NASHVILLE GENERAL HOSPITAL

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METROPOLITAN

VISION

"Each staff, faculty member, patient and student would be proud and comfortable to have their loved ones cared for at our hospital."

MISSION

Nashville General Hospital at Meharry is a publicly supported, academically affiliated community-based hospital. We are committed to providing excellent healthcare regardless of age, race, creed, gender, sexual preference or ability to pay. With the alliance of Meharry Medical College and Vanderbilt University, the Medical Staff and our employees will provide an educational and research environment based on the provision of comprehensive, compassionate, acute care services to those in need. Our employees, physicians, and vendors will be given the same respect, concern and caring attitude that they are expected to share with our customers.

In order to meet our vision, mission and values, we will work together to be financially viable while continuously improving our skills and resources through excellence in education and research. Our goal is the achievement of 100% access to healthcare and zero disparity -- between populations.

VALUES

1. Honesty and integrity in all we say and do.
2. Respect and dignity for all human kind.
3. Compassion to those we serve and to each other.
4. Competent, knowledgeable staff motivated to achieve personal and professional growth.
5. Accountability to society, our community and each other.
6. Teamwork to achieve our vision, mission and values.

BORDEAUX LONG-TERM CARE

VISION

Each staff, faculty member, patient and student would be proud and comfortable to have their loved ones cared for at our facility

MISSION

Bordeaux Long-Term Care, a division of the Hospital Authority in alliance with Nashville General Hospital, is a publicly supported facility committed to individualized resident care. As a regional leader in the provision of long-term care, we are committed to involving our internal and external communities in providing comprehensive services and activities to our residents without regard to gender, ethnic or racial background, sexual preference or socioeconomic status. Working together with our Meharry Medical College partner, the community and Nashville General Hospital allows for an educational environment for residents and staff to promote creativity, innovation, and clinical excellence. We also strive to improve the skills and ability of our management staff to achieve the highest optimum functioning for our residents.

VALUES

Our values will provide the essence of who we are and how we achieve our vision and mission:

- Honesty and Integrity in all we say and do
- Respect and Dignity for all human kind
- Compassion to those we serve and to each other
- Competent, knowledgeable staff motivated to achieve personal and professional growth
- Accountability to society, our community and each other
- Teamwork to achieve our vision, mission, and values

KNOWLES HOME ASSISTED LIVING AND ADULT DAY CARE

VISION

Each staff member, faculty member, resident and student would be proud and comfortable to have their loved ones cared for on our campus.

MISSION

The Knowles Home Assisted Living and Adult Day Care, a division of the Hospital Authority, is a publicly funded facility committed to providing a continuum of innovative care and support to aging adults of Davidson County. Knowles Home and Adult Day Care promotes quality living for the aging adults challenged by economic, social, physical and cognitive issues by helping them live in the most independent environment possible. We assist in life's transitions to appropriate levels of care by linking people, information and resources.

VALUES

Our values will provide the essence of who we are and how we achieve our vision and mission:

- Honesty and Integrity in all we say and do
- Respect and Dignity for all human kind
- Compassion to those we serve and to each other
- Excellence through personal and professional growth
- Accountability to society, our community and each other
- Teamwork to achieve our vision, mission and values

QUALITY

Quality means the degree to which the healthcare services provided meet the priority needs of the community and the patient population served. "Meeting the needs" also include "the degree to which the process of care increases the probability of desired patient and community outcomes and reduces the probability of undesired outcomes given the state of medical knowledge."

ARTICLE I

The Tenn. Code Ann. 7-57-101, *et seq.*, provides that the Hospital Authority shall be governed by The Board of Trustees. The purpose of the Board of Trustees is to administer and control hospitals owned and/or operated by the Hospital Authority of the Metropolitan Government. The Board of Trustees, through the Chief Executive Officer of the Hospital Authority, shall exercise all the administrative functions pertaining to the operation of the facilities (Nashville General Hospital at Meharry (herein NGH), Knowles Assisted Living Facility (herein Knowles Home), and Bordeaux Long Term Care (herein BLTC)), owned, maintained, or operated by the Hospital Authority for the examination, treatment, convalescence of the sick, injured, or physically ill.

ARTICLE II

BOARD OF TRUSTEES

Section I. **Membership**

The Board of Trustees shall be appointed by the Mayor (Executive Officer) of The Metropolitan Government of Nashville and Davidson County in accordance with Tennessee Code Annotated Section 7-57-203, and confirmed by a majority of the whole membership of the Metropolitan Council.

Section II. **Qualifications**

The Board of Trustees, constituted in accordance with the provisions of Tenn. Code Ann. 7-57-203, shall be composed in accordance with R99-1412 , which requires that the Board shall be composed of seven (7) members. Three (3) members shall be doctors of medicine certified for practice as such by the State Board of Medical Examiners and licensed by the State Licensing Board for the Healing Arts, and each of whom shall have had not less than five (5) years' experience in the active practice of his/her profession. One member shall be a registered nurse. The three remaining members of the board shall be chosen without reference to occupation or profession. Members of the Board shall serve without compensation.

Members of the Board shall be appointed by the Mayor and confirmed by a majority of the whole membership of the Council.

Section III. **Term of Office**

The term of office shall be for five years as is provided in R99-1412. Appointments or reappointments shall be made as deemed necessary due to the inability of any Board member to serve out his appointed term of office.

They shall serve terms of five (5) years each, provided that the initial seven (7) members shall serve terms expiring as set forth below. Any vacancy other than by expiration of term shall be filled for the unexpired term in the manner provided herein. Those appointed shall not be either an officer or employee of The Metropolitan Government of Nashville and Davidson County and each shall be an elector of and taxpayer in said Metropolitan Government.

Section IV. **Objectives**

1. To maintain hospital facilities that will provide diagnosis and treatment for medical, surgical and other such services, both inpatient and outpatient, for which such facilities are equipped to provide.

2. To maintain long term care , assisted living and support services that promote optimum function and independence of seniors and disabled citizens.

3. To provide treatment without regard to race, color, disability, political or religious belief.

4.. To provide medical care for the certified indigent of Metropolitan Nashville and Davidson County.

ARTICLE III

REGULAR AND SPECIAL MEETINGS OF THE BOARD OF TRUSTEES

Section I. **Office**

The Board of Trustees shall have and maintain its principle office at 1818 Albion Street in Nashville, Tennessee.

Section II. **Regular Meetings**

The Board of Trustees shall hold a minimum of quarterly scheduled meetings at a time, date, and in a convenient location as designated by the Chairperson for the purpose of conducting the routine business that should properly come before the Board of Trustees.

Section III. **Special Meetings**

Special meetings of the Board of Trustees may be called by the Chairperson of the Board of Trustees, as needed.

Section IV. **Quorum/Procedure**

For both regular meetings and special called meetings a quorum shall be constituted by a majority of the membership. Robert's Rules of Order - Newly Revised, shall govern the proceedings of the Board meetings.

Section V. **Attendance - Removal from Office**

Members of the Board may be removed in the same manner as other board or commission members of The Metropolitan Government of Nashville and Davidson County.

ARTICLE IV

OFFICERS OF THE BOARD OF TRUSTEES

The officers of the Board of Trustees shall be a Chairperson, Vice-Chairperson, and a Secretary. A Chairperson for the Board of Trustees shall be selected by a majority of the members of the Board. The Chairperson shall preside over all meetings of the Board. A Vice-Chairperson elected by a majority of the members of the Board shall assume the duties of the Chairperson in the event that the Chairperson is not present for any regular or special meeting.

A Secretary shall be elected by a majority of the membership of the Board. A recording secretary, not a member of the committee, shall be designated by the Chairperson and shall keep the minutes of all Board meetings, and such minutes shall be distributed by the recording secretary to each Board member. The officers of the Board of Trustees shall hold office for five (5) years or until their successors are elected and qualified.

ARTICLE V

COMMITTEES OF THE BOARD OF TRUSTEES

Section I. **Standing Committees**

Committees of the Board of Trustees shall be standing or special.

Standing Committees shall be:

1. Executive Committee.
2. Finance Committee.
3. Compliance Committee

4. Nominating Committee (Ad Hoc Committee)

At a committee meeting a quorum shall be a majority of the number of members of the committee. Appointments to the various standing and Ad hoc Committees and Committee Chairperson shall be made by the Chairperson of the Board of Trustees. The term of appointments to the committees and their Chairperson shall be for one (1) year or until their successors have been designated by the Chairperson of the Board. The committees shall meet at least quarterly or sooner if deemed necessary. The minutes of the committee meetings shall be maintained.

Section II. **Composition of the Committees**

1. The Executive Committee of the board shall consist of the officers of the Board. Between Board meetings, the Executive Committee shall transact all regular business of the Hospital Authority.

2. The Finance Committee shall consist of one (1) sitting member and one (1) alternate who shall have the duty of advising and making recommendations to the Board of Trustees on matters relating to the financial and contractual matters of the Hospital Authority. In addition, any matters relating to the physical plant of the hospitals, proposed and completed construction projects and the development of plans for institution equipment and physical plant shall come to this committee. This committee will also have the duty of advising and making recommendations to the Board of Trustee on manners relating to classification of positions, the adoption of pay plans, and any other Personnel issue that may have a financial impact to the institutions. Said committee shall perform other duties that may be assigned by the Chairperson of the Board from time to time.

3. Compliance Committee shall consist of one (1) sitting member and one (1) alternate who shall have the duty of advising and making recommendations to the Board of Trustees on matters relating to evidence of audits with all outside entities, to include: HIPAA, JCAHO, internal audit, etc. This committee will also have the duty of advising and making recommendations to the Board of Trustees on matters relating hiring/firing, reinstatements, SEIU matters and EEOC claims. Said committee shall perform other duties that may be assigned by the Chairperson of the Board from time to time.

4. The Nominating Committee (Ad Hoc Committee) shall consist of three (3) members who shall have the duty of recommending nominees for Board officer positions.

Section III. **Special Committees**

Each Special Committee shall consist of three (3) members of the Board to be appointed as necessary by the Chairperson.

Section IV. Medical Staff Committee

The Medical Staff Committee shall consist of the three (3) physician members of the Board of Trustees. This committee shall convene during non Board of Trustee meeting months and shall:

a. Receive recommendations from the Medical Staff and approve all appointments of responsibilities within the Medical Staff, including definition of the scope of privileges, reappointments, reductions, extensions, suspensions, or termination of privileges.

b. Approve and/or recommend to the Board of Trustees the types and extent of professional work committed to be done by each member of the Medical Staff.

c. Approve and/or recommend to the Board of Trustees the adoption of amendments to, or repeal of rules and regulations governing the Medical Staff.

d. Receive and make recommendations to the Board of Trustees respecting any communications, requests, or recommendations presented by the Medical Staff through its duly authorized representatives.

e. Approve and/or recommend to the Board of Trustees all reports on the work of the Medical Staff considered to be in the best interest of the facilities and their patients.

g. Approve and/or recommend to the Board of Trustees medical staff quality assessment and performance improvement quarterly reports and recommendations.

