

The Kenya Ministry of Health Board of Trustees Workshop, 1999

1999

Kenya: APHIA Financing and Sustainability Project
Management Sciences for Health
165 Allandale Road
Boston, MA 02130
Telephone: (617) 524-7799
www.msh.org

This report was made possible through support provided by the US Agency for International Development, under the terms of Contract Number 623-0264-C-00-7005-00. The opinions expressed herein are those of the author(s) and do not necessarily reflect the views of the US Agency for International Development.

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BOARD OF TRUSTEES WORKSHOP

BACKGROUND

- **MOH COST SHARING PROGRAM**
 - ◆ **Fee for service policy introduced December 1989**
 - ◆ **Rationale: GOK unable to continue unlimited free care due to-**
 - **insufficient budget allocations**
 - **rising costs of health care**
 - **increasing population**
 - **increasingly complex burden of disease**
 - ◆ **Cost Sharing Objectives**
 - **generating additional revenue to improve services**
 - **creates incentives for patients to use primary & preventive services**
 - ◆ **Retention and Control of Cost Sharing Revenue**
 - **best option when funds are retained and controlled by the community (local board) to improve the facility and services**
 - ✓ **this is a strong incentive for the provider to collect and patients to pay**
 - ✓ **the incentive for patients to pay is enhanced when they know the revenue is being used to improve services at the facility**
 - ✓ **collection incentive is weakened if the Government allocation is reduced, thus leaving the facility no better off**
- **MOH DECENTRALIZATION**
 - ◆ **Rationale:**
 - **Improving communication and reducing administrative bureaucracy and thereby improve government's responsiveness to local needs**
 - **Enhancing effectiveness and efficiency of management by allowing greater discretion**
 - **Increasing the role of local community in ensuring governance while operating outside the day-to-day control of the MOH, but with the physical assets owned by the MOH, and operating under MOH policy, framework, and protection**

PURPOSE OF THE WORKSHOP

To provide an educational seminar to seven PGH boards and administrators regarding the roles and responsibilities, structure, and activities of a hospital board.

OBJECTIVES OF THE WORKSHOP

- 1. To assist participants to understand the many roles and responsibilities of a hospital board from establishing the organization's vision and mission to the evaluation of its performance.**
- 2. To provide participants with an understanding of the difference between policy making and management.**
- 3. To provide a workshop curriculum and workbook delineating answers to the following questions plus supporting material.**
 - Why create a board of trustees?**
 - Who should be on the board?**
 - What does the board of trustees do?**
 - How is the board organized?**
- 4. To provide ample opportunity for participants to engage in-group discussions.**
- 5. To develop recommendations from the participants to be forwarded to the MOH concerning the rules and regulations to be created providing for the establishment of hospital boards for MOH facilities.**

BOARD OF TRUSTEES WORKSHOP

INTRODUCTION

A board of trustees is established in the hospital, working as the link between the hospital and the community it serves

The hospital board of trustees has the ultimate authority and responsibility for patient care and the overall quality of service in the hospital.

To fulfill this responsibility the board has the obligation to demonstrate leadership in determining the hospital's mission and in establishing a strategic plan that is consistent with that mission and with the resources available in the community.

The board shares its leadership responsibility with the executive management and medical staff to establish the hospital as the organized center for improving the health status of the community.

The structure and composition of the board and the policies and procedures it follows to ensure the orderly conduct of its business are critical in fulfilling the hospital's mission and goals to serve the community.

The composition of the board is of great importance; therefore, the board should establish procedures for the selection of members. Members should be selected on the basis of ability to serve the hospital and community effectively, not to represent particular interests or groups.

The board also should establish an orientation program for new board members and continuing education programs to keep members current on key issues.

The participation of community boards is vital to represent the community in decisions regarding the collection and use of funds and in monitoring the provision and quality of services. If properly constituted, trained and used, boards can provide necessary checks and balances for the cost sharing program.

