

MEDICAL-DENTAL-HOSPITAL BUSINESS ASSOCIATES

BYLAWS

ARTICLE I – NAME AND LOCATION

SECTION 1: The name of the Association shall be MEDICAL-DENTAL-HOSPITAL BUSINESS ASSOCIATES, INC., a non-profit corporation, incorporated in the state of Illinois.

The Association shall have and continuously maintain an office. The address of such office may be changed as needed by the Board of Directors.

ARTICLE II - DEFINITIONS

A. Hereafter, the term “medical, dental, hospital agencies” or “agencies” shall include accounts receivable management, professional collections or any other business rendering economic and related services to the healthcare profession.

B. Hereafter, the term he, his or any term similar in gender shall mean she, he, it, etc.

C. Hereafter, the term mail shall include electronic mail (e-mail).

D. Hereafter, the term meeting shall include teleconference and/or videoconference.

ARTICLE III – PURPOSE AND POWERS

SECTION 1: Purposes – The purpose of this Association shall be:

A. To consider and deal by all lawful means with common problems of management, such as those involved in the service, employment, and financial functions of medical, dental, and hospital agencies; to secure cooperative action in advancing by all lawful means the common purposes of its members; foster equity in business usages; and to enhance and promote the welfare and activities with the greatest economy and efficiency.

B. To afford due consideration to the expression of opinion upon questions affecting medical, dental, and hospital agencies, as well as the financial, commercial, industrial, health and professional interests of the nation, and to promote the common business and professional interests of medical, dental and hospital agencies.

C. To cooperate with other professions, industries and organizations.

D. To conduct or engage in lawful activities in furtherance of the foregoing purposes, or incidental thereto.

These purposes are neither all-inclusive, nor mandatory.

SECTION 2: Powers – In furtherance of these purposes, but not in limitation thereof, the Association shall have power:

A. To analyze, compile, and disseminate statistics and other information.

B. To conduct investigations and submit reports with reference to layout, location, and business methods.

C. To establish criteria of individual competence and professional practices.

D. To conduct trade promotion activities.

E. To cooperate with other associations dedicated to the financial and or operational components of the healthcare industry.

F. To advance lawful and fair trade practices, customs, and usages.

G. To further training and education of those connected with or desirous of becoming affiliated with medical, dental, or hospital agencies.

H. To analyze the financial structure of medical, dental, or hospital agencies and the healthcare field.

I. To encourage new developments in the scope of service offered by members to the professions of medicine, dentistry, and the hospitals.

J. To engage in any lawful activities which will enhance the efficiency and economic progress of medical, dental, and hospital agencies and inform the public of their scope and character.

These powers are neither all-inclusive, nor mandatory.

ARTICLE IV – MEMBERSHIP

SECTION 1: The association is an Illinois non-for-profit corporation without capital stock and its members shall be composed of those who may from time to time be admitted to and continue as members in such manner as may be prescribed by these Bylaws.

SECTION 2: Agency Member- Any corporation, firm or individual engaged in providing business, economic and related services to hospitals or the professions of medicine and dentistry; servicing physicians, dentists or hospitals in its service area; and maintaining compliance with the laws and regulations of the United States and its federal agencies. Any approved personnel employed by an Agency Member will have the ability to communicate with the membership, contribute to the benefit of the association/industry and access all MDHBA benefits. Each Agency shall designate a “primary member” who will hold MDHBA voting rights within the agency.

The number of members shall be unlimited.

SECTION 3: Associate Member - Associate Membership is available to business associates and clients of an Agency Member, as well as organizations that may have a legitimate interest in the healthcare ARM industry but do not qualify for Agency or Vendor membership.

SECTION 4: Honorary Life Membership - Any individual who has operated or been employed by an Agency Member in good standing that has been a member of the Association for ten (10) years or more shall be eligible for election by the Board of Directors for Honorary Life Membership, provided:

- a. He is planning to retire from his active business endeavor or semi-retire, and
- b. He has rendered distinguished service to the Association in accordance with standards determined by the Board.

SECTION 5: Vendor Member – Vendor Membership is available to any vendor organization that serves the healthcare industry.

