, user fees, subscriptions, grants, data purchasers and other mechanisms.

Conduct

By-laws

- The organization shall function to the extent possible through explicit and transparent processes adopted in by-laws. This includes full and open meetings with advance notice and minutes. Exceptions should be declared when necessary for such things as conducting procurement or discussing personnel issues.
- All officers must scrupulously avoid conflicts of interest, including the appearance of conflict of interest. This includes a process for individuals to declare conflicts, recuse themselves from decision-making and/or requesting recusal of others.
- The PMHIE will rapidly evolve and therefore require flexibility in operations & ability to change. By-laws will contain reasonable procedures for modification and updating.

A proposed set of by-laws is included as Appendix C. The agenda for the organizational meeting of the Founders Council, the organizational meeting of the Board of Directors and the first regular meeting of the Board of Directors are provided in Appendix E. Following these agendas will assure that governance critical issues are completed.

Appendix A

Portland Metropolitan Health Information Exchange Governance Proposal Options

Selection of the Board of Directors

Three options are proposed for appointment of the Board of Directors

Option A

- The Board will consist of ten directors as follows:
 - 2 health plans
 - 2 hospital/delivery systems
 - 2 physicians
 - 2 purchasers
 - 2 consumers

One or more of the Directors should be a public sector representative

- The initial directors will be selected by the OBC Leadership Group based on recommendations from the Tiger Team
- The Board of directors will elect replacements according to by-laws

Option B

- The Board of Directors will consist of two types of seats: founders and partners.
- **Founding organizations** are health systems, health plans, health care providers, government organizations, and purchasers that commit to contribute at least \$xxx,xxx¹ per year for three years to the PMHIE. Founders will have one seat on the Board and will select their own representative.
- The Founding Directors will establish additional **Invited Partners** seats in order to broaden the stakeholder representation on the Board. The fee amounts for these additional seats will be established according to ability to pay. Voting procedures for founders and invited partners will be established in by-laws by the Founders.
- The Board may also establish non-voting membership classes for additional partners. These non-voting seats will encourage health information technology vendors and other interested partners to contribute to the development of the PMHIE through financing and expertise.
- Three years from initial formation of the organization, the Board of Directors will be required to reconfigure its membership structure and fees in order to create appropriate representation for all entities that support the PMHIE including through memberships, user fees, subscriptions, grants, data purchasers and other mechanisms.
- Organizations must identify qualified individuals to represent their interests on the Board. Individuals must have the ability to make decisions on behalf of the organization and be willing to participate consistently.

Option C

- The Board will consist of ten directors as follows:

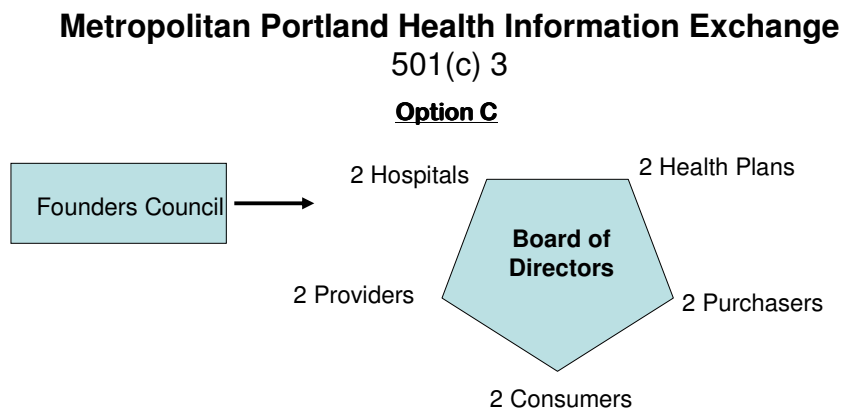
¹ Amount may be equal or be based on size (members, beds or gross revenue?) or be based on expected benefit

- 2 health plans
- 2 hospital/delivery systems
- 2 physicians
- 2 purchasers
- 2 consumers

One or more of the Directors should be a public sector representative

- The Directors will be appointed by a Founders Council. The Council shall consist of one representative from each health system, health plan, health care provider organization, government organization, or purchaser that commits to contribute at least \$xxx,xxx² per year for three years to the PMHIE. Founders will select their own representative.
- The Founders Council will have authority for replacing directors only when vacancies occur or when directors fail to perform their duty.
- Three years from initial formation of the organization, the Founders Council is required to reconfigure its membership structure and fees in order to create appropriate representation for all entities that support the PMHIE including through memberships, user fees, subscriptions, grants, data purchasers and other mechanisms.

Figure 3



- Organizations purchase a permanent seat on the Founders Council by contributing \$XXX,XXX* per year for three years to the exchange
- Founders Council appoints the Board of Directors according to by-laws
- Two/three year staggered terms
- Founder's Council selects replacements according to established by-laws
- At least one director should represent public sector interests

² Amount may be equal or be based on size (members, beds or gross revenue?) or be based on expected benefit

Examples from Six Health Information Exchange Organizations

eHealth Connecticut Governance Research

Legal Status

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO
501(c)3	LLC/501(c)3	501(c)3	501(c)3	501(c)3	501(c)3

eHealth Connecticut Governance Research Organizations Represented on Board Constituencies

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO Proposed
Expected Board representation from existing working group members which represent a broad spectrum of payors, hospitals, health plans, healthcare quality organizations, healthcare related foundations	The Board of Managers includes two directors and the Chief Executive Officer of MHDC. The remaining membership is comprised of user/customer organizations which will purchase services from MA-SHARE, including major health plans, provider organizations and	Appointed Directors: City, County HD State Health Dept, State University Medical School, Hospitals/Integrated Health Systems (5), Medical Society, Employer Group, Community Directors, At-large elected by appointed directors	Current representation: 4 appointed by Governor, 5 appointed by Founding Medical Centers members (1 each), 1 by state health and human services dept., chair of Standing Advisory Committee; 21 "class directors" who must be employed by or be an officer or d	Board Members are a diverse representation of healthcare organizations, hospitals, payers, business, physicians and other providers, nurses, academe, high ranking officials in state government, and representatives from other health care quality organizati	Assoc. & Orgs; Health Care Providers; Health Plans; Government (Federal, State and Local); Consumer; Employers; Foundation; Research/in formatics; Health Care Stakeholders; HIT Projects

eHealth Connecticut Governance Research

Funding – Seed Money

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO
\$3.7M as of March 2005	Year 1 funding = \$615K grant, Year 2 funding = \$1.1M including \$400K eHealth Initiative contract	BioCrossroads; government grants/contracts & foundation funds	NA	~\$750K in voluntary contributions for one year from payors and a large health system	To be determined

eHealth Connecticut Governance Research

Funding Schedule

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO Proposed
Not yet developed.	Annual dues cover cost of membership and core services. There are also fees for data services in addition to core.	By customer per service provided	Dues are billed to members on the annual anniversary when they joined the org and are determined by the Board.	No dues structure developed yet. Reliance on voluntary contributions.	To be determined

eHealth Connecticut Governance Research

Number of Board Members

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO Proposed
Between 11 and 21 voting Members	10 Members nominated by MHDC Board of Directors	Currently includes 15 members	Up to 36, currently 34	Between 9 and 25 per by-laws, currently 14	21

eHealth Connecticut Governance Research

Term Length

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO
3 years, max of three consecutive terms allowed before waiting one year	1 year term, max of three consecutive terms	*	3 years – no limit to # of terms; only limit for “class directors” (see next block) if an individual ceases to be affiliated with the “member” organization.	4 years, max of three consecutive terms allowed before rotation	3 years / max. of 2 full consecutive terms

Appendix B



Phone: (503) 986-2200
Fax: (503) 378-4381

Articles of Incorporation—Nonprofit

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327
FilingInOregon.com

REGISTRY NUMBER: _____
For office use only

In accordance with Oregon Revised Statute 192.410-192.490, the information on this application is public record.

