



NATIONAL ASSOCIATION OF

Community Health Centers



America's Voice for Community Health Care



NATIONAL ASSOCIATION OF
Community Health Centers

America's Voice for Community Health Care

The National Association of Community Health Centers (NACHC) represents Community and Migrant Health Centers, as well as Health Care for the Homeless and Public Housing Primary Care Programs and other community-based health centers.

Founded in 1971, NACHC is a nonprofit advocacy organization providing education, training and technical assistance to health centers in support of their mission to provide quality health care to medically underserved populations.



NATIONAL ASSOCIATION OF
Community Health Centers

The NACHC Mission

To promote the provision of high quality, comprehensive and affordable health care that is coordinated, culturally and linguistically competent, and community directed for all medically underserved populations.



NATIONAL ASSOCIATION OF
Community Health Centers

**For further information about NACHC and
America's Health Centers**

Visit us at www.nachc.com



NATIONAL ASSOCIATION OF
Community Health Centers

Training and Technical Assistance Department

Common Governance Issues For New Health Centers – How to make your board advisory & not operational

Jaime Hirschfeld

November 29, 2012



Never doubt that a small group of committed citizens can change the world. Indeed, it is the only thing that ever has.

- Margaret Mead

Never doubt that a small group of committed citizens without appropriate planning and structure, can truly screw things up!

- Julie Boden Schmidt



Why do we have a board?

1. “Govern” the center
2. Serve as a link with the community
3. Comply with State and Federal laws.



Board Size and Composition

- As defined by the program requirements - <http://bphc.hrsa.gov/about/requirements/index.html>
- Between 9 –25 members
- Minimum of 51% of board members must be active consumers of the health center's services
 - Must be representative of the demographics of the Health Center's service area in terms of such factors as income, ethnicity and sex
 - Must live in the Health Center's service area



Board Size and Composition (continued)

- Definition of Consumer Board
 - Individuals who are (or, for planning grantees, will be) served by the Health Center and who utilize the Health Center as their principal source of primary care and who have used the Health Center's services within the last two years?
 - Legal guardian of a consumer who is a dependent child or adult, or a legal sponsor of an immigrant consumer, may be considered a consumer for purposes of Board representation



Board Size and Composition (continued)

- Non-consumer Board members
 - Should live or work in the service area
 - Should be representative of the community served and be selected for expertise in areas such as finance and banking, legal community affairs, etc.
 - No more than one half of non-consumer members can derive more than 10 percent of their income from the health care industry
- If funded under more than one section 330 program, must demonstrate appropriate representation from each of the populations served by the health center



Waiver of Certain Composition & Procedural Requirements

- **Governing Board Composition and Meetings**
Waivers:
 - Waivers allowed for programs funded ONLY under 330(g), 330(h) and/or 330(i), provided that an appropriate plan is presented to assure consumer input into the governance process
 - Waivers are not allowed for programs receiving 330(e) funding

Poll Question:

Who selects the board members who will meet the duties of care, loyalty and obedience?

- Primarily the board
- Primarily the staff
- Shared Responsibility





Board Size and Composition (continued)

- Board must be self-selecting
- Must hold monthly meetings and provide documentation of those meetings
- Must exercise the duties of:
 - Care - act in good faith in performing their duties
 - Loyalty - acknowledge that personal interests cannot be furthered at the expense of the health center.
 - Obedience - faithful to the health center's mission



Program Requirements: Governing Board Authorities

Governing Board must autonomously exercise the following key authorities:

- Selecting, evaluating and dismissing the Executive Director/Chief Executive Officer
- Establishing and approving health care policies and procedures
 - Locations and hours of services
 - Scope and availability of services
 - Quality of care audit procedures
- Establishing and approving personnel policies and procedures
 - Selection and dismissal procedures
 - Salary and benefit scales
 - Employee grievance procedures
 - Equal opportunity practices