SECTION 6: Application for an Election to Membership

A. Application – All applications for membership in the Association shall be in the form as required by the Board of Directors, and shall include the name, place and nature of business of the applicant, and an agreement by the applicant to pay his or its dues and assessments.

B. Election to Membership – Applicants shall be elected to membership by the Board of Directors upon the affirmative vote of a majority of the Board members present and voting at a regularly scheduled Board of Directors meeting or by mail ballot. No applicant shall be arbitrarily refused membership.

SECTION 7: Voting – Each agency member shall have only one (1) vote and shall appoint and certify to the Executive Director of the Association the individual member who is to be its voting representative in the Association and who shall represent, vote and act for the member in the affairs of the Association.

No other class of member shall have any vote.

Members of the Association shall be eligible to all rights and privileges as may be conferred from time to time by the Board of Directors for that particular class or classes of members.

SECTION 8: Duration of membership and Resignation

A. Membership in the Association may terminate by voluntary withdrawal as herein provided by these Bylaws. All rights, privileges and interest of a member in or to the Association shall cease on the termination of membership.

B. The membership of any associate member shall terminate:

1. Upon the termination of membership, for any reason, of the agency responsible for this membership in the Association, or
2. When such member is no longer eligible for membership because of a change in his status or employment.

SECTION 9: Suspension and Expulsion – Any member may be suspended or terminated for cause. Sufficient cause for such suspension or termination of membership shall be violation of the bylaws or any lawful rule or practice duly adopted by the Association, or any other action prejudicial to the interest of the Association. Suspension or expulsion shall be by two-thirds (2/3) vote of the entire membership of the Board of Directors, provided that a statement of the charges shall have been mailed by certified or registered mail to the last recorded address of the member at least fifteen (15) days before final action is taken thereon. This statement shall be accompanied by a notice of the time and place of the meeting of the Board of Directors at which time all charges shall be considered and the member shall have the opportunity to appear in person and/or to be represented by counsel to present any defense to such charges before action is taken thereon.

ARTICLE V – MEETINGS

SECTION 1: Annual – There shall be an Annual meeting of the Association at such place and on such dates as may be determined by the Board of Directors for election of members of the Board of Directors, for receiving the Annual reports and the transaction of other business.

Notice of such meeting shall be communicated to each member at least thirty (30) days before the time appointed for the meeting.

SECTION 2: Special – Special meetings of the Association may be called by the President, or shall be called by the President upon the written request of five (5) members of the Board of Directors or twenty-five (25) members of the Association who are eligible to vote. Notice of any special meeting shall be communicated to each member at least thirty (30) days in advance, and include information as to the purpose, time and location of such meeting.

SECTION 3: Quorum – At an Annual business or special meeting of members, a quorum shall consist of no less than twenty-five percent (25%) of individual active members eligible to vote. In case there be less than this number, the presiding officer may adjourn the meeting from time to time until a quorum is present. All actions taken by said members shall be implemented by the Board of Directors.

SECTION 4: Procedure – The usual parliamentary rules as laid down in “Robert’s Rules of Order” shall govern all deliberations, when not in conflict with these Bylaws.

ARTICLE VI – BOARD OF DIRECTORS

SECTION 1: Number and Authority – The management of the Association shall be vested in a Board of Directors of six (6) elected by the members eligible to vote, and whose term shall be two (2) years.

The terms of Directors shall be staggered so that the terms of three (3) Directors shall expire each year. A Director can serve three (3) consecutive elected terms, and after a one-year absence from the Board, can again be nominated for election. The Immediate Past President of the Association shall serve for one year in that office, and, as a Director, shall have the rights of the other members of the Board of Directors. If the Immediate Past President’s term is not complete after one year, the Board can either fill the incomplete term or leave it open in accordance with Section 8, Vacancies, below.

The Board of Directors shall have supervision, control, and direction of the affairs of the Association, shall determine its policies or changes therein within the limits of the Bylaws, shall actively prosecute and shall have discretion in the disbursement of its funds. It may adopt such rules and regulations for the conduct of its business as shall be deemed advisable; and may, in the execution of the powers granted, appoint such agents as it may consider necessary.