We must release this information to all parties upon request and it will be posted on our website.

For office use only

Please Type or Print Legibly in **Black Ink**. Attach Additional Sheet if Necessary.

1) NAME: **Metropolitan Portland Health Information Exchange**

2) _____ 7) WILL THE CORPORATION HAVE MEMBERS? YES NO

Registered Agent

Nancy Clarke

3) REGISTERED AGENT'S PUBLICLY AVAILABLE ADDRESS (Must be an Oregon Street Address, which is identical to the registered agent's business office. Must include city, state, zip; No PO boxes.)

**c/o Oregon Health Care Quality Corp
619 SW 11TH AVE, SUITE 221**

Portland, OR 97205

4) _____

Address for Mailing Notices

**c/o Oregon Health Care Quality Corp
PO BOX 40654**

Portland, OR 97240

5) _____

5) OPTIONAL PROVISIONS: SEE ATTACHED ARTICLE 5

SEE ATTACHED ARTICLE 8

6) Type of Corporation (SELECT ONLY ONE)

Public Benefit Mutual Benefit Religious

9) INCORPORATORS (List names and addresses of each incorporator. Attach a separate sheet if necessary.)

NAME

STREET ADDRESS

CITY/STATE/ZIP

Nancy Clarke

**c/o Oregon Health Care
Quality Corp
619 SW 11TH AVE, SUITE 221**

Portland, OR 97205

Denise Honzel

c/o Oregon Health Care
Quality Corp
619 SW 11TH AVE, SUITE 221

Portland, OR 97205

10) **EXECUTION** (All Incorporators must sign. Attach a separate sheet if necessary.)
By my signature, I declare as an authorized authority, that this filing has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. Making false statements in this document is against the law and may be penalized by fines, imprisonment or both.

Signature

Date

_____	_____
_____	_____
_____	_____

11) **DAYTIME PHONE NUMBER** (Include area code.)

Contact Name (TO RESOLVE
QUESTIONS WITH THIS FILING.)

Nancy Clarke

503-241-3571

FEES

Required Processing Fee \$50
Confirmation Copy (Optional) \$5

Processing Fees are nonrefundable.

Please make check payable to
"Corporation Division."

NOTE:
Fees may be paid with VISA or
MasterCard. The card number and
expiration date should be submitted
on a separate sheet for your
protection.

June 6, 2007

**ARTICLES OF INCORPORATION
OF
Metropolitan Portland Health Information Exchange**
(an Oregon Nonprofit Corporation)

Article 1 - Name of Corporation

The name of this corporation is **Metropolitan Portland Health Information Exchange** (hereinafter referred to as the "Corporation").

Article 5 – Optional Provisions

Article 5. Section 1 – Purpose: The purposes for which this Corporation is organized are as follows:

Corporation is organized exclusively for charitable, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Corporation is organized for the purpose of operating a health information exchange and related services to enhance clinical care in the community and the public's health by (1) facilitating timely and secure access by health care providers (physicians and other clinicians) to clinical information between the various organization in the community that have such information and (2) such other activities that help to improve the quality of health care provided in the community.

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by any organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

June 6, 2007

Article 8 – Distribution of Assets Upon Dissolution

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for the public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for the purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Appendix C

METROPOLITAN PORTLAND HEALTH INFORMATION EXCHANGE Bylaws May, 2007

Article I: Purpose

This Corporation shall be organized and operated exclusively for charitable, scientific, and educational purposes. Subject to the limitations stated in the Articles of Incorporation, the purposes of this Corporation shall be to engage in any lawful activities none of which are for profit, for which Corporations may be organized under Chapter 65 of the Oregon Revised Statutes (or its corresponding future provisions) and section 501(c)(3) of the Internal Revenue Code of 1954 (or its corresponding future provisions).

This Corporation's primary purpose shall be for the public benefit, including but not limited to activities that result in improving the exchange of clinical and other health care information between providers within the community and other activities related thereto.

Article II: Nonmembership

This Corporation shall have no members.

Article III: Board of Directors

Section 1. Duties. The affairs of the Corporation shall be managed and controlled by the Board whose concern it shall be to establish goals and policies for the Corporation and maintain its financial integrity in compliance with applicable federal, state and local statutes, rules and regulations.

Section 2. Number and Qualifications. There shall be ten (10) Directors of the Corporation with two (2) Directors each representing five (5) stakeholder groups of clinician providers, hospitals, health plans, purchasers, and consumers.

Section 3. Term. The term of office for Directors shall be two years with the terms of half of the directors expiring in alternate years. A Director may be reappointed without limitation on the number of terms he or she may serve.

Section 4. Appointment of Directors. The Directors will be appointed by the Founders Council as described in Article IV.

Section 5. Removal of Directors. Any Director may be removed, with or without cause, by a vote of two-thirds of the Board.

Section 6. Vacancies. Vacancies on the Board will be filled by appointment by Founders Council as described in Article IV.

Section 7. Quorum and Action. A quorum at a board meeting shall be a majority of the number of Directors appointed to office immediately before the meeting begins. If a

June 6, 2007

quorum is present, action is taken by a majority vote of the Directors present, except as otherwise provided by these Bylaws. Where the law requires a majority vote of the Directors in office to establish committees to exercise Board functions, to amend the articles of incorporation, to sell assets not in the regular course of business, to merge or to dissolve, or for other matters, such action is taken by that majority as required by law.

Section 8. Regular Meetings. Regular meetings of the Board shall be held at the time and place determined by the Board. No other notice of the date, time, place, or purpose of these meetings is required. An annual meeting will be held at a time and place set each year by the Board for the purpose of electing the Executive Committee, Corporation officers, and other business that shall be deemed necessary by the Board.

Section 9. Special Meetings. Special meetings of the Board shall be held at the time and place to be determined by the Board. Notice of such meetings, describing the date, time, place, and purpose of the meeting, shall be delivered to each director or personally or by telephone, e-mail, or by mail not less than two days prior to the special meeting.

Section 10. Meeting by Telecommunications. Any regular or special meeting of the Board may be held by telephone or telecommunications in which all Directors participating may hear comments by all other Directors.

Section 11. No Salary. Directors shall not receive salaries for their Board services, but may be reimbursed for expenses related to Board service.

Section 11. Action by Consent. Any action required by law to be taken at a meeting of the Board or any action which may be taken at a Board meeting, may be taken with or without a meeting if a consent in writing, setting forth the action to be taken or so taken, shall be signed by all the Directors.

