

**TITLE 3: HUMAN RESOURCES**  
**DIVISION 2: HEALTH**

**§ 2827. Chief Executive Officer (CEO).**

(a) Upon the position of the CEO becoming vacant, the Board of Trustees shall recruit and retain a qualified person to be a fulltime CEO of the Corporation. The person shall have at least a master's degree in healthcare administration, business management, or other relevant field of study from an accredited university or college. The CEO shall have at least seven years of experience in healthcare management, including total healthcare management responsibilities for at least 50 employees. The person must be a U.S. citizen, or a permanent resident of the United States; and not convicted of any crime within or without the Commonwealth.

(b) Upon the effective date of this Chapter, and the Board of Trustees are fully organized, the CEO shall continue to manage the operations and functions of the Corporation for a period of six months, pursuant to 3 CMC § 2803(d). During the initial six month period, the Board of Trustees will act as an advisory board, however, the CEO, in performing the provisions of this Chapter, particularly [3 CMC §§ 2824](#) and 2826, shall consult regularly with the Board of Trustees, or its chairman, and shall take into serious consideration official advice and recommendations made and submitted by the Board of Trustees, otherwise, shall respond in writing for refusing or not complying to such advice and recommendations within 30 working days to the Board of Trustees.

(c) Within the initial six-month period, the CEO shall call a meeting with the Board of Trustees every month to update the Board of Trustees on the management, operations, revenues and expenditures (financial statements), budget of the Corporation, and the planning, preparation, enforcement and execution of the provisions of this Chapter. Failure to call such meeting, the Chairman of the Board of Trustees shall call, requiring the attendance of the CEO and CFO.

(d) At the end of each calendar year, and no later than 30 working days, the Board of Trustees shall evaluate constructively the performance of the CEO in the execution of his/her duties and responsibilities in accordance with this Chapter and other related duties assigned to the CEO. The Board of Trustees shall inform the CEO the result of such evaluation and if necessary, at the request of either party, have a meaningful discussion for improvement.

(e) The CEO shall practice and exercise due diligence and fiduciary care in the execution of his/her duties and responsibilities.

(f) The CEO shall devote and concentrate full time to the operations, functions, and business of the Corporation, and hold no other public or private position within or outside the Commonwealth.

(g) The CEO may be terminated only for good cause by the Board of Trustees.

(h) The CEO shall:

(1) Enforce the rules, regulations, and policies of the Corporation, pursuant to this Chapter, and other related functions that may be required as recommended by the Board of Trustees.

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(2) Convene the meetings of the HAC for the purposes of assisting the trustees in preparing, planning, and putting together a comprehensive business and strategic plan for the Corporation, in accordance with 3 CMC § 2826(d) and (i)(1), rules, regulations, and policies, pursuant to [3 CMC § 2826\(c\)](#), and the annual budget for the operations and functions of the Corporation, pursuant to [3 CMC § 2826\(e\)](#) and (i)(1).

(3) Apprise the Board of Trustees of the needs of the Corporation, and its budget.

(4) Prepare or cause to be prepared all plans and specifications for the construction and repair of facilities operated by the Corporation as may be needed. The plans and specifications for such construction and repair works shall be reviewed and approved by the trustees.

(5) Organize, direct, coordinate, and manage the services of the Corporation and the hiring of such employees to perform any of the tasks, works, or other services that are necessary and required.

(i) The hiring of key personnel, to include but not be limited to physicians, head nurse(s), medical technicians, attorney, consultant, architect, engineers, and other professionals shall be through the issuance of a job vacancy announcement approved by the CEO in consultation with the Board of Trustees. The trustees may waive the issuance of such announcement for direct and immediate hiring only on a case by case basis if the CEO justifies the need of such hiring.

(6) Prepare a monthly, quarterly, and yearly financial statements for review by the Board of Trustees, and at the end of each fiscal year, an annual report as required pursuant to [3 CMC § 2826\(f\)](#). The annual report shall be in printed form and be made available online for public viewing.

(7) Implement and monitor the progress of the Corporation's multiyear business and strategic plan, including its progress toward the accreditation by the national agency that certifies hospitals, which shall be included in the annual report as required under [3 CMC § 2826\(f\)](#).

**Source:** [PL 16-51](#) § 3(2807) (Jan. 15, 2010); repealed and reenacted by [PL 19-78](#) § 2 (Jan. 14, 2017), modified.

**Commission Comment:** [Historical comments removed.]

In codifying [PL 19-78](#), the Commission changed “Chief Executive Officer” to “CEO” for conformity and “becomes” to “becoming” in (a); changed “§ 2824 and § 2826” to “3 CMC §§ 2824 and 2826” in (b); inserted serial commas in (f), (h)(1)–(2), and (h)(5)–(6); inserted “3 CMC” before “§ 2826(d)” and “§ 2826(c)” and changed “Healthcare Advisory Committee” to “HAC” in (h)(2); struck a comma after “3 CMC § 2826(d)” in (h)(2) and “Corporation and” in (h)(5); and struck “Shall” at the beginning of (h)(6) pursuant to [1 CMC § 3806\(g\)](#). The Commission struck “(7)” in (a) as a repetition of written words pursuant to [1 CMC § 3806\(e\)](#). The Commission changed capitalization in (a)–(c) and (h)(6) for the purpose of conformity pursuant to [1 CMC § 3806\(f\)](#). The Commission substituted “3 CMC § 2803(d)” for “§ 2803 (d) of this Chapter” in

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(b), "[3 CMC § 2826](#)(e) and (i)(1)" for "§ 2826 (e), and (i)(1), of this Chapter" in (h)(2), and "[3 CMC § 2826](#)(f)" for "§ 2826 (f) of this Chapter" in (h)(6)–(7) pursuant to [1 CMC § 3806](#)(d), (g). The Commission renumbered (h)(5)(A) to (h)(5)(i) pursuant to [1 CMC § 3806](#)(a).