SECTION 2: Election – Members eligible to vote shall elect three (3) Directors from the membership to two-year terms at each Annual Meeting of the Association.

Directors shall, at the conclusion of the Annual Meeting, begin performance of their duties and shall continue in office until their successors shall be duly elected and qualified, or unless they resign, are removed, or are otherwise unable to complete an unexpired term.

SECTION 3: Nominations – The President shall appoint, at least sixty (60) days before the Annual Meeting, a nominating committee consisting of three (3) members to include the most Immediate Past President as chairman, one other Director and one (1) member-at-large.

The nominating committee shall select at least one (1) candidate from the membership for each forthcoming vacancy on the Board of Directors to be elected by the members eligible to vote and shall announce the candidates at or prior to the Annual Meeting.

SECTION 4: Meetings – Except that the Board shall have a regular meeting at the time and place of the Annual Meeting, the Board shall meet upon call of the President at such times and places as he may designate, and shall be called to meet upon demand of three (3) of its members. Notice of all meetings of the Board of Directors shall be communicated to each member of the Board at least ten (10) days in advance of such meetings.

SECTION 5: Quorum – A majority of the Board shall constitute a quorum at any meeting of the Board. Any less number may adjourn from time-to-time until a quorum is present. Any such business of the Association thus transacted shall be valid providing it is affirmatively passed upon by a majority of those present and voting.

SECTION 6: Compensation – Directors as such shall not receive any stated compensation for their services as Directors, but the Board may, by resolution, authorize reimbursement of expenses incurred in the performance of their duties. Such authorization may prescribe the procedure for approval and payment of such expenses by designated Officers of the Association. Nothing herein shall preclude a Director from serving the Association in any other capacity and receiving compensation for such services.

SECTION 7: Resignation or Removal – Any Director may resign at any time by giving written notice to the President, Executive Director, or to the Board of Directors. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof as determined by the President or the Board. The Board of Directors may remove any Director for cause by an affirmative two-thirds (2/3) vote of all its members. Cause shall include failure to participate in two (2) consecutive Board of Directors meetings.

SECTION 8: Vacancies – Any vacancies that may occur on the Board by reason of death, resignation, or otherwise will be filled by nomination of the President and ratification by Board majority. A Director so elected to fill a vacancy shall serve the unexpired term of his predecessor.

SECTION 9: Voting Rights – Voting rights of a Director shall not be delegated to another nor exercised by a proxy. Action taken by mail ballot of the members of the Board of Directors shall be a valid action of the Board and shall be reported at the next regular meeting of the Board.

ARTICLE VII – OFFICERS

SECTION 1: Officers – The elective Officers of this Association shall be President, President-Elect, and Secretary/Treasurer, The President-Elect and Secretary/Treasurer shall be elected at the Board of Directors Annual Meeting by the Board of Directors from members of the Board.

SECTION 2: Vacancies – Vacancies in any office may be filled for the balance of the term thereof by the Board of Directors

at any regular or special meeting.

SECTION 3: President – The President shall be the principal elective Officer of the Association, shall preside at meetings of the Association of the Board of Directors and of the Executive Committee, shall be a member ex-officio of all committees, and shall have the right to vote, with the exception of the nominating committee. At the Annual Meeting of the Association and at such other times as he shall deem proper, the President shall communicate to the Association or to the Board of Directors matters he deems important and make such suggestions as may in his opinion tend to promote the welfare and increase the usefulness of the Association, and shall perform such other duties as are necessarily incident to the office of President or as may be prescribed by the Board of Directors. The term of office will not be less than one or more than two years.

SECTION 4: President-Elect – The President-Elect shall advise and assist the President, and perform other duties as assigned by the Board of Directors. He shall act for the President on the President's request, or during the President's absence from meetings or due to temporary disability, and shall succeed the President in the event of the President's death or resignation. The President-Elect shall automatically become the President of the Association after the next succeeding Annual Meeting of the Association after his election as President-Elect and after his successor as President-Elect shall have been elected. The term of office will not be less than one or more than two years.

