

BYLAWS FOR THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY

PREAMBLE

The Health Benefit Exchange Authority of the District of Columbia is an independent authority of the District of Columbia government responsible for the centralized, transparent insurance marketplace through which individuals and small business owners will have access to comprehensive, affordable health insurance.

DEFINITIONS

1. **Authority** – Shall mean the District of Columbia Health Benefit Exchange Authority (“Authority”), established pursuant to the Establishment Act as an independent authority of the District of Columbia government responsible for the insurance marketplace through which individuals and small business owners will have access to health insurance.
2. **Board** – Shall mean the Executive Board established pursuant to §6 of the Establishment Act (D.C. Official Code §31-3171.05) to govern the Authority.
3. **Commissioner** – Shall mean the Commissioner of the Department of Insurance, Securities, and Banking responsible for the regulation and oversight of the insurance, securities, and banking industries in the District of Columbia.
4. **Establishment Act** – Shall mean the District of Columbia Health Benefit Exchange Establishment Act of 2011, effective March 2, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*).
5. **Federal Act** - Shall mean the Patient Protection and Affordable Care Act of 2010 (P.L. 111-148) as amended by The Health Care and Education Reconciliation Act of 2010 (P.L. 111-152), the comprehensive health care reform law enacted in March 2010.
6. **Fund** – Shall mean the District of Columbia Health Benefit Exchange Authority Fund established pursuant to § 4 of the Establishment Act (D.C. Official Code §31-3171.03).

ARTICLE I NAME

The District of Columbia Health Benefit Exchange Authority.

ARTICLE II LOCATION

The principal office of the Authority shall be located within the District of Columbia, at such place as the Board shall from time to time designate. The Authority may maintain additional offices in the District of Columbia as the Board may designate.

ARTICLE III MISSION & PURPOSE

The Mission of the Authority is to increase the number of individuals in the District who have access to comprehensive and affordable health insurance, provide access to information about health insurance, promote high quality health services, and empower consumers to select the health plan and providers that provide the best value for them.

The purposes of the Authority shall be to:

1. Enable individuals and small employers to find more affordable and easier-to-understand health insurance;
2. Facilitate the purchase and sale of qualified health plans;
3. Assist small employers in facilitating the enrollment of their employees in qualified health plans;
4. Reduce the number of uninsured;
5. Provide a transparent marketplace for health benefit plans;
6. Educate consumers; and
7. Assist individuals and groups to access Medicaid, premium assistance tax credits, and cost-sharing reductions.

ARTICLE IV EXECUTIVE BOARD MEMBERSHIP & OFFICERS

1. The Authority and the Fund shall be governed by the Board, whose membership shall consist of:
 - a. Seven voting members who are residents of the District of Columbia and appointed by the Mayor, with the advice and consent of the District of Columbia Council.
 - b. Four non-voting ex-officio members, or their designees, who shall be the:
 - i. Director of the Department of Health Care Finance;
 - ii. Commissioner of the Department of Insurance, Securities, and Banking;
 - iii. Director of the Department of Health; and
 - iv. Director of the Department of Human Services.
2. Board Member Term of Office
 - a. Appointment, removal, and term length for voting members shall be governed by §6 of the Establishment Act ((D.C. Official Code §31-3171.05).
 - b. The Board may, upon making written findings and by majority vote of the voting members present at a meeting in which a quorum is established, recommend to the Mayor that a voting member be removed pursuant to the Mayor's authority under §6(b)(2)(C) of the Establishment Act (D.C. Official Code §31-3171.05(b)(2)(C)). Reasons for such a recommendation may include absenteeism, malfeasance, conflict of interest, and criminal behavior.
 - c. Except as otherwise required by law, a voting member may resign from the Board at any time by giving notice in writing to the Chair and the Mayor. Such resignation shall take effect at the time specified therein.
3. Board Officers - The voting members of the Board shall elect from within its voting membership a Chair, a Vice-Chair, and a Treasurer/Secretary.
 - a. Annual Elections
 - i. Officers shall be elected in ~~August~~ the third quarter¹ of each year, on a date agreed upon at least 30 calendar days in advance by a majority of the voting members of the Board present at a meeting other than one where voting is to occur. However, this

30-day period may be shortened or eliminated if two-thirds of the voting board members in office agree it is in the best interest of the Authority.