GENERAL ORIENTATION

1.0 WHY CREATE A BOARD?

- To establish a focus for institutional responsibility – it is the law to establish a board to assume responsibility for hospital affairs
- To provide a substitute for centralization of management by government
- Make decisions that will maintain and improve the hospital's survival and ensure continuity
- Implement permitting legislation / legal acts
- Boards represent the organization's owners –
 - stakeholders in non profits
 - shareholders in for profits
- Boards are accountable for the hospital organization- everything the hospital does, and everything that goes on inside of them

Boards have no ability to perform the actual work of their organizations - they see to it that such work is done by delegating tasks and authority to management and the medical staff.

Management and medical staff are responsible/accountable to the board for their decisions and actions.

2.0 WHO SHOULD BE ON THE BOARD? See Legal Notice 162, 5/92: 7-9 members.

- **One with experience in finance and administration from within the District**
- **Two nominated by NGOs- 1 religious, 1 private**
- **One nominated by Local Authority**
- **Not more than 3 representing community interests, and**
- **Area Med. Officer of Health, as secretary to the board**

Term of Office – 3 years and eligible for reappointment.

The Minister shall appoint one member to be Chairman

3.0 CANDIDATE SCREENING CRITERIA - related to the task of selecting new members:

- **Do the members have the skills and the experience required to form a strong board?
Skills related to operational concerns of the hospital (finance, medical staff)**

- **Is the board effective? If not, why not? Poor leadership? Lack of commitment?**
- **Is the hospital administrator involved in the process? By design or default? The administrator should at least express his/her views concerning the qualities or skills.**
- **The hospital should have a strategic plan to help define the skills and leadership qualities needed by the officers and members - that is, the board composition should reflect what the hospital is trying to accomplish.**

4.0 WHO ARE THESE BOARD MEMBERS?

- Those who are entrusted to protect the public's interest, ensuring that the hospital is serving the community healthcare needs
- It is important to appoint trustees with the right knowledge, skills and experience, time, and inclination to serve.
- Board members should be tempered by the realities of the issues facing the organization and the types of expertise required to address them

5.0 HOW IS THE BOARD OF TRUSTEES ORGANIZED?

- ❑ **Board Chairman**
- ❑ **Vice Chairman**
- ❑ **Secretary**
- ❑ **Treasurer**
- ❑ **Other Members**

- ❑ **Committees – cannot and should not do the work of the full board**

It's up to the board to ensure that they function effectively

- **Standing Committees – should reflect those responsibilities the board must fulfill – enhancing the effectiveness and efficiency of the full board when it meets**
 - ✓ **Executive**
 - ✓ **Budget and Finance**
 - ✓ **Medical Staff Affairs**
 - ✓ **Quality Improvement**

✓ **Strategic Planning**

- **Ad Hoc – should be formed only when standing committees are not an appropriate mechanism for addressing a particular issue – having a very specific charge and be disbanded when their task is completed**
 - ✓ **Building**
 - ✓ **Disaster Planning/Preparedness, Etc.**

“COMMITTEES ARE THE WORK HORSES OF THE BOARD”

- **A healthy board delegates primary consideration of major concerns and issues to the appropriate committee, seeking guidance and direction from it.**
- **When a good committee structure is in place, board functions and responsibilities are distributed equitably among its members and the board is positioned to maximize its effectiveness.**
- **Properly structured and well-functioning committees are an asset; Poor ones waste valuable time and deflect, or even subvert, board attention and energy.**

6. HOW IS THE BOARD OF TRUSTEES ORGANIZED?

RESPONSIBILITIES OF THE CHAIRMAN:

- ◆ **Setting meeting schedules and overseeing preparation of meeting materials**
- ◆ **Presiding over board meetings**

- ◆ **Overseeing all committees**
- ◆ **Maintaining board policy and other resource manuals**
- ◆ **Ensuring effective recruitment, orientation, and development of board members**
- ◆ **Providing for regular board and individual trustee self-evaluation**
- ◆ **Planning for leadership succession**

THE BOARD CHAIRMAN CAN NOT:

- ◆ **Override decisions of the board**
- ◆ **Manage the daily operations of the hospital**
- ◆ **Make independent decisions regarding policy, goals, long range planning**
- ◆ **Unduly influence board members**

OTHER ROLES:

- | | |
|-----------------------|--|
| Vice Chairman- | Assumes chairman's role if he is unavailable or unable to serve |
| Secretary- | Keeps accurate records of board meetings, attendance, decisions, long range plans and goals, and policies |
| Treasurer- | Oversees board related expenditures; may chair budget / finance committee |

8.0 WHAT DOES THE BOARD DO?

To govern effectively, boards must perform certain roles and fulfill certain responsibilities-

- **Roles are the “HOW” aspect of governance-** activities boards must undertake to fulfill their responsibilities
- **Responsibilities are the “WHAT” aspects of governance-** specific matters to which boards must attend

8.1 CORE ROLES – Must execute to fulfill their responsibilities:

- **Policy formulation-** direction and expectations of management and medical staff
- **Decision making-** based on policy
- **Oversight-** ensures accountability, i.e., monitoring, assessment, and feedback

8.2 CORE RESPONSIBILITIES

- **Setting the direction – formulating mission, vision, and key goals**
- **Ensuring high levels of executive management performance**
- **Achieving quality goals – ensuring the quality of patient care**
- **Ensuring the hospital’s financial health – protecting and enhancing resources**
- **Assume responsibility for itself – its own effective and efficient performance**

To be effective a board must understand the “things” it must be doing – the right things, the right way, and at the right time

An understanding of these responsibilities highlights their importance and calls for a proactive, informed, and effective governing board.

Someone will fulfill these responsibilities in all of our communities because they are essential for the success of any organization and they deal with a vital public service for the community. It is highly desirable that these responsibilities continue to be carried out by community-based voluntary leaders.

While boards assume ultimate accountability, boards have no ability to perform the actual work of their organizations. They must see to it that such work is done by delegating tasks and authority to management and medical staff.

Management and the medical staff are, in turn, directly accountable to the board for their decisions and actions.

CORE “ROLES” OF THE BOARD

1.0 POLICY FORMULATION

- Policies-- statements of intent that guide and constrain further decision making and action and limit subsequent choices
- Primary mechanism through which boards influence their organizations
- Boards formulate policy with respect to each of their five responsibilities – policies flow directly from statements of responsibility
- Policies provide organizations with direction and are the means by which authority and tasks are delegated to management and the medical staff.

2.0 DECISION-MAKING

- Retain authority – for example, responsibility for its own performance
- Delegate authority – to management or medical staff (specified by policy)- i.e., allow decisions given certain limits– e.g., purchase decisions up to ---- w/o board approval – there is oversight (budget)
- Management or medical staff can be directed to forward recommendations that serve as the basis for a board decision

3.0 OVERSIGHT

- Monitoring – delegated tasks and authority are being executed and meet expectations
- Assessment - as above
- Feedback – information needed to modify existing policies and formulate new ones- The board must put into place a governance information system (info designed for board)

CORE “RESPONSIBILITIES” OF THE BOARD

1. SETTING THE DIRECTION- ENVISIONING AND FORMULATING ORGANIZATIONAL ENDS

- Trustees working in partnership with management, involves the development and implementation of-
 - ✓ a compelling *vision* (attributes and characteristics desired for the future),
 - ✓ an unambiguous *mission* (purpose), and
 - ✓ a measurable *action plan*.

The important tools of direction setting- vision, mission, strategies, and action plans

cannot be developed and implemented effectively without an informed board that is

involved cooperatively and continuously with executive management, and that is rooted

in the needs and expectations of the community being served. All other board responsibilities flow from, and depend on, the fulfillment of this one.

