UWHCA Board of Directors

January 26, 2017, 1:30 - 4:30 PM, Room H6/215
UWHCA Board of Directors Meeting - January 26, 2017

Agenda

1:30 PM
I. Call to Order of Board Meeting
Dr. Robert Golden

1:30 PM
II. Consent Agenda
Dr. Robert Golden

Meeting Minutes

Attachment - Minutes from December 22, 2016

Medical Staff Membership and Clinical Privileges

Attachment - Medical Staff Membership and Clinical Privileges
January 2017

UWMF Department of Surgery Transfer to UW Foundation

Resolution - Authorizing Dept of Sx to Transfer above R&D

UW Health ACO Board Membership and Bylaws

Attachment - UWHCA ACO Executive Summary and Resolution

Attachment - UWH ACO Bylaws (clean)

Attachment UW Health ACO Bylaws (redlined)

1:35 PM
III. Chair Report
Dr. Robert Golden

1:35 PM
IV. Closed Session

Motion to enter into closed session pursuant to Section 19.85(1)(e), Wisconsin Statutes, for the discussion of confidential strategic matters, which for competitive reasons require a closed session including but not limited to review of confidential terms of proposed JOA among UW Health and UnityPoint Health/Meriter Health Services, Inc./UnityPoint Health-Meriter/Unity Point Clinic/UnityPoint at Home and the exchange agreement among UPH/PPIC/UHC/GHS/GHP/Unity, to discuss potential drug acquisitions, and for the discussion of financial and other matters including budgetary matters; pursuant to Section 19.85(1)(f), Wisconsin Statutes, to confer with legal counsel regarding these and other matters; and pursuant to Sections 19.85(1)(f), 146.38, and 146.82, Wisconsin Statutes, and other applicable privacy laws to discuss confidential protected health information and to review the services of health care providers related to a patient care concern.

4:10 PM
V. Return To Open Session

4:10 PM
VI. ACTION: UW Health/UnityPoint Health-Meriter JOA

Approve
Dr. Robert Golden
Motion to enter into UW Health and Unity/Point Health-Meriter JOA as discussed in closed session

Resolution - UWH UPH M JOA

4:15 PM

VII. ACTION: UPH/PPIC/UHC/GHS/GHP/Unity Insurance Transaction
Dr. Robert Golden / Approve
Motion to approve UPH/PPIC/UHC/GHS/GHP/Unity Insurance Transaction as discussed in closed session

Resolution - PPIC-GHP-Unity Exchange Agreement

4:30 PM

VIII. Adjourn

(Note - meeting may adjourn prior to scheduled time)

IX. FYI Attachment

Attachment

Open Session Meeting Minutes
December 22, 2016
1. **Call to Order**

Chair Robert Golden called the open session of the Board of Directors meeting to order at 1:30 p.m. Roll call was taken and a quorum was present.

2. **ACTION: Approval of UWHCA Consent Agenda**

Chancellor Blank moved approval of the items on the consent agenda, including: UWHCA November 17, Open Minutes; Medical Staff Membership and Clinical Privileges; Resolution approving the Signature Authority Policy [Resolution 17-013]; UW OTD Summary and CY7 Quality Assessment Performance Improvement Plan; Resolution approving UWMF Board of Directors, Chair Director [Resolution 17-014]; Resolution authorizing the UWHCA purchase of land in Verona, Wisconsin [Resolution 17-015]; Regent Petersen seconded the motion; it passed unanimously.

3. **UW Health Board Survey (Draft)**

Chair Golden referenced the draft UW Health Board Self-Assessment survey. He questioned if the membership had any changes – citing none, the survey will be finalized in January and distributed to the membership via the UW Health portal for completion.

4. **UW Health Financial Report**

Bob Flannery, UW Health CFO, delivered the UW Health Consolidated Financial Report. UWHCA’s YTD operating margin as of October 31, 2016 came in at 5.8%, compared to a budget of 6.5%; the UWMF YTD operating margin was 1.5%, above the budgeted -0.3%; and, Swedish American is above its 1.1% budget at 1.9%. Together, UW Health’s total margin is 4.2%, slightly over the 4.0% budget. Mr. Flannery reviewed hospital volumes citing challenges with high occupancy at UWHC, which provides an opportunity to work with other facilities for
capacity management. He reported primary care non-face encounters have increased, noting this is a tool to provide care efficiently, as appropriate in the right location.

5. **Closed Session**

There being no other matters for the open session, Chair Golden proposed to take the meeting into closed session through a motion to enter into closed session pursuant to Section 19.85(1)(e), Wisconsin Statutes, for the discussion of confidential strategic matters, which for competitive reasons require a closed session, including but not limited to terms under negotiations for a potential partnership with Unity Point Health/Unity Point Health-Meriter and Impact of ACA; pursuant to Section 146.38, Wisconsin Statutes, for the review of services of health care providers; and, pursuant to Section 19.85(1)(g), Wisconsin Statutes, to confer with legal counsel regarding these and other matters.

Regent Petersen moved to go into closed session; Chancellor Blank seconded the motion; there was a unanimous roll call vote approving entering into closed session. The following members voted for the motion: Chair Golden, Vice Chair Ward, Chancellor Blank, Dr. Grist, Michael Heifetz, Regent Higgins, John Litscher, Regent Drew Petersen, Lisa Reardon, Dean Linda Scott, and Gary Wolter.

6. **Adjournment**

The meeting was adjourned in Closed Session.

Respectfully Submitted,

Kelly Wilson, Secretary
Attachment

Medical Staff Membership
and
Clinical Privileges
January 2017
The Medical Board, upon the recommendation of the Credentials committee, recommends approval of the following new applications, additional privileges, biennial reappointments and status changes for the medical staff and other providers requesting professional privileges for practice at UWHC. All of the recommended actions have been reviewed in accordance with the Medical Staff Bylaws. The credentials of all new applicants have been verified. All persons listed below meet the standards of the medical staff for the membership and privileges recommended.

Credentials Committee: January 02, 2017
Medical Board: January 12, 2017

The following actions were endorsed by the UWHC Credentials Committee and are recommended to the Medical Board for approval/action.

New Applications

Jacob S. Feldman, MD, Active Staff
Department of Surgery/Otolaryngology
- Otolaryngology Core Privileges: Privileges to admit, evaluate including performance of H&P, diagnose, consult, and treat patients presenting with illnesses, injuries and disorders of the head and neck affecting the ears, facial skeleton, and respiratory and upper alimentary system. These privileges include, but are not limited to, surgical procedures involving the temporal bone, nasal and paranasal sinuses, the skull-base, the thyroid, parathyroid, salivary glands, and lymphatic tissue of the head and neck, maxillofacial plastic and reconstructive procedures; sinus endoscopy; and performing waived laboratory testing not requiring an instrument, including but not limited to fecal occult blood, urine dipstick, and pH by paper methods; supervision of physician assistants with prescriptive authority; and supervision of residents, fellows and others in training. These privileges include care of patients via telemedicine. {Demonstrate performance of at least 200 otolaryngology procedures in the last 2 years. Recent completion of residency training satisfies this requirement.}

Christopher B. Mandel, MD, Active Staff
Department of Anesthesiology
- Anesthesiology Core Privileges: Privileges to evaluate including performance of H&P, consult and administer anesthesia to patients for relief and prevention of pain during and following surgical, therapeutic and diagnostic procedures, including the monitoring and maintenance of normal physiology during the perioperative period and perform waived laboratory testing not requiring an instrument; including but not limited to fecal occult blood, urine dipstick, and pH by paper methods. Supervision of Anesthesiologist Assistants is included in these privileges. These privileges include supervision of residents, fellows, and other persons in training. {Provision of anesthesiology for at least 100 patients during the past 2 years. Recent completion of residency training satisfies this requirement.}

Additional Privileges

Steven J. Garlow, MD, Active Staff
Department of Psychiatry
- Ketamine infusion for depression { (a). completion of the Moderate Sedation post test with a score of 80% or higher b). knowledge of use of ketamine as an antidepressant documented by prior experience or letter of support from currently privileged provider. Reappointment will require documentation of cases in the prior two year period.}
### Focused Professional Practice Evaluation Review

The following focused review applications have been endorsed by the UWHC Credentials Committee and are recommended to the Medical Board for approval/action:

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<thead>
<tr>
<th>Name</th>
<th>Department / Section</th>
<th>Staff Status</th>
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<tbody>
<tr>
<td>Abbott, Daniel E., MD</td>
<td>Surgery/General Surgery</td>
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<td>Abraham, Vidhaya C., MD</td>
<td>Medicine/General Internal Medicine</td>
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<td>Arkin, Lisa M., MD</td>
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<td>Aziz, Fahad, MD</td>
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<td>Bent, Melissa A., MD</td>
<td>Orthopedics and Rehabilitation/Fellow</td>
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<td>Caskey, Paul M., MD</td>
<td>Orthopedics and Rehabilitation/Otologic Surgery</td>
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<td>Chen, Derrick J., MD</td>
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<td>Dhillon, Subarna M., MD</td>
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<td>Eisinger, Swapna A., MD</td>
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<td>Fazio, Michael G., DO</td>
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<td>Foster, Kenneth J., MD</td>
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<td>Gardezi, Ali I., MD</td>
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<td>Gupta, Vivek K., MD</td>
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<td>Joachim, Emily L., MD</td>
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<td>Josiah, Darnell T., MD</td>
<td>Neurological Surgery</td>
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<td>Kaikosow, Farah A., MD</td>
<td>Medicine/Hospital Medicine</td>
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<td>Khauli, Samih L., MD</td>
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<td>Kleedehn, Mark G., MD</td>
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<td>Michalik, Aleksandra Z., DO</td>
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<td>Minichello, Vincent J., MD</td>
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<td>Misch, Elizabeth A., MD</td>
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<td>Mukerjee, Seema, MD</td>
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<td>Murphy-Ende, Kathleen L., PsyD</td>
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<td>See, Carolina Q., MD</td>
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<td>Sjoberg, Brett P., MD</td>
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<td>Songster, Jeffrey C., MD</td>
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<td>Teh, Yew-Xin, MD</td>
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<td>Thurlow, Peter C., MD</td>
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<td>Welsh, Brandon W., MD</td>
<td>Radiology/Fellow</td>
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### Professional Privileges-- New Applications

#### Elizabeth M. Flynn, PA, UW Physician Assistant

**Department of Emergency Medicine**

- General PA Core Professional Privileges: Privileges to assess/evaluate, perform history and physical, diagnose, consult, manage, prevent disease and promote the health of any patient regardless of age and in any setting.

  Treatment of these patients includes the following, but not limited to, ordering and performing diagnostic studies, performing routine therapeutic procedures, incision and drainage of abscess, injections, suturing, wound care, and ordering respiratory therapy and blood products.

- PA Emergency Medicine Core Privileges: Privileges to manage and treat pediatric, adolescent, and adult patients with emergency medicine conditions cared for in the emergency department.

#### James W. Gelder, PA, UW Physician Assistant

**Department of Urology**

- General PA Core Professional Privileges: Privileges to assess/evaluate, perform history and physical, diagnose, consult, manage, prevent disease and promote the health of any patient regardless of age and in any setting.

  Treatment of these patients includes the following, but not limited to, ordering and performing diagnostic studies, performing routine therapeutic procedures, incision and drainage of abscess, injections, suturing, wound care, and ordering respiratory therapy and blood products. Assist in surgery to include, but not limited to, first assist on major or minor surgeries.

- PA Urology Core Privileges: Privileges to manage and treat adolescents and adults with urological conditions and related issues.

- Prescriptive Authority: Issuing prescription orders for Schedule II - V and non-controlled medications that are within their scope of practice and in accordance with state and federal law, hospital policy and procedure, and is within the schedules as authorized by physician assistant’s DEA. {requires DEA and must be reviewed annually}.

#### Jason B. Howards, PA, UW Physician Assistant

**Department of Orthopedics and Rehabilitation**

- General PA Core Professional Privileges: Privileges to assess/evaluate, perform history and physical, diagnose, consult, manage, prevent disease and promote the health of any patient regardless of age and in any setting.

