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Amended and Revised August 4, 2022
Amended and Revised April 6, 2023

BYLAWS
OF
ORANGE COUNTY HEALTH AUTHORITY
ORANGE PREVENTION AND TREATMENT INTEGRATED MEDICAL
ASSISTANCE, CalOptima Health (CalOptima)

ARTICLE I
DEFINITIONS

1.1 "Ad Hoc Committee" means a committee or work group composed solely of Directors which are less than a quorum of the Board, which does not have continuing subject matter jurisdiction, and does not have a meeting schedule fixed by charter, ordinance, Resolution or other formal action of the Board.

1.2 "Board" means the Board of Directors of CalOptima.

1.3 "Board of Supervisors" means the Board of Supervisors of the County of Orange.

1.4 "Brown Act" means the Ralph M. Brown Act (Gov. Code § 54950 et. seq.).

1.5 "Bylaws" means the bylaws of CalOptima.

1.6 "Chair" means the Chairperson of the Board of Directors.

1.7 "Chief Executive Officer" means the non-Board officer designated in Section 9.1 of these Bylaws.

1.8 "Committee" shall include both committees and subcommittees of the Board, unless otherwise specified. "Committee" shall not include "Ad Hoc Committees." The Advisory Committees specified in Section 4-11-15 of the Ordinance are Committees.

1.9 "County" means the County of Orange.

1.10 "Director" means a member of the Board of Directors of CalOptima.

1.11 "CalOptima" means the Orange County Health Authority, doing business as Orange Prevention and Treatment Integrated Medical Assistance, doing business as CalOptima Health.

1.12 "Ordinance" means Ordinance No. 3896 of the County of Orange, adding Division 11 to Title 4 of the codified ordinances of the County of Orange.

1.13 “Resolution” means any action taken by the Board which requires a vote and is thereafter evidenced in the Board meeting minutes.

ARTICLE II ORGANIZATION, POWERS AND PURPOSES

2.1 Authority.

a. These Bylaws are adopted by CalOptima to establish rules for its proceedings pursuant to the authority of Section 4-11-13 of the Ordinance. CalOptima is a local public agency and political subdivision of the State of California created by the Ordinance, pursuant to authority for such creation conferred by Welfare and Institutions Code section 14087.54.

b. CalOptima is an entity separate and distinct from the County. Any obligations of CalOptima, statutory, contractual or otherwise, shall be the obligations solely of CalOptima and shall not be the obligations of the County or of the State of California unless expressly provided for in a contract between CalOptima and the County or State of California.

2.2 Purposes.

The purposes of CalOptima are as set forth in the Ordinance.

2.3 Powers.

a. CalOptima shall have and enjoy all rights, powers, duties, privileges and immunities vested in the County pursuant to Article 2.8 (commencing with Section 14087.5) of Chapter 7, Part 3 of Division 9 of the Welfare and Institutions Code, and shall have and enjoy such other rights, powers, duties, privileges and immunities as provided in applicable law or which are necessary and proper to carry out the purposes of CalOptima.

b. Without limiting the generality of Section 2.3(a), CalOptima shall have the right to:

- (1) Acquire, possess and dispose of real or personal property, as may be necessary for the performance of its functions.
- (2) Contract for services to meet its obligations.
- (3) Employ personnel.
- (4) To sue and be sued.
- (5) To adopt a seal and file such seal with the office of the County Clerk and Secretary of State.
- (6) Borrow such funds as may be necessary and proper.

- (7) Other powers as may be specified in the Ordinance and by other provisions of law.

ARTICLE III
OFFICES

3.1 Principal Office.

The principal office for the transaction of business of CalOptima shall be fixed and located at a location within the County designated by the Board.

ARTICLE IV
BOARD OF DIRECTORS

4.1 Powers.

The Board of Directors is the governing body of CalOptima. Except as otherwise provided by the Ordinance or these Bylaws, the powers of CalOptima shall be exercised, its property controlled and its business and affairs conducted by or under the direction of the Board. The Board may delegate the management of CalOptima's activities to any person(s) or Committees, however composed, provided that all the activities and affairs of CalOptima shall be managed and all powers shall be exercised under the ultimate direction of the Board. No assignment, referral or delegation of authority by the Board shall preclude the Board from exercising full authority over the conduct of CalOptima's activities, and the Board may rescind such assignment, referral or delegation at any time.

4.2 Number and Qualifications of Directors.

The number and qualifications of Directors are as set forth in the Ordinance.

4.3 Term of Office.

a. The Board of Supervisors shall establish the term of office for the Director who is also a member of the Board of Supervisors, which term shall not exceed four years or other length of time established by amendment to Section 4-11-12 of the Ordinance.

b. The term of office for the Directors who are not also members of the Board of Supervisors shall be four (4) years; provided, however, that the terms of the original Directors shall be staggered to provide that one-half of those original Directors shall serve a term of three (3) years and the other half shall serve a full term of four (4) years to ensure continuity of policy. The initial appointment terms for such Directors shall be drawn by lots.

c. Directors may serve for a maximum of two (2) terms.

d. An orientation shall be provided which familiarizes each new Director with their duties and responsibilities.

e. In accordance with the Brown Act, any person appointed to serve as a Director who has not yet assumed the duties of their office shall conform their conduct to the requirements of Article 5 below.

