

CHARTER AND BYLAWS

ARTICLE 1 Charter

Section 1.1 Name. This organization will be known as MNsure. This organization operates as a board (as defined in Minn. Stat. § 15.012), and is created pursuant to the Minnesota Insurance Marketplace Act, Minn. Stat. Chapter 62V (“the Act”).

Section 1.2 Purpose. The purpose of the organization is to ensure that every Minnesota resident and small business, regardless of health status, can easily find, choose, and purchase a health insurance product that they value and does not consume a disproportionate share of their income.

Section 1.3 Goals Established by Legislature. The organization was created by the Minnesota Legislature to accomplish the following:

- a. promote informed consumer choice, innovation, competition, quality, value, market participation, affordability, suitable and meaningful choices, health improvement, care management, reduction of health disparities, and portability of health plans;
- b. facilitate and simplify the comparison, choice, enrollment, and purchase of health plans for individuals purchasing in the individual market and for employees and employers purchasing in the small group market;
- c. assist small employers with access to small business health insurance tax credits and to assist individuals with access to public health care programs, premium assistance tax credits and cost-sharing reductions, and certificates of exemption from individual responsibility requirements; and
- d. facilitate the integration and transition of individuals between public health care programs and health plans in the individual or group market and develop processes that, to the maximum extent possible, provide for continuous coverage.

ARTICLE 2

Bylaws

Section 2.1 Legal Governance. The organization will perform its functions in accordance with the Act, these Bylaws, other state laws, and federal laws and regulations governing the operation of a health insurance exchange.

Section 2.2 Governance and Principles. In governing the organization, the Board of Directors will observe the following governance principles. It will:

- a. be open in sharing its decision making process with stakeholders and the public;
- b. encourage the expression of diverse viewpoints, and make decisions based on advancing the Purpose of the organization;
- c. encourage candid discourse, and foster an environment in which respectful disagreement is supported;
- d. support innovation in the work of the organization both internally and where it impacts stakeholders;
- e. actively and continually seek input from the community, especially the organization's stakeholders;
- f. provide diligent financial oversight to ensure that the organization's financial condition is sound and that it has sufficient resources to accomplish its Purpose; and
- g. maintain a clear distinction between the Board and Chief Executive Officer (the "CEO") roles, and will focus on strategic direction rather than administrative detail.

ARTICLE 3

Board of Directors

Section 3.1 General Powers. Except as otherwise specifically provided for in these Bylaws and in the Act, the business of the organization will be managed exclusively by the Board of Directors. The policy-making powers of the organization will be vested in the Board of Directors, including the powers enumerated in the Act. The Board of Directors may from time to time delegate such authority and responsibility as it may determine to one or more committees or officers, and to the CEO.

Section 3.2 Number, Appointment. The Board will consist of seven Directors, six appointed as required by Minn. State. § 62V.04, subd. 2, and the Commissioner of Human Services or a designee.

Section 3.3 Term. Following the appointment of the initial Board of Directors, subsequent directors will be appointed to serve four-year terms. Directors may serve a maximum of two consecutive terms. If a Director is appointed to fill a vacancy and serves for more than half of

the unexpired term, the Director will be eligible for appointment to only one additional consecutive term.

Section 3.4 Resignation and Removal. Any Director may resign at any time by giving written notice to the Chair (on behalf of the Board). A Director may be removed as provided in Minn. Stat. § 62V.04, subd. 9.

Section 3.5 Vacancies. Vacancies on the Board will be filled as provided in Minn. Stat. § 62V.04, subd. 8.

Section 3.6 Compensation. Members of the Board will be compensated as provided in Minn. Stat. § 62V.04, subd. 12.

Section 3.7 Quorum and Voting. A majority of the Directors constitutes a quorum, and the affirmative vote of a majority of Directors is necessary and sufficient for action taken by the Board. Directors are not permitted to vote by proxy, nor may they satisfy their attendance obligations by sending a proxy to attend meetings. However, as per Minn. Stat. § 62V.04, subd. 2(a)(3), the Commissioner of Human Services may appoint a designee on a permanent or an ad hoc basis with full voting rights in order to satisfy the Commissioner's attendance obligations.

Section 3.8 Regular Meetings. The Board will meet at least quarterly at a place, day and hour to be determined by the Board. With the approval of all members present at a given meeting, any scheduled meeting may be advanced or postponed to another date. All meetings must comply with the Minnesota Open Meeting Law, Minn. State § 13D, except as otherwise provided in the Act. The Board may meet by telephone or other electronic means, or by interactive television, as provided by Minn. State §§ 13D.015 and 13D.02. The Board may close any board meeting in accordance with the provisions of the Open Meeting Law.

Section 3.9 Special Meetings. Special meetings of the Board may be called by the Chair of the Board, the Vice Chair when serving as acting Chair of the Board, or by a majority of the Board. The CEO must give no less than one (1) day notice of any special meeting to Directors by personal delivery, facsimile or electronic transmission. Notice of special meetings must also be provided as required by the Minnesota Open Meeting Law.

Section 3.10 Rules of Order. The Board will conduct its meetings through discussion, consensus building and informal meeting procedures to the extent possible. The Board may adopt such procedural rules of order as it may find useful from time to time to facilitate its business, and in the absence of any such rules will follow Robert's Rules of Order.

