



**Memorandum of Understanding
Between the Georgia Hospital Association
and the Georgia Alliance of Community Hospitals**

Preamble

The issues facing healthcare in Georgia and nationally are significant and the landscape is changing constantly. These rapid changes mean constant vigilance is required in monitoring and engaging with legislators at the State and to some extent National level to make certain that the message of hospitals in protecting the health of our communities is maintained in tact.

The Georgia Hospital Association (GHA) and the Georgia Alliance of Community Hospitals (GACH) play significant roles for their members in advocating for the needs of hospitals in meeting the healthcare needs of the communities that they serve. Both organizations have rich and long traditions of service to their members.

It is recognized and acknowledged that the Georgia Alliance of Community Hospitals focuses on a subset of hospitals who are also members of the Georgia Hospital Association. These members are all Not-For-Profit hospitals and the primary goal and mission of the Georgia Alliance of Community Hospitals is advocating for its members and specifically focusing on and monitoring legislation and regulatory issues that might arise that would negatively impact Not-For-Profit hospitals.

The Georgia Hospital Association represents 100% of the For-Profit and Not-For-Profit hospitals across Georgia and as such, focuses on a much broader agenda of legislative activities than GACH.

By virtue of the differences in membership, there are certain Legislative and regulatory issues, particularly in State matters, within which the GHA and the GACH have differing opinions. However, it is also acknowledged that the common positions and issues of the two organizations outnumber those where there is a difference of opinion. As such, it is recognized that there is significant opportunity and power in consolidating efforts where possible such that the strategy, communications, and approaches leverage the strengths of both organizations and present a unified voice for healthcare and hospitals across the State.

Guiding Principles

Acknowledging the differences of the two organizations, the GHA and GACH agree to follow and abide by the following guiding principles around communication, cooperation, and joint efforts and also agree to the following principles as they apply to the working relationship at points where the two organizations have differing opinions:

1. The GHA and GACH agree to share with each other their draft legislative agendas. The two organizations will then agree to meet together and develop a common legislative agenda on those issues in which there is agreement. The organizations will use similar wording on all common agenda items. This will ultimately help ensure consistent messages are delivered.

In the development of the joint portion of the legislative agenda, there will be agreement between the parties on communication approaches, tactics, and initiatives such that these will be consistent with the naming of each organization.

2. Each organization will with the other be inclusive to the extent that is feasible on the points of agreement around the legislative agenda. This will include government relations and lobbyist staff of both of the organizations communicating regularly and including each other in meetings to discuss legislative approach, communication, and strategy. Towards this end, the President and Chairman of each organization will routinely be invited to attend the Board meetings of the other organization. These individuals will be dismissed from the meeting for discussions about legislative strategy on issues where there is a different position as well as for other topics of business that would pertain only to the Board members and staff of the host organization.
3. Where there is a difference of opinion between the organizations, the President of each organization will communicate with each other those differences and, in so doing, establish as clear as possible a path to maintain the basis of the guiding principles described herein, to maintain the positive working relationship, and to respectfully but with understanding beforehand exclude the other from further engagement regarding that specific topic. It is encouraged that the two organizations continue to discuss differences of opinion and share as openly as possible without compromising the obligations to member institutions in such a way as to undermine the overall message to legislators and the public of a unified hospital industry.
4. The Chairman of each Board along with the President of each organization shall meet on a periodic basis in person or by conference call to fully discuss the relationship, to address any concerns or differences of opinion, and to make certain that the agenda on which there has been agreement of common approach is being followed.
5. On the items of common interest and agreement between the organizations, neither organization will testify in front of a committee, submit written information to a committee, submit letters to legislators or legislative committees, or otherwise communicate broadly in the legislative process without first sharing that information with


the other organization, unless time constraints makes this impractical. Where it makes sense strategically, communications on joint issues will come jointly from both organizations unless it is mutually determined that there is value in having the same opinions shared separately to provide added weight to a particular issue.

6. In all communications and actions, both organizations will act with the highest level of integrity and ethical intent. At any time either organization believes that the other is working at odds with a previously agreed upon approach then the President and Chairman of the Board of that organization shall immediately contact the President and Chairman of the Board of the other organization in an attempt to make certain there is open communication, dialog, and to rectify or clarify approach.
7. On an annual basis, the Executive Committees of the Boards of both organizations along with the Presidents of both organizations shall meet or have a conference call to openly discuss the status of the relationship, to share concerns, ideas, and recommendations, and to assist in developing a working plan of action for the following year.
8. Each organization shall promote and communicate to its members the principles contained in this Memorandum of Understanding. Each shall also routinely communicate the cooperative activities taking place between the organizations so that members understand and support the principles in their communications.

It is recognized that each organization must act in the best interest of its members at all times. The specific intent of these guiding principles is to establish routine communication between the organizations and to set an expectation of mutual respect, cooperation, and consistent communication.

It is recognized that not all aspects of a working relationship can be committed to a specific document. The intent of the guiding principles is to establish, to the extent possible, clear lines of communication and to confirm intent of both organizations as it relates to a cooperative and positive, professional working atmosphere and relationship.

For the Georgia Hospital Association



Chairman

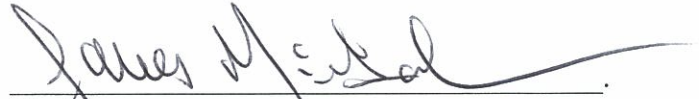


President

August 5, 2011

Date

For the Georgia Alliance of Community Hospitals



Chairman



President

August 10, 2011

Date