4.4 Attendance and Participation.

a. Directors must attend the regular and special meetings of the Board and of Committees to which they are appointed and shall contribute their time and special abilities as may be required for the benefit of CalOptima. If a Director is unable to attend a meeting, he or she shall so inform the Clerk giving the reason therefor, and the Clerk shall in turn inform the Chair who may rule in their sole and absolute discretion that the absence shall be excused. Alternatively, the Chair may recommend to the Board that the absence be deemed unexcused, and the Board shall make the final determination as to whether the absence shall be excused.

b. Failure of a Director to attend a regular or special meeting of the Board, or of Committees to which he or she is appointed, without first notifying the Clerk of an inability to attend the meeting shall, except in cases of emergency or extreme hardship (as determined by the Chair in their sole absolute discretion), be treated as an unexcused absence.

4.5 Vacancies.

With the exception of the Director appointed by the Board of Supervisors who is also a County Supervisor, appointments to the Board are based on the Director's representation of a particular group, such as health care providers or other organizations. A seat on the Board shall become vacant if a Director no longer is a member of, no longer represents, the group that qualified the Director for an appointment to the Board, or otherwise is no longer eligible under applicable law to serve as a Director. Vacancies shall be filled by the Board of Supervisors for the remainder of the unexpired term in accordance with the Ordinance.

4.6 Resignation and Removal.

a. Any Director may be removed from office by a majority vote of the Board of Supervisors favoring such removal.

b. Any Director may resign effective upon giving written notice to the Chair, the Clerk of the Board, and the Clerk of the Board of Supervisors, unless the notice specifies a later time for the effectiveness of such resignation.

c. If a Director has unexcused absences from three consecutive regular meetings or from three of any five consecutive meetings of the Board, the Board may pass a Resolution which recommends that the Board of Supervisors immediately remove such Director from the Board and appoint a successor to fill the remainder of the unexpired term.

4.7 Expenses.

Board members shall be reimbursed for their reasonable traveling, incidental and other expenses, when traveling outside the County, and incurred in the performance of official business of CalOptima, in accordance with a policy as approved by the Board.

4.8 Prohibition on CalOptima Employment

A Director who is also a member of the Board of Supervisors may not be employed by CalOptima for a period of one year after the Director's term expires, or after the Director resigns or is removed from the Board.

ARTICLE V
BOARD MEETINGS

5.1 Board Meeting.

a. A meeting of the Board is any congregation of a majority of the Directors at the same time and place to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the Board.

b. A meeting of the Board is also the use of direct communication, personal intermediaries or technological devices that are employed by a majority of the Directors to develop a collective concurrence as to action to be made on an item by the Directors.

c. A meeting of the Board shall not be construed to exist when any of the following occur:

(1) A Director makes individual contact with any person not a Director.

(2) The attendance of a majority of the Directors at a conference or similar gathering open to the public that involves a discussion of issues of general interest to the public or to public agencies with similar functions or interests as CalOptima, provided that a majority of the Directors do not discuss among themselves business of a specific nature that is within CalOptima's subject matter jurisdiction.

(3) The attendance of a majority of the Directors at an open and publicized meeting organized to address a topic of local community concern by a person or organization other than CalOptima, provided that a majority of the Directors do not discuss among themselves business of a specific nature that is within CalOptima's subject matter jurisdiction.

(4) The attendance of a majority of the Directors at an open and noticed meeting of the legislative body of another local public agency, provided that a majority of the Directors do not discuss among themselves, other than as part of the scheduled meeting, business of a specific nature that is within CalOptima's subject matter jurisdiction.

(5) The attendance of a majority of the Directors at a purely social or ceremonial occasion, provided that a majority of the Directors do not discuss among themselves business of a specific nature that is within CalOptima's subject matter jurisdiction.

5.2 Regular Meetings.

a. Regular meetings of the Board shall be held at a location as may be designated by Board action from time to time by the Board.

b. The Board shall conduct an annual organizational meeting at a regular meeting to be designated in advance by the Board. At the annual organizational meeting, the Board shall:

(1) Adopt a schedule stating the dates, times and places of the Board's regular meetings for the following year. A tentative proposed schedule for the Board's regular meetings shall have been distributed at the regular Board meeting preceding the organizational meeting.

(2) Organize itself by the election of one of its Directors as Chair and one as Vice Chair, and by the election of such other officers as the Board may deem appropriate.