  Treatment of these patients includes the following, but not limited to, ordering and performing diagnostic studies, performing routine therapeutic procedures, incision and drainage of abscess, injections, suturing, wound care, and ordering respiratory therapy and blood products. Assist in surgery to include, but not limited to, first assist on major or minor surgeries.

- PA Rehab Medicine Core Privileges: Privileges to manage and treat patients with acute or chronic neuromuscular disease or disabilities.

- Pending DEA Receipt - Prescriptive Authority: Issuing prescription orders for Schedule II - V and non-controlled medications that are within their scope of practice and in accordance with state and federal law, hospital policy and procedure, and is within the schedules as authorized by physician assistant’s DEA. {requires DEA and must be reviewed annually}.

#### Karen K. Sager, PA, UW Physician Assistant

**Department of Medicine/Cardiovascular Medicine**

- General PA Core Professional Privileges: Privileges to assess/evaluate, perform history and physical, diagnose, consult, manage, prevent disease and promote the health of any patient regardless of age and in any setting.

  Treatment of these patients includes the following, but not limited to, ordering and performing diagnostic studies, performing routine therapeutic procedures, incision and drainage of abscess, injections, suturing, wound care, and ordering respiratory therapy and blood products.
• PA Cardiovascular Medicine Core Privileges: Privileges to manage and treat patients with cardiovascular disease.

• PA Cardiovascular Medicine/Electrophysiology Core Privileges: Privileges to manage and treat patients in need of electrophysiology care. These privileges also include first assisting in any electrophysiology procedures including but not limited to device implants/implants, laser lead extractions, electrophysiology studies, catheter ablations, basic electrophysiology, and intracardiac electro-anatomical mapping.

• Prescriptive Authority: Issuing prescription orders for Schedule II - V and non-controlled medications that are within their scope of practice and in accordance with state and federal law, hospital policy and procedure, and is within the schedules as authorized by physician assistant’s DEA. (requires DEA and must be reviewed annually)

Gillian I. Silberzahn, NP, UW Advance Practice Nurse
Department of Medicine/Hospital Medicine

• Adult NP Core Professional Privileges: Privileges to assess/evaluate, perform history and physical, diagnose, consult, manage, prevent disease and promote the health of adolescent and adult patients in any setting. Treatment of these patients includes the following, but not limited to, ordering and performing diagnostic studies, performing routine therapeutic procedures, injections, and ordering respiratory therapy and blood products.

• NP Hospital Medicine Core Privileges: Privileges to manage and treat adolescents and adults with acute and chronic medical diseases and disorders and adult medical ICU patients (excluding trauma patients) in the inpatient setting. This includes patients admitted to the Hospitalist service and for whom a Hospitalist consultation has been requested.

• Prescriptive Authority: Issuing written orders for medications and diagnostic tests within scope of practice and in accordance with WI Statutes and UWHC policies and procedures. (requires current Wisconsin Advanced Practice Nurse Prescriber certification)

Professional Privileges—Additional Privileges

Jill M. Christie, PA, UW Physician Assistant
Department of Surgery/Transplant
Requesting: PA CT Surgery Core Privileges

Catherine A. Diaz, NP, UW Advance Practice Nurse
Department of Medicine/Cardiovascular Medicine
Requesting: Tilt Table testing

Brianna M. Schumacher, NP, UW Advance Practice Nurse
Department of Surgery/Otolaryngology
Requesting: Nasal/Laryngeal Endoscopy

Jessica A. Stafford Draper, NP, UW Advance Practice Nurse
Department of Surgery/General Surgery
Requesting: Chest Tube Removal

Transfer

Angela Morgan, PA – Transfer from UWHC PA Surgery to APP Affiliate Status in Medicine

Focused Professional Practice Evaluation Review
The following focused review applications have been endorsed by the UWHC Credentials Committee after review by their applicable sub-committees (if appropriate) and are recommended to the Medical Board for approval/action:

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<thead>
<tr>
<th>Name</th>
<th>Department/Section</th>
<th>Staff Status</th>
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<tbody>
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<td>Bergstrom, Eric S., AA-C</td>
<td>Anesthesiology/General</td>
<td>UW Anesthesiologist Assistant</td>
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<tr>
<td>Mohaupt, Elaine, NP</td>
<td>Pediatrics/Neonatology</td>
<td>UW Advance Practice Nurse</td>
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<tr>
<td>Schessler, Margaret O., AA-C</td>
<td>Anesthesiology/General</td>
<td>UW Anesthesiologist Assistant</td>
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</table>
Attachment

Department of Surgery Transfers to UW Foundation
RESOLUTION OF
THE BOARD OF DIRECTORS OF
UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY

Authorizing UWMF to Transfer Department of Surgery Reserves to UWF

January 26, 2017

WHEREAS, in a letter dated December 5, 2017, as provided to the Board of Directors of the University of Wisconsin Hospitals and Clinics (“Authority Board”), the Department of Surgery of the University of Wisconsin School of Medicine and Public Health (“Department”) created a new educational professorship, the K. Craig Kent Chair in Strategic Leadership. The Department has requested that the University of Wisconsin Medical Foundation, Inc. (“UWMF”) transfer $350,000 in January 2017 to the University of Wisconsin Foundation (“UWF”) exceeding the 2.5% maximum UWF R&D transfer (the “Transfer”);

WHEREAS, the Board of Directors of UWMF unanimously approved the Transfer on January 25, 2017, and the Authority Board desires to approve the Transfer pursuant to Section 4.3.2(a) of the Integration Agreement between the parties;

NOW, THEREFORE, BE IT RESOLVED, that the Transfer is hereby authorized and approved, and UWMF is authorized and empowered to take all other actions necessary or appropriate to effectuate the Transfer.
December 5, 2016

Robert W. Flannery, CPA
Sr. Vice President-Chief Financial Officer
UW Health
7974 UW Health Ct
Middleton WI 53562

Dear Mr. Flannery,

The Department of Surgery has created a new educational professorship, the K. Craig Kent Chair in Strategic Leadership. This account was created with $1,300,000 of excess clinical revenue held at UWMF at the end of fiscal year 2016, which was transferred to the UW Foundation. We would like permission to transfer an additional $350,000, in January or February 2017, exceeding the 2.5% maximum UWF R&D transfer. In order to complete the $2,000,000 chair in 2018, we will be requesting a final $350,000 transfer in October, 2017.

Our goal is to finish the new K. Craig Kent Chair in Strategic Leadership in 2018 and award it to a deserving faculty recruit or current member.

Sincerely,

Michael L. Bentz, MD, FAAP, FACS
Interim Chairman, Department of Surgery

Layton F. Rikkers MD Chair of Surgical Leadership

Mary Marshall
Administrator
Department of Surgery

cc: Patti Meyer
Kelsie Doty
Executive Summary and Resolution

UW Health ACO
EXECUTIVE SUMMARY

RE: UW Health ACO

UWHCA Board approved amended articles and bylaws of UW Health ACO, Inc. on November 17, 2016. Attached is a resolution to further amend the UW Health ACO, Inc. bylaws to: 1) change the minimum number of Directors on the UW Health ACO Board from nine (9) to five (5); 2) change that least four (4) to three (3) Directors shall be representatives selected by the Authority from among nominees identified by entities that are participants under federal programs in which Corporation participates (“ACO Participants”); and 3) require that all officer roles are subject to Authority approval. In addition, the resolution seeks approval for the initial slate of Directors.
RESOLUTION OF
THE BOARD OF DIRECTORS OF
UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY

Approval of UW Health ACO, Inc. Fourth Amended and Restated Bylaws
and Election of Directors

January 26, 2017

WHEREAS, the Board of Directors of the University of Wisconsin Hospitals and Clinics Authority (the “Authority Board”) approved a restructuring of the UW Health ACO, Inc. (the “Corporation”) on November 17, 2016;

WHEREAS, Section 3.1(a) of the Bylaws of the Corporation requires that appointments to its Board of Directors be recommended by the Corporation’s Board, subject to approval by the Authority Board;

WHEREAS, Section 3.1(e) of the Bylaws of the Corporation states that changes to the Corporation’s organizational documents are subject to approval by the Authority Board; and

WHEREAS, the Authority Board has considered candidates for the Corporation’s Board and now wishes to appoint the inaugural board following the Corporation’s reorganization and also wishes to approve certain amendments to the Corporation’s Bylaws:

NOW, THEREFORE, pursuant to its reserved powers under Article 3.1(e) of the Corporation’s Bylaws, the Authority hereby approves the Corporation’s Fourth Amended and Restated Bylaws; and

BE IT FURTHER RESOLVED, that the Authority Board hereby appoints the following individuals as Directors of the Corporation.

Matthew Anderson, MD
Michael Sloan, MD
Jennifer Edgoose, MD
Alan Jaghroo, MD
Sarah Davis, JD
FOURTH AMENDED AND RESTATED BYLAWS
OF
UW HEALTH ACO, INC.

ARTICLE I
OFFICES

The UW Health ACO, Inc. (“Corporation”) shall have and continuously maintain a registered office and a registered agent, within the State of Wisconsin, such office may be, but need not be, identical with the principal office in the State of Wisconsin. The Corporation may have other offices within or outside of the State of Wisconsin, as the Board of Directors (“Board”) may from time to time determine.

ARTICLE II
PURPOSES

The Corporation is organized and shall be operated exclusively for the purposes set forth in Article IV of the Articles of Incorporation.

ARTICLE III
SOLE MEMBER

3.1. Sole Member. The Corporation shall have a single voting member, and such member shall be the University of Wisconsin Hospitals and Clinics Authority (the “Authority”). The Authority shall hold the following reserve powers and voting rights:

(a) Based on a recommendation provided by the Corporation’s Board of Directors, the approval/removal of Directors on the Board in accordance with Article IV;

(b) Based on a recommendation provided by the Corporation’s Board of Directors, the approval and removal of the Corporation’s officers;

(c) Based on a recommendation provided by the Corporation’s Board of Directors, the approval of the Corporation’s strategic plans and annual budgets;

(d) Approval of annual unbudgeted capital or operating expenditures exceeding One Hundred Thousand Dollars ($100,000) for new lines of business, exceeding Two Hundred and Fifty Thousand Dollars ($250,000) for existing lines of business, and any such cumulative expenditures exceeding One Million Dollars ($1,000,000) per year;

(e) The approval of changes to the Corporation’s organizational documents and changes that would affect the Corporation’s not-for-profit and/or tax exempt status;

(f) The creation and dissolution of any operating units, or subsidiaries;
(g) Based on a recommendation provided by the Corporation’s Board of Directors, the approval of any shared savings or loss methodology;

(h) The approval of all plans of merger or consolidations of the Corporation; or the sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the assets of the Corporation; or the voluntary dissolution of the Corporation;

(i) Approval of all of the Corporation’s Contracts of Indebtedness (as defined below); all accounting policies and financial auditors; compliance policies; or any transaction that could result in a Material Adverse Effect (as defined below). “Contracts of Indebtedness” shall mean notes, bonds or other written evidences of borrowings but shall not include the shared loss methodology described in Section 3.1(g). “Material Adverse Effect” shall mean an event, occurrence, change or development that has or will result in a loss (i) as to the Corporation, in the amount of Five Hundred Thousand Dollars ($500,000.00) in each instance or One Million Dollars ($1,000,000.00) in the aggregate, or (ii) as to UW Health, in the amount of One Million Dollars ($1,000,000.00) in the aggregate. “UW Health” shall collectively mean the Authority, Corporation and University of Wisconsin Medical Foundation, Inc.

3.2 Action by the Authority. The Authority shall exercise its powers in accordance with the applicable provisions of the Corporation’s bylaws in effect from time to time and Chapter 181, Wis. Stats., as applicable. The Authority shall act by executing and delivering to the Chair, President or Secretary of the Corporation a written instrument or instruments, signed by an authorized officer of the Authority, and setting forth the action taken and applicable corporate authorization or directions from the Authority. The action of the Authority shall be deemed to have been taken on the dates such written instruments are delivered, unless otherwise provided. Where Section 3.1 provides that the Authority’s power is based on a recommendation of the Corporation’s Board of Directors, if the Authority declines to approve a recommendation made by the Board of Directors, the matter shall be referred back to the Board of Directors for purposes of modifying the recommendation and resubmitting it for approval by the Authority in accordance with these Bylaws.