2. ASSURING EFFECTIVE MANAGEMENT

- Appointing, supporting, and evaluating the performance of the Administrator
- Approving an appropriate organization and management structure, bylaws, policies
- Putting into place a plan for management development and succession

It's clear that these important activities require :

- a collaborative and active relationship with management
- a significant time commitment
- and a commitment that accountability for performance centers on mutually agreed-upon measures of personal and organizational achievements
- It is also imperative that the administrator has the skills and resources to ensure:
 - that the trustees have in place an orientation program for new members,
 - ongoing educational opportunities, and
 - a board performance self-evaluation process.

3. ENHANCING THE ASSETS

- Assets include:
 - ✓ financial
 - ✓ human
 - ✓ facilities
 - ✓ reputation

Fiduciary responsibilities of a board, enabled by the community to provide such essential services as health, are rooted in the financial performance of the organization. The board must pay equal attention to the good name and reputation of the organization, as well as the interests and needs of all those who serve as direct caregivers, support staff, and volunteers

4. ACHIEVING QUALITY IMPROVEMENT GOALS

- Meeting contemporary standards

- Rendering clinically appropriate care
- Achieving high levels of satisfaction by the community, the patients and their families

Maintaining an environment of continuous improvement for all elements of service is involved in this set of trustee responsibilities. Trustees, therefore, need to be

- knowledgeable about the state of the art of all such elements of quality
- must develop the information that is needed to maintain an environment of improvement in order to
- provide necessary oversight
- achieve understanding with those responsible for delivering the service to the community.

5. ASSUME RESPONSIBILITY FOR ITSELF

- Appropriate configuration
- board size and composition
- member terms
- board budget and staffing
- officers, and committees
- recruitment, selection, and orientation for new members, and
- board performance evaluation

ALSO IMPORTANT:

6. ACTING AS A STAKEHOLDER ON BEHALF OF THE COMMUNITY BEING SERVED

- Develop an understanding of the true needs and expectations of its key stakeholders- strategies implemented by the hospital can be both responsive and practical
- Recognize and balance the true needs of the community with the self-interest or priorities of the organization

As trustees, leaders can clearly focus on:

- ensuring access to needed care for all,
- improving the health status of those served, and
- in moderating costs for the individual, the payment source, and the community-at-large.

The board, executive management, and the medical staff share interdependent leadership roles in guiding hospitals to assume a broader responsibility and accountability for the health status of the community.

CUSTOMER EXPECTATIONS -- Patients, Physicians, and Payers

- **Access to healthcare services**
- **Good clinical outcomes**
- **Reasonable costs**
- **Customer friendly service**

WHAT DOES THE BOARD DO?

- ◆ **Establishes and Reviews the Vision and Mission**
- ◆ **Establishes and Reviews the Board Bylaws**

- ◆ Establishes and Reviews Board Policy
- ◆ Selects, Oversees, and Evaluates the Administrator
- ◆ Approves and Regularly Reviews the Strategic Plan
- ◆ Appoints and Reviews Performance of Medical Staff
- ◆ Establishes and Regularly Reviews Annual Budget and Financial Performance
- ◆ Regularly Assesses Hospital Operational Performance

NOTE: EACH ABOVE BULLET ITEM FOLLOWS ON AN INDIVIDUAL PAGE

WHAT DOES THE BOARD DO?

◆ Establishes and Reviews the Vision and Mission

VISION - The attributes and characteristics desired for the future

“Because of our high quality care and attention to the needs of our patients, Coast General Hospital will be the hospital of choice for the citizens of Mombasa and Coast Province”

MISSION - A broad general statement that describes the purpose, role and scope of the hospital

Elements of a Mission Statement:

- Basic Purpose
- Geographic Scope
- Commitment to Community Health
- Financial Viability
- Quality Commitment
- Support for Employees
- Support for Physicians

- **Support for those unable to pay**
- **Linkage with Community Groups**
- **Involvement in Education and Research**

WHAT DOES THE BOARD OF TRUSTEES DO?