5.2 Notice and Meeting; Agendas.

a. The Chief Executive Officer shall prepare, or cause to be prepared, an agenda for every regular and special meeting of the Board, which shall set forth the time and location of the meeting, and a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of the item generally need not exceed twenty (20) words.

b. At least 72 hours before a regular meeting, the Chief Executive Officer shall cause to be posted the agenda for the meeting in a location that is freely accessible to members of the public.

c. Action may be taken by the Board only on items appearing on the posted agenda. "Action taken" means a collective decision, collective commitment or promise made by a majority of the Directors to make a positive or negative decision, or an actual vote by a majority of the Directors upon a motion, proposal, Resolution or order. No action shall be taken on any item not appearing on the posted agenda, unless one of the following conditions exists:

(1) The Board has determined, by a majority vote, that an emergency situation exists. An emergency situation, for purposes of these Bylaws, means either: (a) a work stoppage

or other activity which severely impairs public health, safety, or both, or (b) a crippling disaster which severely impairs public health, safety, or both.

(2) Upon a determination by a two-thirds vote of the Board, or, if less than two-thirds of the Directors are present, a unanimous vote of those Directors present, that there is a need to take immediate action and that the need for action came to the attention of the Board subsequent to the agenda being posted.

(3) The item was posted, as required above, for a prior meeting of the Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which the action is being taken.

(4) The Board may briefly respond to statements made or questions posed by the public at the meeting. In addition, on its own initiative, or in response to questions posed by the public, the Board may ask a question for clarification, provide a reference to staff or other resources for factual information, or request staff to report back to the Board at a subsequent meeting. Furthermore, a Director or the Board itself may take action to place a matter of business on a future agenda.

d. Except as specified in Sections 5.3(d)(1) and 5.5(b) below, the Clerk shall give mailed notice of every regular meeting, and any special meeting which is called, at least one week prior to the date set for the meeting, to any person who has filed a written request for such notice with the Board.

(1) The Board may give such notice as it deems practical of special meetings called less than seven (7) days prior to the date set for the meeting, or in the case of an emergency meeting, telephonic notice in accordance with Section 5.5(b).

(2) Any request for notice shall be valid for one (1) year from the date on which it is filed unless a renewal request is filed. Renewal requests for notice shall be filed within ninety (90) days after January 1 of each year. The Board may establish by Resolution a reasonable annual charge for sending such notice based on the estimated cost of providing such service.

5.4 Members of the Public.

a. Every agenda for regular meetings shall provide an opportunity for members of the public to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by section 5.3.

b. The Chair may adopt reasonable regulations to ensure that the intent of this section is carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. If further public discussion and comment is needed on a particular issue, the Board may vote to allot further time in the same meeting, or allot time in the agenda of the following meeting.

c. Members of the public shall not be required, as a condition of attendance at a Board meeting, to register their name or provide other information. If an attendance list, register or other similar document is posted or circulated at the meeting, it shall state clearly that the signing, registering or completion of the document is voluntary and that all persons may attend the meeting regardless of whether a person does so.

d. The Board shall not prohibit public criticism of the policies, procedures, programs or services of CalOptima or the acts or omissions of the Board or its officers, employees and/or consultants.

5.5 Special Meetings.

a. A special meeting may be called at any time by the Chair, or by four Directors, by delivering personally or by mail written notice to each Director and to each local newspaper of general circulation, radio or television station requesting notice in writing.

(1) Such notice must be delivered personally or by mail at least 24 hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at special meetings.

(2) The call and notice shall also be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public. Notice shall be required pursuant to this section 5.5 regardless of whether any action is taken at the special meeting.

(3) Such written notice may be dispensed with as to any Director who, at or prior to the time the meeting convenes, files with the Clerk a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any Director who is actually present at the meeting at the time it convenes.

b. In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board may hold an emergency meeting without complying with either the 24-hour notice requirement or the 24-hour posting requirement, or both requirements. For purposes of this section, "emergency situation" shall have the same meaning as in Section 5.3(c)(1).

(1) In the event the notice and/or posting requirements are dispensed with due to an emergency situation, each local newspaper of general circulation and radio or television station which has requested notice of special meetings shall be notified by the Chair, or their designee, one hour prior to the emergency meeting, by telephone. All telephone numbers provided in the most recent request of such newspaper or station for notification of special meetings shall be exhausted. In the event that telephone services are not functioning, the notice requirements of this paragraph shall be deemed waived, and the Board, or its designee, shall notify those newspapers, radio stations or television stations

of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

(2) Notwithstanding Section 5.8(b) of these Bylaws, the Board shall not meet in closed session during a meeting called as an emergency meeting. With the exception of the 24-hour notice and posting requirements, all special meeting requirements prescribed in this section shall be applicable to a meeting called due to an emergency situation.

(3) The minutes of a meeting called due to an emergency situation, a list of persons who the Chair, or his designee, notified or attempted to notify, a copy of the roll call vote, and any actions taken at the meeting shall be posted for a minimum of ten days in a public place as soon after the meeting as possible.