Article IV: Founders Council

Section 1. Duties. The Founders Council shall be responsible for (a) the selection and appointment of the Directors of the Corporation and (b) approval of changes to the bylaws of the Corporation.

Section 2. Number and Qualifications. There shall be up to ten (10) members (identified as "Founders") of the Founders Council. The ten organizations providing the largest financial support within the previous twelve months but at least \$50,000 to the Corporation in the form of contributions, grants, subscriptions fees and/or other service fees in support of the planning, development, operations and services of the Corporation shall be entitled to appoint a Founder representative. In the event that an eligible organization declines to appoint a Founder representative, the right to appoint a Founder shall pass to the next largest eligible organization.

Section 3. Term and Appointment. The term of office for Founders shall be for one (1) year or until the subsequent representatives to the Founders Council are appointed. A Founder may be reappointed by their organization without limitation on the number of terms he or she may serve as long as the organization is eligible to designate a Founder

June 6, 2007

representative. An organization eligible to designate an appointee to the Founders Council may change the designated Founder representative at any time.

Section 4. Removal. Any Founder may be removed, with or without cause, by a vote of two-thirds of the other Founders.

Section 5. Vacancies. Vacancies on the Founders Council will be filled by appointment of a replacement Founder by the qualifying organization eligible to appoint a representative to the Founders Council.

Section 6. Quorum and Action. A quorum at a Founders Council meeting shall be seventy percent (70%) of the number of Founders appointed immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of the Founders present.

Section 7. Regular Meetings. An annual meetings of the Founders Council shall be held at the time and place determined by the Founders Council for the purpose of electing the selecting and appointing Directors of the Corporation.

Section 8. Special Meetings. Special meetings of the Founders Council shall be held at the time and place to be determined by the Founders Council or at the request of the Board to fill vacancies on the Board. Notice of such meetings, describing the date, time, place, and purpose of the meeting, shall be delivered to each Founder or personally or by telephone, e-mail, or by mail not less than two days prior to the special meeting.

Section 9. Meeting by Telecommunications. Any regular or special meeting of the Founders Council may be held by telephone or telecommunications in which all Founders participating may hear comments by all other Founders.

Section 10. No Salary. Founders shall not receive salaries for their Council services, but may be reimbursed for expenses related to Council service.

Section 11. Action by Consent. Any action which may be taken at a Council meeting, may be taken with or without a meeting if a consent in writing, setting forth the action to be taken or so taken, shall be signed by all the Founders.

Article V: Committees

Section 1. Privacy and Security Committee. The Board shall appoint a Privacy and Security Committee of at least six individuals familiar with health care privacy and security issues to advise the Board regarding such issues for programs and services offered by the Corporation. General meetings and deliberations of the Committee shall encourage the participation of interested parties. The Committee shall meet in closed session when discussing privacy and security issues related to specific organizations or individuals. The Committee shall periodically, but not less than annually, provide a report to the Board regarding Corporation privacy and security issues.

Section 2. Other Committees. The Board may establish other advisory or other Board committees as they deem necessary and desirable with such purposes, powers and duties as the Board may prescribe.

June 6, 2007

Section 3. Quorum and Action. A quorum at a committee meeting shall be a majority of appointed committee members in office immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of the committee members present.

Section 4. Limitations on the Powers of Committees. No committee may take any action beyond the scope of the authorities established by these Bylaws and the Board. No committee may authorize payment of the dividend or any part of the income or profit of the Corporation to its Directors or officers; may approve dissolution, merger, or the sale, pledge, or transfer of the Corporation's assets; may elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees; nor may adopt, amend, or repeal the Articles or Bylaws.

Article VI: Officers

Section 1. Titles. The officers of this Corporation shall be the President, Vice President, Secretary, and Treasurer.

Section 2. Election. The Board shall elect the officers to serve one year terms. An officer may be reelected without limitation on the number of terms the officer may serve.

Section 3. Vacancy. A vacancy of President, Vice President, Secretary, or Treasurer which may occur between annual meetings shall be filled by the Board at the first regular meeting of the Board following the vacancy.

Section 4. Other Officers. The Board may elect or appoint other officers, agents and employees as it shall deem necessary and desirable. They shall hold their offices for such terms and have such authority and perform such duties as shall be determined by the Board.

Section 5. President. The President of the Board shall be the chief officer of the Corporation. The President shall have any other powers and duties as may be prescribed by the Board.

Section 6. Vice President. The Vice President shall preside over meetings of Board or Executive Committee when the President is unable to do so. The Vice President shall assume other duties as delegated by the President. The Vice President shall have any other powers and duties as may be prescribed by the Board.

Section 7. Secretary. The Secretary shall have overall responsibility for all record-keeping. The Secretary shall perform, or cause to be performed, the following duties; (a) official recordings of the minutes of all proceedings of the Board and Executive Committees' meetings and actions; (b) provision for notice of all meetings of the Board; (c) authentication of the records of the Corporation; and (d) any other duties as may be prescribed by the Board.

Section 8. Treasurer. The Treasurer shall have overall responsibility for all financial record-keeping of all corporate funds. The Treasurer shall perform, or cause to be performed, the following duties: (a) keeping of full and accurate accounts of all financial

June 6, 2007

records of the Corporation; (b) deposit of all the names and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Executive Committee; (c) disbursement of all funds when proper to do so; (d) making financial reports as to the financial conditions of the Corporation to the Board; and (e) any other duties as may be prescribed by the Board of Directors.

Article VII: Corporate Indemnity

This Corp. will indemnify its officers and Directors to the fullest extent allowed by Oregon law.

Article VIII: Amendment to Bylaws

These Bylaws may be amended, and new Bylaws adopted by the Board by majority vote of Directors present, if a quorum is present. Prior to the adoption of the amendment, each Director shall be given at least fourteen (14) days notice of the date, time, and place of the meeting at which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider a proposed amendment to the Bylaws and shall contain a copy of the proposed amendment. Such amendments must be ratified by a two-thirds vote of the Founders Council. Prior to the ratification of the amendment, each Founders Council member shall be given at least fourteen (14) days notice of the date, time, and place of the meeting at which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider ratifying an amendment to the Bylaws and shall contain a copy of the proposed amendment to be ratified.

ADOPTED BY THE BOARD OF DIRECTORS:

DATE _____

Appendix D

METROPOLITAN PORTLAND HEALTH INFORMATION EXCHANGE

Board of Directors

Director Nomination Criteria Suggestions

GENERAL CRITERIA FOR DIRECTORS

Understanding and support of the MPHIE vision.

Ability to work effectively in diverse multi-stakeholder forums.

Senior organization level role and experience; prior board experience.

BOARD STAKEHOLDER SECTORS

Two directors are to be chosen for each stakeholder sector or group. Directors are normally appointed for two-year terms with half the terms expiring each year. Therefore, for the first year appointments one half of the directors are to be appointed for a one-year term and one half of the directors are to be appointed for a two-year term.