ARTICLE VI

ADMINISTRATION

Section I. Management of Day to Day Operation of Nashville General Hospital at Meharry, Knowles Assisted Living Facility, and Bordeaux Long Term Care

The Board of Trustees shall appoint, in accordance with the provisions of The Metropolitan Hospital Authorities Act, Tenn. Code Ann. 7-57-301 and 7-57-302, a Chief Executive Officer.

A Performance evaluation of the CEO shall be made periodically by the Board through its Chairperson.

Section II. **Qualifications**

The CEO shall be a person who has had at least five (5) years of experience in hospital administration or at least ten (10) years experience in some other executive or major administrative position.

Section III: **Responsibilities**

The CEO shall be Chief Administrative Officer of the Board of Trustees, and shall be responsible to the Board for the administration and execution of its programs and policies .

The CEO shall have the authority and responsibility to operate the facilities in all their activities and departments, subject only to such policies as may be adopted and such orders as may be issued by the Board of Trustees or by any of its Committees to which it has delegated power for such action. The CEO shall act as the fully authorized representatives of the Board of Trustees in all matters in which the Board of Trustees had not formerly designated some other person to so act.

Section IV. **Duties**

a. At the direction of the Board of Trustees , the CEO shall have general management and control of the facilities administered by the Board and owned and/or operated by the Hospital Authority.

b. With the approval of the Board of Trustees, pursuant to established personnel policies, the CEO or designee shall hire and remove employees of the Hospital Authority.

c. The CEO shall have such other powers and duties as may be authorized by the Board, general laws, or by the Metropolitan Hospital Authorities Act.

d. The CEO shall cooperate with the Medical Staff and with all those concerned with the rendering of professional service, to the end that high-quality care may be rendered to the patients.

e. The CEO shall present to the Board of Trustees or its authorized committee, periodic reports reflecting the professional service and financial activities of the Hospital Authority

f. The CEO shall attend all meetings of the Board of Trustees and is an ad hoc member of committees thereof.

g. The CEO shall serve as liaison officer and for general communications for all official communications between the Board of Trustees or any of its committees and the Medical Staff.

h. The CEO shall perform other duties that may be necessary in the best interest of the Hospital Authority.

Section V. **Absence**

The CEO shall, in the event of an absence, appoint someone to act for him/her. When it is contemplated the absence of a CEO will be over thirty (30) days, the Chairperson of the Board of Trustees will designate an Acting Manager.

ARTICLE VII

MEDICAL STAFF

Section I. **Organization of the Medical Staff**

a. The Board of Trustees shall organize the physicians, dentists and specified professional personnel granted practice privileges in the facilities into a Medical Staff under Medical Staff By-Laws approved by the Board of Trustees. The Board of Trustees and or the Medical Staff Committee of the Board shall consider recommendations of the Medical Staff and appoint those that are qualified to the Medical and Dental Staff. All physicians, dentists and specified professional personnel who meet the qualifications for membership as set forth in the By-Laws of the Medical Staff shall continually meet the standards and requirements set forth in the Medical Staff and Board By-Laws.

b. All applications for appointment to the Medical Staff shall be in writing and addressed to the CEO of the Hospital Authority. The application shall contain full information concerning the applicant's education, licensure, practice, previous hospital experience, current health status, and any unfavorable history with regard to licensure and hospital privileges.

c. All appointments to the Medical Staff shall be based on the procedures for appointments of the Medical Staff as outlined by the Board of Trustees without formal reapplication for a period not to exceed two (2) consecutive years. When an appointment is not be renewed or when privileges have been or are proposed to be reduced, suspended, or terminated, the staff member shall be afforded the opportunity of a hearing before the Executive Committee of the Medical Staff, whose recommendations shall be considered by the Board of Trustees prior to taking final action on the matter. Such hearing shall be conducted informally under procedures adopted by the Board of Trustees so as to assure any due process which may be required by law and afford full opportunity for the presentation of all pertinent information.

d. Appointment of physicians to the Medical Staff having responsibilities from medical-administrative functions shall be based first on the procedures for appointments to a category of the Medical Staff as outlined in the Medical Staff By-Laws, Article III, and renewable for a period not exceed two (2) consecutive years. The second criteria shall be demonstrated management abilities.

e. A physician, duly appointed by the Board of Trustees, to assure medical-administrative responsibilities shall be accountable to the Board of Trustees through the Medical Staff for professional activities and through the CEO for administrative responsibilities.

f. A physician appointee for medical-administrative responsibilities shall be reappointed only after recommendations for reappointment are made by the Executive Committee of the Medical Staff and by the CEO

g. A physician appointed to the medical- administrative position may be terminated at any time by the Board of Trustees. The termination may be based on either the procedures established in the Medical Staff By-Laws or mismanagement of the department to which the physician is assigned.

h. The physician having medical-administrative responsibilities shall be entitled to the same review by the Board of Trustees afforded to other members of the Medical Staff. Before a final decision is made by the Board of Trustees, a Joint Conference composed of an equal number of members of the Board and of the Medical Staff shall be conducted for the purpose of reviewing all evidence related to the physician in question.

i. A practitioner employed by or otherwise serving the hospital on a full or part-time basis, whose duties include both administrative and clinical functions, shall be bound by the policies of the hospital and the Medical Staff By-Laws.

The Medical Staff membership and clinical privileges of any medico-administrative personnel shall not be contingent on his/her continued occupation of that position, unless otherwise provided in his/her employment agreement. Clinical responsibilities are defined as those involving professional capability as a practitioner such as to require the exercise of clinical judgment with respect to patient care.

Practitioners serving in a medico-administrative position shall be entitled to the same review by the Board afforded to other members of the Medical Staff.

Section II. Medical Care and Its Evaluation

a. The Board of Trustees shall, in the exercise of its discretion, delegate to the Medical Staff the responsibility for providing appropriate professional care to the hospital's patients and long term care/assisted living residents.

b. The Executive Committee of the Medical Staff shall conduct a continuing review and appraisal of the quality of professional care rendered in the facilities, and shall report monthly such quality assessment and performance improvement activities and their results to the Board of Trustees and/or the Medical Staff Committee of the Board.

c. The Executive Committee of the Medical Staff shall make recommendations to the Board of Trustees and/or the Medical Staff Committee of the Board concerning:

1. Appointments, reappointments, and alterations of staff status.

2. Granting of clinical privileges.

3. Disciplinary actions.

4. All matters relating to professional competency.

5. Such specific matters as may be referred to it by the Board of Trustees.

d. All individuals responsible for the assessment, treatment, or care of patients are competent in the following, as appropriate to ages of the patients served: the ability to obtain information and interpret information in terms of the patient's needs; a knowledge of growth and development; and an understanding of the range of treatment needed by these patients.

Section III. **Medical Staff By-Laws**

There shall be By-Laws, Rules, and Regulations for the Medical Staff, setting forth its organization and government. Proposed By-Laws, Rules, and Regulations shall be recommended by the Medical Staff, but only those adopted by the Board of Trustees and/or Medical Staff Committee of the Board shall become effective.

Section IV. **Request for a Hearing**

a. When a decision of the Executive Committee of the Medical Staff is adverse to a practitioner's request for appointment and/or reappointment to the Medical Staff, or results in delineation of privileges, the procedures for requesting a hearing by the Executive Committee as outlined in Article X of the Medical Staff By-Laws, Rules and Regulations shall be followed. The affected practitioner may request a hearing before the Board only after the practitioner has exhausted the procedure provided in the Medical Staff By-Laws, Rules and Regulations.

b. The CEO shall be responsible for giving prompt written notice of an adverse recommendation or decision, of the Executive Committee or Hearing Committee

of the Medical Staff, to any affected practitioner. He/she shall also restate the practitioner's right to a hearing and to any review before the Board. This shall be done by certified mail, return receipt requested.

c. The failure of a practitioner to request a hearing or review by the Board within ten (10) days of being informed of the adverse recommendation or decision shall constitute a waiver of his/her right to such hearing or review by the Board.

d. Within five (5) days after receipt of a request for a hearing from a practitioner entitled to same, the Board shall schedule and arrange for such a hearing. The practitioner shall be notified by certified mail, return receipt requested, of the time and place for the hearing which shall not be less than seven (7) days, nor more than fourteen (14) days after the receipt of the request for hearing.

e. A hearing by the Board shall be conducted by a committee appointed by the Board. At least one member of this committee shall be a member of the Medical Staff.

Section V. **Conduct of Hearing**

a. The CEO shall fix the place and time of the hearing and shall, by certified receipt mail, send a notice of same to the individual requesting the hearing.

b. A majority of the Hearing Committee members must be present. No member shall vote by proxy.

c. An accurate record of the proceedings shall be kept. The mechanism for recording the minutes shall be established by the Ad Hoc hearing committee, and may be accomplished by use of a court reporter, electronic recording unit, or detailed transcription.

d. The personal presence of the practitioner for whom the hearing has been scheduled shall be required. A practitioner who fails without good cause to appear and proceed at such hearing shall be deemed to have waived his/her rights.

e. Postponement of hearings beyond the time set forth in these By-Laws shall be made only with the approval of the Hearing Committee. Granting of such postponements shall only be for good cause shown and in the sole consideration of the Hearing Committee.

f. The practitioner shall be entitled to be accompanied by and/or represented by a member of the Medical Staff in good standing or by a member of the local professional society.

g. The hearing shall be conducted according to the wishes of the Hearing Committee. Either a hearing officer, if one is appointed, or the Chairperson of the

Hearing Committee or his/her designee, shall preside over the hearing to assure that all participants in the hearing have a reasonable opportunity to present relevant oral and documentary evidence and to maintain decorum.

h. The hearing need not be conducted strictly according to rules of law relating to the examination of witnesses or presentation of evidence. Any relevant matter upon which reasonable persons customarily rely in the conduct of serious affairs shall be considered, regardless of the existence of any objection in civil or criminal action. The practitioner for whom the hearing is being held shall, prior to or during the hearing, be entitled to submit memoranda concerning any issue or procedure or of fact and such memoranda shall become a part of the hearing record.

i. The affected practitioner shall have the following opportunities: to call and examine witnesses, to question any witness and to rebut any evidence. The practitioner may be called and examined even if he/she does not testify in his/her own behalf.

j. The hearing provided for in these By-Laws is for the purpose of resolving, on an intra-professional basis, matters bearing on professional competency and conduct. Accordingly, neither the practitioner, nor the Board shall be represented at any phase for the hearing procedure by an attorney-at-law unless the Hearing Committee, in its discretion, permits both sides to be represented by counsel. The foregoing shall not be deemed to deprive any party involved of the opportunity to legal counsel in connection with preparation for the hearing.

k. The Hearing Committee may, without special notice, recess the hearing and reconvene the same for the convenience of the participants or for the purpose of obtaining new or additional evidence or consultation. Upon conclusion of the presentation of oral and written evidence, the hearing shall be closed. The Hearing Committee may thereupon, at a time convenient to itself, conduct its deliberations outside the presence of the practitioner for whom the hearing was convened.

l. Within five (5) days after final adjustment of the hearing, the Hearing Committee shall make a written report and recommendation and shall forward the same together with the record of hearing to the Board of Trustees.