Section 3.11 Officers. The elected officers of the Board will be a chair and a vice-chair. The Board will elect its chair annually at a meeting held during the second quarter. Both the terms of the Chair and of the Vice-Chair shall expire one year after the election of the Chair, upon the next convening of the Board. The Chair shall preside over the meeting until an election is held. Nominations will be taken from members of the Board according to a process determined by the Chair. Officers may serve no more than two consecutive terms and an officer who has served for more than one-half of a term will be deemed to have served a full term. The elected officers of the Board are subject to removal by the Board at any time, with or without cause, by a vote of a majority of the Board. Any officer may resign his or her office by giving written notice to the

Board. The Board will elect a replacement to serve the unexpired portion of the term of the resigning officer.

- a. The Chair will preside over all meetings of the Board, provide such guidance to and oversight of the CEO as may be necessary between meetings of the Board, and generally ensure that all actions of the Board are carried into effect by the CEO or the responsible Board committee. The Chair will perform such other duties as are incident to the office of Chair.
- b. The Vice-Chair will preside over meetings of the Board when the Chair is absent and will have the powers, rights and obligations of the Chair when the Chair is temporarily unable to act. The Vice-Chair will have such other duties as may be assigned by the Chair or the Board. In the event of permanent absence or disability of the Chair, at the next regularly-scheduled Board meeting or at a Special Meeting called at the Vice-Chair's discretion, the Vice-Chair will preside over the meeting until the vacancy is filled by election and the successor Chair assumes office. If the Board is without a vice-chair, the most senior Board member shall preside over the next regularly-scheduled Board meeting or may call a Special Meeting at the discretion of this member, and shall preside over the meeting until the Chair's vacancy is filled.
- c. The CEO will ensure that minutes are kept of all meetings of the Board, Board committees, and technical and advisory committees, that records of proceedings are kept as required by the Minnesota Open Meeting Law, and that the minutes are accurate.

Section 3.12 Governance Policies. The Board may create policies that describe governance structure, decision making processes, and other relevant board processes.

ARTICLE 4

Delegation of Authority

Section 4.1 Chief Executive Officer. The Board will appoint a CEO to administer the organization. The CEO will be responsible for the day-to-day operations of the organization, in accordance with the policies and guidelines delineated by the Board. The CEO will report directly to the Board.

Section 4.2 Contracts. The Board may delegate to the CEO the authority to execute and deliver contracts on behalf of the organization. The Board will establish by policy the CEO's level of authority to bind the organization, and the procedures to be followed in doing so.

ARTICLE 5

Committees

The Board may create one or more standing or ad-hoc committees. Each committee will have the authority given by the Board at its creation. Upon the creation of a committee, the Board will appoint a committee chair, who must be a Director. The Board may appoint individuals who are

not Directors to Board committees. Board committees are subject to the Minnesota Open Meeting Law.

ARTICLE 5.1

Work Groups

The Board may create one or more standing or ad-hoc work groups. Each work group will have no decision-making authority and its membership shall not constitute a quorum of the Board. Work groups shall be focused on a specific topic or business area of MNsure and provide a forum for Board members to receive information from staff and develop recommendations for presentation to the full Board or any Board committees.

ARTICLE 6

Technical and Advisory Committees

The Board will establish and maintain advisory committees as required by Minn. Stat. § 62V.04, subd. 13. Upon the creation of a committee, the Board will appoint a Board or staff member to serve as liaison to each committee, and will also appoint a committee chair, who need not be a Board member. Such advisory committees are subject to the Minnesota Open Meeting Law.

ARTICLE 7

Conflicts of Interest

Section 7.1 Statutory Criteria. The Board will observe the statutory provisions regarding conflicts of interest set forth in Minn. Stat. § 62V.04, subd. 4.

Section 7.2 Policy and Procedure. The Board will adopt and maintain a policy and procedure to ensure that conflicts of interest are properly addressed at all times.

ARTICLE 8

Protection from Liability

Section 8.1 Statutory Protection for Liability. For any act performed within the course and scope of authority under the Act, the Board, the individual members of the Board and the employees and agents of the Board will be entitled to the immunity granted pursuant to Minn. Stat. §§ 3.736 and 466.03, subd. 6, subject to the limitations set forth therein.

Section 8.2 Additional Indemnification. The organization may provide such other indemnification as may be permitted by law if the Board reasonably believes such indemnification to be in the best interests of the organization.

ARTICLE 9
Amendment

The organization's Charter and Bylaws may be amended only by the affirmative vote of a majority of the entire Board of Directors. In the event the Board proposes to consider an amendment at a Board meeting, notice of the meeting must state that a proposed amendment will be considered at the meeting, and must also give notice of the proposed amendment(s). All such notices must comply with Minnesota's Open Meeting Law. No amendment may be adopted that would conflict with the provisions of the Act relative to the governance of the organization. This Charter and Bylaws will be deemed automatically amended in the event of any amendment to the Act subsequent to the date of adoption hereof, to the extent necessary to bring the Charter and Bylaws into compliance with the amended provisions of the Act.

BOARD CHAIR APPROVAL

Date 7/26/17

Signature 