SECTION 5: Secretary/Treasurer – The Secretary/Treasurer shall advise and assist the President and the President-Elect, and perform the duties of the President when the President and President-Elect are absent or in any way unable to carry out such duties. He shall keep an account of all monies received and expended for the use of the Association, and shall make disbursements authorized by the Board or such other Officers as the Board may prescribe. He shall deposit all sums received in the bank or trust company, approved by the Board of Directors, and shall make a report at the Annual Meeting or when called upon by the President. He shall also perform the duties that are customarily assigned to such office and other duties as assigned by the Board of Directors. The term of office will be one year, and individuals elected to this position shall not automatically ascend to the Presidency.

Funds may be drawn only upon the signatures of two (2) Officers or any Officer and the Executive Director of the Association.

The funds, books and vouchers in his hands shall, with the exception of confidential reports submitted by members, at all times be subject to verification and inspection by the Board of Directors.

SECTION 7: Executive Director – The Executive Director shall administer and manage the Association and shall be a salaried staff head, employed or appointed by, and directly responsible to the Board of Directors. He shall have the title of Executive Director or such other title as the Board shall designate, and may perform the duties of Secretary of the Association, as may be designated by the Board of Directors.

He shall have the responsibility for the management and direction of all operations, programs, activities and affairs of the Association, functioning within the framework of policy aims and programs as determined by the Board of Directors. He shall have such other duties as may be prescribed by the Board of Directors.

SECTION 8: Bonding – The Executive Director and Secretary/Treasurer, or any other Director, Officer, agent or employee of the Association, shall, at the discretion of the Board of Directors, furnish, at the expense of the Association, a fidelity bond approved by the Board in such a sum as the Board shall prescribe.

ARTICLE VIII – COMMITTEES

SECTION 1: President – The President, subject to the approval of the Board of Directors, shall annually appoint such standing or special committees or subcommittees as may be required by the Bylaws or as he may find necessary.

SECTION 2: Executive Committee – The President, President-Elect, and Secretary /Treasurer shall constitute an Executive Committee. The Executive Committee may exercise the powers of the Board of Directors when the Board of Directors is not in session, reporting to the Board of Directors at its succeeding meeting any action taken. A majority of members of the Committee shall constitute a quorum for the transaction of business. Meetings may be called by the President or by any two (2) members.

ARTICLE IX – SPECIALIZED SECTIONS

SECTION 1: Establishment – The Board of Directors shall have the authority to establish Specialized Sections within the Association. Such Sections shall exist and operate for the study, education and research of specialized services and such other purposes as designated.

SECTION 2: Program and Procedures – Each Section shall, with the approval of the Board of Directors, establish its program, rules and regulations, fields of operation and dues or fees, if any, which it may determine to charge.

The Section shall have full power and authority to elect its own chairman and such other Officers as it may desire to have. The programs, procedures, dues or fees schedules and any other activities of a Section requiring approval of the Board of Directors shall be submitted in writing to the Board of Directors, at least thirty (30) days prior to any regular or special meeting of the Board of Directors.

SECTION 3: Termination – The Board of Directors may not, except by a three-fourths (3/4) vote either on its own motion or the request of any Specialized Section, discontinue any Specialized Section when such action is deemed to be in the best interests of the Association. In the event of such discontinuance, the funds and property of the Specialized Section, at the time of its discontinuance, shall be applied first to the discharge of the debts or obligations of the Section; the balance, if any, shall be returned to the general funds of the Association.

ARTICLE X – DUES

SECTION 1: Determination – The annual dues for each class of members of the Association and all other fees or assessments shall be determined by the Board of Directors.

SECTION 2: Failure to Pay – Members who fail to pay their dues, fees or assessments within sixty (60) days from the time they become due shall be notified by the Executive Director; and, if payment is not made within the next succeeding thirty (30) days shall, without further notice and without hearing, be terminated from membership, and thereupon forfeit all rights and privileges of membership. However, the Board of Directors may, by rule, prescribe procedures for extending the time for payment of dues, fees or assessments and continuation of membership privileges upon request of a member and for good cause shown.