ARTICLE IV
BOARD OF DIRECTORS

4.1 General Powers and Number. Subject to Section 3.1, the business and affairs of the Corporation shall be managed by the Board of Directors. The number of the Directors of the Corporation shall be composed of not less than five (5) persons, nor more than fifteen (15) persons and will be nominated by the Corporation’s Board of Directors and presented for the Authority’s approval consistent with this Article IV. At least three (3) Directors shall be representatives selected the Authority from among nominees identified by entities that are participants under federal programs in which Corporation participates (“ACO Participants”) in accordance with Section 4.3 below (“Participant-Nominated Directors”). The Board of Directors shall be composed as follows:
(a) no less than seventy-five percent (75%) of the total members of the Board of Directors (excluding the Beneficiary Director and Consumer Advocate Director, as defined below) shall be selected from ACO Participants and no less than fifty percent (50%) of the Board of Directors will be composed of practicing physicians;

(b) at least one Director shall be a Medicare beneficiary who does not have a conflict of interest with the Corporation as determined according to Section 4.19 hereof (“Beneficiary Director”), who is not a representative of an ACO Participant, or an entity that contracts with Corporation to provide services under federal programs in which Corporation participates but not as a “participant” (“ACO Affiliate”), and who does not have, or have an immediate family member with, a financial relationship with the Corporation, an ACO Participant or ACO Affiliate (except for any reasonable compensation from the Corporation for his/her duties as a Director; and

(c) least one Director shall be a consumer advocate (“Consumer Advocate Director”) who has training or professional experience in advocating for the rights of consumers, who does not have a conflict of interest with the Corporation as determined according to Section 4.19 hereof, who is not a representative of an ACO Participant or ACO Affiliate, and who does not have, or have an immediate family member with, a financial relationship with the Corporation, an ACO Participant, or ACO Affiliate (except for any reasonable compensation from the Corporation for his/her duties as a Director).

4.2 Terms. At the meeting of the Board of Directors where these Bylaws are adopted, the Directors shall be divided into three (3) approximately equal groups and designated by the Board to serve staggered one, two, or three year terms. Thereafter, Directors shall serve a term of three (3) years. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that Director’s earlier resignation or removal in accordance with these Bylaws and Chapter 181, Wis. Stats. No Director may serve more than two consecutive full terms. However, nothing in this Section shall prevent a Director from serving two consecutive full terms if preceded by a partial term, or from serving additional terms provided no more than two are consecutive.

4.3 Nomination process for Participant-Nominated Directors. A nomination process described herein will be used in connection with the nomination and selection of the Participant-Nominated Directors in order to ensure that the composition of the Board of Directors conforms with the foregoing requirements, and to further ensure that each ACO Participant participates in the nomination of members of the Board of Directors. To fill Participant-Nominated seats on the Board of Directors, the Board of Directors will solicit from all ACO Participants the names of individual physicians, officers, employees or persons who are otherwise affiliated with the ACO Participant and who the ACO Participants desires to nominate to serve as a Participant-Nominated Director (the “Nominees”). Each such Participant may (but is not required to) nominate one Nominee, with all such Nominees constituting the slate of candidates from which the Board of Directors shall select as the slate of Participant-Nominated Directors to be recommended to the Authority for appointment under Section 3.1(a). If the Authority is unable
to fill the open Participant-Nominated Director positions from the initial slate of Nominees, the foregoing selection process will be repeated until all open Participant-Nominated Director positions are filled. All Nominees shall be required to perform and adhere to the obligations set forth in this Agreement.

4.4 Vacancy. The foregoing process shall be used to name the Board of Directors and to fill any subsequent vacancy in the Board of Directors. Each Director so appointed will be required to meet the qualifications for, and will be appointed to fill a Director seat on the Board of Directors. Subject to the Authority’s approval, any vacancy occurring in the Board, including any vacancy created by an increase in the number of Directors may be filled in accordance with the requirements of this Article IV unless otherwise required by law, the Articles of Incorporation or these Bylaws.

4.5 Chair of the Board. The Chair of the Board shall be elected annually by a majority vote of the Board of Directors. The Chair of the Board shall preside at all meetings of the Board of Directors and shall carry out such other duties and have such responsibilities as may be specified by the Board of Directors.

4.6 Resignation. A Director may resign at any time by filing a written resignation with the President of the Corporation.

4.7 Removal. A Director may be removed by the affirmative vote of a majority of the Directors then in office subject to the requirements of Article III.

4.8 Regular Meetings. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings without any other notice than such resolution.

4.9 Special Meetings. Special meetings of the Board of Directors may be called by the Secretary upon the request of the Chair, President or any three (3) Directors. Any such person(s) calling a special meeting of the Board of Directors may select the location for such meeting, and if no location is designated, the place of meeting shall be the principal business office of the Corporation.

4.10 Notice; Waiver. Notice of each regular or special meeting of the Board of Directors shall be delivered at least three (3) days prior thereto, by written or printed notice delivered personally, by mail or by electronic means (such as, but not limited to e-mail or facsimile transmission) to each Director at his or her address as shown on the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States main in a sealed envelope so addressed, with postage thereon prepaid. If notice is given otherwise, such notice shall be deemed delivered upon receipt at the Director’s address. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting unless otherwise specified by Wisconsin law.
4.11. **Quorum.** Except as otherwise provided by the Wisconsin Non-Stock Corporation Law, the Articles of Incorporation, or these Bylaws, a majority of the number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a majority of the Directors present (though less than a quorum) may adjourn the meeting from time to time without further notice.

4.12. **Manner of Acting.** The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Wisconsin Non-Stock Corporation Law, the Corporation’s Articles of Incorporation, or these Bylaws. Each Director present in person shall be entitled to one (1) vote. No voting by proxy shall be permitted. The order of business at all regular and special meetings of the Board shall be at the discretion of the Chair of the Board. Where not otherwise expressly provided in this Bylaws, Robert’s Rules of Order (latest edition) as reasonably interpreted by the person acting as the chair, shall govern procedure at all meetings of the Board.

4.13. **Conduct of Meetings.** The Chair of the Board, and in the Chair's absence, the President, and in the Chair's and President's absence, any Director chosen by the Directors present, shall call meetings of the Board of Directors to order and shall act as the presiding officer of the meeting. The presiding officer may appoint any director or other person to act as secretary of the meeting.

4.14. **Compensation.** No compensation shall be paid by any Director for serving as a member of the Board of Directors, except that a Director maybe reimbursed for expenses actually incurred by such Director in carrying out any activity of the Corporation which is within the scope of its purposes as set forth in Article IV of the Articles of Incorporation.

4.15. **Presumption of Assent.** A Director of the Corporation who is present at a meeting of the Board of Directors or a committee thereof of which he is a member at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent is entered in the minutes of the meeting or unless he/she files written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or forwards such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

4.16. **Committees.** The Board of Directors may establish such committees as it deems necessary and desirable to enable the Corporation to carry out its purposes. Each such committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

4.17. **Unanimous Consent without Meeting.** Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board of Directors at a meeting or by resolution may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all the Directors then in office.

4.18. **Meetings by Telephone or by Other Communication Technology.** Any action
required or permitted by the Articles of Incorporation or Bylaws or any provision of law to
be taken by the Board of Directors or a committee of the Board of Directors at a meeting
may be taken through the use of any means of communication by which (a) all participating
Directors may simultaneously hear each other during the meeting, or (b) all communication
during the meeting is immediately transmitted to each participating Director and each
participating Director is able to immediately send messages to all other participating
Directors.


(a) An officer or Director must carry out his or her fiduciary duties to the
Corporation free of the conflicting influence of any personal financial interests. A conflict of
interest exists when, in the judgment of disinterested Directors, an officer or Director cannot
be expected to exercise his or her fiduciary duty free of the influence of those personal
financial interests that may be affected by any transaction or course of action in which the
Corporation engages or proposes to engage. Conversely, despite the existence of a personal
financial interest that may be affected, a conflict of interest does not exist if, in the judgment
of disinterested Directors, an officer or Director can be expected to exercise his or her
fiduciary duty free of such influence. Directors are “disinterested” with respect to any
transaction or course of action in which the Corporation engages or proposes to engage, if
they have no financial interest that may be affected.

(b) The Board shall adopt by resolution a policy (or policies) of the Corporation
setting forth (1) a mechanism for disclosing all potential and perceived conflicts of interest,
and (2) a process for disinterested Directors to reach a determination as to whether a conflict
of interest exists.

4.20 Fiduciary Duties. The Directors and officers owe to the Company and the
Member fiduciary duties, including without limitation, the duty of loyalty in accordance with
Section 181.0831 of the Wisconsin Statutes. The duty of loyalty applicable to each Director or
officer shall be to account to the Corporation and hold as trustee for it any profit or benefit
derived by such Director or officer without the consent of more than one-half of the number of
disinterested Directors, or a majority-in-interest of the members from:

(a) Any transaction connected with the conduct or winding up of the Corporation; or

(b) Any use by a Director or officer of the Corporation’s property, including, without
limitation, confidential or proprietary information of the Corporation or other matters entrusted
to such Director or officer as a result of his or her, as the case may be, status as a Director or
officer.
ARTICLE V
OFFICERS OF THE CORPORATION

5.1. Number and Qualifications. The Principal Officers of the Corporation shall be a Chair, as stated in Section 4.5, a President, a Vice President, a Secretary and a Treasurer, each of whom shall be nominated and elected by a majority vote of the Board of Directors, subject to the requirements of Article III. Such other Officers and Assistant Officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Vice President and President and Secretary.

5.2. Election and Term of Office. The Officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at a regular meeting of the Board of Directors. Each Officer shall hold office until a successor shall have been duly elected or until his/her prior death, resignation or removal.

5.3. Removal. Any Officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election shall not of itself create contract rights.

5.4. Vacancies. A vacancy in any principal office because of death, resignation, removal or otherwise shall be filled by the Board of Directors for the unexpired portion of the term.

5.5. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors and reserve powers held by the Authority, shall in general supervise and control all of the business and affairs of the Corporation. The President shall have authority, subject to such rules as may be prescribed by the Board of Directors, to appoint such agents and employees of the Corporation as he/she shall deem necessary to carry out the purposes of the Corporation as set forth in Article IV of the Articles of Incorporation, to prescribe their powers, duties and compensation, and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. Except as otherwise provided by the Board or as specified in these Bylaws or the Articles of Incorporation, the President shall have authority to sign, execute and acknowledge, on behalf of the Corporation, all documents and instruments necessary or proper to carry out the purposes of the Corporation; and, except as otherwise provided by law or the Board of Directors, the President may authorize the Vice President or other Officer or agent of the Corporation to sign, execute and acknowledge such documents or instruments in the President's place and stead. In general he/she shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

5.6. Vice President. In the absence of the President or in the event of the President's death, inability or refusal to act, or in the event for any reason it shall be impracticable for the President to act personally, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the
restrictions upon the President. The Vice President shall perform such other duties and have such authority as from time to time may be delegated or assigned to the Vice President by the President or by the Board of Directors. The execution of any instrument of the Corporation by the Vice President shall be conclusive evidence, as to third parties, of the Vice President's authority to act in the stead of the President.

5.7. Secretary. The Secretary shall (a) keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) keep or arrange for the keeping of a register of the post office address of each Director which shall be furnished to the Secretary by such Director; and (e) in general perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to the Secretary by the President or by the Board of Directors.

5.8. Treasurer. The Treasurer shall in general perform all the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to the Treasurer by the President or by the Board of Directors.

5.9. Assistants and Acting Officers. The Board of Directors shall have the power to appoint any person to act as assistant to any Officer, or as agent for the Corporation in his/her stead, to perform the duties of such Officer whenever for any reason it is impracticable for such Officer to act personally. Such Assistant Officer or other agent so appointed by the Board of Directors shall have the power to perform all the duties of the office to which he/she is so appointed to be assistant, or as to which he/she is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors.

