

EXHIBIT C
City of Ketchikan/PeaceHealth Ketchikan Medical Center
Healthcare Advisory Committee
Charter

The Ketchikan Healthcare Advisory Committee (“HAC”) for the lease and operating agreement (“Agreement”) between the City of Ketchikan (the “City”) and PeaceHealth Ketchikan Medical Center (“KMC”) is an advisory committee composed of members from both parties. The HAC is charged with providing oversight of the Agreement and a forum for open communication and collaboration between PeaceHealth, city officials, and the public. This document sets forth the roles, responsibilities, organization and procedures for the HAC and shall be referred to as the “Charter”.

I. Responsibilities

Specific duties of the HAC include:

- » Act in an advisory role to the City and KMC on matters concerning the Agreement.
- » Receive, consider, and evaluate public opinions and recommendations through opportunities for public forum.
- » Confirm that individual complaints regarding KMC reported by community members to the City are properly forwarded to KMC for resolution. KMC will periodically confirm that all for-warded complaints have been appropriately addressed.
- » Proactively and collaboratively work to resolve issues and mitigate risks to the partnership.
- » Review administrative elements of the Agreement (e.g., track rent payments, review lease annually).
- » Measure performance against selected metrics related to clinical and financial requirements of the Agreement.
- » Provide advice and recommendations to the City and KMC supported by tracked measures and community input.
- » Provide input into the development and prioritization of capital projects, community pro-grams, and other projects funded by the reinvestment of KMC’s earnings.
- » Review PeaceHealth’s Capital Investment Plan annually and present to the city council when no longer confidential.

- » Coordinate with KMC’s Community Health Board as appropriate.

II. Organization

A. Composition; Terms of Members

- » The HAC shall consist of six (6) members (“Members”), selected as follows:
- » The City shall designate three (3) individuals to serve as members of the HAC (“City Members”). City Members shall be appointed by the mayor with approval of the council and include one council member and two members of city staff (e.g., City Manager, Assistant City Manager) with knowledge of the relationship between KMC and the City. The City Members shall serve at the pleasure of the City, and any or all City Members may be removed by the City at any time within its discretion. The City shall fill any vacancy of a City Member upon the resignation or removal of a City Member.
- » KMC shall designate three (3) individuals to serve as members of the HAC (“KMC Members”). KMC Members shall be appointed by KMC and include one (1) member of its Community Health Board two (2) members from the local KMC executive team, physician leaders, or other organization representatives. The KMC Members shall serve at the pleasure of KMC, and any or all KMC Members may be removed by KMC at any time within its discretion. KMC shall fill any vacancy of a KMC Member upon the resignation or removal of a KMC Member.
- » Each Member is expected to attend at least seventy-five percent (75%) of regular meetings of the HAC. Any Member who fails to attend at least 75% of regular meetings without being excused by the committee shall automatically forfeit membership in the committee.
- » The term of Members shall be three (3) years or until a successor is appointed except that the term of a Member who is a council member shall be for one (1) year. Upon appointment, the first members of the committee shall determine the length of term by lot so that the terms of the two (2) other City Members shall be two (2) years and three (3) years and the terms of the KMC Members shall be one (1) year, two (2) years, and three (3) years resulting in staggered terms for members subsequently appointed. Members of the HAC may serve successive terms. Members of the HAC shall serve at the pleasure of the appointing authority and may be removed at any time in the discretion of that authority. Vacancies in City membership shall be filled by the mayor with consent of the council for the remainder of the unexpired term. Vacancies in KMC member-ship shall be filled by KMC for the unexpired term.
- » The HAC may establish its own rules and procedures so long as they are not inconsistent with this Charter or the Agreement.

- » Members shall not receive compensation for serving on the HAC.
- » No proxy or alternate members will be allowed.

B. Officers

- » The Members of the HAC shall annually elect a Chair and Vice Chair (“Officers”), with one Office to be held by a City Member and the other by a KMC Member. The Chair and Vice Chair positions will alternate between the City and KMC each year.
- » The Chair, in collaboration with the Vice Chair, shall set the agenda for meetings of the HAC. The Chair shall preside at meetings of the HAC; the Vice Chair shall serve in the absence of the Chair.

