

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 1073
PROPOSED COMMITTEE SUBSTITUTE H1073-PCS11387-RC-71

Short Title: Modify UNCHCS Board.

(Public)

Sponsors:

Referred to:

May 23, 2012

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE COMPOSITION AND APPOINTMENT PROCESS FOR MEMBERS OF THE BOARD OF DIRECTORS OF THE UNIVERSITY OF NORTH CAROLINA HEALTH CARE SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 116-37(b) reads as rewritten:

"(b) Board of Directors. – ~~There is hereby established a~~ The board of directors of the University of North Carolina Health Care ~~System, effective November 1, 1998.~~ System is hereby restructured effective November 1, 2012.

(1) The board of directors shall be composed of 24 members as follows:

- a. ~~A minimum of six~~ Eight members ex officio ~~of said board~~ shall be the President of The University of North Carolina (or the President's designee); the Chief Executive Officer of the University of North Carolina Health Care System; the Chancellor of the University of North Carolina at Chapel Hill and one additional administrative officer of the University of North Carolina at Chapel Hill designated by the Chancellor; the President of the University of North Carolina Hospitals; the President of the UNC Faculty Physicians; and two members of the faculty of the School of Medicine of the University of North Carolina at Chapel Hill designated by the Dean of the School of Medicine; ~~provided, that if not such a member ex officio by virtue of holding one or more of the offices aforementioned,~~ additional ex officio memberships shall be held by the President of the University of North Carolina Hospitals at Chapel Hill, the faculty member responsible for leading the clinical patient care programs of the School of Medicine, and Medicine. If the Dean of the School of Medicine of the University of North Carolina at Chapel Hill. Hill does not also hold one of the positions designated as an ex officio member of the board, the Dean shall serve in one of the positions reserved for a member of the faculty.
- b. ~~No less than nine and no more than 21~~ Sixteen members at large, ~~which number shall be determined by the board of directors,~~ large shall be appointed for four-year terms, commencing on November 1 of the year of appointment; ~~provided, that the initial appointment.~~



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1 Twelve of the members at large shall be appointed by the Board of
2 Governors after consultation with the President of The University of
3 North Carolina. Four of the members at large shall be appointed by
4 the board of directors.

5 c. The initial class of at-large members shall ~~include~~ be composed of
6 the following individuals:

7 1. ~~the~~ The persons who hold the appointed memberships on the
8 board of directors of the University of North Carolina
9 Hospitals at Chapel Hill incumbent as of October 31, 1998,
10 directors as of October 31, 2012, and whose terms do not
11 expire on that date. The ~~with their~~ terms of membership on
12 the board of directors of the University of North Carolina
13 Health Care System to for these at-large members will expire
14 on the last day of October of the year in which their term as a
15 member of the board of directors of the University of North
16 Carolina Hospitals at Chapel Hill would have expired.

17 2. Three persons appointed by the Board of Governors after
18 consultation with the President of The University of North
19 Carolina whose terms will commence on November 1, 2012,
20 and will expire on October 31, 2016.

21 3. One person appointed by the board of directors whose term
22 will commence on November 1, 2012, and will expire on
23 October 31, 2016.

24 The Board of Governors shall appoint successor at-large
25 members for those members whose terms end on October 31, 2013,
26 October 31, 2014, and four of the five members whose terms end on
27 October 31, 2016. The board of directors shall appoint successor
28 at-large members for those members whose terms end on October 31,
29 2015, and one of the five members whose terms end on October 31,
30 2016.

31 d. All ~~Vacant~~ at-large positions shall be filled by the appointment of
32 persons from the business and professional public at large who have
33 special competence in business management, hospital administration,
34 health care delivery, or medical practice or who otherwise have
35 demonstrated dedication to the improvement of health care in North
36 Carolina, and who are neither members of the Board of Governors,
37 members of the board of trustees of a constituent institution of The
38 University of North Carolina, nor officers or employees of the State.
39 Members shall be appointed by the President of the University, and
40 ratified by the Board of Governors, from among a slate of
41 nominations made by the board of directors of the University of
42 North Carolina Health Care System. No member may be appointed
43 to more than two full four-year terms in succession; provided, that
44 persons holding appointed memberships on November 1, 1998, by
45 virtue of their previous membership on the board of directors of the
46 University of North Carolina Hospitals at Chapel Hill, shall not be
47 eligible, for a period of one year following expiration of their term, to
48 be reappointed to the board of directors of the University of North
49 Carolina Health Care System. succession, including members serving
50 as of June 30, 2012. Any vacancy in an unexpired term shall be filled
51 by an appointment made by the President, and ratified by the Board

1 ~~of Governors, upon the nomination of the board of directors, shall be~~
2 ~~filled by the appointing authority~~ for the balance of the term
3 remaining.

4 (2) The board of directors, with each ex officio and at-large member having a
5 vote, shall elect a chairman only from among the at-large members, for a
6 term of two years. Notwithstanding the foregoing limitation, the Chancellor
7 of the University of North Carolina at Chapel Hill may serve as Chairman.
8 No person shall be eligible to serve as chairman for more than three terms in
9 succession.

10 (3) The board of directors of the University of North Carolina Health Care
11 System shall meet at least every 60 days and may hold special meetings at
12 any time and place within the State at the call of the chairman. Board
13 members, other than ex officio members, shall receive the same per diem
14 and reimbursement for travel expenses as members of the State boards and
15 commissions generally.

16 (4) In meeting the patient-care, educational, research, and public-service goals
17 of the University of North Carolina Health Care System, the board of
18 directors is authorized to exercise such authority and responsibility and
19 adopt such policies, rules, and regulations as it deems necessary and
20 appropriate, not inconsistent with the provisions of this section or the
21 policies of the Board of Governors or, to the extent the board's actions affect
22 employees of the University of North Carolina at Chapel Hill, the policies of
23 the University of North Carolina at Chapel Hill. The board may authorize
24 any component of the University of North Carolina Health Care System,
25 including the University of North Carolina Hospitals at Chapel Hill, to
26 contract in its individual capacity, subject to such policies and procedures as
27 the board of directors may direct. The board of directors may enter into
28 formal agreements with the University of North Carolina at Chapel Hill with
29 respect to the provision of clinical experience for students and for the
30 provision of maintenance and supporting services. The board's action on
31 matters within its jurisdiction is final, except that appeals may be made, in
32 writing, to the Board of Governors with a copy of the appeal to the
33 Chancellor of the University of North Carolina at Chapel Hill. The board of
34 directors shall keep the Board of Governors and the board of trustees of the
35 University of North Carolina at Chapel Hill fully informed about health care
36 policy and recommend changes necessary to maintain adequate health care
37 delivery, education, and research for improvement of the health of the
38 citizens of North Carolina."

39 **SECTION 2.** This act is effective when it becomes law.