5.10. Compensation. The Board of Directors may provide for the payment of reasonable compensation to the Principal Officers of the Corporation or to any of them. If established, such reasonable compensation shall be fixed from time to time by the Board of Directors or by a duly authorized committee thereof.

ARTICLE VI
CONTRACTS, LOANS, CHECKS AND DEPOSITS;
SPECIAL CORPORATION ACTS

6.1. Contracts. The Board of Directors may authorize any Officer or Officer’s agent, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Corporation. Such authorization may be general or confined to specific instances. No contract or other transaction between the Corporation and one or more of its Directors or any other corporation, firm, association, or entity in which one or more of its Directors or Officers are financially interested, shall be either void or voidable because of such relationship or interest or because such Director or Directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies the contract or transaction, if (a) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the
votes or consents of such interested Director(s); (b) the fact of such relationship or interest is disclosed or known to the Board, which authorize, approve, or ratify such contract or transaction; and (c) the contract or transaction is fair and reasonable to the Corporation. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes approves or ratifies such contract or transactions, but such interested Directors shall abstain from any vote to authorize, approve or ratify such contract or transaction.

6.2. Loans. No indebtedness for borrowed money shall be contracted on behalf of the Corporation and no evidence of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors, subject to Section 3.1(a). Such authorization may be general or confined to specific instances.

6.3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by any Officer of the Corporation or an agent of the Corporation duly appointed for that purpose.

6.4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board of Directors.

ARTICLE VII
SEAL

The Corporation shall not have a corporate seal.

ARTICLE VIII
INDEMNIFICATION

8.1 Indemnification for Successful Defense. After receipt of a written request pursuant to Section 8.3, the Corporation shall indemnify a Director or Officer, to the extent he or she has been successful on the merits or otherwise in the defense of a proceeding, for all reasonable expenses incurred in the proceeding if the Director or Officer was a party because he or she is a Director or Officer of the Corporation.

8.2 Other Indemnification.

(a) In cases not included under Section 8.1, the Corporation shall indemnify a Director or Officer against all liabilities and expenses incurred by the Director or Officer in a proceeding to which the director or officer was a party because he or she is a Director or Officer of the Corporation, unless liability was incurred because the Director or Officer breached or failed to perform a duty he or she owes to the Corporation and the breach or failure to perform constitutes any of the following:
(1) A willful failure to deal fairly with the Corporation in connection with a matter in which the Director or Officer has a material conflict of interest;

(2) A violation of criminal law, unless the Director or Officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or conduct was unlawful;

(3) A transaction from which the Director or Officer derived an improper personal profit; or

(4) Willful misconduct.

(b) Determination of whether indemnification is required under this Section shall be made pursuant to Section 8.5. The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of no contest or an equivalent plea, does not, by itself, create a presumption that indemnification of the Director or Officer is not required under this Section.

8.3. Written Request. A Director or Officer who seeks indemnification under Section 8.1 or 8.2 shall make a written request to the Corporation.

8.4 Non-duplication. The Corporation shall not indemnify a Director or Officer under Section 8.1 or 8.2 if the Director or Officer has previously received indemnification or allowance of expenses from any person, including the Corporation, in connection with the same proceedings. However, the Director or Officer shall have no duty to look to any other person for indemnification.

8.5 Determination of Right to Indemnification.

(a) Unless otherwise provided by the Articles of Incorporation or by written agreement between the Director or Officer and the Corporation, any Director or Officer seeking indemnification under Section 8.2 shall select one of the following means for determining his or her right to indemnification:

(1) By a majority vote of a quorum of the Board of Directors consisting of Directors who are not at the time parties to the same or related proceedings. If a quorum of disinterested Directors cannot be obtained, by majority vote of a committee duly appointed by the Board of Directors and consisting solely of two or more Directors who are not at the time parties to the same or related proceedings. Directors who are parties to the same or related proceedings may participate in the designation of members of the committee.

(2) By independent legal counsel selected by a quorum of the Board of Directors or its committee in the manner prescribed in sub. (1) or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including Directors who are parties to the same or related proceedings.

(3) By a panel of three arbitrators consisting of one arbitrator selected by
those Directors entitled under sub. (2) to select independent legal counsel, one arbitrator selected by the Director or Officer seeing indemnification and one arbitrator selected by the two arbitrators previously selected.

(4) By a court under Section 8.8.

(5) By any other method provided for in any additional right to indemnification permitted under Section 8.7.

(b) In any determination under sub. (a), the burden of proof shall be on the Corporation to prove by clear and convincing evidence that indemnification under Section 8.2 should not be allowed.

(c) A written determination as to a Director's or Officer's right to indemnification under Section 8.2 shall be submitted to both the Corporation and the Director or Officer within 60 days of the selection made under sub. (a).

(d) If it is determined that indemnification is required under Section 8.2, the Corporation shall pay all liabilities and expenses not prohibited by Section 8.4 within 10 days after receipt of the written determination under sub. (c). The Corporation shall also pay all expenses incurred by the Director or Officer in the determination process under sub. (a).

8.6 **Advance Expenses.** Within 10 days after receipt of a written request by a Director or Officer who is a party to a proceeding, the Corporation shall pay or reimburse his or her reasonable expenses as incurred if the Director or Officer provides the Corporation with all of the following:

(a) A written affirmation of his or her good faith belief that he or she has not breached or failed to perform his or her duties to the Corporation.

(b) A written undertaking, executed personally or on his or her behalf, to repay the allowance to the extent that it is ultimately determined under Section 8.5 that indemnification under Section 8.2 is not required and that indemnification is not ordered by a court. The undertaking under this subsection shall be an unlimited, general obligation of the Director or Officer and may be accepted without reference to his or her ability to repay the allowance. The undertaking may be secured or unsecured.

8.7 **Nonexclusivity.**

(a) Except as provided in sub. (b), Sections 8.1, 8.2 and 8.6 do not preclude any additional right to indemnification or allowance of expenses that a Director or Officer may have under any of the following:

(1) The Articles of Incorporation.

(2) A written agreement between the director or officer and the Corporation.
(3) A resolution of the Board of Directors.

(b) Regardless of the existence of an additional right under (a), the Corporation shall not indemnify a Director or Officer, or permit a Director or Officer to retain any allowance of expenses, unless it is determined by or on behalf of the Corporation that the Director or Officer did not breach or fail to perform a duty he or she owes to the Corporation which constitutes conduct under Section 8.2(a) (1), (2), (3) or (4). A Director or Officer who is a party to the same or related proceedings for which indemnification or an allowance of expenses is sought may not participate in a determination under this subsection.

(c) Sections 8.1 through 8.11 do not affect the Corporation's power to pay or reimburse expenses incurred by a Director or Officer in any of the following circumstances:

(1) As a witness in a proceeding to which he or she is not a party.

(2) As a plaintiff or petitioner in a proceeding because he or she is or was an employee, agent, Director or Officer of the Corporation.

8.8 Court-Ordered Indemnification. Except as provided otherwise by written agreement between the Director or Officer and the Corporation, a Director or Officer who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. Application may be made for an initial determination by the court under Section 8.5(a)(4) or for review by the court of an adverse determination under Section 8.9.

8.9 Indemnification of Employees or Agents. The Corporation may indemnify and allow reasonable expenses of an employee or agent who is not a Director or Officer to the extent provided by the Articles of Incorporation or Bylaws by general or specific action of the Board of Directors or by contract.

8.10 Insurance. The Corporation may purchase and maintain insurance on behalf of an individual who is an employee, agent, Director or Officer of the Corporation against liability asserted against or incurred by the individual in his or her capacity as an employee, agent, Director or Officer, or arising from his or her status as an employer, agent, Director or Officer regardless of whether the Corporation is required or authorized to indemnify or allow expenses to the individual against the same liability under Sections 8.1, 8.2, 8.6, 8.7 and 8.9.

8.11 Liberal Construction. In order for the Corporation to obtain and retain qualified Directors and Officers, the foregoing provisions shall be liberally administered in order to afford maximum indemnification of Directors and Officers and, accordingly, the indemnification above provided for shall be granted in all cases unless to do so would clearly contravene applicable law, controlling precedent or public policy.
ARTICLE IX
RESTRICTIONS

At all times, and notwithstanding the merger, consolidation, reorganization, termination, dissolution or winding up of the Corporation (voluntary or involuntary or by operation of law), or any other provision hereof:

(a) The Corporation shall not possess or exercise any power or authority, whether expressly, by interpretation, or by operation of law, that would pose a substantial risk of preventing it at any time from qualifying and continuing to qualify as a corporation described in Section 501(c)(3) of the Code, contributions to which are deductible for federal income tax purposes, nor shall the Corporation engage directly or indirectly in any activity that would pose a substantial risk of causing the loss of such qualification under Section 501(c)(3) of the Code.

(b) At no time shall the Corporation engage in any activities that are unlawful under the laws of the United States, the State of Wisconsin, or any other jurisdiction where any of its activities are carried on.

(c) No part of the assets or net earnings of the Corporation shall be used, nor shall the Corporation be organized or operated for the purposes that are not exclusively charitable, scientific, or educational within the meaning of Section 501(c)(3) of the Code.

(d) The Corporation shall not be operated for the primary purpose of carrying on a trade or business for profit.

(e) The Corporation shall not carry on propaganda or otherwise attempt to influence legislation to an extent that would disqualify it for tax exemption under Section 501(c)(3) of the Code by reason of attempting to influence legislation, nor shall the Corporation, directly or indirectly, participate or intervene in (including without limitation, the publishing or distributing of statements) by political campaign on behalf of or in opposition to any candidate for public office.

(f) No solicitation of contributions to the Corporation shall be made, and no gift, bequest or devise to the Corporation shall be accepted, upon any condition or limitation that would pose a substantial risk of causing the Corporation to lose its tax exemption under Section 501(c)(3) of the Code.

(g) Pursuant to the prohibitions contained in Section 501(c)(3) of the Code, no part of the net earnings, current or accumulated, of the Corporation shall inure to the benefit of any private individual, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to make payments and distributions in furtherance of the purposes set forth in Article IV of the Articles of Incorporation.
(h) Notwithstanding any other provision of these Amended and Restated Articles of Incorporation, if at any time or times the Corporation is a private foundation within the meaning of Section 509 of the Code, then during such time or times:

(1) The Corporation shall not be controlled, directly or indirectly, by one or more disqualified persons (as defined in Section 4946 of the Code) other than foundation managers;

(2) The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject the Corporation to tax under Section 4942 of the Code;

(3) The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code;

(4) The Corporation shall not make any investments in such a manner as to subject the Corporation to tax under Section 4944 of the Code; and

(5) The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Code;

ARTICLE X
NON-DISCRIMINATION

The Corporation shall consider inclusiveness and diversity in its hiring practices, in the compensation of its employees, in carrying out its charitable, educational and scientific purposes, and shall not discriminate in any manner on the basis of age, race, creed, color, handicap, marital status, gender, sexual orientation, national origin, ancestry, as those terms are defined in Chapter 111 of the Wisconsin Statutes.

ARTICLE XI
AMENDMENTS

Subject to the requirements of Article III, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors by affirmative vote of a majority of the number of directors present at any meeting at which a quorum is in attendance.

ARTICLE XII
DISSOLUTION

Subject to the requirements of Article III, the Corporation may be dissolved by the affirmative vote or written consent of two-thirds of the Directors of the Corporation. In the
event of dissolution, after payment of all just debts and obligations, the net assets of this Corporation shall be distributed to the University of Wisconsin Hospitals and Clinics Authority, an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. If such organization is not then described in Section 501(c)(3) of the code, then the net assets of the corporation shall be distributed exclusively for such charitable, educational, or scientific purposes as may be determined by the Corporation’s board of directors.

Adopted by Board: 1/26/17
ARTICLE I
OFFICES

The UW Health ACO, Inc. (“Corporation”) shall have and continuously maintain a registered office and a registered agent, within the State of Wisconsin, such office may be, but need not be, identical with the principal office in the State of Wisconsin. The Corporation may have other offices within or outside of the State of Wisconsin, as the Board of Directors (“Board”) may from time to time determine.

ARTICLE II
PURPOSES

The Corporation is organized and shall be operated exclusively for the purposes set forth in Article IV of the Articles of Incorporation.