Section VI. Review

a. Within ten (10) days after receipt of an adverse notice, by the Hearing Committee, the affected practitioner may, by written notice to the Board, deliver to the CEO by certified mail, return receipt requested, request for review by the Board of Trustees. Such notice may request that the review be held only on the record, or the practitioner may request that oral argument be permitted.

b. If such review is not requested within ten (10) days of receipt of the adverse notice, the practitioner shall be deemed to have waived his/her opportunity to the same, and the adverse decision shall be effective immediately.

c. Within five (5) days after receipt of such notice of request for appellate review, the Board of Trustees shall schedule a date for such review, and shall, by certified mail, return receipt requested, notify the affected practitioner. The date of the appellate review shall not be less than ten (10) days nor more than twenty (20) days from the receipt of request by the Board of Trustees.

d. The affected practitioner shall have access to the report and record of the Ad Hoc Hearing Committee and any other material which was considered in making the adverse recommendation or decision(s). He/she shall have five (5) days in which to submit a written statement in his/her own behalf. This statement may cover any matters raised at any step in the procedure to which the review is related, and legal counsel may assist in the preparation of this document. A similar statement may be submitted by the Chairperson of the Executive Committee or by the Ad hoc Hearing Committee and, if submitted, the CEO shall provide this affected practitioner with a copy at least five (5) days prior to the date of the review.

e. The Board of Trustees shall act as the appellate body. It shall review the record and the written statements. If oral argument is permitted, the affected practitioner shall be allowed to speak and to answer questions of the reviewing body.

f. Following the review, the Board of Trustees may affirm, modify, or reverse its prior decision, or it may refer the matter back to the Executive Committee for further review and recommendation. Such review and recommendation shall be completed within seven (7) days and forwarded to the Board.

g. The review shall not be deemed to be concluded until all of the procedural steps provided in this Section X have been completed or waived. All action required of the Board related to hearings and review so outlined in these By-Laws, may be taken by a committee of the Board of Trustees, duly authorized to act.

Section VII. Final Decision by the Board

a. Within seven (7) days after the conclusion of the review, the Board of Trustees shall make its final decision in the matter and shall send notice, thereof, to the Executive Committee, and through the CEO, to the practitioner. If this decision is in accord with the Executive Committee's recommendation, the governing body shall refer the matter to the Medical Staff Committee for further review and recommendation within ten (10) days. At the next regular meeting of the Board of Trustees, following receipt of the Medical Staff Committee the Board of Trustees shall make its final decision, and such decision shall not be subject to further hearing or review.

b. Notwithstanding, any other provision of these By-Laws, no practitioner shall be entitled as a right to more than one hearing and one review on any matter which shall have been the subject of action by the Hospital Authority, by the Executive Committee or by the Board of Trustees or by a duly authorized committee of the Board or by both.

ARTICLE VIII

The Board of Trustees shall establish, adopt, and make available for distribution, to anyone concerned, its rules, regulations, and policy statements concerning personnel policy, the manner and method of employing personnel, the requirements with which reference to the qualifications of both professional and non-professional personnel, salaries, vacations, sick leave, job security, retirement policy, and other related terms and conditions of employment by the Board.

As provided in the Metropolitan Hospital Authorities Act, Sections 7-57-301, 7-57-394(2), the Board is authorized to employ such personnel as may be necessary to perform its function and as may be within the limits of its budget appropriation in accordance with Section 7-57-401. The Board of Trustees shall assure the provisions of the necessary resources and support systems for the Hospital Authority's continuous quality assessment and performance improvement activities and risk management function, as related to patient care and safety.

There may be an organized volunteer program which shall render such services and perform such duties to advance the comfort of the hospital patients, long term care/assisted living residents, adult day care participants and visitors and other such duties as may be assigned by the CEO. Participation in the volunteer program may be composed of interested and willing individuals from the community, individuals associated with community volunteer groups/organizations such as the American Red Cross, or membership of a community organization dedicated specifically to the mission of the Hospital Authority.

ARTICLE IX

The Board of Trustees shall constitute a Civil Service board with respect to employees of the Board. The Civil Service Board shall adopt rules for the discipline or dismissal of employees, the classification of positions, and the adoption of a pay plan.

ARTICLE X

The Board of Trustees may enter into contractual agreement with any appropriate health care organization to provide health care, and organize the Medical Staff, governed by a set of By-Laws developed by the Medical Staff and approved by the Board of Trustees.

The Board of Trustees shall consider all appointments to the Medical Staff of the Hospital Authority upon recommendation of the Medical Staff Executive Committee.

ARTICLE XI

These By-Laws of the Board of Trustees shall be reviewed at least annually and may be revised as necessary by the affirmative vote of two-thirds (2/3) majority of the membership, provided notice shall have been mailed in accordance with Tenn. Code Ann. § 7-57-203(d) to each member of the Board of Trustees.

ARTICLE XII

CONFLICTS OF INTEREST STATEMENT POLICY

The policy of the Hospital Authority with respect to conflicts of interest requires that Board of Trustees members, officers, and all other employees avoid any conflict between their personal interests and the interests of the Hospital Authority in dealing with suppliers, customers, and all other organizations or individuals doing or seeking to do business with the Hospital Authority. In furtherance of this policy, the Hospital Authority follows the procedures as established by Metropolitan Code of Laws § 2.72 and Executive Order 91-08.

While it is not practicable to enumerate all situations which might be in conflict of interest, the examples given below indicate some of the relationships which should be avoided. Thus, it is considered to be in conflict with the Hospital Authority's interest, or a violation of trust:

1. For any member of the Board of Trustees, an employee or any dependent member of his family to have an interest in any organization which has, or is seeking to have, business dealings with the Hospital Authority where there is an opportunity for preferential treatment to be given or received except, in any case where such an interest comprises securities in widely held corporations which are quoted and sold on the open market, or in private corporations where the interest is not material.

2. For any member of the Board of Trustees, an employee or any dependent member of his/her family to buy, sell, or lease any kind of property, facilities, or equipment from or to the Hospital Authority or to any company, firm, or individual who is or is seeking to become a contractor or supplier, except with the knowledge and consent of the Hospital Authority CEO.

3. For any member of the Board of Trustees or an employee, without proper authority, to give or release to anyone not employed by the Hospital Authority any data or information of a confidential nature concerning the Hospital Authority, such as that relating to decisions, plans, earnings, or financial or business forecasts or to use such information to his/her personal advantage and not in the best interest of the Hospital Authority and the Metropolitan Government. For example, by acquiring or inducing others to acquire any interest in securities of a company involved in, or which may become involved in, any transaction with the Hospital Authority which is not generally known to the public.

4. For an employee or any dependent member of his/her family to accept from any organization, firms, or individuals doing or seeking to do business with the hospital,

commissions; a share in profits; gifts in cash; gift certificates or other payments; loans or advances (other than from established banking or financial institutions); materials, services, repairs, or improvements at no cost or at unreasonable low prices; excessive or extravagant entertainment; and travel or gifts of merchandise of more than nominal value.

A letter stating this policy of the Board of Trustees will be available to all employees.

Adopted by the Board of Trustees of the Hospital Authority September 27, 2005.

_____
Chair

ATTEST:

_____
Secretary

Metropolitan Code of Laws

Chapter 2.72 ETHICAL STANDARDS

2.72.010 Applicability of chapter provisions.

This chapter shall apply to all members of boards and commissions of the metropolitan government, whether created by the Metropolitan Charter, established by ordinance of the metropolitan council, or appointed by the mayor or vice-mayor. (Prior code § 2-1-47.1)

2.72.020 Conflicts of interest--Disclosure or disqualification.

A. Whenever a board member has or is likely to have a conflict of interest in connection with a matter pending before his particular board, he shall either:

1. Disqualify himself from further action on the matter, in which event he need not disclose the reason for his disqualification; or

2. Disclose fully the nature of his conflict of interest, in which event he may continue to participate in the deliberations and to vote on the matter.

B. Whenever a board member has or is likely to have a conflict of interest in connection with any official matter other than one pending before the particular board, he shall either:

1. Disqualify himself from further participation in the proceeding; or

2. Conduct himself in accordance with an advisory opinion or judicial determination of the board of ethical conduct. (Prior code § 2-1-47.7)

2.72.030 Representation for compensation.

A board member shall not, either in person or through an affiliate, represent any person or firm before the board on which he is a member. (Prior code § 2-1-47.6)

2.72.040 Exercising improper influence of office.

A board member shall not exert, or attempt to exert, influence which derives from his position as board member and which interferes with the performance of an official function by an officer or agency of metropolitan government or with the independent exercise of judgment and discretion by the officer or agency in the performance of an official function, unless the exercise or influence is within the legal authority of the office of board members. (Prior code § 2-1-47.5)

2.72.050 Voting or taking other action under improper influence.

A board member shall not vote or take any other action in his official capacity under the influence of a benefit of the type specified in Section 2.72.060, which is received by, promised to or expected by himself or any other person designated in his behalf, regardless of the intention of the parties at the time the benefit was received or promised. (Prior code § 2-1-47.3)

2.72.060 Deriving unjustified enrichment from office--Prohibited activities.

A. A board member shall not derive or attempt to derive any unjustified enrichment from his office. This section forbids:

1. The solicitation or acceptance of any bribe, or any gift or other economic benefit, or of any promise of similar benefit, which he believes or reasonably should believe was intended to influence his vote or other action to be taken in his official capacity; or
2. The solicitation or acceptance of any gift or other economic benefit conferred because of any vote or other action in his official capacity already taken by him; or
3. The acquisition or use for personal purposes of any property, services or funds of metropolitan government, unless authorized by law; or
4. The use for personal gain of information pertaining to metropolitan government which is not a matter of common knowledge, at a time when it is treated as confidential by metropolitan government.

B. A board member shall not solicit or arrange for a benefit of any type prohibited in subsection A of this section to be conferred on any other person. (Prior code § 2-1-47.2)

2.72.070 Contract restrictions.

A board member shall not enter into, nor derive any benefit, directly or indirectly, from any contractual arrangement with the particular board, agency or commission of which he is a member. (Prior code § 2-1-47.4)

2.72.080 Affirmative responsibilities.

A. A board member shall promptly report to the district attorney general any solicitation amounting to an attempt to bribe him.