b. Special Elections

- i. When an officer position becomes vacant in a month other than June or July, the Board shall hold a special election. The date of the special election shall be set at least 30 calendar days in advance by a majority vote of the voting members present at the first meeting immediately following the vacancy. However, this 30-day period may be shortened or eliminated if two-thirds of the voting board members in office agree it is in the best interest of the Authority.

c. Voting Procedure

i. Nominations

1. At the meeting where the election date is set, the Chair shall entertain nominations for any officer position by any Board member (voting or non-voting). Nominations may also be heard at the meeting where the election is to occur.
2. Any voting member may nominate another voting member or themselves.
3. In order to be considered for the vote, a nominated voting member must accept the nomination at the Board meeting where voting is to occur. Such acceptances may be announced by the member orally or submitted in a writing published through another Board member physically present at the meeting where voting is to occur. Declinations of a nomination may also be heard orally at the meeting where voting is to occur.

- ii. Elections for each Board Officer, including the Chair, shall be made by majority vote of the voting members present at a meeting in which a quorum is established.

- iii. If a nominee for an Officer position does not receive a majority of the votes from the voting members present, the Board shall immediately hold another round in which only the two candidates receiving the most votes in the first round may compete. If there is a tie for the second highest vote total, the Chair shall hold another round of voting, with all candidates included, until the slate of candidates can be reduced to two and then hold a final round in which only those two candidates compete.

- iv. Abstentions are not permitted.

- d. No member of the Board may hold more than one office concurrently.

- e. As long as the Officer remains a member of the Board, he/she shall serve until the next annual election as defined by paragraph 3(a) of this Article.

- i. An officer may resign from a position without resigning from the Board. In such cases, a special election, as defined by paragraph 3(b) of this Article, shall be called by the Chair or Vice-Chair.

ARTICLE V BOARD DUTIES, AUTHORITY, AND POWERS

As set forth in §7 of the Establishment Act (D.C. Official Code §31-3171.06), and consistent with District and federal law, the Executive Board shall have all the powers necessary to carry out the functions authorized by the Federal Act and consistent with the purposes of the Authority as outlined in §§4 and 5 of the Establishment Act (D.C. Official Code §§31-3171.03 & 31-3171.04). The Board may adopt policies and procedures to implement the provisions of the Establishment Act pertaining to the functions or activities to be performed by the Authority.

ARTICLE VI BOARD MEETINGS

1. Regular meetings of the Board members shall be held no less than every other month at a time and place designated by the Chair.
2. An annual meeting of the Board shall take place in the month of October, the specific date, time, and location of which will be designated by the Chair. At the annual meeting the members shall receive reports on the activities of the Authority and determine the direction of the Authority for the coming year.
3. Special or emergency meetings may be called by the Chair or by a majority of Board members in office (voting and non-voting).
4. By a majority vote of the voting members present at a regular, special, or emergency meeting, the Board may convene an executive session for any of the reasons permitted under D.C. Official Code § 2-575(b).
5. Meeting notices will be distributed consistent with D.C. Official Code § 2-576.
6. No official action may be taken by the Board unless a quorum has been established. A quorum shall consist of a majority of the voting members in office.
 - a. Unless otherwise restricted by these by-laws or District of Columbia regulations, any or all members may participate in a meeting of the Board or a committee of the Board by means of conference call or by any means by which all persons participating in the meeting are able to communicate with one another. Such participation shall constitute presence in-person at the meeting for quorum purposes, and their votes shall be counted when determining the actions of the Board.
7. All issues brought up for vote shall be decided by a simple majority of the voting members present at the meeting in which a quorum is established.
8. Voting
 - a. Each voting member shall have one vote.
 - b. All official actions of the Board must be taken by a public vote.
 - c. No proxy voting is allowed.

- d. On all motions or other matters, "voice" vote may be used. At the discretion of the Chair or at the request of a Board Member, a show of hands or "roll-call" vote shall be conducted.
 - e. The results of all votes and the vote of each member by name must be recorded. Abstentions are to be recorded as such.
9. Each Board member is expected to notify the Chair in advance of all Board meetings if s/he will not be able to attend the meeting or will be participating by conference telephone or other agreed-upon means of communication.