ARTICLE III
SOLE MEMBER

3.1. Sole Member. The Corporation shall have a single voting member, and such member shall be the University of Wisconsin Hospitals and Clinics Authority (the “Authority”). The Authority shall hold the following reserve powers and voting rights:

(a) Based on a recommendation provided by the Corporation’s Board of Directors, the approval/removal of Directors on the Board in accordance with Article IV;

(b) Based on a recommendation provided by the Corporation’s Board of Directors, the approval and removal of the President/CEO and Vice President of the Corporation’s officers;

(c) Based on a recommendation provided by the Corporation’s Board of Directors, the approval of the Corporation’s strategic plans and annual budgets;

(d) Approval of annual unbudgeted capital or operating expenditures exceeding One Hundred Thousand Dollars ($100,000) for new lines of business, exceeding Two Hundred and Fifty Thousand Dollars ($250,000) for existing lines of business, and any such cumulative expenditures exceeding One Million Dollars ($1,000,000) per year;

(e) The approval of changes to the Corporation’s organizational documents and changes that would affect the Corporation’s not-for-profit and/or tax exempt status;

(f) The creation and dissolution of any operating units, or subsidiaries;
Based on a recommendation provided by the Corporation’s Board of Directors, the approval of any shared savings or loss methodology;

The approval of all plans of merger or consolidations of the Corporation; or the sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the assets of the Corporation; or the voluntary dissolution of the Corporation;

Approval of all of the Corporation’s Contracts of Indebtedness (as defined below); all accounting policies and financial auditors; compliance policies; or any transaction that could result in a Material Adverse Effect (as defined below). “Contracts of Indebtedness” shall mean notes, bonds or other written evidences of borrowings but shall not include the shared loss methodology described in Section 3.1(g). “Material Adverse Effect” shall mean an event, occurrence, change or development that has or will result in a loss (i) as to the Corporation, in the amount of Five Hundred Thousand Dollars ($500,000.00) in each instance or One Million Dollars ($1,000,000.00) in the aggregate, or (ii) as to UW Health, in the amount of One Million Dollars ($1,000,000.00) in the aggregate. “UW Health” shall collectively mean the Authority, Corporation and University of Wisconsin Medical Foundation, Inc.

3.2 Action by the Authority. The Authority shall exercise its powers in accordance with the applicable provisions of the Corporation’s bylaws in effect from time to time and Chapter 181, Wis. Stats., as applicable. The Authority shall act by executing and delivering to the Chair, President or Secretary of the Corporation a written instrument or instruments, signed by an authorized officer of the Authority, and setting forth the action taken and applicable corporate authorization or directions from the Authority. The action of the Authority shall be deemed to have been taken on the dates such written instruments are delivered, unless otherwise provided. Where Section 3.1 provides that the Authority’s power is based on a recommendation of the Corporation’s Board of Directors, if the Authority declines to approve a recommendation made by the Board of Directors, the matter shall be referred back to the Board of Directors for purposes of modifying the recommendation and resubmitting it for approval by the Authority in accordance with these Bylaws.

ARTICLE IV
BOARD OF DIRECTORS

4.1. General Powers and Number. Subject to Section 3.1, the business and affairs of the Corporation shall be managed by the Board of Directors. The number of the Directors of the Corporation shall be composed of not less than nine-five (95) persons, nor more than fifteen (15) persons and will be nominated by the Corporation’s Board of Directors and presented for the Authority’s approval consistent with this Article IV. At least four-three (43) Directors shall be representatives selected the Authority from among nominees identified by entities that are participants under federal programs in which Corporation participates (“ACO Participants”) in accordance with Section 4.3 below (“Participant-Nominated Directors”). The Board of Directors shall be composed as follows:
(a) no less than seventy-five percent (75%) of the total members of the Board of Directors (excluding the Beneficiary Director and Consumer Advocate Director, as defined below) shall be selected from ACO Participants and no less than fifty percent (50%) of the Board of Directors will be composed of practicing physicians;

(b) at least one Director shall be a Medicare beneficiary who does not have a conflict of interest with the Corporation as determined according to Section 4.19 hereof (“Beneficiary Director”), who is not a representative of an ACO Participant, or an entity that contracts with Corporation to provide services under federal programs in which Corporation participates but not as a “participant” (“ACO Affiliate”), and who does not have, or have an immediate family member with, a financial relationship with the Corporation, an ACO Participant or ACO Affiliate (except for any reasonable compensation from the Corporation for his/her duties as a Director; and

(c) least one Director shall be a consumer advocate (“Consumer Advocate Director”) who has training or professional experience in advocating for the rights of consumers, who does not have a conflict of interest with the Corporation as determined according to Section 4.19 hereof, who is not a representative of an ACO Participant or ACO Affiliate, and who does not have, or have an immediate family member with, a financial relationship with the Corporation, an ACO Participant, or ACO Affiliate (except for any reasonable compensation from the Corporation for his/her duties as a Director).

4.2 Terms. At the meeting of the Board of Directors where these Bylaws are adopted, the Directors shall be divided into three (3) approximately equal groups and designated by the Board to serve staggered one, two, or three year terms. Thereafter, Directors shall serve a term of three (3) years. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that Director’s earlier resignation or removal in accordance with these Bylaws and Chapter 181, Wis. Stats. No Director may serve more than two consecutive full terms. However, nothing in this Section shall prevent a Director from serving two consecutive full terms if preceded by a partial term, or from serving additional terms provided no more than two are consecutive.

4.3 Nomination process for Participant-Nominated Directors. A nomination process described herein will be used in connection with the nomination and selection of the Participant-Nominated Directors in order to ensure that the composition of the Board of Directors conforms with the foregoing requirements, and to further ensure that each ACO Participant participates in the nomination of members of the Board of Directors. To fill Participant-Nominated seats on the Board of Directors, the Board of Directors will solicit from all ACO Participants the names of individual physicians, officers, employees or persons who are otherwise affiliated with the ACO Participant and who the ACO Participants desires to nominate to serve as a Participant-Nominated Director (the “Nominees”). Each such Participant may (but is not required to) nominate one Nominee, with all such Nominees constituting the slate of candidates from which the Board of Directors shall select as the slate of Participant-Nominated Directors to be recommended to the Authority for appointment under Section 3.1(a). If the Authority is unable
to fill the open Participant-Nominated Director positions from the initial slate of Nominees, the
foregoing selection process will be repeated until all open Participant-Nominated Director
positions are filled. All Nominees shall be required to perform and adhere to the obligations set
forth in this Agreement.

4.4 **Vacancy.** The foregoing process shall be used to name the Board of Directors and
to fill any subsequent vacancy in the Board of Directors. Each Director so appointed will be
required to meet the qualifications for, and will be appointed to fill a Director seat on the Board
of Directors. Subject to the Authority’s approval, any vacancy occurring in the Board,
including any vacancy created by an increase in the number of Directors may be filled in
accordance with the requirements of this Article IV unless otherwise required by law, the
Articles of Incorporation or these Bylaws.

4.5 **Chair of the Board.** The Chair of the Board shall be elected annually by a
majority vote of the Board of Directors. The Chair of the Board shall preside at all meetings
of the Board of Directors and shall carry out such other duties and have such responsibilities
as may be specified by the Board of Directors.

4.6 **Resignation.** A Director may resign at any time by filing a written resignation
with the President of the Corporation.

4.7 **Removal.** A Director may be removed by the affirmative vote of a majority of
the Directors then in office subject to the requirements of Article III.

4.8 **Regular Meetings.** The Board of Directors may provide, by resolution, the time
and place for the holding of regular meetings without any other notice than such resolution.

4.9 **Special Meetings.** Special meetings of the Board of Directors may be called by
the Secretary upon the request of the Chair, President or any three (3) Directors. Any such
person(s) calling a special meeting of the Board of Directors may select the location for such
meeting, and if no location is designated, the place of meeting shall be the principal business
office of the Corporation.

4.10 **Notice; Waiver.** Notice of each regular or special meeting of the Board of
Directors shall be delivered at least three (3) days prior thereto, by written or printed notice
delivered personally, by mail or by electronic means (such as, but not limited to e-mail or
facsimile transmission) to each Director at his or her address as shown on the records of the
Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the
United States main in a sealed envelope so addressed, with postage thereon prepaid. If
notice is given otherwise, such notice shall be deemed delivered upon receipt at the
Director’s address. Any Director may waive notice of any meeting. The attendance of a
Director at any meeting shall constitute waiver of notice of such meeting, except where a
Director attends a meeting for the express purpose of objecting to the transaction of any
business because the meeting is not lawfully called or convened. Neither the business to be
transacted at, nor the purpose of, any regular or special meeting of the Board of Directors
need be specified in the notice or waiver of notice of such meeting unless otherwise specified
by Wisconsin law.
4.11. **Quorum.** Except as otherwise provided by the Wisconsin Non-Stock Corporation Law, the Articles of Incorporation, or these Bylaws, a majority of the number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a majority of the Directors present (though less than a quorum) may adjourn the meeting from time to time without further notice.

4.12 Manner of Acting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Wisconsin Non-Stock Corporation Law, the Corporation’s Articles of Incorporation, or these Bylaws. Each Director present in person shall be entitled to one (1) vote. No voting by proxy shall be permitted. The order of business at all regular and special meetings of the Board shall be at the discretion of the Chair of the Board. Where not otherwise expressly provided in this Bylaws, Robert’s Rules of Order (latest edition) as reasonably interpreted by the person acting as the chair, shall govern procedure at all meetings of the Board.

4.13 Conduct of Meetings. The Chair of the Board, and in the Chair's absence, the President, and in the Chair's and President's absence, any Director chosen by the Directors present, shall call meetings of the Board of Directors to order and shall act as the presiding officer of the meeting. The presiding officer may appoint any director or other person to act as secretary of the meeting.

4.14 Compensation. No compensation shall be paid by any Director for serving as a member of the Board of Directors, except that a Director may be reimbursed for expenses actually incurred by such Director in carrying out any activity of the Corporation which is within the scope of its purposes as set forth in Article IV of the Articles of Incorporation.

4.15 Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors or a committee thereof of which he is a member at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent is entered in the minutes of the meeting or unless he/she files written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or forwards such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

4.16 Committees. The Board of Directors may establish such committees as it deems necessary and desirable to enable the Corporation to carry out its purposes. Each such committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

4.17 Unanimous Consent without Meeting. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board of Directors at a meeting or by resolution may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all the Directors then in office.

4.18 Meetings by Telephone or by Other Communication Technology. Any action
required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board of Directors or a committee of the Board of Directors at a meeting may be taken through the use of any means of communication by which (a) all participating Directors may simultaneously hear each other during the meeting, or (b) all communication during the meeting is immediately transmitted to each participating Director and each participating Director is able to immediately send messages to all other participating Directors.

4.19. **Conflict of Interest.**

(a) An officer or Director must carry out his or her fiduciary duties to the Corporation free of the conflicting influence of any personal financial interests. A conflict of interest exists when, in the judgment of disinterested Directors, an officer or Director cannot be expected to exercise his or her fiduciary duty free of the influence of those personal financial interests that may be affected by any transaction or course of action in which the Corporation engages or proposes to engage. Conversely, despite the existence of a personal financial interest that may be affected, a conflict of interest does not exist if, in the judgment of disinterested Directors, an officer or Director can be expected to exercise his or her fiduciary duty free of such influence. Directors are “disinterested” with respect to any transaction or course of action in which the Corporation engages or proposes to engage, if they have no financial interest that may be affected.

(b) The Board shall adopt by resolution a policy (or policies) of the Corporation setting forth (1) a mechanism for disclosing all potential and perceived conflicts of interest, and (2) a process for disinterested Directors to reach a determination as to whether a conflict of interest exists.