5.6 Quorum and Action at Board Meeting.

a. A majority of the Directors shall constitute a quorum for the transaction of business. Except as otherwise provided by law or these Bylaws, the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. No act of the Board shall be valid unless at least a majority of those Directors constituting a quorum concur therein. Any act of the Board shall be accomplished by a roll call vote when such a vote is requested by any Director in attendance. The Board shall not take action by secret ballot, whether preliminary or final.

b. The Board shall adopt a form of agenda for its regular and special meetings which may include consent, individual action, public, and board comments sections.

c. Items on the meeting agenda shall be considered in order by the Board unless the Chair shall announce a change in the order of consideration.

d. Unless an agenda item specifies a particular source for a report, the Chief Executive Officer, Board staff and consultants shall report first on the item. The item shall then be open to public comment upon recognition of the speaker by the Chair.

e. A Director shall disqualify himself or herself from voting on any matter before the Board, and shall take further appropriate action to remove himself or herself from Board consideration of any such matter, when required pursuant to the provisions of Article XII of these Bylaws or applicable law.

5.7 Adjournment and Continuance.

a. The Board may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If no Directors are present at a meeting, the Clerk may declare the meeting adjourned to a stated time and place and shall cause written notice to be given in the same manner as provided in section 5.5 of these Bylaws for special meetings, unless such notice

is waived as provided for special meetings.

b. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes.

c. The Board may continue any hearing being held or noticed or ordered to be held at any meeting to a subsequent meeting by order or notice of continuance provided in the same manner as set forth above for the adjournment of meetings; provided, that if the meeting is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance of hearing shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

5.8 Public Meetings.

a. Meetings of the Board shall be open to the public, except as otherwise provided herein.

b. The Board may hold closed sessions during a meeting for the following purposes:

(1) To consider the appointment, employment, evaluation of performance or dismissal of a public employee or to hear complaints or charges brought against the employee by another person or employee unless the employee requests a public session. As a condition to holding a closed session on specific complaints or charges brought against an employee by another person or employee, the employee shall be given written notice of their right to have the complaint or charges heard in an open session rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding the session. If notice is not given, any disciplinary or other action taken by the Board against the employee based on the specific complaints or charges in the closed session shall be null and void. The Board may exclude from that public or closed meeting, during the examination of a witness, any or all other witnesses in the matter being investigated by the Board. The term "employee" shall include an officer or an independent contractor who functions as an officer or an employee but shall not include any Director or other independent contractor. During the closed session, the Board shall not discuss or act on an employee's proposed compensation except for a reduction of compensation that results from the imposition of discipline.

(2) To meet with its designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees and for represented employees, any other matter within the statutorily-provided scope of representation. "Employee" shall have the same meaning for this closed session as described in section 5.8(b)(1) above. During the closed session, the Board may include discussions with CalOptima's designated representatives of CalOptima's available funds and funding priorities, but only as these discussions relate

to providing instructions to the designated representatives.

(3) To meet with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for CalOptima, or to give instructions to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease. However, prior to the closed session, the Board shall hold an open and public session in which it identifies the real property or real properties which the negotiations may concern and the person or persons with whom its negotiator may negotiate. For the purposes of this section, the negotiator may be a Director, and "lease" includes renewal or renegotiation of a lease.

(4) Based on advice of its legal counsel, to confer with, or receive advice from, its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of CalOptima in the litigation. Prior to holding a closed session pursuant to this section, the Board shall state on the agenda or publicly announce the subdivision of Government Code section 54956.9 that authorizes the closed session. If the session is closed because of litigation to which CalOptima is a party has been formally initiated, the Board shall state the title of or otherwise specifically identify the litigation to be discussed, unless the Board states that to do so would jeopardize CalOptima's ability to effectuate service of process upon one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage. For purposes of this section, "litigation" includes any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator. For purposes of this section, litigation shall be considered pending when any of the following circumstances exist:

- (a) Litigation to which CalOptima is a party has been formally initiated.
- (b) (i) A point has been reached where, in the opinion of the Board on the advice of its legal counsel, based on existing facts and circumstances, there is significant exposure to litigation against CalOptima, or

(ii) based on existing facts and circumstances, the Board is meeting only to decide whether a closed session is authorized under subparagraph (b)(1) above.
- (c) Based on existing facts and circumstances, the Board has decided to initiate or is deciding whether to initiate litigation.

(5) Any other closed session authorized pursuant to applicable state or federal law or regulation.

c. Prior to holding any closed session, the Board must disclose, in an open meeting, the item or items to be discussed in the closed session. The Board may use the sample closed session agenda descriptions contained in the Brown Act (Gov. Code § 54954.5). The disclosure may take the form of a reference to the item or items as they are listed by number or letter on the

agenda. In the closed session, only those matters covered in the statement can be considered by the Board.

d. After any closed session, the Board shall reconvene into open session prior to adjournment and shall make any disclosures required by the Brown Act concerning final actions.