ARTICLE XI – USE OF FUNDS AND DISSOLUTION

The Association shall use its funds only to accomplish the objectives and purposes specified in these Bylaws, and no part of said funds shall inure, or be distributed to the members of the Association. The Association may be dissolved by a vote of three-fourths (3/4) of its individual active members eligible to vote at any duly organized meeting of the Association. Upon dissolution of the Association, any funds or assets remaining after report of expense and debts of the Association shall be distributed to one or more organizations exempt or eligible for exemption from taxation under the Internal Revenue Code, as amended to be selected by the Board of Directors.

ARTICLE XII – FISCAL YEAR

The Board of Directors shall establish the Association's fiscal year.

ARTICLE XIII– INDEMNIFICATION

Each Director, Officer, or agent of the Association shall be indemnified by the Association against all expenses as hereinafter defined, which shall necessarily or reasonably be incurred by him in connection with any action, suit or proceeding to which he is or shall be a party, or with which he may be threatened, by reason of his being or having been a Director, Officer, or agent of the Association, whether or not he continues to be a Director, Officer, or agent of the Association at the time of incurring such expenses.

Expenses used herein shall include, but not be limited to, amounts of judgments against or amounts paid in settlement by such Director, Officer, or agent other than amounts payable or paid by the Association, but shall not include any expenses incurred in connection with any matters as to which proceeding the Director, Officer, or agent of the Association is found to be liable by reason of his negligence or willful misconduct in the performance of his duties as such Director, Officer, or agent. The Board of Directors may conclusively rely upon an opinion of legal counsel selected by the Board of Directors to

determine negligence or willful misconduct of the Director, Officer, or agent of the Association in the performance of his duties as such Director, Officer, or agent.

The right of indemnification herein above provided shall not be deemed exclusive of any other right to which such Director, Officer, or agent may now or hereafter be otherwise entitled and specifically, without limiting the generality of the foregoing, shall not be deemed exclusive of any rights, pursuant to statute or otherwise, of any such Director, Officer, or agent in such action, suit or proceeding to have been assessed or allowed in his favor, against the Association or otherwise, his costs and expenses incurred therein or in connection therewith or any part hereof.

ARTICLE XIV – MAIL VOTE AND REFERENDUM

SECTION 1: Members – Whenever, in the judgment of the Board of Directors, any question shall arise which it believes should be put to a vote of the members eligible to vote, and when it deems it inexpedient to call a special meeting for such purpose, the Director may, unless otherwise required by these Bylaws, submit such a matter to such membership in writing by mail for vote and decision, and the question thus presented shall be determined according to a majority (or greater vote if required by these Bylaws) of the votes received by mail not less than fourteen (14) or more than thirty (30) days after such submission to the membership, provided that in each case votes of fifty percent (50%) of the members eligible to vote shall be received.

Any and all action taken in pursuance to a majority (or greater vote if required by these Bylaws) mail vote in each case shall be binding upon the Association the same manner as would be action taken at a duly called meeting.

SECTION 2: Board of Directors – Between meetings of the Board of Directors, any questions which shall arise may be submitted by the President to all of the members of the Board of Directors in writing by mail for vote and decision, and the question thus presented shall be determined by a majority vote (or greater vote if required by these Bylaws) of all of the members of the Board of Directors then in office shall be binding upon the Association in the same manner as would be action taken at a duly called meeting of the Board of Directors.

SECTION 3: Referendum – Twenty (20) members eligible to vote may request a referendum vote on any action of the Board of Directors providing that the request of the members is (1) in writing, (2) signed by those members, and (3) submitted to the Executive Director.

The Executive Director shall prepare the proposition for referendum, and mail it to all members who are eligible to vote in accordance with the procedure set forth in Section 1 of this Article. A two-thirds (2/3) vote of total active members eligible to vote shall be required to overrule the decision of the Board of Directors.

ARTICLE XV – SEAL

The Association shall have a seal of such design as the Board of Directors may adopt. The Executive Director shall be responsible for securing the seal.

ARTICLE XVI – AMENDMENTS

These Bylaws may be amended, altered or repealed and new Bylaws may be adopted by a majority vote of the Board of Directors.

ARTICLE XVII – LEGAL COUNSEL

Legal counsel for the Association may be selected and retained by the Board of Directors during a meeting where due notice has been given for this purpose.

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