4.20 **Fiduciary Duties.** The Directors and officers owe to the Company and the Member fiduciary duties, including without limitation, the duty of loyalty in accordance with Section 181.0831 of the Wisconsin Statutes. The duty of loyalty applicable to each Director or officer shall be to account to the Corporation and hold as trustee for it any profit or benefit derived by such Director or officer without the consent of more than one-half of the number of disinterested Directors, or a majority-in-interest of the members from:

(a) Any transaction connected with the conduct or winding up of the Corporation; or

(b) Any use by a Director or officer of the Corporation’s property, including, without limitation, confidential or proprietary information of the Corporation or other matters entrusted to such Director or officer as a result of his or her, as the case may be, status as a Director or officer.
ARTICLE V
OFFICERS OF THE CORPORATION

5.1. Number and Qualifications. The Principal Officers of the Corporation shall be a Chair, as stated in Section 4.5, a President, a Vice President, a Secretary and a Treasurer, each of whom shall be nominated and elected by a majority vote of the Board of Directors, subject to the requirements of Article III. Such other Officers and Assistant Officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Vice President and President and Secretary.

5.2. Election and Term of Office. The Officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at a regular meeting of the Board of Directors. Each Officer shall hold office until a successor shall have been duly elected or until his/her prior death, resignation or removal.

5.3. Removal. Any Officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election shall not of itself create contract rights.

5.4. Vacancies. A vacancy in any principal office because of death, resignation, removal or otherwise shall be filled by the Board of Directors for the unexpired portion of the term.

5.5. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors and reserve powers held by the Authority, shall in general supervise and control all of the business and affairs of the Corporation. The President shall have authority, subject to such rules as may be prescribed by the Board of Directors, to appoint such agents and employees of the Corporation as he/she shall deem necessary to carry out the purposes of the Corporation as set forth in Article IV of the Articles of Incorporation, to prescribe their powers, duties and compensation, and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. Except as otherwise provided by the Board or as specified in these Bylaws or the Articles of Incorporation, the President shall have authority to sign, execute and acknowledge, on behalf of the Corporation, all documents and instruments necessary or proper to carry out the purposes of the Corporation; and, except as otherwise provided by law or the Board of Directors, the President may authorize the Vice President or other Officer or agent of the Corporation to sign, execute and acknowledge such documents or instruments in the President's place and stead. In general he/she shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

5.6. Vice President. In the absence of the President or in the event of the President's death, inability or refusal to act, or in the event for any reason it shall be impracticable for the President to act personally, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the
restrictions upon the President. The Vice President shall perform such other duties and have such authority as from time to time may be delegated or assigned to the Vice President by the President or by the Board of Directors. The execution of any instrument of the Corporation by the Vice President shall be conclusive evidence, as to third parties, of the Vice President's authority to act in the stead of the President.

5.7. Secretary. The Secretary shall (a) keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) keep or arrange for the keeping of a register of the post office address of each Director which shall be furnished to the Secretary by such Director; and (e) in general perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to the Secretary by the President or by the Board of Directors.

5.8. Treasurer. The Treasurer shall in general perform all the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to the Treasurer by the President or by the Board of Directors.

5.9. Assistants and Acting Officers. The Board of Directors shall have the power to appoint any person to act as assistant to any Officer, or as agent for the Corporation in his/her stead, to perform the duties of such Officer whenever for any reason it is impracticable for such Officer to act personally. Such Assistant Officer or other agent so appointed by the Board of Directors shall have the power to perform all the duties of the office to which he/she is so appointed to be assistant, or as to which he/she is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors.

5.10. Compensation. The Board of Directors may provide for the payment of reasonable compensation to the Principal Officers of the Corporation or to any of them. If established, such reasonable compensation shall be fixed from time to time by the Board of Directors or by a duly authorized committee thereof.

ARTICLE VI
CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATION ACTS

6.1. Contracts. The Board of Directors may authorize any Officer or Officer’s agent, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Corporation. Such authorization may be general or confined to specific instances. No contract or other transaction between the Corporation and one or more of its Directors or any other corporation, firm, association, or entity in which one or more of its Directors or Officers are financially interested, shall be either void or voidable because of such relationship or interest or because such Director or Directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies the contract or transaction, if (a) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the
votes or consents of such interested Director(s); (b) the fact of such relationship or interest is disclosed or known to the Board, which authorize, approve, or ratify such contract or transaction; and (c) the contract or transaction is fair and reasonable to the Corporation. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes approves or ratifies such contract or transactions, but such interested Directors shall abstain from any vote to authorize, approve or ratify such contract or transaction.

6.2. Loans. No indebtedness for borrowed money shall be contracted on behalf of the Corporation and no evidence of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors, subject to Section 3.1(a). Such authorization may be general or confined to specific instances.

6.3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by any Officer of the Corporation or an agent of the Corporation duly appointed for that purpose.

6.4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board of Directors.

ARTICLE VII
SEAL

The Corporation shall not have a corporate seal.

ARTICLE VIII
INDEMNIFICATION

8.1 Indemnification for Successful Defense. After receipt of a written request pursuant to Section 8.3, the Corporation shall indemnify a Director or Officer, to the extent he or she has been successful on the merits or otherwise in the defense of a proceeding, for all reasonable expenses incurred in the proceeding if the Director or Officer was a party because he or she is a Director or Officer of the Corporation.

8.2 Other Indemnification.

(a) In cases not included under Section 8.1, the Corporation shall indemnify a Director or Officer against all liabilities and expenses incurred by the Director or Officer in a proceeding to which the director or officer was a party because he or she is a Director or Officer of the Corporation, unless liability was incurred because the Director or Officer breached or failed to perform a duty he or she owes to the Corporation and the breach or failure to perform constitutes any of the following:
(1) A willful failure to deal fairly with the Corporation in connection with a matter in which the Director or Officer has a material conflict of interest;

(2) A violation of criminal law, unless the Director or Officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or conduct was unlawful;

(3) A transaction from which the Director or Officer derived an improper personal profit; or

(4) Willful misconduct.

(b) Determination of whether indemnification is required under this Section shall be made pursuant to Section 8.5. The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of no contest or an equivalent plea, does not, by itself, create a presumption that indemnification of the Director or Officer is not required under this Section.

8.3 Written Request. A Director or Officer who seeks indemnification under Section 8.1 or 8.2 shall make a written request to the Corporation.

8.4 Non-duplication. The Corporation shall not indemnify a Director or Officer under Section 8.1 or 8.2 if the Director or Officer has previously received indemnification or allowance of expenses from any person, including the Corporation, in connection with the same proceedings. However, the Director or Officer shall have no duty to look to any other person for indemnification.

8.5 Determination of Right to Indemnification.

(a) Unless otherwise provided by the Articles of Incorporation or by written agreement between the Director or Officer and the Corporation, any Director or Officer seeking indemnification under Section 8.2 shall select one of the following means for determining his or her right to indemnification:

(1) By a majority vote of a quorum of the Board of Directors consisting of Directors who are not at the time parties to the same or related proceedings. If a quorum of disinterested Directors cannot be obtained, by majority vote of a committee duly appointed by the Board of Directors and consisting solely of two or more Directors who are not at the time parties to the same or related proceedings. Directors who are parties to the same or related proceedings may participate in the designation of members of the committee.

(2) By independent legal counsel selected by a quorum of the Board of Directors or its committee in the manner prescribed in sub. (1) or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including Directors who are parties to the same or related proceedings.

(3) By a panel of three arbitrators consisting of one arbitrator selected by
those Directors entitled under sub. (2) to select independent legal counsel, one arbitrator selected by the Director or Officer seeing indemnification and one arbitrator selected by the two arbitrators previously selected.

(4) By a court under Section 8.8.

(5) By any other method provided for in any additional right to indemnification permitted under Section 8.7.

(b) In any determination under sub. (a), the burden of proof shall be on the Corporation to prove by clear and convincing evidence that indemnification under Section 8.2 should not be allowed.

(c) A written determination as to a Director's or Officer's right to indemnification under Section 8.2 shall be submitted to both the Corporation and the Director or Officer within 60 days of the selection made under sub. (a).

(d) If it is determined that indemnification is required under Section 8.2, the Corporation shall pay all liabilities and expenses not prohibited by Section 8.4 within 10 days after receipt of the written determination under sub. (c). The Corporation shall also pay all expenses incurred by the Director or Officer in the determination process under sub. (a).

8.6 Advance Expenses. Within 10 days after receipt of a written request by a Director or Officer who is a party to a proceeding, the Corporation shall pay or reimburse his or her reasonable expenses as incurred if the Director or Officer provides the Corporation with all of the following:

(a) A written affirmation of his or her good faith belief that he or she has not breached or failed to perform his or her duties to the Corporation.

(b) A written undertaking, executed personally or on his or her behalf, to repay the allowance to the extent that it is ultimately determined under Section 8.5 that indemnification under Section 8.2 is not required and that indemnification is not ordered by a court. The undertaking under this subsection shall be an unlimited, general obligation of the Director or Officer and may be accepted without reference to his or her ability to repay the allowance. The undertaking may be secured or unsecured.

8.7. Nonexclusivity.

(a) Except as provided in sub. (b), Sections 8.1, 8.2 and 8.6 do not preclude any additional right to indemnification or allowance of expenses that a Director or Officer may have under any of the following:

(1) The Articles of Incorporation.

(2) A written agreement between the director or officer and the Corporation.
(3) A resolution of the Board of Directors.

(b) Regardless of the existence of an additional right under (a), the Corporation shall not indemnify a Director or Officer, or permit a Director or Officer to retain any allowance of expenses, unless it is determined by or on behalf of the Corporation that the Director or Officer did not breach or fail to perform a duty he or she owes to the Corporation which constitutes conduct under Section 8.2(a) (l), (2), (3) or (4). A Director or Officer who is a party to the same or related proceedings for which indemnification or an allowance of expenses is sought may not participate in a determination under this subsection.

(c) Sections 8.1 through 8.11 do not affect the Corporation's power to pay or reimburse expenses incurred by a Director or Officer in any of the following circumstances:

(1) As a witness in a proceeding to which he or she is not a party.

(2) As a plaintiff or petitioner in a proceeding because he or she is or was an employee, agent, Director or Officer of the Corporation.

8.8 Court-Ordered Indemnification. Except as provided otherwise by written agreement between the Director or Officer and the Corporation, a Director or Officer who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. Application may be made for an initial determination by the court under Section 8.5(a)(4) or for review by the court of an adverse determination under Section

8.9 Indemnification of Employees or Agents. The Corporation may indemnify and allow reasonable expenses of an employee or agent who is not a Director or Officer to the extent provided by the Articles of Incorporation or Bylaws by general or specific action of the Board of Directors or by contract.

8.10 Insurance. The Corporation may purchase and maintain insurance on behalf of an individual who is an employee, agent, Director or Officer of the Corporation against liability asserted against or incurred by the individual in his or her capacity as an employee, agent, Director or Officer, or arising from his or her status as an employer, agent, Director or Officer regardless of whether the Corporation is required or authorized to indemnify or allow expenses to the individual against the same liability under Sections 8.1, 8.2, 8.6, 8.7 and 8.9.

8.11 Liberal Construction. In order for the Corporation to obtain and retain qualified Directors and Officers, the foregoing provisions shall be liberally administered in order to afford maximum indemnification of Directors and Officers and, accordingly, the indemnification above provided for shall be granted in all cases unless to do so would clearly contravene applicable law, controlling precedent or public policy.
ARTICLE IX
RESTRICTIONS

At all times, and notwithstanding the merger, consolidation, reorganization, termination, dissolution or winding up of the Corporation (voluntary or involuntary or by operation of law), or any other provision hereof:

(a) The Corporation shall not possess or exercise any power or authority, whether expressly, by interpretation, or by operation of law, that would pose a substantial risk of preventing it at any time from qualifying and continuing to qualify as a corporation described in Section 501(c)(3) of the Code, contributions to which are deductible for federal income tax purposes, nor shall the Corporation engage directly or indirectly in any activity that would pose a substantial risk of causing the loss of such qualification under Section 501(c)(3) of the Code.

(b) At no time shall the Corporation engage in any activities that are unlawful under the laws of the United States, the State of Wisconsin, or any other jurisdiction where any of its activities are carried on.

(c) No part of the assets or net earnings of the Corporation shall be used, nor shall the Corporation be organized or operated for the purposes that are not exclusively charitable, scientific, or educational within the meaning of Section 501(c)(3) of the Code.