Program Requirements: Governing Board Authorities

- Establishing and approving financial management practices
 - System to assure accountability for center resources
 - Annual project budget and plan
 - Center priorities
 - Eligibility for services including criteria for partial payments schedules
 - Long-term financial planning
- Hiring the auditor and accepting the annual audit report



Program Requirements: Governing Board Authorities

- Evaluating the FQHC's activities
 - Service utilization patterns
 - Productivity
 - Patient satisfaction
 - Achievement of project objectives (and revising mission, goals, objectives, plans and budgets as necessary)
 - Process for hearing and resolving patient grievances
 - Assuring compliance with applicable federal, state and local law, regulation and policy
- Engaging in strategic and operational planning



Program Requirements: Management

- CEO must be directly employed by the health center
 - Preferred that management team members are directly employed, but good cause exceptions are available
- Must have a direct line of authority from the Board to the CEO who delegates as appropriate
- Must have effective administrative and clinical leadership, systems and procedures, including a strong management team that
 - Works with the Board
 - Implements mission and strategic objectives



Poll Question:

Who sets the strategic direction for the organization?

- Primarily the board
- Primarily the staff
- Shared Responsibility



Role of the Board

- Board sets goals and priorities for, and provides overall direction, to the health center by –
 - Establishing operational and strategic plans
 - Adopting general policies and procedures to establish the “framework” for operations
 - Reviewing and as necessary updating policies
 - Hiring, evaluating, and, if necessary, firing the CEO
 - Providing direction to and overseeing the CEO



Role of Management

- CEO manages the day-to-day operations of center by –
 - Implementing and operationalizing the policies, procedures, operating plans, and long-term goals established by the Board
 - Establishing and managing the operating systems
 - Hiring the workforce and maintaining full authority over the health center's management team and staff, including management, evaluation and dismissal
 - Allocating and operating within available resources



Role of Management

- CEO manages the day-to-day operations of center by –
 - Taking other steps necessary to operate the health center (*i.e.* vendor contracts)
 - Overseeing and monitoring the effectiveness of daily operations on a regular basis
 - Identifying and resolving problems
 - Interacting with the community, providers and payors in the marketplace
 - Responding to opportunities and planning for future events



Health Center Board Members Do's

- Do know the center's mission, purpose, and goals as well as its programs and services
- Do get to know the center's strengths and weaknesses
- Do pitch in enthusiastically and willingly
- Do make sure you have all the information before expressing an opinion or a judgment
- Do get acquainted with the other board members and the Center's CEO and staff
- Do come to meetings—and come prepared to participate



Health Center Board Members Do's (continued)

- **Do ask questions**
- Do support the majority even if you disagree
- Do support the CEO and staff, and understand that they are operating with limited resources
- Do avoid any possible conflict of interest
- Do maintain a sense of fairness, ethics, and personal integrity
- Do understand the Center's financial statement and help the board plan for future revenue and expenses



Health Center Board Members Don'ts

- **Don't lose your sense of humor**
- Don't speak for the board, unless authorized to do so
- Don't ask the CEO or staff for special favors

Board Member Do's and Don'ts

The Board should not –

- Usurp or unnecessarily intervene in the executive director's authority for the day-to-day management of operations
- Communicate with center staff directly (except in “special” circumstances, *e.g.*, serious issues concerning the CEO) and only in accordance with established policy and procedure



Recruitment, Retention and Development of Board Members

- Integral part of your efforts to create a more functional board.
- Effective orientation will allow you to train your new board members to effectively serve your board and the community, from the moment they arrive.
- The recruitment and orientation process should set the stage for your board members.
 - Board members are chosen to monitor and guide the organization to ensure that the benefits and services the organization provides is ongoing within the community.
- **Good recruitment and orientation is vital to the success of your organization.**