POSSIBLE TARGET ROLES AND ORGANIZATION AFFILIATIONS

STAKEHOLDER GROUPS	TARGET ROLES - AFFILIATIONS
Clinical Providers	Physician practice leader Medical society leader (staff or member)
Hospitals	Hospital/ health system CEO, COO, CFO Hospital/health system CMO, CMIO, CIO Hospital association leader (staff)
Health Plans	Plan CEO, COO, CMO, CMIO, CIO FCHP CEO, COO, CMO, CMIO, CIO
Purchasers	Multi-employer plan leader Large employer CEO, COO, C-HR-O Public purchaser leader Purchaser coalition leader (staff or member)
Consumers	Disease association leader (staff or volunteer) Consumer group leader (staff or volunteer)

OTHER DESIRABLE DIRECTOR CRITERIA

At least one director with some financial expertise.

One director from a governmental or public agency

Appendix E

Metropolitan Portland Health Information Exchange Founders Council Organizational Meeting Agenda _____, 2007

Agenda

1. Introductions
2. Review of MPHIE development
3. Review of MPHIE governance structure, bylaws and role of the Founders Council
4. Approval of MPHIE bylaws
5. Appointment of MPHIE Directors

Metropolitan Portland Health Information Exchange Board of Directors Organizational Meeting Agenda _____, 2007

Agenda

1. Introductions
2. Review of MPHIE development
3. Review of MPHIE governance structure, bylaws and roles of the Founders Council and Board
4. Approval of MPHIE bylaws
5. Election of Officers
6. Organizational policies review and approval (necessary for 501(c)(3) filing)
 - a. Conflict of interest
 - b.
7. Resolution to file 501(c)(3) application with IRS
8. Delineation of powers and authorities policies
 - a. Banking resolution and disbursing authority
9. Other organizational matters

Metropolitan Portland Health Information Exchange Board of Directors First Regular Meeting Agenda _____, 2007

Agenda

1. Introductions
2. Review of MPHIE development
3. Review MPHIE development and implementation plan
4. Authorizations to commence next development stages
 - a. Agreements for contractors to provide interim services
 - b.
5. Information practices policies review and approval
6. Appointment of Privacy and Security Committee

Appendix F

The MPHIE Mobilization Planning effort was commissioned and financed by the Oregon Business Council's Health Information Exchange Leadership Group. The project leadership team (Tiger Team) provided oversight and leadership in guiding the development of the planning included:

Andrew Davidson, Oregon Association of Hospital and Health Systems

Janice Forrester, PhD, The Regence Group

Dick Gibson, MD, PhD, MBA Providence Health Systems & Legacy Health Systems

Jody Pettit, MD, Oregon Health Care Quality Corporation & Office for Oregon Health Policy and Research

The Mobilization Planning effort was staffed by Oregon Health Care Quality Corporation. Staff and sub-contractors who contributed to various portions of this report include:

Nancy Clarke

Jody Pettit, MD

Tom Ricciardi, PhD

David Witter, Witter & Associates

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(503) 860-1278

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(503) 241-3571

The Mobilization Planning effort builds upon the report to the Oregon Business Council (OBC) Data Exchange Group titled "Oregon Health Information Exchange Options" dated May 15, 2006 available at <http://www.q-corp.org/q-corp/images/public/pdfs/OR%20HIE%20Options.pdf>.

The Mobilization Planning effort report relies on a number of sources of information including published studies, publications and reports of major organizations involved in health information exchange, and information collected from other regional health information organizations (RHIOs) and health information exchanges (HIEs) and interviews and discussion with clinicians and other stakeholders in the community.

Key Mobilization Planning documents include

June 6, 2007

- MPHIE Final Report
- Metropolitan Portland Area Health Care Environment.
- MPHIE Technology Plan.
- MPHIE Privacy and Security Assessment.
- MPHIE Governance Plan.
- MPHIE Business Plan.
- MPHIE Operations Plan.



Metropolitan Portland Health Information Exchange Governance Plan 2.0

Results and Reports Retrieval System

Last Updated: 6/6/2007 2:19 PM

Contacts:

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Table of Contents

Appendix A6
Appendix B 14
Registered Agent 14
Address for Mailing Notices..... 14
Distribution of Assets Upon Dissolution..... 14
Type of Corporation (SELECT ONLY ONE)..... 14
Contact Name (TO RESOLVE QUESTIONS WITH THIS FILING.) 15
Appendix C 18
Article VII: Corporate Indemnity 22
Article VIII: Amendment to Bylaws..... 22
Appendix D..... 23
Appendix E 24
Appendix F 25

Introduction:

Following are the critical conceptual elements recommended for establishing the governance of the Metropolitan Portland Health Information Exchange. Appendix A provides additional options that were explored, and the rationale for the final recommendations. Appendices B-F provide the tools necessary for establishing and initiating governance.

Source of Authority:

The source of authority for the MPHIE should derive from its credibility as a multi-stakeholder, mission-driven organization that is governed by respected community leaders. A government authorization for MPHIE is not considered necessary or helpful at this time. Opportunities to engage government in the partnership should be considered at a future date, and may require legislation to manage the relationship. A relationship with the Medicaid agency and its information systems may prove fruitful at a future date.

Legal Entity:

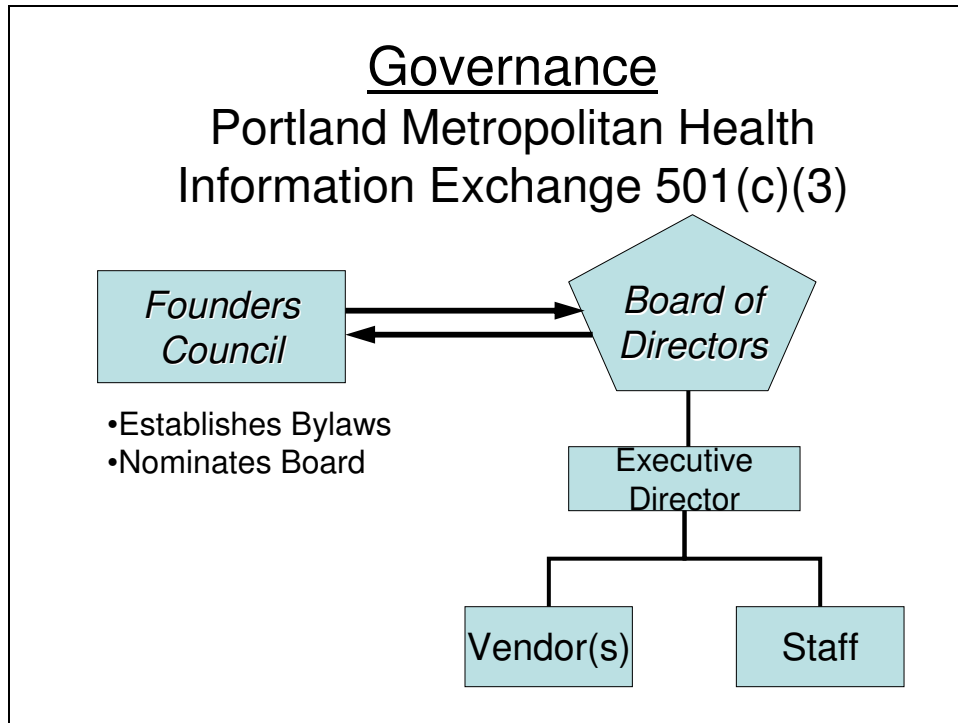
A new organization incorporated as a 501(c)(3) non-profit with the sole initial mission to implement the Portland Metropolitan Health Information Exchange is recommended. A non-profit is preferred because it can accept foundation and government funding. It conveys the community-wide purpose. It establishes the principle of transparency. Though some stakeholders are interested in a for-profit enterprise, the business case does not currently justify this approach. Current governance development will not preclude future addition of a for-profit enterprise if the opportunity emerges. Articles of Incorporation are included as Appendix B.