ARTICLE VII COMMITTEES

1. The Board, by resolution adopted by a majority of the voting members present at a meeting in which a quorum is established, may establish one or more committees, each consisting of two or more Board members, which committees shall have and exercise the authority to take testimony, review reports, and make recommendations to the Board regarding any function of the Authority.
2. All recommendations to the Board shall be approved a majority vote of the committee members. Non-voting Board members may vote when serving on a committee.
3. The Board, by a majority vote of the voting members present at a meeting in which a quorum is established, may remove any member of any committee at any time, with or without cause, and may designate one or more members as alternate members of any committee, who may replace any absent or disqualified member of such committee at any meeting of the committee.
4. No committee shall have the power or authority to take any action within the exclusive authority of the Board or that would otherwise bind the Authority, including filling committee vacancies.
5. The Board, by resolution adopted by a majority of the voting members present at a meeting in which a quorum is established, may abolish any committees.

ARTICLE VIII ADVISORY BOARDS

In accordance with §8 of the Establishment Act (D.C. Official Code §31-3171.07), there shall be a standing advisory board. The Board may also create additional advisory boards as it deems appropriate.

ARTICLE IX EXECUTIVE DIRECTOR AND AUTHORITY STAFF

The Executive Director will be hired in accordance with, and have all duties and powers enumerated in, §9 of the Establishment Act (D.C. Official Code §31-3171.08). The Executive Director's powers shall include, but are not limited to, the ability to hire Authority staff, including independent contractors and to organize, administer, and manage the operations of the Authority.

ARTICLE X CONFLICT OF INTEREST

1. Board members are subject to the conflict of interest restrictions enumerated in §11 of the Establishment Act (D.C. Official Code §31-3171.10).
2. If at any time, a Board member fails to comply with the restrictions in §11(a) or (b) of the Establishment Act (D.C. Official Code §31-3171.10(a) or (b)), that member must resign through written notice to the Chair and the Mayor, citing the conflict. Notice of such resignation and the reason therefore, shall be announced at the next meeting of the Board.
3. If at any time, a Board member engages in an activity that creates the appearance of or establishes a conflict of interest, as enumerated under §11(c) of the Establishment Act (D.C. Official Code §31-3171.10(c)), that member must give written notice to the Chair and other Board members, citing the conflict, and recuse themselves from all Board activities regarding the decision with which the member has a conflict of interest. Notice of this conflict shall be announced at the next meeting of the Board and all meetings where the relevant decision, or related matters, is discussed.

ARTICLE XI OPEN MEETINGS

The Board, Committees, and advisory boards shall be subject to the Open Meetings Act, effective March 31, 2011 (D.C. Law 18-350; D.C. Official Code § 2-571 *et seq.*), and therefore may hold closed sessions only pursuant to §405(b) of that Act (D.C. Official Code §2-575(b)).

ARTICLE XII LIMITATION OF LIABILITY

As provided under §13 of the Establishment Act (D.C. Official Code §31-3171.12), there shall not be any liability, in private capacity, on the part of the executive or advisory board members, or any officer, or employee of the executive or advisory board, for or on account of any act performed or obligation entered into in an official capacity when done in good faith, without intent to defraud, and in connection with the administration, management, or conduct of the Authority or affairs related to the Authority

ARTICLE XIII FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of October and end of the last day of September for each year.

ARTICLE XIV APPROVAL OF CONTRACTS

Before the Authority awards any contract that requires the approval of the District of Columbia Council in accordance with D.C. Official Code § 2-352.02, as such may be amended from time to time, and prior to the submission of any such contract to the Council, the Board shall first approve the contract by a resolution passed by a majority of the voting members present at a meeting in which a quorum is established. The Board may establish different approval procedures for all contracts not subject to § 2-352.02.

ARTICLE XV PROMULGATING RULES

Before the Authority promulgates any rules pursuant to its authority under §18 of the Establishment Act (D.C. Official Code § 31-3171.17), the rule must be approved by a majority of the voting members present at a meeting in which a quorum is established.

ARTICLE XVI AMENDMENTS TO BYLAWS

These bylaws may be amended or repealed and replaced by a two-thirds majority of the voting members of the Board in office at any regular meeting or at any special meeting. Amendments must be introduced by a voting member and circulated seven (7) days prior to any regularly scheduled, special, or emergency meeting of the Board where such amendment is to be voted on. If these bylaws are to be repealed and replaced, the text of the replacement must be circulated to all Board members at least 30 days prior to the date on which the Board is to vote on such replacement. If at least two (2) voting members believe an amendment is in the nature of a replacement, the longer circulation period shall apply.