(d) The Corporation shall not be operated for the primary purpose of carrying on a trade or business for profit.

(e) The Corporation shall not carry on propaganda or otherwise attempt to influence legislation to an extent that would disqualify it for tax exemption under Section 501(c)(3) of the Code by reason of attempting to influence legislation, nor shall the Corporation, directly or indirectly, participate or intervene in (including without limitation, the publishing or distributing of statements) by political campaign on behalf of or in opposition to any candidate for public office.

(f) No solicitation of contributions to the Corporation shall be made, and no gift, bequest or devise to the Corporation shall be accepted, upon any condition or limitation that would pose a substantial risk of causing the Corporation to lose its tax exemption under Section 501(c)(3) of the Code.

(g) Pursuant to the prohibitions contained in Section 501(c)(3) of the Code, no part of the net earnings, current or accumulated, of the Corporation shall inure to the benefit of any private individual, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to make payments and distributions in furtherance of the purposes set forth in Article IV of the Articles of Incorporation.
(h) Notwithstanding any other provision of these Amended and Restated Articles of Incorporation, if at any time or times the Corporation is a private foundation within the meaning of Section 509 of the Code, then during such time or times:

(1) The Corporation shall not be controlled, directly or indirectly, by one or more disqualified persons (as defined in Section 4946 of the Code) other than foundation managers;

(2) The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject the Corporation to tax under Section 4942 of the Code;

(3) The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code;

(4) The Corporation shall not make any investments in such a manner as to subject the Corporation to tax under Section 4944 of the Code; and

(5) The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Code;

ARTICLE X
NON-DISCRIMINATION

The Corporation shall consider inclusiveness and diversity in its hiring practices, in the compensation of its employees, in carrying out its charitable, educational and scientific purposes, and shall not discriminate in any manner on the basis of age, race, creed, color, handicap, marital status, gender, sexual orientation, national origin, ancestry, as those terms are defined in Chapter 111 of the Wisconsin Statutes.

ARTICLE XI
AMENDMENTS

Subject to the requirements of Article III, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors by affirmative vote of a majority of the number of directors present at any meeting at which a quorum is in attendance.

ARTICLE XII
DISSOLUTION

Subject to the requirements of Article III, the Corporation may be dissolved by the affirmative vote or written consent of two-thirds of the Directors of the Corporation. In the
event of dissolution, after payment of all just debts and obligations, the net assets of this Corporation shall be distributed to the University of Wisconsin Hospitals and Clinics Authority, an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. If such organization is not then described in Section 501(c)(3) of the code, then the net assets of the corporation shall be distributed exclusively for such charitable, educational, or scientific purposes as may be determined by the Corporation’s board of directors.

**Adopted by Board: 14/426/167**
Resolution

Approving UW Health and UnityPoint Health-Meriter Joint Operating Agreement
RESOLUTIONS OF
THE BOARD OF DIRECTORS OF
UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY

Approving UnityPoint Health / Meriter Health Services, Inc. / UnityPoint Health-Meriter / UnityPoint Clinic / UnityPoint at Home Joint Operating Agreement

January 26, 2017

WHEREAS, the University of Wisconsin Hospitals and Clinics Authority (“Authority”), including its affiliate, the University of Wisconsin Medical Foundation, Inc. (“UWMF” and, collectively with the Authority, “UW Health”) and Iowa Health System, doing business as UnityPoint Health, including its affiliates, Meriter Health Services, Inc., Meriter Hospital, Inc., doing business as UnityPoint Health – Meriter, and Iowa Physicians Clinic Medical Foundation, doing business as UnityPoint Clinic and UnityPoint at Home (collectively, “UPH Parties”), are negotiating the terms and conditions of a Joint Operating Agreement between the parties (“JOA”) and certain ancillary agreements related thereto (collectively, the “JOA Transaction Documents”), pursuant to which UW Health will assume strategic directional control over certain activities and operations of the UPH Parties in the Dane County and surrounding region (“Transaction”) as of the closing of the Transaction (“Closing”); and

WHEREAS, the Board of Directors of the Authority (“Authority Board”) has reviewed the JOA in its current form and the current due diligence report furnished by outside counsel; has deliberated the benefits and risks of the Transaction; and has determined that it is in the best interests of the Authority and UWMF for UW Health and its affiliates to proceed with the Transaction and to take the actions contemplated by the following resolutions:

NOW, THEREFORE, BE IT RESOLVED, the Authority Board hereby delegates to the chief executive officer of the Authority his designee(s) (each, “Authorized Officer”) the authority to execute the JOA substantially in the form reviewed by the Authority Board, and to close the Transaction at a date to be determined by an Authorized Officer provided that an Authorized Officer confirms to the Authority Board that all conditions precedent to Closing specified in the JOA have been satisfied or waived at the Authorized Officer’s reasonable discretion prior to Closing;

FURTHER RESOLVED, that the Authority Board acknowledges that legal, operational and financial due diligence of the UPH Parties is ongoing, and upon completion thereof, an Authorized Officer shall provide to the Authority Board a summary of any material risks or liabilities identified in such diligence review prior to Closing that have not been previously furnished to the Authority Board;

FURTHER RESOLVED, that the Authorized Officers are hereby authorized, empowered, and directed to take any and all actions reasonably related to the execution of the JOA, and closing of the Transaction; and

FURTHER RESOLVED, that the Authorized Officers are, and each of them acting alone hereby is, authorized, empowered and directed, in the name and on behalf of the Authority,
to make or cause to be made, and to execute and deliver, all agreements and other documents contemplated by and/or related to the JOA Transaction Documents, and thereafter to cause the Authority to perform all obligations and duties with respect to such documents and agreements, and to take all such steps, and to make all such filings, payments and remittances, as any one or more of such officers, directors or persons may at any time or times deem to be necessary or desirable in connection with or in furtherance of and in order to carry out the full intent and purpose of the foregoing resolutions.
Resolution

PPIC-Unity-GHP Exchange Agreement
RESOLUTIONS OF
THE BOARD OF DIRECTORS OF
UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY

PPIC-Unity-GHP Transaction

January 26, 2017

WHEREAS, Iowa Health System d/b/a UnityPoint Health (“UPH”), Physician’s Plus Insurance Corporation (“PPIC”), University Health Care, Inc. (“UHC”), Gundersen Health System (“GHS”), Unity Health Plans Insurance Company (“Unity”) and Gundersen Health Plans (“GHP”) are negotiating the terms and conditions of an exchange agreement between the parties (“Exchange Agreement”), as described to the University of Wisconsin Hospitals and Clinics Authority (“Authority”) Board of Directors (“Authority Board”) at its meeting of January 26, 2017 (“Transaction”);

WHEREAS, the Authority through its wholly owned subsidiaries is an owner of UHC, Unity and GHP, and is required to approve the Transaction;

WHEREAS, the Authority Board has determined that it is in the best interest of the Authority, UHC, GHP and Unity to delegate to the chief executive officer of Authority the authority to finalize the transaction and to take the actions contemplated by the following resolutions:

NOW, THEREFORE, BE IT RESOLVED, that the chief executive officer of the Authority, through such officers as he may designate (each, an “Authorized Officer”), hereby is delegated the authority to: (a) authorize execution and delivery of the Exchange Agreement and execution and delivery of any other agreements and instruments contemplated by the transaction, all as approved by an Authorized Officer, contingent upon a thorough review of all material terms between the executive leadership of UHC, Unity and GHP; and (b) take all actions deemed necessary or appropriate in his or her discretion to otherwise consummate the Transaction, provided that an Authorized Officer confirms to the Authority Board that all conditions precedent to closing specified in the Exchange Agreement have been satisfied or waived at the Authorized Officer’s reasonable discretion prior to closing; and

FURTHER RESOLVED, that the Authorized Officers hereby are authorized, empowered, and directed to take all actions as may be necessary or appropriate to consummate the transaction and carry out the intent and purpose of the foregoing recitals and resolutions, and all of the acts of each Authorized Officer that are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be, and the same hereby are in all respects, adopted, ratified, and approved.
UW Health YTD Operating Margin

November 30, 2016

<table>
<thead>
<tr>
<th></th>
<th>UWHCA</th>
<th>UWMF</th>
<th>Combined HC/MF **</th>
<th>SAHS/RDI</th>
<th>Total *</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Actual</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UWHCA</td>
<td>5.7%</td>
<td>1.6%</td>
<td></td>
<td></td>
<td>4.0%</td>
</tr>
<tr>
<td>UWMF</td>
<td>6.4%</td>
<td>0.6%</td>
<td></td>
<td></td>
<td>3.5%</td>
</tr>
<tr>
<td>Combined HC/MF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.4%</td>
</tr>
<tr>
<td><strong>Budget</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UWHCA</td>
<td>5.3%</td>
<td>1.6%</td>
<td></td>
<td></td>
<td>4.0%</td>
</tr>
<tr>
<td>UWMF</td>
<td>5.3%</td>
<td>0.6%</td>
<td></td>
<td></td>
<td>3.5%</td>
</tr>
<tr>
<td>Combined HC/MF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.4%</td>
</tr>
<tr>
<td><strong>Prior Year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UWHCA</td>
<td>-1.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UWMF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combined HC/MF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Combined total includes eliminations and the Academic support included as an operating expense. $90M Integration commitment is reflected in other non-operating revenue.

** Combined HC/MF without eliminations, which ties to the Incentive Plan metric.
<table>
<thead>
<tr>
<th>YTD - November 30, 2016</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance from Budget</th>
<th>Prior Year</th>
<th>Variance from Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UWHC (Includes UH, TAC, and AFCH)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admissions</td>
<td>13,749</td>
<td>14,190</td>
<td>(441)</td>
<td>13,452</td>
<td>297</td>
</tr>
<tr>
<td>Clinic visits</td>
<td>287,670</td>
<td>295,482</td>
<td>(7,812)</td>
<td>282,954</td>
<td>4,716</td>
</tr>
<tr>
<td>Surgeries</td>
<td>15,362</td>
<td>14,995</td>
<td>367</td>
<td>14,599</td>
<td>763</td>
</tr>
<tr>
<td><strong>SAHS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admissions</td>
<td>7,338</td>
<td>7,067</td>
<td>271</td>
<td>7,104</td>
<td>234</td>
</tr>
<tr>
<td>Clinic visits</td>
<td>165,616</td>
<td>168,622</td>
<td>(3,006)</td>
<td>160,619</td>
<td>4,997</td>
</tr>
<tr>
<td>Surgeries</td>
<td>3,860</td>
<td>3,978</td>
<td>(118)</td>
<td>3,982</td>
<td>(122)</td>
</tr>
</tbody>
</table>
Work Relative Value Units (wRVUs) are a measure developed by CMS as part of the Medicare reimbursement formula for physician services. wRVUs reflect the time, skill, training and intensity to provide a given service. For example, a surgical code will typically have a higher value (and corresponding payment) than a routine appointment code. wRVUs are also used by UW Health and other practice plans to measure provider productivity (volume). When payors determine payments based on RVU’s, they typically include two additional RVU components to reflect the practice expense costs (technical) and malpractice insurance costs.

*Two fewer business days in July FY17 compared to July FY16

Specialty care wRVUs increased 4.7% and Primary care wRVUs remained flat

YTD Variance
Clinic visits year over year are up by 4.1% while non face-to-face encounters are up by 2.6%. Clinical Physician FTE are down by 2.2% and head count is down by 0.5% while number of active panels are up by 3.0%.

Clinic visits are arrived or completed appointments that include nurse only visits. Non face-to-face encounters include MyChart, Telephone and Refill encounters logged in HealthLink. Other includes all provider types not listed as MD, DO, NP or PA. Clinical Physician FTE, Head Count and Active Panel are for MD/DO faculty only.

Note: Includes Fam Med (including Wingra ACHC), GIM & GPAM excluding Augusta, Eau Claire & Fox Valley. Clinic visits are arrived or completed appointments that include nurse only visits. Non face-to-face encounters include MyChart, Telephone and Refill encounters logged in HealthLink. Other includes all provider types not listed as MD, DO, NP or PA. Clinical Physician FTE, Head Count and Active Panel are for MD/DO faculty only.