5.9 Disrupted Meetings.

In the event that any meeting is interrupted by a group or groups of persons rendering the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of individuals who were willfully interrupting the meeting, the Board may order the meeting room closed and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. The Board may establish a procedure for readmitting an individual or individuals not responsible for willfully disrupting the orderly conduct of the meeting.

5.10 Minutes.

The Clerk or designee shall prepare minutes of each meeting of the Board. Except as otherwise provided in the Brown Act for minutes of closed sessions, the minutes shall be an accurate summary of the Board's consideration of the matters before it and an accurate record of each action of the Board. Except for minutes of closed sessions, at a subsequent meeting, the Clerk shall submit the minutes to the Board for approval by a majority vote of the Directors in attendance at the meeting covered by the minutes. When approved, copies of the minutes shall be forwarded by the Clerk or designee to the Chief Executive Officer.

ARTICLE VI
BOARD COMMITTEES

6.1 Establishment: Appointment of Committee Members.

a. All Committees shall be established by these Bylaws or by Board action, and shall be established for any purpose as the Board deems necessary or beneficial in accomplishing the purposes of CalOptima.

b. Committees shall be subject to the requirements of the Brown Act.

c. The Chair may designate alternate members of any Committee to stand in for any absent Director at any meeting of the Committee. The chair of each Committee shall be appointed by the Chair of the Board, except that the Chair of each of the Advisory Committees shall be elected by the Board

d. All Committees shall be advisory only to the Board unless otherwise specifically authorized to act by the Board.

6.2 Ad Hoc Committees.

a. Ad Hoc Committees may be appointed by the Chair for special tasks as circumstances warrant, and shall be composed solely of Directors, and upon completion of the task for which appointed, such Ad Hoc Committee shall stand discharged. Some of the functions that may be the topic of Ad Hoc Committees include, but are not limited to, the review of new projects, the review of special Bylaw changes or the review of the Bylaws periodically, meeting with other public agencies or health facilities on a specific topic, and the evaluation of the Board.

b. The Chair shall make assignments to Ad Hoc Committees to assure that each Director shall have equal participation on Ad Hoc Committees throughout the year.

c. Ad Hoc Committees shall always be advisory in nature.

6.3 Advisors.

A chair of a Committee or an Ad Hoc Committee may invite individuals with expertise in a pertinent area to meet with and assist the Committee or Ad Hoc Committee. Such advisors shall not vote or be counted in determining the existence of a quorum and may be excluded from any Committee session not otherwise open to the public.

6.4 Meetings and Notice.

a. Regular meetings of Committees shall be held at such times and places as are determined by the Board. Special meetings of Committees may be held at any time and place as may be designated by the Chair or the chair of the Committee, or by a majority of the voting members of the Committee.

b. Regular and special meetings of a Committee shall be noticed in accordance with sections 5.3 and 5.5, respectively, of these Bylaws.

c. Meetings of Ad Hoc Committees shall be noticed as directed by the chair of the Ad Hoc Committee.

6.5 Quorum.

A majority of the members of a Committee or Ad Hoc Committee shall constitute a quorum for the transaction of business at any meeting of such Committee or Ad Hoc Committee. Each Committee and Ad Hoc Committee shall keep minutes of its proceedings and shall report periodically to the Board.

6.6 Manner of Acting.

The act of a majority of the members of a Committee or Ad Hoc Committee present at a meeting at which a quorum is present shall be the act of the Committee or Ad Hoc Committee so meeting. Regular and special meetings of Committees shall be conducted in accordance with

applicable provisions of Article V of these Bylaws. Ad Hoc Committee action may be taken without a meeting by a writing setting forth the action so taken signed by each member of the Ad Hoc Committee entitled to vote.

6.7 Tenure.

Each member of a Committee or Ad Hoc Committee shall hold office until a successor is appointed. Any member of an Ad Hoc Committee may be removed at any time by the Chair. The Board may remove any member of a Committee. A Director shall cease to hold membership in an Ad Hoc Committee upon ceasing to be a Director.

6.8 Minutes.

The Clerk or designee shall prepare minutes of each meeting of every Committee. The minutes shall accurately summarize the consideration of all matters, and shall accurately record all action taken. At a subsequent meeting, the Clerk shall submit the minutes to the Committee for approval by a majority vote of the members in attendance at the meeting covered by the minutes. When approved, copies of the minutes shall be forwarded by the Clerk to the Board and Chief Executive Officer.

ARTICLE VII
ADVISORY COMMITTEES

7.1 Establishment.

a. The Board may establish and appoint Advisory Committees for any purpose that will be necessary and beneficial in accomplishing the work of CalOptima, in a number and with qualifications as set forth in the Resolution of the Board establishing the Advisory Committee or the policy governing such Advisory Committee.

b. The following Advisory Committees are hereby established and appointed:

1. Provider Advisory Committee.
2. Member Advisory Committee.

7.2 Purpose.

Advisory Committees of CalOptima shall be solely advisory in nature. As directed by the Board they are:

- (1) Intended to provide advice and recommendations to the Board on issues concerning the CalOptima program.
- (2) To engage in study and research on issues assigned to them by the Board.