Governance Structure:

The organization should be managed by a stable, predicable, Board of Directors who can provide continuity and leadership and direction. The Board of Directors must be structured in a way that will engender trust and encourage:

- Organizations to fund it
- Organizations to provide core data
- Patients/consumers to opt in to participate
- Physicians to use it

The organization also must be sufficiently accountable to the organizations who are providing the funding for development of the MPHIE. The number of organizations providing funding may change over time. In order to balance these two strategic needs the MPHIE will be managed with authority split between a Founders Council and a Board of Directors. The Founders Council will be responsible for appointing the Board of Directors and approving bylaws. The Directors will be responsible for running the organization.



Following are key features of the Board:

- The Board of Directors is responsible to develop the vision for health information exchange in metropolitan Portland. The Board has the authority to establish strategic direction, develop policy, hire the Chief Executive Officer, and exercise oversight of the operations of the PMHIE to assure adherence to the vision.
- The Directors must be highly respected community leaders with the power to leverage resources and build trust. The community must have faith that these individuals will operate in the broad community interest, rather than representing their own institutions. As a group, the individuals must bring the skill set that can establish policy, select the top management, raise resources and guide the organization to financial sustainability.
- Directors shall serve two or three year terms, with a maximum of two full terms before waiting one year. Initial terms of the Directors may be staggered to promote continuity in leadership.
- Directors may be removed only for failure to perform their duties.

Committees

- The MPHIE will have a robust committee process to encourage broad stakeholder participation in the development and management of the exchange, regardless of ability to pay. The by-laws will allow establishment of committees as needed to address issues such as legal, technical, consumer, financial, clinical and evaluation concerns.

- The by-laws will mandate the existence, structure and duties of a Privacy and Security Council. Membership will include independent authorities sufficient to assure community trust in the PMHIE.

Membership on the Board of Directors and Founders Council

As proposed, the Board of Directors will consist of ten directors as follows:

- 2 health plans
- 2 hospital/delivery systems
- 2 physicians
- 2 purchasers
- 2 consumers

One or more of the Directors should be a public sector representative. Criteria for selecting the Board of Directors is suggested in Appendix D.

The Directors will be appointed by a Founders Council. The Council shall consist of one representative from each health system, health plan, health care provider organization, government organization, or purchaser that commits to contribute a fixed amount per year for three years to the PMHIE. Founders will select their own representative. The amount required to join the Council will be determined by the initial group agreeing to provide the seed funding.

The Founders Council will have authority for replacing directors only when vacancies occur or when directors fail to perform their duty.

Three years from initial formation of the organization, the Founders Council is required to reconfigure its membership structure and fees in order to create appropriate representation for all entities that support the PMHIE including through memberships, user fees, subscriptions, grants, data purchasers and other mechanisms.

Conduct

By-laws

- The organization shall function to the extent possible through explicit and transparent processes adopted in by-laws. This includes full and open meetings with advance notice and minutes. Exceptions should be declared when necessary for such things as conducting procurement or discussing personnel issues.
- All officers must scrupulously avoid conflicts of interest, including the appearance of conflict of interest. This includes a process for individuals to declare conflicts, recuse themselves from decision-making and/or requesting recusal of others.
- The PMHIE will rapidly evolve and therefore require flexibility in operations & ability to change. By-laws will contain reasonable procedures for modification and updating.

A proposed set of by-laws is included as Appendix C. The agenda for the organizational meeting of the Founders Council, the organizational meeting of the Board of Directors and the first regular meeting of the Board of Directors are provided in Appendix E. Following these agendas will assure that governance critical issues are completed.

Appendix A

Portland Metropolitan Health Information Exchange Governance Proposal Options

Selection of the Board of Directors

Three options are proposed for appointment of the Board of Directors

Option A

- The Board will consist of ten directors as follows:
 - 2 health plans
 - 2 hospital/delivery systems
 - 2 physicians
 - 2 purchasers
 - 2 consumers

One or more of the Directors should be a public sector representative

- The initial directors will be selected by the OBC Leadership Group based on recommendations from the Tiger Team
- The Board of directors will elect replacements according to by-laws

Option B

- The Board of Directors will consist of two types of seats: founders and partners.
- **Founding organizations** are health systems, health plans, health care providers, government organizations, and purchasers that commit to contribute at least \$xxx,xxx¹ per year for three years to the PMHIE. Founders will have one seat on the Board and will select their own representative.
- The Founding Directors will establish additional **Invited Partners** seats in order to broaden the stakeholder representation on the Board. The fee amounts for these additional seats will be established according to ability to pay. Voting procedures for founders and invited partners will be established in by-laws by the Founders.
- The Board may also establish non-voting membership classes for additional partners. These non-voting seats will encourage health information technology vendors and other interested partners to contribute to the development of the PMHIE through financing and expertise.
- Three years from initial formation of the organization, the Board of Directors will be required to reconfigure its membership structure and fees in order to create appropriate representation for all entities that support the PMHIE including through memberships, user fees, subscriptions, grants, data purchasers and other mechanisms.
- Organizations must identify qualified individuals to represent their interests on the Board. Individuals must have the ability to make decisions on behalf of the organization and be willing to participate consistently.

Option C

- The Board will consist of ten directors as follows:

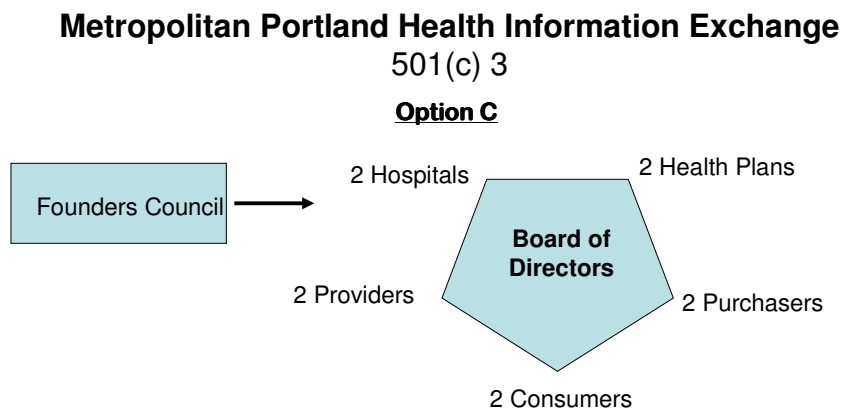
¹ Amount may be equal or be based on size (members, beds or gross revenue?) or be based on expected benefit

- 2 health plans
- 2 hospital/delivery systems
- 2 physicians
- 2 purchasers
- 2 consumers

One or more of the Directors should be a public sector representative

- The Directors will be appointed by a Founders Council. The Council shall consist of one representative from each health system, health plan, health care provider organization, government organization, or purchaser that commits to contribute at least \$xxx,xxx² per year for three years to the PMHIE. Founders will select their own representative.
- The Founders Council will have authority for replacing directors only when vacancies occur or when directors fail to perform their duty.
- Three years from initial formation of the organization, the Founders Council is required to reconfigure its membership structure and fees in order to create appropriate representation for all entities that support the PMHIE including through memberships, user fees, subscriptions, grants, data purchasers and other mechanisms.