B. In the spirit of these standards of ethical conduct, a board member shall constantly bear in mind:

1. The advisability of avoiding the creation of an appearance, or the raising of a suspicion, that he is engaged in or is likely to engage in conduct that is in violation of the standards set forth in this chapter; and

2. The prudence of using careful foresight to insure that he is not placed in a situation which will subject him to undue temptation to violate the standards. (Prior code § 2-1-47.8)

2.72.090 Board of ethical conduct--Authority and responsibilities.

The board of ethical conduct, created pursuant to Ordinance 74-1055 (See Article II of Chapter 2.04 of this code), shall have the authority to review complaints lodged against members of boards and commissions and to issue advisory opinions as requested by members of boards and commissions. Those responsibilities of the board of ethical conduct as in regard to members of the metropolitan council shall likewise be applicable to members of boards and commissions of

the metropolitan government. Those procedures established for the functioning of the board of ethical conduct shall also apply to members of boards and commissions. Those powers and responsibilities vested in the metropolitan council with regard to reviewing the action of the board of ethical conduct shall likewise be applicable to members of boards and commissions. (Prior code § 2-1-47.9)

Tennessee Code Annotated

Sections 7-57-101—7-57-604

7-57-101. Short title.

This chapter may be cited as the **"Metropolitan Hospital Authority Act."**
[Acts 1971, ch. 316, § 1; T.C.A., § 6-4001.]

7-57-102. Purpose and policy.

(a) It is hereby determined and declared that the present and projected rapid growth of the demand for health care, the need for health care facilities in the metropolitan regions of the state, the realization that the optimum in health care is preventive by nature, and the great demand for capital and operating funds, all require that local governments in metropolitan areas have the option of placing the control and operation of metropolitan hospitals and other health care activities in regional and metropolitan instrumentalities.

(b) It is hereby further declared that hospital authorities created pursuant to this chapter shall be public and governmental bodies acting as agencies and instrumentalities of the creating and participating municipalities and that the acquisition, operation, and financing of hospitals and related facilities by such hospital authorities are hereby declared to be for a public and governmental purpose and a matter of public necessity.
[Acts 1971, ch. 316, § 2; T.C.A., § 6-4002.]

7-57-103. Definitions.

As used in this chapter, unless the context otherwise requires: (1) "Authority" or "hospital authority" means a public body and a body corporate and public organized in accordance with the provisions of this chapter for the purposes, with the powers, and subject to the restrictions hereinafter set forth;

(2) "Board" means the board of trustees of an authority;

(3) "Creating municipality" means any city or metropolitan government having a population of not less than two hundred thousand (200,000) according to the 1970 or any subsequent United States census, or any county in which any such city shall be situated, which shall create an authority pursuant to this chapter;

(4) "Executive officer" means the mayor, county executive or other chief executive officer of any creating or participating municipality;

(5) "Federal government" includes the United States or any agency or instrumentality, corporate or otherwise, of the United States;

(6) "Governing body" means the chief legislative body of any creating or participating municipality; in counties having the commission form of government "chief legislative body" means the county legislative body;

(7) "Hospital" and "hospital project" means and includes any one (1) or more hospitals and related facilities, including, but not limited to, land and interests in land, facilities and equipment for the treatment of all classes of patients, laboratories, clinics, treatment centers, nursing homes, rehabilitation centers, extended care facilities, dormitories, training facilities for medical students, doctors, nurses and all other medical or paramedical personnel, administration and office buildings, garages, parking lots and such other structures, facilities and improvements necessary or convenient to the development and maintenance of hospitals, and for the provision of health care;

(8) "Ordinance" means any ordinance adopted by governing bodies pursuant to this chapter;

(9) "Participating municipality" means any city, town or county, which city, town or county, pursuant to a resolution of its governing body and an agreement with the creating municipality, shall have sold, leased, dedicated, donated or otherwise conveyed its hospitals to the authority for operation by the authority in order to make such hospital an operational part of its health care system;

(10) "Resolution" means any resolution adopted by governing bodies pursuant to this chapter;

(11) "State" means the state of Tennessee; and

(12) "Trustee" means one (1) of the members of the board of an authority appointed in accordance with the provisions of this chapter.

[Acts 1971, ch. 316, § 3; impl. am. Acts 1978, ch. 934, §§ 7, 16, 36; T.C.A., § 6-4003.]

7-57-104. Duty of the authority and trustees of the authority.

The authority and its trustees shall be under a statutory duty to comply or to cause compliance strictly with all provisions of this chapter and the laws of the state of Tennessee, and, in addition thereto, with each and every term, provision and covenant in any contract of the authority on its part to be kept or performed.

[Acts 1971, ch. 316, § 7; T.C.A., § 6-4007.]

7-57-105. Dissolution - Disposition of property.

Whenever the governing body or bodies of the creating municipality or municipalities and the participating municipality or municipalities shall each, by resolution, determine that the purposes for which the authority was created have been substantially accomplished, that all of the obligations of the authority have been fully paid, or provided for, and that such municipalities have agreed on the distribution of the funds and other properties of the authority, then the chief executive officer or officers of such municipality or municipalities shall execute and file for record with the secretary of state a joint certificate of dissolution reciting such facts and declaring the authority to be dissolved. Upon such filing, the authority shall be dissolved, and title to all funds and other properties of the authority at the time of such dissolution shall vest in and be delivered to such municipalities in accordance with the terms of their agreement.

[Acts 1971, ch. 316, § 20; T.C.A., § 6-4023.]

7-57-106. Supplemental nature of chapter.

The powers conferred by this chapter shall be in addition and supplemental to the powers conferred by any other law, and are not in substitution for such powers, and the limitations imposed by this chapter shall not affect such powers. The powers herein granted may be exercised without regard to requirements, restrictions or procedural provisions contained in any other law or charter, except as herein expressly provided. Any metropolitan government or any home rule municipality authorized hereunder to create a metropolitan hospital authority may do so without the necessity of a charter amendment, notwithstanding anything in its charter to the contrary.

[Acts 1971, ch. 316, § 21; T.C.A., § 6-4024.]

7-57-107. Liberal construction.

The provisions hereof shall be liberally construed to effect the purposes hereof, and insofar as the provisions of this chapter may be inconsistent with the provisions of any other law, the provisions of this chapter shall be controlling.

[Acts 1971, ch. 316, § 23; T.C.A., § 6-4025.]

PART 2
ORGANIZATION AND OFFICERS

7-57-201. Creation of hospital authorities.

(a) The governing body of the creating municipality may establish a metropolitan hospital authority in the manner hereinafter provided.

(b) The governing body of the creating municipality shall adopt, and its executive officer shall approve, a resolution calling a public hearing on the question of creating a metropolitan hospital authority. Notice of the date, hour, place and purpose of such hearing shall be published at least once each week for two (2) consecutive weeks in a newspaper of general circulation in the creating municipality, the last such publication to be at least one (1) week prior to the date set for the hearing.

(c) Such hearing shall be had before the governing body and all interested persons shall have an opportunity to be heard.

(d) After such hearing, if the governing body determines that the public convenience and necessity requires the creation of a metropolitan hospital authority, it shall adopt, and its executive officer shall approve, a resolution so declaring and creating an authority, which resolution shall also designate the name and principal office address of the authority. A certified copy of such resolution shall be filed with the secretary of state and with the commissioner of health, together with the resolution approving the appointment of the board of trustees as provided for in § 7-57-203, and upon such adoption and filing, the authority shall constitute a body politic and corporate, with all the powers hereinafter provided, and the secretary of state shall make and issue to the board of trustees a certificate of incorporation pursuant to this chapter, under the seal of the state, and shall record the same, together with the resolution of the governing body of the municipality creating the authority.

(e) The boundaries of any authority created under this chapter shall be coextensive with the boundaries of the creating or participating municipality, whichever is inclusive of the other.

(f) In any suit, action or proceeding involving the validity or enforcement of or related to any contract of an authority, the authority shall be conclusively deemed to have been established in accordance with the provisions of this chapter upon proof of the issuance of the aforementioned certificate by the secretary of state. A copy of such certificate, duly certified by the secretary of state, shall be admissible in evidence in any such suit, action or proceeding, and shall be conclusive proof of the filing and contents of the certificate.

(g) Whenever an authority shall be created under this chapter, the creating municipality and any participating municipality may enter into an agreement with the authority for the orderly transfer to the authority of the hospital properties, functions, and outstanding obligations of such

municipalities in connection therewith. Such agreement may include provisions for the reimbursement of any such municipality for its obligations issued for hospital purposes, and such agreement may also include provisions for the payment to the creating and/or participating municipalities of tax equivalents by the authority and its lessees on all or any part of the properties and improvements conveyed to or owned by the authority or its lessees.

[Acts 1971, ch. 316, § 4; T.C.A., § 6-4004; Acts 1991, ch. 442, § 1.]

7-57-202. Change of name.

An authority created and existing pursuant to this chapter may, at any time, by resolution adopted by a majority of its board of trustees, change its name. A copy of such resolution, duly verified by the chair and secretary of the board of trustees before an officer authorized by the laws of this state to administer oaths, shall be delivered to the secretary of state, together with a conformed copy thereof. If the secretary of state shall determine that the proposed name is not identical with that of any other corporation of this state, or so nearly similar as to lead to confusion and uncertainty, the secretary of state shall receive and file it and record it in an appropriate book of record in the secretary of state's office, and thereupon return to the authority the conformed copy, together with a certificate stating that attached thereto is a true copy of the document filed in the secretary of state's office and showing the date of such filing.

[Acts 1971, ch. 316, § 5; T.C.A., § 6-4005.]

7-57-203. Board of trustees.

(a) The governing body of an authority shall be a board of trustees to consist of not less than five (5) nor more than fifteen (15) members. All powers herein granted to an authority shall be exercised by its board of trustees. The governing body of the creating municipality, or if two (2) or more creating municipalities act in concert to create a hospital authority, then the governing bodies of the several creating municipalities, by agreement between themselves and subject to the approval of their executive officers, are hereby authorized, within the limitations imposed by this chapter, to establish the number of members of the board of trustees, their method of nomination and appointment, their tenure of service, and such other qualifications in addition to those set forth herein as the creating municipality or municipalities may desire to impose. The agreement shall be evidenced by a resolution passed by the governing body or bodies of the creating municipality or municipalities acting together in the creation of an authority. A creating municipality may likewise enter into similar agreements with participating municipalities concerning the number, appointment, tenure of service, and qualifications of the board of trustees of an authority. In each and every case, a trustee shall be nominated by the executive officer and approved by the governing body of the municipality which appoints such person to the board of trustees, and such person shall be a resident of such municipality.

(b) The trustees shall receive no compensation for their services, but shall be entitled to be reimbursed for necessary expenses, including travel expenses incurred in the discharge of their

duties.

(c) The board shall elect from among its members, by a majority vote of the entire board, a chair and vice chair, each of whom shall continue to be voting members.

(d) The board shall adopt its own bylaws. Notice of any meeting to adopt or amend the bylaws must be sent by registered mail to each of the trustees at least ten (10) days prior to the date of such meeting, such notice to contain the time, place and purpose of the meeting. Bylaws may be adopted or amended only upon the affirmative vote of two thirds (*2*/3) of the members of the board.

[Acts 1971, ch. 316, § 6; T.C.A., § 6-4006.]

7-57-204. Pecuniary interest of trustees or employees in hospital facilities or contracts.