◆ Establishes and reviews the board's bylaws

- ✓ **Number of Trustees, qualifications, selection process**
- ✓ **Duties and Responsibilities**
- ✓ **Description of Officers and Roles**
- ✓ **Structure of Board and Board Committees**
- ✓ **Role of Executive Committee, if established**
- ✓ **Terms of Office, Officers and Members**
- ✓ **Time and Place of Meetings and Notice**
- ✓ **Quorum Definition**

WHAT DOES THE BOARD OF TRUSTEES DO?

◆ Establishes and Reviews Board Policy

- ✓ **Determines the need for policy creation**
- ✓ **Establishes Policy**
- ✓ **Identifies Implementation Responsibility**
- ✓ **Reviews and Revises Policy as Necessary**

WHAT DOES THE BOARD OF TRUSTEES DO?

◆ Selects, Oversees, and Evaluates the Administrator

- ✓ **Develop Job Description**
- ✓ **Recruit / Select Administrator**
- ✓ **Develop Goals and Objectives**
- ✓ **Develop Job Appraisal Content and Process**
- ✓ **Establish Compensation Package**
- ✓ **Delegate**
- ✓ **Delegate**
- ✓ **Delegate**

The Board should be at the vision, mission and objectives level, not spending time on operations. In other words, they should be steering the boat, not rowing it.

WHAT DOES THE BOARD OF TRUSTEES DO?

◆ Approves and Regularly Reviews the Strategic Plan

- ✓ **Establishes Strategic Planning Committee**
- ✓ **Establishes Strategic Planning Process**
- ✓ **Approves Strategic Plan**
- ✓ **Reviews Implementation Progress and Accomplishments**
- ✓ **Approves Plan Revisions as Necessary**

WHAT DOES THE BOARD OF TRUSTEES DO?

◆ Appoints and Reviews Performance of the Medical Staff

In collaboration with the Medical Staff:

- ✓ **Establishes a Procedure for Credentialing**
- ✓ **Establishes a Procedure for Delineating Clinical Privileges**
- ✓ **Establishes a Process for Periodic Reappraisal and Reappointment**
- ✓ **Links Medical Staff Appointments with Overall Hospital Quality Improvement Program**

WHAT DOES THE BOARD OF TRUSTEES DO?

◆ Establishes and Regularly Reviews Annual Budget and Financial Performance

- ✓ **Reviews and Approves Budget Submitted by Administrator**
- ✓ **Receives and Reviews Periodic Financial Performance Reports**

Indicators:

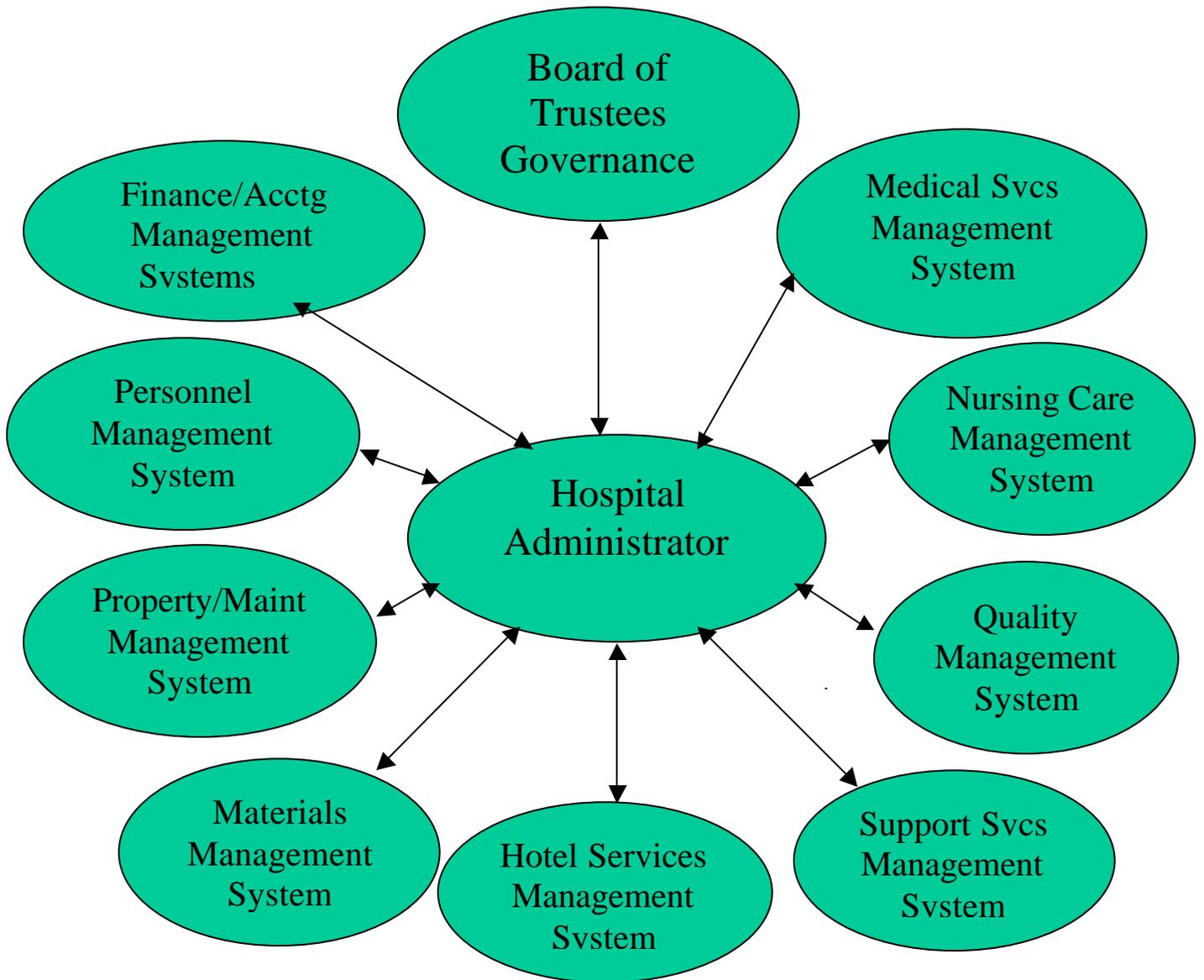
- **Performance to budget- variances explained**
- **Operating margin-**
- **Ratio of free care**
- **Ratio of salaries to costs and revenue**

WHAT DOES THE BOARD OF TRUSTEES DO?

◆ Regularly Assesses Hospital Operational Performance:

- ✓ **Hospital Organization Chart**
- ✓ **Hospital Scope of Services**
- ✓ **Hospital Staffing**
- ✓ **Quality of Care / Services**
- ✓ **Potential Conflicts of Interest**
- ✓ **Service Delivery: Performance Indicators**
 - ◆ **Number of Patient Admissions**
 - ◆ **Occupancy Rate (%)**
 - ◆ **Length of Stay**
 - ◆ **Number of Inpatient Surgeries**
 - ◆ **Number of Newborns**
 - ◆ **Number of Patient Deaths**
 - ◆ **Number of Outpatient Visits**

HOSPITAL PERFORMANCE REPORTING SYSTEMS



ROLES AND FUNCTIONS OF THE HOSPITAL ADMINISTRATOR AND THE ORGANIZED MEDICAL STAFF

The role of the hospital trustee has been described, however, many decisions and activities in the hospital involve two other groups: the hospital administrator and the organized medical staff. The roles they play are described below.

THE HOSPITAL ADMINISTRATOR

1. Develops and maintains programs that implement board authorized goals and policies.
2. To develop and, with board approval, implement an organizational staffing plan for hospital operations (e.g., specify limits of authority delegated to employees).
3. Act as liaison to the community and other health care institutions.
4. To coordinate and facilitate appropriate interaction and communication among the various groups working at the hospital (e.g., ensure that the board and medical staff are communicating appropriately).
5. To develop and implement evaluation procedures for all functional areas / units of the hospital (e.g., analyze and report the costs per unit of laboratory tests)
6. To safeguard and ensure appropriate use of hospital resources (e.g., report to the board on hospital performance as shown by the operating budget)

THE ORGANIZED MEDICAL STAFF

1. To implement policies and procedures designed to provide patients with the best possible medical care within the hospital's available resources.
2. To recommend medical staff appointments and clinical privileges in order to provide a balanced and competent medical staff.
3. To develop and implement a quality assurance mechanism, including peer review of the process and the clinical outcomes of care.
4. To provide continuing medical education for its members.
5. To develop an organizational structure that will enable the medical staff to relate to the board and to govern itself.