(3) To assist the Board in obtaining public opinion on issues related to the CalOptima program.

(4) To facilitate community outreach for CalOptima and the Board.

7.3 Policy

The Board shall by Resolution adopt and, from time to time may amend, a policy setting forth member qualifications, requirements for meetings (including compliance with the Brown Act), items of procedure, and other matters relating to the overall operations and purposes of Advisory Committees established by the Board.

ARTICLE VIII OFFICERS OF THE BOARD OF DIRECTORS

8.1 Chair.

a. The Board shall elect one of its Directors as Chair at an organizational meeting. In the event of a vacancy in the office of Chair, the Board may elect a new Chair.

b. The Chair shall be the principal officer of the Board, and shall preside at all meetings of the Board. The Chair shall appoint all members of the Ad Hoc Committees, as well as the chair of the Ad Hoc Committees and all Committees other than the Member and Provider Advisory Committees. In addition, the Chair shall perform all duties incident to the office and such other duties as may be prescribed by the Board from time to time.

8.2 Vice Chair.

The Board shall elect one of its Directors as Vice Chair at an organizational meeting. The Vice Chair shall perform the duties of the Chair if the Chair is absent from the meeting or is otherwise unable to act. If both the Chair and Vice Chair are absent from the meeting, or are unable to act, the Directors present at the meeting shall select one of the Directors present to act as temporary Chair, who, while so acting, shall have all of the authority of the Chair.

8.3 Tenure.

Each officer described above in this Article VIII shall serve a one (1) year term, commencing on the first day of the month after the organizational meeting at which he or she is elected to the position. Each officer shall hold office until the end of the one (1) year term, or until a successor is elected, unless he or she shall sooner resign or be removed from office.

8.4 Vacancies, Removal and Resignation.

a. A vacancy in any office for any cause whatsoever shall be filled by Resolution of the Board at any regular or special meeting of the Board.

b. An officer described above may be removed from office by the affirmative vote of four Directors, not counting the affected Director. In addition, an officer described above will automatically be removed from office when their successor is selected and is appointed as a Director.

c. Any officer may resign effective on giving written notice to the Clerk, unless the notice specifies a later time for their resignation to become effective. Upon receipt of such notice, the Clerk shall notify the Chair thereof and shall enter the notice in the proceedings of the Board.

8.5 Other Officers.

The Board may designate such other officers of the Board as the Board may from time to time determine that CalOptima requires and may elect one of its Directors to discharge the duties of any such office.

ARTICLE IX OTHER OFFICERS

9.1 Chief Executive Officer.

a. The Board shall select and employ a Chief Executive Officer, who shall report to the Board and who shall be the Board's direct executive representative in the development and management of the affairs of CalOptima. The Chief Executive Officer shall serve at the pleasure of the Board, subject to the provisions of any contract of employment between CalOptima and the Chief Executive Officer.

b. The Chief Executive Officer shall have such duties and responsibilities as the Board may from time to time reasonably direct. Without limiting the generality of the foregoing, the Chief Executive Officer shall be responsible for:

(1) Implementing the policies, procedures and practices of CalOptima as adopted by the Board.

(2) Acting as the duly authorized representative of CalOptima in all matters in which the Board has not formally designated some other person to act.

(3) Managing and directing the operations of CalOptima, including responsibility for sound personnel, financial, accounting, legal and statistical information practices, such as preparation of CalOptima budgets and forecasts, maintenance of proper financial and other statistical records, collection of data required by governmental and accrediting agencies, and special studies and reports required for efficient operation of CalOptima.

(4) Providing leadership by promoting morale and resolving conflicts and problems

- (5) Implementing community relations activities, including, public appearances, responsive communication with the media.
- (6) Developing and maintaining positive ongoing relations with local, State and federal government officials and agencies.
- (7) Assisting the Board in planning services and facilities and informing the Board of governmental legislation and regulations and requirements of official agencies and accrediting bodies, which affect the planning and operation of the facilities, services and programs sponsored by CalOptima, and maintaining appropriate liaison with government and accrediting agencies and implementing actions necessary for compliance.
- (8) Employing and discharging (subject to the pleasure of the Board, any contract of employment, and CalOptima personnel employment policies), such subordinate officers and employees as are necessary for the purpose of carrying on the normal functions of CalOptima.
- (9) Administrating all contracts to which CalOptima is a party.
- (10) Providing the Board, Committees, and Ad Hoc Committees with adequate staff support.
- (11) Sending periodic reports to the Board on the overall activities of CalOptima and CalOptima's finances and financial status, as well as pertinent federal, state and local developments that effect CalOptima's operations.
- (12) Maintaining insurance or self-insurance to cover the physical properties and activities of CalOptima.
- (13) Developing, amending, promulgating and implementing personnel policies for CalOptima.