Figure 3



- Organizations purchase a permanent seat on the Founders Council by contributing \$XXX,XXX* per year for three years to the exchange
- Founders Council appoints the Board of Directors according to by-laws
- Two/three year staggered terms
- Founder's Council selects replacements according to established by-laws
- At least one director should represent public sector interests

² Amount may be equal or be based on size (members, beds or gross revenue?) or be based on expected benefit

Examples from Six Health Information Exchange Organizations

eHealth Connecticut Governance Research

Legal Status

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO
501(c)3	LLC/501(c)3	501(c)3	501(c)3	501(c)3	501(c)3

eHealth Connecticut Governance Research Organizations Represented on Board Constituencies

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO Proposed
Expected Board representation from existing working group members which represent a broad spectrum of payors, hospitals, health plans, healthcare quality organizations, healthcare related foundations	The Board of Managers includes two directors and the Chief Executive Officer of MHDC. The remaining membership is comprised of user/customer organizations which will purchase services from MA-SHARE, including major health plans, provider organizations and	Appointed Directors: City, County HD State Health Dept, State University Medical School, Hospitals/Integrated Health Systems (5), Medical Society, Employer Group, Community Directors, At-large elected by appointed directors	Current representation: 4 appointed by Governor, 5 appointed by Founding Medical Centers members (1 each), 1 by state health and human services dept., chair of Standing Advisory Committee; 21 "class directors" who must be employed by or be an officer or d	Board Members are a diverse representation of healthcare organizations, hospitals, payers, business, physicians and other providers, nurses, academe, high ranking officials in state government, and representatives from other health care quality organizati	Assoc. & Orgs; Health Care Providers; Health Plans; Government (Federal, State and Local); Consumer; Employers; Foundation; Research/in formatics; Health Care Stakeholders; HIT Projects

eHealth Connecticut Governance Research

Funding – Seed Money

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO
\$3.7M as of March 2005	Year 1 funding = \$615K grant, Year 2 funding = \$1.1M including \$400K eHealth Initiative contract	BioCrossroads; government grants/contracts & foundation funds	NA	~\$750K in voluntary contributions for one year from payors and a large health system	To be determined

eHealth Connecticut Governance Research

Funding Schedule

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO Proposed
Not yet developed.	Annual dues cover cost of membership and core services. There are also fees for data services in addition to core.	By customer per service provided	Dues are billed to members on the annual anniversary when they joined the org and are determined by the Board.	No dues structure developed yet. Reliance on voluntary contributions.	To be determined

eHealth Connecticut Governance Research

Number of Board Members

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO Proposed
Between 11 and 21 voting Members	10 Members nominated by MHDC Board of Directors	Currently includes 15 members	Up to 36, currently 34	Between 9 and 25 per by-laws, currently 14	21

eHealth Connecticut Governance Research

Term Length

CalRHIO	MA-Share	Indiana Health Information Exchange	North Carolina Healthcare Information and Communications Alliance	Rhode Island Quality Institute	CT RHIO
3 years, max of three consecutive terms allowed before waiting one year	1 year term, max of three consecutive terms	*	3 years – no limit to # of terms; only limit for “class directors” (see next block) if an individual ceases to be affiliated with the “member” organization.	4 years, max of three consecutive terms allowed before rotation	3 years / max. of 2 full consecutive terms

Appendix B



Phone: (503) 986-2200
Fax: (503) 378-4381

Articles of Incorporation—Nonprofit

Secretary of State
Corporation Division
255 Capitol St. NE, Suite 151
Salem, OR 97310-1327
FilingInOregon.com

REGISTRY NUMBER: _____
For office use only

In accordance with Oregon Revised Statute 192.410-192.490, the information on this application is public record.

We must release this information to all parties upon request and it will be posted on our website.

For office use only

Please Type or Print Legibly in **Black Ink**. Attach Additional Sheet if Necessary.

1) NAME: **Metropolitan Portland Health Information Exchange**

2) _____ 7) WILL THE CORPORATION HAVE MEMBERS? YES NO

Registered Agent

Nancy Clarke

3) REGISTERED AGENT'S PUBLICLY AVAILABLE ADDRESS (Must be an Oregon Street Address, which is identical to the registered agent's business office. Must include city, state, zip; No PO boxes.)

**c/o Oregon Health Care Quality Corp
619 SW 11TH AVE, SUITE 221**

Portland, OR 97205

4) _____

Address for Mailing Notices

**c/o Oregon Health Care Quality Corp
PO BOX 40654**

Portland, OR 97240

5) _____

5) OPTIONAL PROVISIONS: SEE ATTACHED ARTICLE 5

SEE ATTACHED ARTICLE 8

6) Type of Corporation (SELECT ONLY ONE)

Public Benefit Mutual Benefit Religious

9) INCORPORATORS (List names and addresses of each incorporator. Attach a separate sheet if necessary.)

NAME

STREET ADDRESS

CITY/STATE/ZIP

Nancy Clarke

**c/o Oregon Health Care
Quality Corp
619 SW 11TH AVE, SUITE 221**

Portland, OR 97205

Denise Honzel

c/o Oregon Health Care
Quality Corp
619 SW 11TH AVE, SUITE 221

Portland, OR 97205

10) **EXECUTION** (All Incorporators must sign. Attach a separate sheet if necessary.)
By my signature, I declare as an authorized authority, that this filing has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. Making false statements in this document is against the law and may be penalized by fines, imprisonment or both.

Signature

Date

_____	_____
_____	_____
_____	_____

11) **DAYTIME PHONE NUMBER** (Include area code.)

Contact Name (TO RESOLVE
QUESTIONS WITH THIS FILING.)

Nancy Clarke

503-241-3571

FEES

Required Processing Fee \$50
Confirmation Copy (Optional) \$5

Processing Fees are nonrefundable.

Please make check payable to
"Corporation Division."

NOTE:

Fees may be paid with VISA or MasterCard. The card number and expiration date should be submitted on a separate sheet for your protection.

June 6, 2007

**ARTICLES OF INCORPORATION
OF
Metropolitan Portland Health Information Exchange**
(an Oregon Nonprofit Corporation)

Article 1 - Name of Corporation

The name of this corporation is **Metropolitan Portland Health Information Exchange** (hereinafter referred to as the "Corporation").