Recruiting Board Members

- Engage in recruitment / selection process
 - Consider recruitment and selection an ongoing part of overall strategic planning
 - Establish a standing committee (i.e., nominating or Board development committee) OR
 - Add to responsibilities of an existing committee
 - Develop a Board director job description
 - Focus on priorities and requirements
 - Provide Board members (current and potential) with clear objectives and responsibilities



Recruiting Board Members (continued)

- Develop and use a Board profile
 - Federal Board composition requirements
 - Other skills, qualifications and knowledge necessary to fulfill the health center's mission and address priorities
- Remember to reach out to consumers
 - Community events
 - Outreach
 - Local establishments
 - Patient satisfaction surveys



Recruiting Board Members (continued)

- *How can you make sure that you are recruiting the right people for your board and that they are well prepared for the job ahead of them?*
 - Define the job clearly
 - Recruit good people from your community
 - Provide your board members with orientation



Orientation for New Board Members

- Introduction to the health center
- Training and education regarding critical topics such as legal requirements, roles and responsibilities, confidentiality, governance / management
- Review of the standards of conduct and conflict of interest policies
- Distribution of Board orientation manual

So much to do – so little time!

Corporate Compliance

Patient satisfaction

Sarbanes-Oxley

Performance Measures

Fair Labor Standards Act

Program Expectations

FMLA

Current ratio





Demands on the board

- Effectiveness: making a difference
- Efficiency: making good use of all resources (money, effort and time)
- Accountability: operating by high standards; keeping the community informed



Establishing & Maintaining an Effective Board

- Design appropriate structure and organization
 - Board meetings
 - Ensure all materials are distributed with sufficient time to review before the meeting
 - Adopt rules of conduct
 - Set (and stick to) an agenda
 - Encourage discussion and be respectful of each other
 - Keep minutes and approve at subsequent meeting –

Effective board meetings!



- Good attendance – bring
- Prepared members
- Clear and focused agenda
- Written reports with proposed action of the committees and requested action of the board noted
- Consider use of a “consent agenda” to avoid spending time on routine reports:
 - Does not require discussion before a vote
 - Standard, non-controversial, self-explanatory items
- Do in-depth review of issues at different meetings – don’t discuss everything at every meeting!

So what does it really take to make it work???

- Effective committee work
- Established agreement about the authority between the committees and the board – who does what??





Establishing Effective Committees

- Integrate committees and committee work into the Board
 - Delegation is good
- Only the Executive Committee can act for the full Board, if necessary
 - Board should subsequently ratify decisions made by the Executive Committee
- An effective reporting system from committee to board
- A mechanism to check with the board – Getting enough information? Too much? In useful formats?

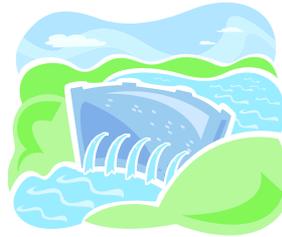
Problems with many meetings...

- Lack of preparation
- Not focused – not able to fully discuss the critical issues/decisions
- Only a few people participating
- Not realizing you have reached an agreement or not realizing where the disagreement lies
- Pressed for time but still feeling the meetings are too long
- Boring!!



If you are “stuck” in the discussion, what do you do?

- Only three people stuck – and they are at the bottom of



- Get a pulse! Find out who is stuck and why?
- Engage people: “give and take”, not “show-and-tell!” - do straw votes – ask them to speak from their area of expertise – then, ask them to wear different





Board Evaluation

- Engage in Board self-evaluation
 - Determines whether the Board is operating effectively and meeting its (not the health center's) defined goals and objectives
 - Serves as a check to ensure that the Board is fulfilling its responsibilities and promoting the mission
 - Identifies areas that need improvement
 - Assists in determining resources and steps necessary to accomplish identified improvements



Board Evaluation

- Board self-evaluation (cont.)
 - Provides an opportunity to remind Board members of their roles, rights and responsibilities
 - Should be tailored to the Board's strengths, weaknesses, preferences, needs, resources, time constraints
 - Include an opportunity for each Board member to evaluate him/herself and the Board as a whole

Learn from what worked and what didn't!