No trustee or employee of an authority shall, during such person's tenure as such trustee or employee, acquire any interest, direct or indirect, in any hospital facility or in any property included or planned to be included in any hospital facility; nor shall such person have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used in connection with any hospital facility. If any trustee or employee of an authority owns or controls an interest, direct or indirect, in any property included or planned to be included in any hospital facility, such person shall immediately disclose the same in writing to the authority, and such disclosure shall be entered upon the minutes of the authority. Failure to so disclose such interest shall constitute misconduct in office, for which the trustee or employee may be removed by the governing bodies of the appropriate creating and participating municipalities.

[Acts 1971, ch. 316, § 8; T.C.A., § 6-4008.]

PART 3
OPERATION AND POWERS

7-57-301. Powers of authority.

An authority shall constitute a public body and a body corporate and politic, exercising public powers, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including, without limitation, the powers to:
(1) Investigate into hospital, medical and health conditions and into the means and methods of improving such conditions;

(2) Study and make recommendations concerning the plan of any city or municipality located within its boundaries in relation to the provision of adequate hospital, medical and nursing facilities;

(3) Prepare, carry out and operate hospital projects;

(4) Provide and operate outpatient departments, maternity clinics, decentralized primary health care facilities, and any other clinics customarily operated in or by hospitals in metropolitan centers;

(5) Provide the clinical setting for the teaching and instruction programs of schools for medical students, interns and physicians; and provide teaching and instruction programs for nurses, and all other medical or paramedical personnel;

(6) Provide and maintain continuous resident physician, intern and other medical services;

(7) Establish rates, fees, charges and other compensation to be paid by patients for any services rendered in its hospital facilities;

(8) Participate in any governmental programs, such as medicare and medicaid, and obtain reimbursement thereunder for services rendered to patients;

(9) Appoint all administrative, professional, technical and other employees; appoint legal counsel and an auditor; enter into contracts of employment with such employees and appointees and fix their compensation and terms of employment, subject to the budget controls of the creating and participating municipalities; and remove such employees or appointees;

(10) Enter into agreements with the creating municipality and participating municipalities with respect to the manner of transfer of hospital employees of such municipalities to the authority and with respect to the retention by such employees of existing civil service status and accrued pension, disability, hospitalization, death, or other fringe benefits;

(11) Enter into a plan for pension, disability, hospitalization and death benefits for the officers and employees of the authority, either by contract with the creating municipality and participating municipalities, or otherwise;

(12) Adopt necessary rules and regulations for the government of the authority and its employees, and appoint such committees or subcommittees as it shall deem advisable, and fix their duties and responsibilities;

(13) Subject to the provisions for letting of public contracts as provided in the charter or governing law of the creating municipality, enter into contracts for necessary supplies, equipment or services incident to the operation of its business;

(14) Do all things necessary in connection with the construction, repair, reconstruction, management, supervision, and control of its operation and facilities, including, but not limited to, the hospital and all departments thereof;

(15) Accept donations of money, personal property or real estate for the benefit of the authority and take title thereto from any person, firm, corporation or society desiring to make such

donations;

(16) Determine and regulate the conditions under which the privilege of practicing within any hospital operated by the authority may be available to physicians, and promulgate reasonable rules and regulations governing the conduct of physicians and nurses while on duty in the hospital;

(17) Make rules and regulations governing the admission of patients to, and the care, conduct, and treatment of patients in, the hospital;

(18) Determine whether and to what extent patients presented to the hospital for treatment are subjects for financial subsidy because of their income level, family size or other established criteria;

(19) Maintain and operate isolation wards for the care and treatment of mental, contagious or other similar diseases;

(20) Provide for the construction, reconstruction, improvement, alteration or repair of any hospital project or any part thereof, subject to the budget limitations which may be imposed by the creating municipality and/or any participating municipality;

(21) Act as agent for the federal government in connection with the acquisition, construction, operation and/or management of a hospital project, or any part thereof;

(22) Arrange with any city or municipality located in whole or in part within its boundaries or with a government for the planning, replanning, furnishing, installing, opening or closing of streets, roads, roadways, alleys, sidewalks, other places or facilities and utilities, or for the acquisition by such city, municipality, or a government of property options or property rights or for the furnishing of property or services in connection with a project;

(23) Arrange with the state, its subdivisions and agencies, and any county, city or municipality of the state, to the extent that it is within the scope of each of their respective functions:

(A) Cause the services customarily provided by each of them to be rendered for the benefit of such hospital authority; and

(B) Lease or rent any of the dwellings or other accommodations or any of the lands, buildings, structures or facilities embraced in any hospital project and establish and revise the rents or charges therefor;

(24) Purchase, lease, improve, obtain options upon, acquire by gift, grant, bequest, devise, or otherwise any personal property, or any interest therein from any person, firm, corporation, city, municipality, or government, for any of the purposes herein provided;

(25) Sell, exchange, transfer, assign, or pledge any personal property, or any interest therein to any person, firm, corporation, municipality, city, or government;

(26) Self-insure or provide for the insurance of the property or operations of the authority against such risks as the authority may deem advisable;

(27) In connection with any loan by a government, agree to limitations upon the exercise of any powers conferred upon the authority by this chapter;

(28) Invest any funds held in reserves or sinking funds, or any temporarily excess funds not required for immediate disbursement, in property or securities in which trustees, guardians, executors, administrators, and others acting in a fiduciary capacity may legally invest funds subject to their control;

(29) Sue and be sued;

(30) Have a seal and alter the same;

(31) Have perpetual succession; and

(32) Make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority.

[Acts 1971, ch. 316, § 9; T.C.A., § 6-4009.]

7-57-302. Exercise of powers through agents - Corporate agents.

An authority may exercise any or all of the powers herein conferred upon it, either generally or with respect to any specific hospital project or projects, through or by an agent or agents which it may designate, including any corporation or corporations which are or shall be formed under the laws of this state, and for such purposes an authority may cause one (1) or more corporations to be formed under the laws of this state or may acquire the capital stock of any corporation or corporations. Any corporate agent, all of the stock of which shall be owned by the authority or its nominee or nominees, may, to the extent permitted by law, exercise any of the powers herein conferred upon the authority.

[Acts 1971, ch. 316, § 9; T.C.A., § 6-4010.]

7-57-303. Implied powers - Limitations.

In addition to all of the other powers herein conferred upon it, an authority may do all things necessary and convenient to carry out the powers expressly given in this chapter. No authority shall have or exercise any governmental powers or authority other than those herein specifically granted. No authority shall have any taxing powers, any right or authority to pledge, encumber or obligate the general credit of any of its creating or participating municipalities for its bonds or debts, nor any power of eminent domain or condemnation.

[Acts 1971, ch. 316, § 9; T.C.A., § 6-4011.]

7-57-304. Additional powers.

With the approval of the governing bodies of the creating and participating municipalities, the authority has the following additional powers, to:

(1) Issue its bonds and notes in the manner provided in title 9, chapter 21, and secure the same by pledges of its revenues;

(2) Enter into a plan for civil service for employees of the authority, either by contract with the creating municipality and participating municipalities, or otherwise;

(3) Take over by contract, purchase, lease or otherwise any hospital project located within its boundaries undertaken by any government, or by any city or municipality located in whole or in part within its boundaries;

(4) Purchase, lease, improve, obtain options upon, acquire any real property, or any interest therein from any person, firm, corporation, city, municipality, or government, for any of the purposes herein provided; and

(5) Sell, exchange, transfer, assign, or pledge any real property, or any interest therein to any person, firm, corporation, municipality, city, or government.

[Acts 1971, ch. 316, § 9; T.C.A., § 6-4012; Acts 1988, ch. 750, § 36.]

7-57-305. Acquisition and transfer of real property interests.

Any creating or participating municipality may acquire any interest in land within the boundaries of the creating or participating municipality by gift, purchase, lease or condemnation, and may transfer such interest to an authority by sale, lease or gift. Such transfer may be authorized by resolution of the governing body of the municipality without submission of the question to the voters and without regard to the requirements, restrictions, limitations, or other provisions contained in any other general, special or local law.

[Acts 1971, ch. 316, § 10; T.C.A., § 6-4013.]

7-57-306. Zoning and building laws.

All hospital projects and facilities of an authority shall be subject to the planning, zoning, sanitary, safety and building laws, ordinances, resolutions and regulations applicable to the locality in which the hospital project or any of its facilities are situated.

[Acts 1971, ch. 316, § 11; T.C.A., § 6-4014.]

7-57-307. Tax exemption - Exceptions - Tax equivalents.

The authority shall be exempt from the payment of any taxes or fees to the state or any subdivisions thereof, or to any officer or employee of the state or any subdivision thereof, except as hereinafter provided. The property of an authority shall be exempt from all county and municipal taxes, and for the purposes of such tax exemption, it is hereby declared as a matter of legislative determination that an authority is and shall be deemed to be a municipal corporation; provided, that the authority shall pay all county and municipal fees. An authority may, however, agree to the payment of tax equivalents to the creating and/or participating municipalities, as provided in § 7-57-201.
[Acts 1971, ch. 316, § 12; T.C.A., § 6-4015.]

7-57-308. Powers of creating or participating municipalities.

Any creating municipality and any participating municipality has all necessary powers in order to further the purposes of this chapter, including, without limitation, the following, any or all of which powers may be exercised by ordinance or resolution of its governing body:

(1) The governing body of any creating or participating municipality in which the authority is located may appropriate each year such sums from its general fund as the governing body deems to be necessary for the construction, improvement, maintenance, or operation of any public hospital or hospital project or other facility constructed, maintained or operated by an authority, and money so appropriated and paid to a hospital authority shall be deemed a necessary expense of such creating or participating municipality. The governing body of any such creating or participating municipality shall also be authorized to advance or lend money, or real or personal property, to the authority for use in carrying out its purposes as set forth in this chapter;

(2) The governing body of any creating or participating municipality in which the authority is located may appropriate each year such sums from its capital funds as the governing body deems to be necessary for the purchase, construction, expansion, or improvement of any public hospital or hospital project or other facility constructed, maintained or operated by an authority, and money so appropriated and paid to a hospital authority shall be deemed a necessary expense of such creating or participating municipality. The governing body of any such creating or participating municipality shall also be authorized to advance or lend money, or real or personal property, to the authority for use in carrying out its purposes as set forth in this chapter;

(3) The governing body of any creating or participating municipality may borrow money against its general credit on such terms and for such period as it shall deem appropriate and sell revenue or general obligation bonds and advance, lend, grant, donate or appropriate the funds to the authority for the construction or improvement of any hospital project or other facility constructed, maintained or operated by the authority;

(4) The governing body of any creating or participating municipality may borrow money against its general credit on such terms and for such period as it shall deem appropriate and advance, lend, grant, donate or appropriate the funds to the authority for the maintenance and operation of any hospital project or other facility constructed, maintained or operated by the authority;

(5) To provide that any funds on hand or made available to it for hospital purposes shall be paid directly to the authority;

(6) To cause water, sewer, gas, electric or other utility services to be provided to the hospital authority;

(7) To sell, lease, dedicate, donate or otherwise convey to the authority any of its interest in any existing hospital or other related property, either real or personal, or grant easements, licenses or other rights or privileges therein to the authority;

(8) To open and improve streets, roads and alleys to the hospitals;

(9) To provide police and fire protection services to the hospitals; and

(10) To enter into agreements with the authority with regard to the transfer of its hospital employees to the authority with the retention by such employees of any civil service status and accrued rights in pension, disability, hospitalization and death, and other fringe benefits.