III. Meetings of the HAC

- » Regular Meeting Frequency: The HAC shall meet at least monthly during the initial year of the Agreement. After the initial year, the HAC shall determine the frequency of regular meetings, but in no event less than once each calendar quarter thereafter. The HAC shall determine whether to select a fixed date and time for HAC meetings. The HAC shall set the time and date of its regular meetings and give reasonable public notice of its meetings.
- » Special Meetings: Any three (3) Members of the HAC, including one (1) Member appointed by each of KMC and the City, may call for a special meeting of the HAC as necessary concerning any topic or topics that should be addressed prior to the date of the next regularly scheduled meeting. Notice of time, place, and purpose of the meeting must be delivered to all HAC Members no less than ten (10) days prior to the meeting and be given reasonable public notice.
- » Additional Attendees: The HAC, at its discretion, may invite other individuals from the City or KMC to attend a HAC meeting or meetings as a guest of the HAC, and provide reports or input to the HAC.
- » Public Records and Meetings: The HAC will comply with the State of Alaska’s Open Meetings Act and Public Records Act.
- » Agendas: The agenda for each regular and special meeting shall be prepared by the Chair, in consultation with the Vice Chair and recommendations that are received from the other Members of the HAC. The agenda will be distributed to the Members in advance of the meeting.
- » Quorum: A quorum for a HAC meeting will require attendance by at least two (2) City Members and two (2) KMC Members.
- » Actions of the HAC: It is the intent of the parties that the HAC will make recommendations on the consensus of the Members.

- » Minutes: The HAC shall keep minutes of its meetings, including the start and end of the meeting and Members in attendance. The Vice Chair shall be responsible for ensuring that a complete and accurate record of all meetings are kept and copies are distributed to HAC Members in a timely manner, but may delegate that responsibility to another Member. Minutes will be approved by the committee at its next meeting.
- » Additional Meeting Requirements: Meetings may be in person, by teleconference, or video conference or any combination thereof so long as all Members can hear each other and members of the public can participate. From time to time, the HAC may adopt additional procedures for meetings so long as the procedures do not conflict with the HAC Charter.

IV. Partnership Report Card

The HAC will track and document the state of the City and KMC's Agreement in a HAC Partnership Report Card ("Report Card").

- » Report Card Metrics: Selected HAC Report Card metrics may be related to:
 - › Adherence to new and established required clinical services included in the Agreement.
 - › Charity care and community benefit expenses as a portion of the reinvested excess KMC revenues committed to the community in the Agreement.
 - › Patient satisfaction and clinical quality.
 - › Billing and collections performance (e.g., in relation to the expectations in the Agreement that 1) contracted providers will be considered in-network for major insurers in Ketchikan; and 2) overall revenue cycle performance be regularly monitored).
 - › Provider recruitment and retention in relation to projected community need for key specialists as stated in the Agreement.
- » Report Card Metric Selection: Metrics tracked on the Report Card will be selected by the inaugural Members of the HAC following their appointment. It will be the responsibility of the HAC to adjust metrics and targets as necessary.
- » Report Card Distribution Frequency: The Report Card shall be made publicly available after the six (6)-month anniversary of the agreement. The report card will be updated on the twelve (12)-month agreement anniversary and annually thereafter.
- » Report Card Executive Summary: The HAC will in good faith prepare Executive Summaries to accompany each updated Report Card that accurately reflects the

state of the Agreement as captured on the regularly updated Report Card. The City and KMC HAC Members will jointly determine the appropriate level of detail to include in each Executive Summary.

V. Amendments to Charter

The HAC, at any time, may recommend changes to this HAC Charter. Changes to the HAC Charter shall be effective upon approval by the City and KMC. The City's participation in the HAC shall be reflected in an ordinance creating a new municipal code chapter for the committee. Any changes to the HAC Charter may necessitate a change to the City's municipal code (and vice versa).