RELATIONSHIPS AND EXPECTATIONS OF THE BOARD, HOSPITAL ADMINISTRATOR, AND PHYSICIANS

Hospitals are among the most complex organizations to manage. This complexity is due in part to the “management of interpersonal relations”.

THE BOARD’S EXPECTATION OF THE ADMINISTRATOR

The board’s principle expectation of the administrator is managing the hospital with considerable skill and diplomacy, particularly with regard to the quality of care provided, and cost and complaint control.

Boards judge their administrator’s success in terms of:

- ✓ A clean well maintained facility
- ✓ Modern equipment
- ✓ Good food, and most important,
- ✓ Lack of complaints on the part of the medical staff first, and patients second.

Boards also expect the administrator to project a favorable image of the hospital both within and outside its walls.

THE ADMINISTRATOR’S EXPECTATION OF THE BOARD

The administrator expects board members to be a source of:

- ✓ Information
- ✓ Direction
- ✓ Advice
- ✓ Counsel, and
- ✓ Guidance

This has been referred to as ‘board oversight’ – management, financial, quality, and strategic oversight.

The administrator also expects board members to provide information based on “feedback” from the community that yields valuable insight in the expectations, problems, or concerns of the general community.

AVOIDING BOARD-ADMINISTRATOR ROLE CONFLICT

- Most administrators would argue that the translation of board policy into operational strategies must be the responsibility of the administrator
- The administrator usually does not expect or desire the board to become involved in the administration of the hospital, other than to ensure it is consistent with board policy.
- When the action is required and consistent with board policy and direction, the administrator expects the board's support.
- The administrator expects the board to respect the role of the administrator by discouraging physicians and hospital staff from bringing their concerns directly to board members without consulting the administrator.

The most common source of role ambiguity between the board and the administrator is the blurred line between policy development and administration.

THE ADMINISTRATOR'S EXPECTATIONS OF PHYSICIANS

The administrator expects the physician to:

- Assist with the control of costs
- Participate in the decision making process so they can understand and support tough decisions that must be made to allocate resources
- Complete their paperwork
- Attend meetings
- Participate in other activities that may not be in their direct interest
- To participate in quality improvement programs
- Maintain high quality medical care, and
- To treat hospital staff with respect and dignity because morale is largely dependent on their interaction with physicians

Ultimately, both of their livelihoods depend on the astute management of the hospital by the administrator.

PHYSICIANS' EXPECTATIONS OF THE ADMINISTRATOR

Physicians expect the Hospital Administrator to:

- Not interfere in their decisions concerning the provision of medical care
- Promote access to the facilities, equipment, supplies, and trained personnel
- Allow physicians to do all that they are trained and equipped to do
- Be the first informed of new hospital policy or decisions through personal and timely communication

Physicians understand that their reputation and that of the hospital are mutually dependent.

THE HOSPITAL LEADERSHIP TEAM

- ❖ **THE BOARD OF TRUSTEES**

- ❖ **THE HOSPITAL MANAGEMENT**

- ❖ **THE ORGANIZED MEDICAL STAFF**

The more cohesive the leadership team, the greater the likelihood they will achieve the ultimate goal: To improve the health of the community and provide cost effective services in a quality – oriented manner.