Article 5 – Optional Provisions

Article 5. Section 1 – Purpose: The purposes for which this Corporation is organized are as follows:

Corporation is organized exclusively for charitable, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Corporation is organized for the purpose of operating a health information exchange and related services to enhance clinical care in the community and the public's health by (1) facilitating timely and secure access by health care providers (physicians and other clinicians) to clinical information between the various organization in the community that have such information and (2) such other activities that help to improve the quality of health care provided in the community.

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by any organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

June 6, 2007

Article 8 – Distribution of Assets Upon Dissolution

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for the public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for the purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Appendix C

METROPOLITAN PORTLAND HEALTH INFORMATION EXCHANGE Bylaws May, 2007

Article I: Purpose

This Corporation shall be organized and operated exclusively for charitable, scientific, and educational purposes. Subject to the limitations stated in the Articles of Incorporation, the purposes of this Corporation shall be to engage in any lawful activities none of which are for profit, for which Corporations may be organized under Chapter 65 of the Oregon Revised Statutes (or its corresponding future provisions) and section 501(c)(3) of the Internal Revenue Code of 1954 (or its corresponding future provisions).

This Corporation's primary purpose shall be for the public benefit, including but not limited to activities that result in improving the exchange of clinical and other health care information between providers within the community and other activities related thereto.

Article II: Nonmembership

This Corporation shall have no members.

Article III: Board of Directors

Section 1. Duties. The affairs of the Corporation shall be managed and controlled by the Board whose concern it shall be to establish goals and policies for the Corporation and maintain its financial integrity in compliance with applicable federal, state and local statutes, rules and regulations.

Section 2. Number and Qualifications. There shall be ten (10) Directors of the Corporation with two (2) Directors each representing five (5) stakeholder groups of clinician providers, hospitals, health plans, purchasers, and consumers.

Section 3. Term. The term of office for Directors shall be two years with the terms of half of the directors expiring in alternate years. A Director may be reappointed without limitation on the number of terms he or she may serve.

Section 4. Appointment of Directors. The Directors will be appointed by the Founders Council as described in Article IV.

Section 5. Removal of Directors. Any Director may be removed, with or without cause, by a vote of two-thirds of the Board.

Section 6. Vacancies. Vacancies on the Board will be filled by appointment by Founders Council as described in Article IV.

Section 7. Quorum and Action. A quorum at a board meeting shall be a majority of the number of Directors appointed to office immediately before the meeting begins. If a

June 6, 2007

quorum is present, action is taken by a majority vote of the Directors present, except as otherwise provided by these Bylaws. Where the law requires a majority vote of the Directors in office to establish committees to exercise Board functions, to amend the articles of incorporation, to sell assets not in the regular course of business, to merge or to dissolve, or for other matters, such action is taken by that majority as required by law.

Section 8. Regular Meetings. Regular meetings of the Board shall be held at the time and place determined by the Board. No other notice of the date, time, place, or purpose of these meetings is required. An annual meeting will be held at a time and place set each year by the Board for the purpose of electing the Executive Committee, Corporation officers, and other business that shall be deemed necessary by the Board.

Section 9. Special Meetings. Special meetings of the Board shall be held at the time and place to be determined by the Board. Notice of such meetings, describing the date, time, place, and purpose of the meeting, shall be delivered to each director or personally or by telephone, e-mail, or by mail not less than two days prior to the special meeting.

Section 10. Meeting by Telecommunications. Any regular or special meeting of the Board may be held by telephone or telecommunications in which all Directors participating may hear comments by all other Directors.

Section 11. No Salary. Directors shall not receive salaries for their Board services, but may be reimbursed for expenses related to Board service.

Section 11. Action by Consent. Any action required by law to be taken at a meeting of the Board or any action which may be taken at a Board meeting, may be taken with or without a meeting if a consent in writing, setting forth the action to be taken or so taken, shall be signed by all the Directors.

Article IV: Founders Council

Section 1. Duties. The Founders Council shall be responsible for (a) the selection and appointment of the Directors of the Corporation and (b) approval of changes to the bylaws of the Corporation.

Section 2. Number and Qualifications. There shall be up to ten (10) members (identified as "Founders") of the Founders Council. The ten organizations providing the largest financial support within the previous twelve months but at least \$50,000 to the Corporation in the form of contributions, grants, subscriptions fees and/or other service fees in support of the planning, development, operations and services of the Corporation shall be entitled to appoint a Founder representative. In the event that an eligible organization declines to appoint a Founder representative, the right to appoint a Founder shall pass to the next largest eligible organization.

Section 3. Term and Appointment. The term of office for Founders shall be for one (1) year or until the subsequent representatives to the Founders Council are appointed. A Founder may be reappointed by their organization without limitation on the number of terms he or she may serve as long as the organization is eligible to designate a Founder

June 6, 2007

representative. An organization eligible to designate an appointee to the Founders Council may change the designated Founder representative at any time.

Section 4. Removal. Any Founder may be removed, with or without cause, by a vote of two-thirds of the other Founders.

Section 5. Vacancies. Vacancies on the Founders Council will be filled by appointment of a replacement Founder by the qualifying organization eligible to appoint a representative to the Founders Council.

Section 6. Quorum and Action. A quorum at a Founders Council meeting shall be seventy percent (70%) of the number of Founders appointed immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of the Founders present.

Section 7. Regular Meetings. An annual meetings of the Founders Council shall be held at the time and place determined by the Founders Council for the purpose of electing the selecting and appointing Directors of the Corporation.

Section 8. Special Meetings. Special meetings of the Founders Council shall be held at the time and place to be determined by the Founders Council or at the request of the Board to fill vacancies on the Board. Notice of such meetings, describing the date, time, place, and purpose of the meeting, shall be delivered to each Founder or personally or by telephone, e-mail, or by mail not less than two days prior to the special meeting.

Section 9. Meeting by Telecommunications. Any regular or special meeting of the Founders Council may be held by telephone or telecommunications in which all Founders participating may hear comments by all other Founders.

Section 10. No Salary. Founders shall not receive salaries for their Council services, but may be reimbursed for expenses related to Council service.

Section 11. Action by Consent. Any action which may be taken at a Council meeting, may be taken with or without a meeting if a consent in writing, setting forth the action to be taken or so taken, shall be signed by all the Founders.

Article V: Committees

Section 1. Privacy and Security Committee. The Board shall appoint a Privacy and Security Committee of at least six individuals familiar with health care privacy and security issues to advise the Board regarding such issues for programs and services offered by the Corporation. General meetings and deliberations of the Committee shall encourage the participation of interested parties. The Committee shall meet in closed session when discussing privacy and security issues related to specific organizations or individuals. The Committee shall periodically, but not less than annually, provide a report to the Board regarding Corporation privacy and security issues.

Section 2. Other Committees. The Board may establish other advisory or other Board committees as they deem necessary and desirable with such purposes, powers and duties as the Board may prescribe.

June 6, 2007

Section 3. Quorum and Action. A quorum at a committee meeting shall be a majority of appointed committee members in office immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of the committee members present.

Section 4. Limitations on the Powers of Committees. No committee may take any action beyond the scope of the authorities established by these Bylaws and the Board. No committee may authorize payment of the dividend or any part of the income or profit of the Corporation to its Directors or officers; may approve dissolution, merger, or the sale, pledge, or transfer of the Corporation's assets; may elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees; nor may adopt, amend, or repeal the Articles or Bylaws.