[Acts 1971, ch. 316, § 13; T.C.A., § 6-4016.]

7-57-309. Operation of property.

Any property, real or personal, conveyed or leased to an authority by a creating or participating municipality shall be operated by the authority to which the same is conveyed, together with other facilities of the authority, in accordance with and under the provisions of this chapter and the contracts entered into between the authority and the governing body or bodies of the creating or participating municipality or municipalities.

[Acts 1971, ch. 316, § 14; T.C.A., § 6-4017.]

7-57-310. Borrowing - Federal and state grants and contracts.

(a) In addition to the powers conferred upon authorities by other provisions of this chapter, authorities are also empowered to:

(1) Borrow money and/or accept grants from the federal or state governments for or in aid of the construction of any hospital project which such authority is authorized by this chapter to

undertake;

(2) Take over any land acquired by the federal or state governments for the construction of a hospital project, with the approval of the governing bodies of the creating and participating municipalities;

3) Take over or lease or manage any hospital project constructed or owned by the federal or state government; and

(4) To these ends, enter into such contracts, mortgages, trust indentures, leases or other agreements that the federal or state government shall have the right to supervise and approve the construction, maintenance and operation of such hospital project.

(b) It is the purpose and intent of this chapter to authorize every authority to do any and all things necessary to secure the financial aid and the cooperation of the federal and state governments in the construction, maintenance and operation of any hospital project which the authority is empowered by this chapter to undertake.

[Acts 1971, ch. 316, § 19; T.C.A., § 6-4022.]

PART 4
FINANCIAL MATTERS

7-57-401. Annual report by trustees - Budgets, preparation, hearings and approvals.

The board of trustees of each authority created hereunder shall file an annual report with the governing body or bodies of the creating and participating municipalities of the authority for the fiscal year. The board shall also prepare and submit to the creating and participating municipalities at such times and in such form as they shall specify an annual operating budget, a capital budget, and a five (5) year capital improvement program. The creating and participating municipalities shall hold a public hearing on such budgets, and representatives of the board of trustees shall be present. After such hearing, the creating and participating municipalities in accordance with their contract with the authority shall determine the amount of appropriation they shall make for the operation of the authority's hospital facilities and for any capital expenditures for the purchase, construction, expansion or improvement of any hospital project or other facility constructed, maintained and operated by the authority, and shall approve an annual operating budget, a capital budget, and a five (5) year capital improvement program. If a creating or participating municipality makes no contribution to the annual operating budget or to the capital budget, then its approval of the budgets shall no longer be required pursuant to this section.

[Acts 1971, ch. 316, § 15; T.C.A., § 6-4018.]

7-57-402. Annual audit.

Any hospital authority created by and under this chapter shall conduct an annual audit of the financial affairs, books and records of such authority, the audit to be at the end of each fiscal year. Each hospital authority shall obtain either a certified public accountant or a firm of certified public accountants to conduct such audit. The auditor so appointed shall make the audit provided for herein in accordance with generally accepted accounting principles, and shall submit the complete and final report and audit to such authority not later than ninety (90) days after the close of the fiscal year. All audits provided for herein shall be certified to and shall include, but in no way be limited to, a full and complete audit containing a balance sheet, profit and loss statement and statement of receipts and disbursements, and shall certify whether or not the authority has operated within its approved annual operating budget and capital budget.

[Acts 1971, ch. 316, § 16; T.C.A., § 6-4019.]

7-57-403. Publication of audits.

All final audits as provided for in the preceding section shall be reproduced in sufficient numbers and copies, and shall be submitted to and filed with the governing bodies of each creating and participating municipality of the authority not later than ninety (90) days after the close of the fiscal year of the authority. [Acts 1971, ch. 316, § 17; T.C.A., § 6-4020.]

7-57-404. Failure to conduct audit - Court order - Contempt.

In the event any hospital authority shall fail or refuse to provide for an annual audit and have such audit prepared and filed as herein set forth, or should such audit fail to certify whether or not the hospital authority has operated within its approved annual operating budget and capital budget, the governing body or governing bodies of any creating and/or participating municipality of such authority may petition the circuit or chancery court of the county wherein the authority operates a hospital to require the authority to have such audit and certification prepared and filed as herein provided. The judge of the court shall set a time for the hearing of such petition and after notice to the authority shall hear and determine the petition. In the event it is determined that the authority has failed to comply with the provisions herein relative to the preparation and filing of the audit and certification, the judge shall pass such orders as are necessary to effectuate compliance with the provisions. In the event the authority fails to have an audit and certification prepared and filed as required by the court order, the members of the authority shall be subject to contempt proceedings by the court as provided by law.

[Acts 1971, ch. 316, § 18; T.C.A., § 6-4021.]

PART 5
PRIVATE ACT METROPOLITAN HOSPITAL AUTHORITIES

7-57-501. Purpose and policy.

(a) The public purpose and policy set forth in § 7-57-102(a) is also declared to be applicable to any hospital authority created by private act of the general assembly (sometimes referred to in this part as a "private act metropolitan hospital authority"), the principal hospital facilities of which are located in a county in this state with a population greater than two hundred fifty thousand (250,000) according to the 1990 federal census or any subsequent federal census. For purposes of this part, "hospital authority" means hospital authorities, hospital districts, and hospitals owned and operated by one (1) or more local governments directly or through an elected or appointed governing board.

(b) The general assembly hereby finds that the demand for hospital, medical and health care services is rapidly changing as is the way and manner in which such services are purchased and delivered; that the market for hospital and health care services is becoming increasingly competitive; and that the hospital and other health care providers need flexibility to be able to respond to changing conditions by having the power to develop efficient and cost-effective methods to provide for hospital, medical and health care needs. The general assembly also finds that the increasing competition and changing conditions force hospitals and other health care providers to develop market strategies and strategic plans to effectively compete. The general assembly further finds that public hospitals in metropolitan areas are presently at a competitive disadvantage, and that significant investments in the public assets of private act metropolitan hospital authorities could be jeopardized by inability to compete with private hospitals because of legal constraints upon the scope of their operations and limitations upon the power granted to public hospitals under existing law.

[Acts 1995, ch. 119, § 1.]

7-57-502. Powers granted.

(a) In addition to the powers granted to it by any private act of the general assembly, a private act metropolitan hospital authority has as supplemental and additional powers, all those powers of a hospital authority granted in:

(1) Section 7-57-301; provided, that no provision of that section pertaining to the relationship of a participating municipality to the operations of a metropolitan hospital authority shall limit or reduce any power that is granted to a private act metropolitan hospital authority by a private act of the general assembly;

(2) § 7-57-302;

(3) § 7-57-304;

(4) § 7-57-305; and

(5) § 7-57-310.

(b) In addition to powers otherwise granted by this part or any other public or private act of this state, or by any state regulation or federal law or regulation, and to the extent at the time not prohibited by the Constitution of Tennessee, a private act metropolitan hospital authority has, together with all powers incidental thereto or necessary to discharge the powers granted specifically herein, the following powers:

(1) Participate as a shareholder in a corporation, as a joint venturer in a joint venture, as a general partner in a general partnership, as a limited partner in a limited partnership or a general partnership, as a member in a nonprofit corporation or as a member of any other lawful form of business organization, which provides hospital, medical or health care or engages in any activity supporting or related to the exercise of any power granted to a private act metropolitan hospital authority;

(2) Make or arrange for loans, contributions to capital and other debt and equity financing for the activities of any corporation of which such authority is the sole shareholder or sole member, and to guarantee loans and any other obligations for such purposes;

(3) Elect all or any of the members of the board of directors of any nonprofit corporation of which the private act metropolitan hospital authority is a member and has the power to so elect under the nonprofit corporation charter and bylaws;

(4) Create, establish, acquire, operate or support subsidiaries and affiliates, either for profit or nonprofit, to assist such private act metropolitan hospital authority in fulfilling its purposes;

(5) Create, establish or support nonaffiliated for profit or nonprofit corporations or other lawful business organizations which operate and have as their purposes the furtherance of such private act metropolitan hospital authority's purposes;

(6) Without limiting the generality of the subdivisions (b)(4) and (5), accomplish and facilitate the creation, establishment, acquisition, operation or support of any such subsidiary, affiliate, nonaffiliated corporation or other lawful business organization, by means of loans of funds, acquisition or transfer of assets, leases of real or personal property, gifts and grants of funds or guarantees of indebtedness of such subsidiaries, affiliates and non-affiliated corporations;

(7) Indemnify any person (including for purposes of this subdivision such person's estate and personal representatives) made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that that person is or was a board member or officer of such private act metropolitan hospital authority, or by reason of the fact that that person serves or served any other corporation or other entity or organization (whether for profit or not for profit) in any capacity at the request of the private act metropolitan hospital authority,

against all judgments, fines, amounts paid in settlement and reasonable expenses (including, without limitation, attorneys' fees actually and necessarily incurred) as a result of any such action or proceeding, or any appeal therein; provided, that nothing herein shall be construed as permitting indemnification of any person:

(A) In connection with any malpractice action or proceeding arising out of or in any way connected with such person's professional practice;

(B) In connection with an action or proceeding by such private act metropolitan hospital authority in which a person is adjudged liable to such private act metropolitan hospital authority; or

(C) In connection with any other action or proceeding in which such person is adjudged liable on the basis that personal benefit was improperly received by such person;

(8) Make any other indemnification now or hereafter authorized by law;

(9) Exercise in any other county either within or without this state any power that may be exercised in the county in which the private act metropolitan hospital authority's principal hospital, medical and health care facilities and programs are located, notwithstanding any other statute to the contrary, whenever in the judgment of its board of trustees the operation of the hospital authority's hospital, medical and health care or program facilities, or the quality of medical or health care for its citizens in the county of its principal hospital operations will be enhanced through economic interest in or contractual arrangements with hospital, medical and health care facilities or programs located outside the county; and

(10) Have and exercise all powers necessary or convenient to effect any or all the purposes for which a private act metropolitan hospital authority is organized. (c) In the exercise of its powers, including, without limitation, the powers in this section, any other provision of this part and of any other law a private act metropolitan hospital authority may acquire, manage, lease, purchase, sell, contract for or otherwise participate solely or with others in the ownership or operation of hospital, medical or health program properties and facilities and properties, facilities, and programs supporting or relating thereto of any kind and nature whatsoever and in any form of ownership whenever the board of trustees in its discretion shall determine it is consistent with the purposes and policies of this part or any private act applicable to it, and may exercise such powers regardless of the competitive consequences thereof.

[Acts 1995, ch. 119, § 2.]

7-57-503. Bidding.