Data source: Ambulatory Encounters dashboard and Panel Activity Report.
### Summary of Enterprise-Wide November 30, 2016 YTD Operating Results

#### Volume

<table>
<thead>
<tr>
<th></th>
<th>Adult and Peds Admissions</th>
<th>Clinic Visits</th>
<th>Surgeries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>2.6%</td>
<td>2.2%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Margin</td>
<td>-0.8%</td>
<td>-2.3%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

#### Margin

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>4.0%</td>
<td>3.5%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

#### Operating Revenue

<table>
<thead>
<tr>
<th></th>
<th>Actual YTD Nov 2016</th>
<th>Budget YTD Nov 2016</th>
<th>Actual YTD Nov 2015</th>
<th>Variance Vs. Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>$ 1,240.9</td>
<td>$ 1,240.8</td>
<td>$ 1,152.2</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

#### Operating Expenses:

<table>
<thead>
<tr>
<th></th>
<th>Actual YTD Nov 2016</th>
<th>Budget YTD Nov 2016</th>
<th>Actual YTD Nov 2015</th>
<th>Variance Vs. Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and fringe benefits</td>
<td>685.4</td>
<td>696.9</td>
<td>654.7</td>
<td>1.6%</td>
</tr>
<tr>
<td>Medical materials and supplies</td>
<td>248.3</td>
<td>247.7</td>
<td>231.1</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Other expenses</td>
<td>224.3</td>
<td>222.8</td>
<td>196.9</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>1,158.0</td>
<td>1,167.4</td>
<td>1,082.6</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

#### Operating Income

<table>
<thead>
<tr>
<th></th>
<th>Actual YTD Nov 2016</th>
<th>Budget YTD Nov 2016</th>
<th>Actual YTD Nov 2015</th>
<th>Variance Vs. Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>82.9</td>
<td>73.4</td>
<td>69.5</td>
<td>12.9%</td>
</tr>
<tr>
<td>Academic Advancement Support (non-operating)</td>
<td>(32.9)</td>
<td>(29.9)</td>
<td>(30.4)</td>
<td>-10.0%</td>
</tr>
<tr>
<td>Operating Income, before other non-operating</td>
<td>50.0</td>
<td>43.5</td>
<td>39.2</td>
<td>14.9%</td>
</tr>
</tbody>
</table>

#### Net Income

<table>
<thead>
<tr>
<th></th>
<th>Actual YTD Nov 2016</th>
<th>Budget YTD Nov 2016</th>
<th>Actual YTD Nov 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$ 66.4</td>
<td>$ 59.6</td>
<td>($ 57.2)</td>
</tr>
</tbody>
</table>

*Includes Income Tax (Expense)
<table>
<thead>
<tr>
<th></th>
<th>Favorable Direction</th>
<th>FY 17</th>
<th>Healthcare System Industry Comparisons</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>S&amp;P &quot;A+&quot; (1)</td>
</tr>
<tr>
<td>Operating Margin (excluding Academic Support)</td>
<td>↑</td>
<td>6.7%</td>
<td></td>
</tr>
<tr>
<td>Operating Margin (including Academic Support)</td>
<td>↑</td>
<td>4.0%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Total Margin</td>
<td>↑</td>
<td>5.4%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Days Cash on Hand * (excluding Academic Support)</td>
<td>↑</td>
<td>196.17</td>
<td></td>
</tr>
<tr>
<td>Days Cash on Hand * (including Academic Support)</td>
<td>↑</td>
<td>190.53</td>
<td>200.3</td>
</tr>
<tr>
<td>Days in Accounts Receivable **</td>
<td>↓</td>
<td>49</td>
<td>46</td>
</tr>
<tr>
<td>Long Term Debt to Capitalization</td>
<td>↓</td>
<td>21.9%</td>
<td>35.9%</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>↑</td>
<td>11.2%</td>
<td>10.3%</td>
</tr>
<tr>
<td>Cash-to-Debt</td>
<td>↑</td>
<td>232.4%</td>
<td>154.8%</td>
</tr>
</tbody>
</table>

* excludes provision for bad debt and retiree health insurance

** average for 5 months


(2) Moody's 2015 financial ratios based on 43 "Aa3" rated hospitals. Based on 2014 audited financials.
Year-to-Date November 30, 2016
(Amount in $$ Thousands)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earned Investment Income</td>
<td>8,521</td>
</tr>
<tr>
<td>Equity in earnings of joint ventures</td>
<td>3,027</td>
</tr>
<tr>
<td>Unrealized gain (loss) on investments</td>
<td>2,695</td>
</tr>
<tr>
<td>Other, net *</td>
<td>2,199</td>
</tr>
<tr>
<td><strong>Total revenues (expenses)</strong></td>
<td><strong>16,443</strong></td>
</tr>
</tbody>
</table>

* includes Income Tax (Expense)
### UW Health Consolidating Balance Sheet

**YTD November 30, 2016**

<table>
<thead>
<tr>
<th>Category</th>
<th>UWHCA</th>
<th>UWMF</th>
<th>Eliminations</th>
<th>Total UWHCA and UWMF</th>
<th>RDI</th>
<th>UW Health Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>879,722,915</td>
<td>271,564,228</td>
<td>-</td>
<td>1,151,287,143</td>
<td>273,476,151</td>
<td>1,424,763,294</td>
</tr>
<tr>
<td>Restricted by Trustee &amp; Donors</td>
<td>9,508,857</td>
<td></td>
<td></td>
<td>9,508,857</td>
<td></td>
<td>9,508,857</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>255,927,616</td>
<td>66,256,445</td>
<td>-</td>
<td>322,184,061</td>
<td>72,618,136</td>
<td>394,802,197</td>
</tr>
<tr>
<td>Property, Plant &amp; Equipment, Net</td>
<td>765,125,978</td>
<td>70,095,072</td>
<td>-</td>
<td>835,221,050</td>
<td>322,163,676</td>
<td>1,157,384,726</td>
</tr>
<tr>
<td>Other Assets &amp; Deferred Outflows of Resources</td>
<td>434,046,607</td>
<td>88,760,729</td>
<td>(22,464,427)</td>
<td>500,342,909</td>
<td>47,729,148</td>
<td>548,072,057</td>
</tr>
<tr>
<td>Total Assets &amp; Deferred Outflows of Resources</td>
<td>$ 2,344,331,973</td>
<td>$ 496,676,474</td>
<td>(22,464,427)</td>
<td>$ 2,818,544,020</td>
<td>$ 715,987,111</td>
<td>$ 3,534,531,131</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>299,747,485</td>
<td>141,019,506</td>
<td>(26,551,427)</td>
<td>414,215,564</td>
<td>102,607,214</td>
<td>516,822,778</td>
</tr>
<tr>
<td>Long-term Debt &amp; Deferred Inflows of Resources</td>
<td>684,970,180</td>
<td>70,175,000</td>
<td>-</td>
<td>755,145,180</td>
<td>145,404,693</td>
<td>900,549,873</td>
</tr>
<tr>
<td>Net Position</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>1,350,648,390</td>
<td>285,481,968</td>
<td>4,087,000</td>
<td>1,640,217,358</td>
<td>458,066,663</td>
<td>2,098,284,021</td>
</tr>
<tr>
<td>Restricted</td>
<td>8,965,918</td>
<td></td>
<td></td>
<td>8,965,918</td>
<td>9,908,541</td>
<td>18,874,459</td>
</tr>
<tr>
<td>Total Liabilities, Deferred Inflows of Resources &amp; Net Position</td>
<td>$ 2,344,331,973</td>
<td>$ 496,676,474</td>
<td>(22,464,427)</td>
<td>$ 2,818,544,020</td>
<td>$ 715,987,111</td>
<td>$ 3,534,531,131</td>
</tr>
</tbody>
</table>
### UW Health Consolidating Income Statement

#### YTD November 30, 2016

<table>
<thead>
<tr>
<th></th>
<th>UWHCA</th>
<th>UWMF</th>
<th>Madison Eliminations</th>
<th>RDI</th>
<th>Eliminations</th>
<th>UW Health Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Patient Service Revenue (net of provision for bad debts)</strong></td>
<td>733,210,516</td>
<td>284,819,422</td>
<td>-</td>
<td>182,319,417</td>
<td>(858,406)</td>
<td>1,199,490,949</td>
</tr>
<tr>
<td><strong>Other Revenues</strong></td>
<td>11,266,907</td>
<td>2,490,117</td>
<td>-</td>
<td>27,671,367</td>
<td>-</td>
<td>41,428,391</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>744,477,423</td>
<td>287,309,539</td>
<td>-</td>
<td>209,990,784</td>
<td>(858,406)</td>
<td>1,240,919,340</td>
</tr>
</tbody>
</table>

#### Operating Expenses:

<table>
<thead>
<tr>
<th></th>
<th>UWHCA</th>
<th>UWMF</th>
<th>Madison Eliminations</th>
<th>RDI</th>
<th>Eliminations</th>
<th>UW Health Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salaries &amp; Benefits</strong></td>
<td>318,025,319</td>
<td>207,099,754</td>
<td>55,951,968</td>
<td>104,366,063</td>
<td>-</td>
<td>685,443,104</td>
</tr>
<tr>
<td><strong>Supplies, Drugs and Other Expenses</strong></td>
<td>330,201,237</td>
<td>53,756,294</td>
<td>(55,951,968)</td>
<td>89,187,773</td>
<td>(858,406)</td>
<td>416,334,930</td>
</tr>
<tr>
<td><strong>Interest</strong></td>
<td>7,836,757</td>
<td>183,338</td>
<td>-</td>
<td>1,424,191</td>
<td>-</td>
<td>9,444,286</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>32,193,239</td>
<td>2,975,857</td>
<td>-</td>
<td>11,642,520</td>
<td>-</td>
<td>46,811,616</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>688,256,552</td>
<td>264,015,243</td>
<td>-</td>
<td>206,620,547</td>
<td>(858,406)</td>
<td>1,158,033,936</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>UWHCA</th>
<th>UWMF</th>
<th>Madison Eliminations</th>
<th>RDI</th>
<th>Eliminations</th>
<th>UW Health Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Income</strong></td>
<td>56,220,871</td>
<td>23,294,296</td>
<td>-</td>
<td>3,370,237</td>
<td>-</td>
<td>82,885,404</td>
</tr>
<tr>
<td><strong>Academic Advancement Support (non-operating)</strong></td>
<td>(14,095,190)</td>
<td>(18,786,790)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(32,881,980)</td>
</tr>
<tr>
<td><strong>Income Before Other Other Non-Operating Activity</strong></td>
<td>42,125,681</td>
<td>4,507,506</td>
<td>-</td>
<td>3,370,237</td>
<td>-</td>
<td>50,003,424</td>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Non-operating Revenue and Income Tax Expense</strong></td>
<td>7,843,276</td>
<td>6,648,817</td>
<td>-</td>
<td>1,950,770</td>
<td>-</td>
<td>16,442,863</td>
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</tbody>
</table>

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<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td>49,968,957</td>
<td>11,156,323</td>
<td>-</td>
<td>5,321,007</td>
<td>-</td>
<td>66,446,287</td>
</tr>
</tbody>
</table>
UW Health Financial Structure

**University of Wisconsin Hospitals and Clinics Authority**
- University Hospital
- American Family Childrens Hospital
- The American Center
- Ambulatory Clinics
- InnTowner, LLC

**University of Wisconsin Medical Foundation**
- Faculty Practice Plan
- 17 Clinical Departments
- Ambulatory Clinics

These entities were integrated on July 1, 2015.

**Regional Division, Inc.**

**Equity-Based Joint Ventures**

**Majority-Owned Non-Consolidated Ventures**
- University Health Care, Inc.
- Unity/GHP Insurance Companies
- Madison Surgery Center
- Wisconsin Dialysis
- Chartwell Enterprises Generations
- UW Health ACO

**Non-Consolidated Joint Ventures**
- UWH Rehabilitation Hospital
- Madison United Linen
- Madison Environmental Transformations Surgery Center
- Wisconsin Sleep
- Madison Medical Center

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1. Includes minority investments in UW Cancer Center Johnson Creek and AboutHealth
2. Includes Health Professionals of Wisconsin and eCare of Wisconsin