Article VI: Officers

Section 1. Titles. The officers of this Corporation shall be the President, Vice President, Secretary, and Treasurer.

Section 2. Election. The Board shall elect the officers to serve one year terms. An officer may be reelected without limitation on the number of terms the officer may serve.

Section 3. Vacancy. A vacancy of President, Vice President, Secretary, or Treasurer which may occur between annual meetings shall be filled by the Board at the first regular meeting of the Board following the vacancy.

Section 4. Other Officers. The Board may elect or appoint other officers, agents and employees as it shall deem necessary and desirable. They shall hold their offices for such terms and have such authority and perform such duties as shall be determined by the Board.

Section 5. President. The President of the Board shall be the chief officer of the Corporation. The President shall have any other powers and duties as may be prescribed by the Board.

Section 6. Vice President. The Vice President shall preside over meetings of Board or Executive Committee when the President is unable to do so. The Vice President shall assume other duties as delegated by the President. The Vice President shall have any other powers and duties as may be prescribed by the Board.

Section 7. Secretary. The Secretary shall have overall responsibility for all record-keeping. The Secretary shall perform, or cause to be performed, the following duties; (a) official recordings of the minutes of all proceedings of the Board and Executive Committees' meetings and actions; (b) provision for notice of all meetings of the Board; (c) authentication of the records of the Corporation; and (d) any other duties as may be prescribed by the Board.

Section 8. Treasurer. The Treasurer shall have overall responsibility for all financial record-keeping of all corporate funds. The Treasurer shall perform, or cause to be performed, the following duties: (a) keeping of full and accurate accounts of all financial

June 6, 2007

records of the Corporation; (b) deposit of all the names and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Executive Committee; (c) disbursement of all funds when proper to do so; (d) making financial reports as to the financial conditions of the Corporation to the Board; and (e) any other duties as may be prescribed by the Board of Directors.

Article VII: Corporate Indemnity

This Corp. will indemnify its officers and Directors to the fullest extent allowed by Oregon law.

Article VIII: Amendment to Bylaws

These Bylaws may be amended, and new Bylaws adopted by the Board by majority vote of Directors present, if a quorum is present. Prior to the adoption of the amendment, each Director shall be given at least fourteen (14) days notice of the date, time, and place of the meeting at which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider a proposed amendment to the Bylaws and shall contain a copy of the proposed amendment. Such amendments must be ratified by a two-thirds vote of the Founders Council. Prior to the ratification of the amendment, each Founders Council member shall be given at least fourteen (14) days notice of the date, time, and place of the meeting at which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider ratifying an amendment to the Bylaws and shall contain a copy of the proposed amendment to be ratified.

ADOPTED BY THE BOARD OF DIRECTORS:

DATE _____

Appendix D

METROPOLITAN PORTLAND HEALTH INFORMATION EXCHANGE

Board of Directors

Director Nomination Criteria Suggestions

GENERAL CRITERIA FOR DIRECTORS

Understanding and support of the MPHIE vision.

Ability to work effectively in diverse multi-stakeholder forums.

Senior organization level role and experience; prior board experience.

BOARD STAKEHOLDER SECTORS

Two directors are to be chosen for each stakeholder sector or group. Directors are normally appointed for two-year terms with half the terms expiring each year. Therefore, for the first year appointments one half of the directors are to be appointed for a one-year term and one half of the directors are to be appointed for a two-year term.

POSSIBLE TARGET ROLES AND ORGANIZATION AFFILIATIONS

STAKEHOLDER GROUPS	TARGET ROLES - AFFILIATIONS
Clinical Providers	Physician practice leader Medical society leader (staff or member)
Hospitals	Hospital/ health system CEO, COO, CFO Hospital/health system CMO, CMIO, CIO Hospital association leader (staff)
Health Plans	Plan CEO, COO, CMO, CMIO, CIO FCHP CEO, COO, CMO, CMIO, CIO
Purchasers	Multi-employer plan leader Large employer CEO, COO, C-HR-O Public purchaser leader Purchaser coalition leader (staff or member)
Consumers	Disease association leader (staff or volunteer) Consumer group leader (staff or volunteer)

OTHER DESIRABLE DIRECTOR CRITERIA

At least one director with some financial expertise.

One director from a governmental or public agency

Appendix E

Metropolitan Portland Health Information Exchange Founders Council Organizational Meeting Agenda _____, 2007

Agenda

1. Introductions
2. Review of MPHIE development
3. Review of MPHIE governance structure, bylaws and role of the Founders Council
4. Approval of MPHIE bylaws
5. Appointment of MPHIE Directors

Metropolitan Portland Health Information Exchange Board of Directors Organizational Meeting Agenda _____, 2007

Agenda

1. Introductions
2. Review of MPHIE development
3. Review of MPHIE governance structure, bylaws and roles of the Founders Council and Board
4. Approval of MPHIE bylaws
5. Election of Officers
6. Organizational policies review and approval (necessary for 501(c)(3) filing)
 - a. Conflict of interest
 - b.
7. Resolution to file 501(c)(3) application with IRS
8. Delineation of powers and authorities policies
 - a. Banking resolution and disbursing authority
9. Other organizational matters

Metropolitan Portland Health Information Exchange Board of Directors First Regular Meeting Agenda _____, 2007

Agenda

1. Introductions
2. Review of MPHIE development
3. Review MPHIE development and implementation plan
4. Authorizations to commence next development stages
 - a. Agreements for contractors to provide interim services
 - b.
5. Information practices policies review and approval
6. Appointment of Privacy and Security Committee

Appendix F

The MPHIE Mobilization Planning effort was commissioned and financed by the Oregon Business Council's Health Information Exchange Leadership Group. The project leadership team (Tiger Team) provided oversight and leadership in guiding the development of the planning included:

Andrew Davidson, Oregon Association of Hospital and Health Systems
Janice Forrester, PhD, The Regence Group
Dick Gibson, MD, PhD, MBA Providence Health Systems & Legacy Health Systems
Jody Pettit, MD, Oregon Health Care Quality Corporation & Office for Oregon Health Policy and Research

The Mobilization Planning effort was staffed by Oregon Health Care Quality Corporation. Staff and sub-contractors who contributed to various portions of this report include:

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The Mobilization Planning effort builds upon the report to the Oregon Business Council (OBC) Data Exchange Group titled “Oregon Health Information Exchange Options” dated May 15, 2006 available at <http://www.q-corp.org/q-corp/images/public/pdfs/OR%20HIE%20Options.pdf>.

The Mobilization Planning effort report relies on a number of sources of information including published studies, publications and reports of major organizations involved in health information exchange, and information collected from other regional health information organizations (RHIOs) and health information exchanges (HIEs) and interviews and discussion with clinicians and other stakeholders in the community.

Key Mobilization Planning documents include

June 6, 2007

- MPHIE Final Report
- Metropolitan Portland Area Health Care Environment.
- MPHIE Technology Plan.
- MPHIE Privacy and Security Assessment.
- MPHIE Governance Plan.
- MPHIE Business Plan.
- MPHIE Operations Plan.