9.2 Chief Financial Officer.

a. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business or financial transactions of CalOptima, shall prepare or cause to be prepared financial statements as law or these Bylaws require. The books of account shall at all times be open to inspection by any Director.

b. The Chief Financial Officer shall deposit all monies and other valuables in the name and to the credit of CalOptima with depositories designated by the Board. The Chief Financial Officer shall disburse the funds of CalOptima as ordered or authorized by the Board, shall render to the Chair and Directors, whenever they request it, an account of all transactions and of the financial condition of CalOptima, and shall have other powers and perform other

duties as prescribed by the Board and/or the Chief Executive Officer.

9.3 Clerk.

a. The Clerk shall have the following duties:

- (1) Keeping a book of the minutes of all meetings of the Board at the principal office of CalOptima or other place ordered by the Board, and of its Committees.
- (2) Giving or causing to be given appropriate notices in accordance with these Bylaws or as required by law.
- (3) Attesting to the Chair's, Vice-Chair's, Chief Executive Officer's, or other authorized signatory's signature on documents executed on behalf of CalOptima.
- (4) Acting as custodian of CalOptima's records and reports and of CalOptima's seal, if one is adopted.
- (5) Causing a statement meeting the requirements of Government Code section 53051 to be filed with the Secretary of State and the County Clerk to list CalOptima on the "Roster of Public Agencies"; and causing an amended statement to be filed with the Secretary of State and County Clerk within ten (10) days of any change in the facts set forth in the original or a subsequently amended statement.
- (6) Providing a copy of the Brown Act to each Director, and to each person appointed to serve as a Director who has not assumed the duties of office.
- (7) Having such other duties as may be prescribed by Resolution of the Board or these Bylaws.

9.4 Subordinate Officers.

The Board may empower the Chief Executive Officer to select and employ such other non-Board officers as CalOptima may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board or Chief Executive Officer may from time to time determine.

ARTICLE X
EXECUTION OF INSTRUMENTS

10.1 Contracts and Instruments.

a. The Board may authorize any officer or officers, agent or agents, employee or employees to enter into any contract or execute any instrument in the name of and on behalf of the Board, and this authority may be general or confined to specific instances; and, unless so

authorized or ratified by the Board, no officer, agent, or employee shall have any power or authority to bind CalOptima by any contract or engagement or to render it liable for any purpose or for any amount.

b. Notwithstanding the foregoing Section 9.1(a), the Chief Executive Officer is hereby authorized to enter into any contract or execute any instrument in the name of and on behalf of CalOptima pursuant to policies established by the Board.

c. The Clerk shall have the authority to attest to the signatures of those individuals authorized to enter into contracts or execute instruments in the name of and on behalf of CalOptima and to certify the incumbency of those signatures.

10.2 Checks, Drafts, Evidences of Indebtedness

All checks, drafts or other orders for payment of money, notes or other evidences issued in the name of or on behalf of CalOptima or payable to the order of CalOptima, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by Resolution of the Board.

ARTICLE XI CLAIMS AND JUDICIAL REMEDIES

11.1 Claims

CalOptima is subject to Division 3.6 of Title 1 of the California Government Code, pertaining to claims against public entities. The Chief Executive Officer or designee is authorized to perform those functions of the Board specified in Part 3 of that Division, including the allowance, compromise or settlement of any claims if the amount to be paid from CalOptima's treasury does not exceed \$50,000.00 per individual claim, or \$300,000 total per lawsuit, demand, or arbitration matter. Any allowance, compromise or settlement of any claim in which the amount to be paid from CalOptima's treasury exceeds \$10,000 per individual claim shall be approved personally by the Chief Executive Officer, rather than their designee.

11.2 Judicial Review

Section 1094.6 of the Code of Civil Procedure shall govern the rights of any person aggrieved by any decision of the Board or CalOptima.

11.3 Claims Procedure

Notwithstanding any exceptions contained in Section 905 of the Government Code, no action based on a claim shall be brought against CalOptima unless presented to CalOptima within the time limitations and in the manner prescribed by Section 910 through 915.2 of the Government Code. Such claims shall further be subject to Section 945.4 of the Government Code.

ARTICLE XII
CONFLICTS OF INTEREST

12.1 Conflict of Interest Code.

The Board shall by Resolution adopt and, from time to time may amend, a Conflict of Interest Code for CalOptima as required by applicable statutes and regulations.