(a) Any provision of a private act of the general assembly to the contrary notwithstanding, a private act metropolitan hospital authority shall not be required to bid the purchase or procurement of any goods or services that:

(1) Are not required to be bid by a county under the County Purchasing Law of 1983, compiled in title 5, chapter 14, as heretofore or hereafter amended; or

(2) Are not required to be bid by a municipality under the Municipal Purchasing Law of 1983, compiled in title 6, chapter 56, as heretofore or hereafter amended; or

(3) Are of a nature that is exempt or otherwise not required to be bid by any municipality or county under any other law of general application of this state.

(b) A private act metropolitan hospital authority shall not be subject to provisions for the letting of public contracts that may be provided in the charter or governing law of a creating municipality.

[Acts 1995, ch. 119, § 3.]

7-57-504. Implied powers - Construction.

In addition to all of the powers conferred upon it by this part or any other law, a private act metropolitan hospital authority may do any and all things necessary and convenient to carry out the powers expressly granted by this part or any other law. The provisions of this part shall be construed consistent with the provisions of § 7-57-107.
[Acts 1995, ch. 119, § 4.]

PART 6
PRIVATE ACT HOSPITAL AUTHORITIES

7-57-601. Short title.

This part shall be known as and may be cited as the "Private Act Hospital Authority Act of 1996."

[Acts 1996, ch. 778, § 1.]

7-57-602. "Private act hospital authority" defined.

For the purpose of this part, "private act hospital authority" is any hospital owned or operated by one (1) or more local governments or any hospital, hospital authority or hospital district created or authorized by a private act of the general assembly.
[Acts 1996, ch. 778, § 1.]

7-57-603. Rights and powers of authority - Procurement.

A private act hospital authority, as defined in this part, in addition to the rights and powers granted to such authority by any private act of the general assembly or its charter of incorporation, has as supplemental and additional rights and powers, all powers granted to private act metropolitan hospital authorities in title 7, chapter 57, part 5. Any powers granted

under this part to a private act hospital authority shall not limit or reduce any power granted to a private act hospital authority by a private act of the general assembly or its charter of incorporation. The rights and powers granted to a private act hospital authority by this part shall not be applicable to any hospital that ceases to be either owned or operated by the governing authority or entity established under the hospital's private act. Nothing in this part shall require a private act hospital authority to bid the purchase or procurement of any goods or services that are not required to be bid by the private act creating such private act hospital authority or its charter of incorporation.

[Acts 1996, ch. 778, § 1.]

7-57-604. Sale of hospital - Referendum.

With respect to the sale of hospital property, the provisions of this part shall not be construed or implemented in any manner which abolishes or diminishes the public's opportunity to require a public referendum as authorized by a municipal charter.

[Acts 1996, ch. 778, § 2.]

AMENDED EXECUTIVE ORDER NO. 91-08

Subject: **Ethics, conflicts of interest, and acceptance of gifts on the part of employees of Metropolitan Government.**

WHEREAS, the maintenance of high standards of honesty, integrity, impartiality, and conduct by employees and agents of Metropolitan Government is essential to ensure the proper performance of government business and the maintenance of confidence by citizens in their government; and

WHEREAS, the avoidance of misconduct and conflicts of interest on the part of employees of Metropolitan Government is indispensable to the maintenance of these standards;

NOW THEREFORE, I, Philip Bredesen, Mayor of the Metropolitan Government of Nashville and Davidson County, by virtue of the power and authority vested in me, do hereby direct and order the following:

1 **Employee responsibilities.** Each employee of Metropolitan government shall avoid any action, whether or not specifically prohibited by this order or departmental codes of ethics, which might result in, or create the appearance of:

(i) using public office for private gain;

giving preferential treatment to any person;

(iii) impeding government efficiency or economy;

(iv) losing complete independence or impartiality;

(v) making a Metropolitan government decision outside of official channels; or

(vii) affecting adversely the confidence of the public in the integrity of the government.

2 **Persons covered.** This Executive Order applies to all employees of Metropolitan Government except: employees of the Board of Education, Nashville Electric Service, Metropolitan Nashville Airport Authority, Metropolitan Development and Housing Agency, and elected officials and their employees.

3 **Mayor's office covered.** This order applies to the Mayor and employees of the Mayor's office.

4 **Gifts, entertainment and favors.** No employee shall solicit or accept, directly or indirectly, on behalf of himself, herself, or any member of the employee's household, any gift, gratuity, service, favor entertainment, lodging transportation, loan, loan guarantee or any other thing of monetary value from any person who:

(i) has, or is seeking to obtain, contractual or other business or financial relations with the department or agency of Metropolitan Government by which the individual is employed; or

(ii) conducts operations or activities that are regulated by the department or agency of Metropolitan Government by which the employee is employed; or

(iii) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties.

5 **Exceptions: gifts, entertainment and favors.** The prohibitions on accepting gifts, entertainment or favors in (4) do not apply to:

(i) family members or friends of long standing when the circumstances make it clear that it is the relationship, rather than the business of the persons concerned, which is the motivating factor, and where the value of the gift, entertainment or favor is appropriate to the circumstances and consistent with the parties' historical relationship; If such gift, entertainment or favor exceeds $100 in value, the employee shall disclose the nature and value of the gift, entertainment or favor in a letter to the Internal Auditor.

(ii) loans from established financial institutions made in the ordinary course of business on usual and customary terms, so long as there are no guarantees or collateral provided by any person described in (4);

(iii) unsolicited advertising material of nominal value;

(iv) food and refreshments of nominal value when they are part of the employee's participation in an charitable, civic, political or community event which bears a relationship to the employee's office and the employee is attending in an official capacity.

A business lunch or dinner is not an "event" for the purposes of this exception. On those occasions, the employee must buy his or her own meal or refreshment. If the meal is held at a private club where the employee may not pay the establishment directly, the employee must reimburse the member of the establishment for the equivalent cost of the meal or refreshment.

6 Financial Interests.

(i) No employee of Metropolitan Government shall enter into or derive any benefit, directly or indirectly, from any contractual arrangement with Metropolitan Government or any of its agencies. In recognition of the fact that many husbands and wives have separate careers, the normal employment compensation of a spouse whose regular, ongoing employer or business has a contractual arrangement with Metropolitan Government shall not be considered a "benefit" to the Metro employee, provided the contract with Metropolitan Government was procured without any participation, assistance or influence by the Metro employee.

(ii) No employee of Metropolitan Government shall have a direct or indirect financial interest that conflicts substantially, or appears to conflict substantially, with his or her government duties or responsibilities. "Indirect financial interest" in this case includes a substantial interest on the part of a parent, spouse, or child of the employee.

7 **Use of Information.** No employee of Metropolitan Government shall, directly or indirectly:

(i) use, disclose, or allow the use of official information which was obtained through or in connection with his or her government employment, and which has not been made available to the general public, for the purpose of furthering the private interest or personal profit of any person, including the employee; or

(ii) engage in a financial transaction as a result of, or primarily relying upon, information obtained through his or her government employment.

8 **Use of government property.** No employee shall use the facilities, equipment, personnel, or supplies of Metropolitan government or its agencies for other than officially approved activities, except to the extent that they are lawfully available to the general public.

9 **Questions on interpretation of this order.** When an employee is in doubt as to the proper interpretation of this order, he or she is expected to seek the advice of the applicable Department Head or the Internal Auditor if time

permits, or to use good judgement in accordance with (1) above and to report the gift, entertainment or favor to the Internal Auditor within 7 days.

10 **Departmental ethics standards.** Any department or agency of Metropolitan government may establish such additional ethics guidelines and standards as may be lawfully applied and may in the opinion of the head of the department or agency be appropriate for the proper operation of the department. Such additional standards should be filed with the Internal Auditor and any other person required by law as soon as practicable after adoption.

This Executive Order does not supersede or revoke those portions of any existing departmental or agency policies regarding ethical standards which are stricter than, or cover areas additional to, the standards set out herein.

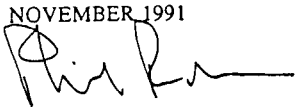
11 **Ethics guidelines published by Personnel Director.** The personnel director is requested, with the permission of the Civil Service Commission, and Hospital and Health Boards and their Civil Service Commissions, to inform each covered employee of the requirements of this order, to distribute the order to covered employees and have them sign a statement that they have received and read it, and to modify personnel manuals to incorporate these standards as soon as practicable.

12 **Supervisors Responsible.** Each employee of Metropolitan Government who acts in a supervisory capacity is responsible for ensuring compliance with the Executive Order by those persons in his or her line of authority.

13 **Required contractual provision.** Department heads and others who approve contracts for their departments shall include in every employment contract the provision that employees provided to Metropolitan Government under such contract are covered by this Executive Order.

14 **Effective date.** This amended order shall become effective 18 November 1991.

ORDERED THIS 18TH DAY OF NOVEMBER 1991



Philip Bredesen
Mayor

ADOPTED 03/02/1999

Substitute Resolution No. SR99-1410

A substitute resolution creating the Hospital Authority of The Metropolitan Government of Nashville and Davidson County.

Whereas, pursuant to Tennessee Code Annotated, § 7-57-201, the Metropolitan Council has, on March 2, 1999, conducted a public hearing regarding the establishment of the Hospital Authority of The Metropolitan Government of Nashville and Davidson County, Corporation (the "Hospital Authority"); and
Whereas, the Metropolitan Council has determined that the public convenience and necessity requires the creation of the Hospital Authority of The Metropolitan Government of Nashville and Davidson County.
Now, therefore, be it resolved by the Metropolitan County Council of The Metropolitan Government of Nashville and Davidson County, Tennessee, as follows:
Section 1. Pursuant to Tennessee Code Annotated, § 7-57-101 *et seq.*, the Metropolitan Council hereby declares that the public convenience and necessity requires the creation of a hospital authority for the Metropolitan Government of Nashville and Davidson County and further declares that the name of the hospital authority shall be the Hospital Authority of the Metropolitan Government of Nashville and Davidson County.
Section 2. That the Hospital Authority of the Metropolitan Government of Nashville and Davidson County is hereby created with the principal office address of:

1818 Albion Street
Nashville, Tennessee 37208

Section 3. The boundaries of the Hospital Authority of the Metropolitan Government of Nashville and Davidson County shall be coextensive with the boundaries of the Metropolitan Government of Nashville and Davidson County.
Section 4. The Metropolitan Clerk is hereby directed to file a certified copy of this resolution with the Secretary of State and with the State Commissioner of Health together with Resolution No. R99-1412. Upon the adoption and filing of this resolution and the resolution approving the appointment of the Board of Trustees, the Hospital Authority for The Metropolitan Government of Nashville and Davidson County shall constitute a body politic and corporate and shall immediately assume the responsibilities set forth in Tennessee Code Annotated, § 7-57-101 *et seq.* ("Metropolitan Hospital Authority Act")
Section 5. The Director of Law of the Metropolitan Government of Nashville and Davidson County shall accept service of process on behalf of the Hospital Authority of the Metropolitan Government of Nashville and Davidson County.
Section 6. This Substitute Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

Sponsored by: Charles Fentress

LEGISLATIVE HISTORY	
Referred to:	Budget & Finance Committee Health, Hospitals & Social Services Committee
Substitute Introduced:	March 2, 1999
Adopted:	March 2, 1999
Approved:	March 3, 1999
By:	

ADOPTED 03/02/1999

Substitute Resolution No. SR99-1412

A substitute resolution appointing the Board of Trustees of the Hospital Authority of the Metropolitan Government of Nashville and Davidson County.