- On a scale of 1 – 5, how satisfied were you with this meeting?
- What influenced your score?
- What would you have liked to be different to move you to a 4 or 5 if you rated the meeting lower?





What is a Board Work Plan?

- A short-range tool focusing on the Board's responsibilities 1 year at a time
 - Sets guideposts & deadlines
 - Periodic review and update of policies & procedures
 - Approval of budgets
 - Submission of assurances, applications, and reports to Federal Government
 - Approval of reports required by grants, contracts, and various government agencies
 - Accounts for actions needed to accomplish longer-range goals set by strategic plan



Poll Question:

Who receives VIP treatment when seen by a provider?

- Primarily the board
- Primarily the staff
- Shared Responsibility
- Everyone



So, what should you do?

- Set ground rules for the board. Include “Take what you do seriously, but not yourself too seriously.”
- Remain grounded on the mission and vision and use that as a reference point to remind board members of the need for focus.
- Have a clear contract and understanding between the board and the CEO clarifying the ground rules.
- Develop a mechanism where board members can get 360 degree feedback as well as the CEO.
- Use the program guidance to help clarify expectations.



So, what should you do? (Continued)

- Hold board retreats to provide feedback and self-assessments of the board.
- The Chair should take on the coaching role for certain behaviors of board members.
- The board should view senior staff as their subject matter experts accessible through the CEO.
- The Medical Director should meet with board members periodically as a two-way education to understand the needs of the community.
- Senior staff should attend board meetings and strategic planning sessions.



So, what should you do? (Continued)

One best practice suggested was to have at each board meeting a quick review of the “day in the life” of a practicing provider in the organization to see the issues and challenges raised in daily work.



RESOURCES



Board Education Video Series

<http://www.boardeducationvideos.com/>

- **Module 1:** What's different about a Community Health Center?
- **Module 2:** What Defines our Success?
- **Module 3:** What can a board do to insure financial health?
- **Module 4:** What does it mean to be Community Based?
- **Module 5:** How does the Board add value?

Plus discussion and resource guides!!!



Resources

- **National Association of Community Health Centers**
www.nachc.com
- **Across the Board**
http://www.vacommunityhealth.org/across_the_board.cfm
- **BoardSource**
www.boardsource.org
- **Community Health Association of Mountains/Plains States (CHAMPS)**
<http://www.champsonline.org/ToolsProducts/CHCBoardResources.html>
- **National Health Care for the Homeless Council: How to Develop a Consumer Advisory Board**
http://www.nhchc.org/NCAB/NCAB_Manual-rev-Jan10.pdf



Resources - HRSA

- **BPHC/ HRSA T/TA Website**

<http://bphc.hrsa.gov/technicalassistance/TA%20Resources/index.html#G>

- **HRSA Board Governing Handbook**

http://ask.hrsa.gov/detail_materials.cfm?ProdID=720

- **Program Requirements**

<http://bphc.hrsa.gov/about/requirements/index.html>



Resources – Training & Technical Assistance

- **Governance Information Bulletins** – This 19-document series provides information about health center board responsibilities and effective governance operations
- **Board Members’ Roles and How to Do Them** – This series focuses on governance requirements of the federal Health Center Program.

*** Both can be found at:

<http://www.nachc.com/hc-info-governance.cfm>



Resources – Training & Technical Assistance

- **Conference Trainings and Education Sessions**
 - Board Member Boot Camp – This training is offered at both NACHC national conferences and provides new and veteran board members with an overview of four key governance responsibilities
 - Education Sessions – NACHC conferences include education sessions where board members gain knowledge and skills of high-performing board operations and legal compliance requirements, as well as experience networking opportunities to learn from other board members via roundtable discussions.



Contact Information

Jaime Hirschfeld

Director, Health Center Growth & Development

(301) 347-0460

jhirschfeld@nachc.com