12.2 Disqualifying Interest in Contracts.

a. Pursuant to Article 4 (commencing with Section 1090) of Chapter 1 of Division 4 of Title 1 of the Government Code, a Director shall not be financially interested in any contract made by the Director in their official capacity, or by the Board. Nor shall a Director be a purchaser or vendor at any sale or purchase made by them in their official capacity.

b. Notwithstanding the foregoing Section 12.2(a), a Director shall not be deemed to be interested in a contract entered into by CalOptima within the meaning of Article 4 (commencing with Section 1090) of Chapter 1 of Division 4 of Title 1 of the Government Code if all of the following requirements set forth in Welfare and Institutions Code section 14087.57 apply:

- (1) The Director was appointed to represent the interests of physicians, health care practitioners, hospitals, pharmacies or other health care organizations.
- (2) The contract authorizes the Director or the organization the member represents to provide services to Medi-Cal beneficiaries under CalOptima's program.
- (3) The contract contains substantially the same terms and conditions as contracts entered into with other individuals and organizations that the Director was appointed to represent.
- (4) The Director does not influence or attempt to influence the Board or another Director to enter into the contract in which the member is interested.
- (5) Director discloses the interest to the Board and abstains from voting on the contract.
- (6) The Board notes the Director's disclosure and abstention in its official records and authorizes the contract in good faith by a vote of its membership sufficient for the purpose without counting the vote of the interested Director.

ARTICLE XIII
MISCELLANEOUS

13.1 Purchase, Hiring, and Personnel.

The Board shall by Resolution adopt and, from time to time may amend, procedures, practices and policies for purchasing and acquiring the use of equipment and supplies, acquiring, constructing and leasing real property and improvements, hiring employees, managing its personnel and for all other matters, in the determination of the Board, as are necessary and appropriate for the proper conduct of CalOptima's activities and affairs and the furtherance of its authorized purposes. Copies of all such procedures, practices and policies shall be maintained with the minutes of proceedings of the Board.

13.2 Insurance.

CalOptima shall procure and maintain property, casualty, indemnity and workers' compensation insurance, including without limitation directors' and officers' liability and professional liability coverage, in such amounts and with such carriers as the Board shall from time to time determine shall be prudent in the conduct of its activities; provided that the Board is authorized to arrange the provision of self-insurance or participate in consortia or similar associations to obtain coverage in lieu of commercial coverage.

13.3 Indemnification and Defense.

a. With respect to any civil claim or action against a Director, member of an Advisory Committee or Committee, officer, employee, or a person who formerly occupied such position, for an injury arising out of an act or omission occurring within the scope of such person's duties, CalOptima shall indemnify, hold harmless and defend such persons to the full extent permitted or required under applicable sections of the California Tort Claims Act. (Gov. Code§ 810 et seq.; see, e.g. Gov. Code§§ 825, 825.2, 825.4, 825.6, 995.4, 995.6 and 995.8.)

b. Nothing herein shall be construed to require CalOptima to indemnify and hold harmless any Director, member of an Advisory Committee or Committee, officer, employee, or a person who formerly occupied such position, if CalOptima has elected to conduct the defense of such person(s) pursuant to an agreement reserving CalOptima's rights not to pay a judgment, compromise or settlement until it is established that the injury arose out of an act or omission occurring within the scope of their duties with CalOptima.

13.4 Bonds.

All Directors, as well as all officers, employees and agents or representatives of CalOptima designated by the Board, shall obtain fidelity bonds as required by law and as the Board shall determine is prudent in the conduct of its activities and the activities of such officers, employees, and other designated agents or representatives of CalOptima.

13.5 Public Records.

a. All documents and records of CalOptima, not exempt from disclosure by applicable law, shall be public records under the California Public Records Act (Gov. Code § 6250 et seq.)

b. Any authorized representative of the County shall have the absolute right to inspect and copy all books, records and documents of every kind of CalOptima to determine compliance with the provisions of Section 4-11-7 of the Ordinance, provided such inspection is conducted at a reasonable time following reasonable notice.

13.6 Submission of Bylaws to Board of Supervisors.

The Clerk shall deliver a certified copy of these Bylaws, and any amendments thereto, to the Board of Supervisors.

13.7 Conflict Between Bylaws and Ordinance.

In the event of a conflict between these Bylaws and the Ordinance, the applicable provisions of the Ordinance shall govern.

ARTICLE XIV
AMENDMENT

These Bylaws may be amended or repealed by the affirmative vote of at least two-thirds (2/3) of the authorized number of Directors at any Board meeting. Such amendments or repeal shall be effective immediately, except as otherwise indicated by the Board. The Clerk shall deliver a certified copy of any amendment or repeal of these Bylaws to the Board of Supervisors promptly following the Board meeting at which such amendment or repeal was adopted.

CERTIFICATE OF CLERK

I, the undersigned, do hereby certify:

That I am the duly appointed, qualified and acting Clerk of the Board of Directors for Orange Prevention and Treatment Integrated Medical Assistance ("CalOptima"), a special commission of the County of Orange created pursuant to Section 14087 .54 of the Welfare and Institutions Code, and Ordinance No. 3896 of the County of Orange, and

That the foregoing Bylaws attached hereto, comprising 24 pages, including this page, constitute a true, complete and correct copy of the current Bylaws of CalOptima, as duly adopted by the Board of Directors of CalOptima at a regular meeting, duly called and held on the ____ day of _____ at _____, California.

Dated: _____

Clerk