Whereas, this Council has, by Resolution R99-1410 authorized the establishment of the Hospital Authority of The Metropolitan Government of Nashville and Davidson County, Corporation (the "Hospital Authority"); and

Whereas, Section 7-57-203, Tennessee Code Annotated, authorizes the creating municipality to establish the number of members of the board of trustees (the "Board") of said Hospital Authority, their method of nomination and appointment, their tenure of service, and such other qualifications as the Council may desire.

NOW, THEREFORE, be it resolved by the Metropolitan County Council of The Metropolitan Government of Nashville and Davidson County, Tennessee, as follows:

Section 1. The Board shall be composed of seven (7) members. Three (3) members shall be doctors of medicine certified for practice as such by the State Board of Medical Examiners and licensed by the State Licensing Board for the Healing Arts, and each of whom shall have had not less than five (5) years' experience in the active practice of his or her profession. One (1) of said doctors of medicine shall also have had special training, practice and experience in the field of psychiatric medicine. One (1) member shall be a registered nurse. The three (3) remaining members of the Board shall be chosen without reference to occupation or profession. Members of the Board shall serve without compensation. Members of the Board shall be appointed by the mayor and confirmed by a majority of the whole membership of the Council. They shall serve terms of five (5) years each, provided that the initial seven (7) members shall serve terms expiring as set forth below. Any vacancy other than by expiration of term shall be filled for the unexpired term in the manner provided herein. The following persons, none of whom is an officer or employee of The Metropolitan Government of Nashville and Davidson County, Tennessee, and each of whom is an elector of, and taxpayer in, said Metropolitan Government, are hereby appointed members of the Board of Trustees of The Hospital Authority of The Metropolitan Government of Nashville and Davidson County, Corporation with the following terms of office, each commencing on the date of the first meeting of said Board of Trustees:

Name		Term Expires
Barry Booker 3221 Healy Drive Nashville, TN 37207	General Member	06/28/2001
Madlyn N. Butler 303 Cunniff Parkway Goodlettsville, TN 37027	Registered Nurse	07/11/1999
Connie Elliott 1911 Haynes Street Nashville, TN 37027	General Member	11/01/2003
Sheldon L. Krizelman 6409 East Valley Court Nashville, TN 37205	General Member	07/11/2003
Fred Allison, Jr., M.D. 418 Fairfax Avenue Nashville, TN. 37212	Doctor of Medicine	07/15/2002
Judson Randolph, M.D. 3800 Whitland Avenue Nashville, TN 37205	Doctor of Medicine	07/11/2001
Richard Treadway, M.D. 143 Ensworth Avenue	Doctor of Medicine Special Practice in Field of	07/11/1999

Nashville, TN 37205 Psychiatric Medicine

Section 2. The members of the Board of Trustees of the Hospital Authority shall be subject to the removal provisions of Section 11.109 of the Charter of The Metropolitan Government of Nashville and Davidson County in the same manner as any other appointive member of a board or commission established under the provisions of the Charter.
Section 3. The Metropolitan County Clerk is hereby directed to file a certified copy of this resolution with the Secretary of State and with the State Commissioner of Health together with Resolution No. R99-1410.
Section 4. This Substitute Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.
Sponsored by: Charles Fentress

LEGISLATIVE HISTORY	
Referred to:	Budget & Finance Committee Health, Hospitals & Social Services Committee
Substitute Introduced:	March 2, 1999
Adopted:	March 2, 1999
Approved:	March 3, 1999
By:	

ADOPTED 03/02/1999

SUBSTITUTE RESOLUTION NO. SR99-1413

A substitute resolution authorizing the Metropolitan Mayor to execute any and all documents between The Metropolitan Government of Nashville and Davidson County and the Hospital Authority of The Metropolitan Government of Nashville and Davidson County regarding the transfer and assumption of all properties, functions and obligations of Metropolitan Nashville General Hospital and Bordeaux Hospital to the Hospital Authority of The Metropolitan Government of Nashville and Davidson County; requiring the Hospital Authority to maintain the same civil service status and employee benefits for all Hospital Authority employees currently enjoyed by employees of Metropolitan Nashville General Hospital and Bordeaux Hospital; requiring the Hospital Authority to provide injured on duty medical care to all employees of The Metropolitan Government of Nashville and Davidson County and medical care to inmates incarcerated in Davidson County for whom the Metropolitan Government must provide hospitalization; and requiring Metropolitan Council approval of any Hospital Authority contract that would require Metropolitan Council approval under Section 4.12.095 of the Metropolitan Code of Laws.

Whereas, the Metropolitan Council has approved Resolution No. R99-1410 creating the Hospital Authority of The Metropolitan Government of Nashville and Davidson County ("Hospital Authority") and Resolution No. R99-1412 appointing a Board of Trustees of the Hospital Authority; and

Whereas, Tennessee Code Annotated, § 7-57-201 authorizes the Metropolitan Government and the Hospital Authority to enter into an agreement for the orderly transfer to the authority of the hospital properties, functions and outstanding obligations of Metropolitan Nashville General Hospital ("MNGH") and Bordeaux Hospital; and

Whereas, Tennessee Code Annotated, § 7-57-308 authorizes the Metropolitan Government to appropriate such sums from its general fund as the Metropolitan Council deems necessary for the maintenance or operation of General Hospital and Bordeaux Hospital to the hospital authority and to advance or lend money or real or personal property to the authority to carry out its purposes; and

Whereas, Tennessee Code Annotated, § 7-57-301 authorizes the Metropolitan Government and the Hospital Authority to enter into agreements regarding the transfer of employees and the retention by such employees of existing civil service status, accrued pension, disability, hospitalization, death or other fringe benefits; and

Whereas, the Metropolitan Charter, Section 13.12, requires the board of hospitals to provide medical treatment, free of charge, to all employees entitled to benefits, for injuries from accidents arising out of the course and scope of employment; and

Whereas, the Metropolitan Council desires to authorize the Metropolitan Mayor to execute any agreements necessary to transfer to the Hospital Authority monies in the approved budget for MNGH and Bordeaux Hospital to operate during the remainder of fiscal year 98-99 and to enter into any of the agreements described above.

Now, therefore, be it resolved by the Metropolitan County Council of The Metropolitan Government of Nashville and Davidson County, Tennessee, as follows:

Section 1. The Metropolitan Mayor is hereby authorized to execute any and all agreements, consents, assignments and/or other documents, in such form as may be approved by the Director of Finance and the Director of Law, between The Metropolitan Government of Nashville and Davidson County ("Metropolitan Government") and the Hospital Authority of The Metropolitan Government of Nashville and Davidson County (Hospital Authority) necessary to effectuate: a) the transfer of the remainder of the budget appropriation for FY 1998-99 for Metropolitan Nashville General Hospital ("MNGH") and Bordeaux Hospital; b) the transfer of the lease agreement between the Metropolitan Government and Meharry Medical College, dated December 1, 1994 (the "Meharry Lease"); c) the budgetary, accounting, payment, administrative, and other financial procedures or processes required; d) the conveyance, lease or other transfer of the current obligations, liabilities and assets of MNGH, including the primary/urgent care clinic contemplated by Ordinance No. 092-339, as amended, adopted by the Metropolitan Council on August 18, 1992, wherever located and, Bordeaux Hospital, such transfer to include any and all contractual rights and obligations, equipment, inventory, and all interests in property, both real and personal which the Metropolitan Government possesses; e) the processing and administration of payroll for Authority employees at MNGH and Bordeaux Hospital; f) the processing and administration of procurement of

goods and services for the benefit of MNGH and Bordeaux Hospital; g) the provision of legal services on behalf of MNGH and Bordeaux Hospital; and h) the processing and administration of employee benefits for Hospital Authority employees at MNGH and Bordeaux Hospital.

Section 2. The employees transferred to the Hospital Authority shall retain the same civil service status they currently enjoy. Any new positions created by the Hospital Authority that are proposed to be non-civil service or any decision to change a position from civil service to non-civil service shall be approved by an Ordinance adopted by the Metropolitan Council. The civil service rules and regulations adopted by the Hospital Board of the Metropolitan Government, and the most recently approved Memorandum of Understanding ("MOU") between the Hospital Board of the Metropolitan Government and the employee representatives shall apply. The Board of Trustees of the Hospital Authority shall establish and adopt civil service rules and regulations and shall constitute a civil service board as provided in Section 10.206 of the Metropolitan Charter and may approve an MOU with employee representatives in the same manner as the Hospital Board of the Metropolitan Government.

Section 3. The employees transferred to the Hospital Authority shall receive the same pay they currently receive and as approved by Resolution No. R97-737. Prior to July 1, 2000, the Board of Trustees shall develop a pay plan which includes: (1) a job description of every civil service position; (2) a classification plan that assigns each position by title to one class; and (3) an assignment of each classification to grades equitably related to each other on the basis of function, responsibility and nonwage benefits, with the percentage between the high and low salary range for each grade.

Section 4. The employees transferred to the Hospital Authority shall remain participants in the same pension, health and other benefit plans in which they currently participate and receive the same level of benefits as other participants in the same plans.

Section 5. The Hospital Authority shall provide medical treatment, free of charge, to all employees entitled to benefits, for injuries from accidents arising out of the course and scope of employment.

Section 6. The Hospital Authority shall provide medical treatment to inmates incarcerated in Davidson County who are admitted at MNGH, for whom the Metropolitan Government has responsibility to provide medical care.

Section 7. Any contract approved by the Hospital Authority, which would require the approval of the Metropolitan Council under the provisions of Section 4.12.095 of the Metropolitan Code of Laws must also be approved by the Metropolitan Council.

Section 8. This Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

Sponsored By: Melvin Black

Amendment No. 1
To
Substitute Resolution No. SR99-1413

Mr. President,

I move to amend Section 7. of Substitute Resolution No. R99-1413 by adding the following proviso at the end of the subsection:

> ; provided however, that the contract between the Vanderbilt University Medical Center and the Hospital Authority regarding the management of Nashville General Hospital is hereby approved in accordance with Section 4.12.095 of the Metropolitan Code of Laws.

Sponsored by: Charles Fentress

Amendment Adopted: March 2, 1999

LEGISLATIVE HISTORY	
Referred to:	Planning Commission - Approved 6-0 (2/18/99) Budget & Finance Committee Health, Hospitals & Social Services Committee Planning & Zoning Committee

Substitute Introduced:	February 16, 1999
Deferred:	February 16, 1999
Amended:	March 2, 1999
Adopted:	March 2, 1999
Approved:	March 3, 1999
By:	