5 KEY RESPONSIBILITIES

OF AN EFFECTIVE LEADERSHIP TEAM

1. MAINTAINING GOOD INTERNAL AND EXTERNAL RELATIONSHIPS

Communication, Cooperation, and Compromise

2. RETHINKING THE ORGANIZATION'S MISSION AND ESTABLISHING GOALS AND OBJECTIVES

Ensuring the hospital's survival and improving the health status of the people it serves

3. ASSURING THE COMPETENCY OF THE GOVERNING BOARD, THE MEDICAL STAFF AND SENIOR MANAGEMENT

Establish a formal quality improvement process and ensure a sound medical staff credentialing process for granting privileges to qualified physicians

4. ENCOURAGING CONTINUING EDUCATION FOR BOARD MEMBERS, PHYSICIANS AND EMPLOYEES

5. EFFICIENTLY USING RESOURCES TO MEET THE COMMUNITY'S MOST IMPORTANT HEALTH NEEDS IN AN ECONOMICALLY EFFICIENT, QUALITY-ORIENTED MANNER

- Realize the hospital can not be all things to all people
- Requires an ongoing assessment of community needs
- Re establish the hospital's priorities and allocate its financial and human resources wisely

THE HOSPITAL AS A COMMUNITY ORGANIZATION

The relationship between a hospital and the community it services is a major determinant of the hospital's effectiveness. The board must assist in the assessment of community needs and must see that the hospital addresses the health problems in the community by offering appropriate services. It is important to understand that maintaining a relationship that is mutually beneficial is an ongoing process.

Establishing a strong and lasting relationship with the community can come about only with the involvement and participation of all three—the board, the hospital administrator, and the medical staff

FIVE STEPS IN RELATING TO THE COMMUNITY

The five steps the board needs to consider in the process of identifying and meeting community health care needs:

1. Identify and define the community. What is the community being served by your hospital? This is one of the elements required in any hospital strategic plan.
 - What is the demographic profile of your community in terms of- population size? Level of income? population over 55?
 - What is the community profile expected to be 5-years from now?
2. What other health care providers are serving your community?
3. Identify community health care needs.
4. Determine the hospital's role in meeting community health care needs.
5. Find out community attitudes about health care services –
 - A community advisory committee can provide both a forum for the community to express itself to the hospital and a sounding board for the hospital to gauge community reaction to proposed hospital actions. Community surveys can be helpful to learn opinions

Most trustees understand that the hospital's services should reflect the community's health care needs. Less clear, however, is how to define that community, how to assess its health care needs, and how to ensure that the hospital is meeting those needs.

PREVENTING BOARD – COMMUNITY DISCONNECT

THE SIGNS OF A BOARD/COMMUNITY DISCONNECT ARE NOT ALWAYS OBVIOUS

- **Review the board’s mix – a lack of diversity of opinion**
- **Lack of turnover and/or introduction of new members**
- **Difficulty recruiting new members, or – current members are from the same subset in the community (all from the north side or from business sector, etc.)**
- **Poor attendance at board meetings**
- **The same agenda from meeting to meeting – dull meetings**
- **Members who fail to bring community ideas and issues to the table**
- **Boards that do not engage in self-evaluation, as both individual members and as a group**
- **Failing to respond to community needs with the appropriate programs and services**
- **Declining community health outcomes, or financial performance, or marked payer, employer, or patient dissatisfaction**

MAINTAINING A FRESH PERSPECTIVE OF THE BOARD

- **Set term limits**
- **Appoint regional advisory councils – people who live in the community to keep the board updated- what is going on, especially in population clusters**
- **Use a self-evaluation process to determine board effectiveness**
- **Conduct individual self-evaluations - # meetings attended, quality and frequency of participation, whether their contributions warrant their membership**
- **Develop meaningful board selection criteria – often, it’s about looking for people in the community with a broader public health view, a broader vision of what’s best for everybody**

MAINTAINING BOARD MOMENTUM: WARNING SIGNALS OF BOARD DISTRESS

- 1. Board is unwilling to discuss potentially difficult issues as a group- or board members are forming private cliques to debate such issues**
- 2. The Board seeks additional information or a second opinion on an important matter without the involvement of the CEO**
- 3. The Board spends more time discussing how things were done in the past than planning for the future**
- 4. The Board ignores its own bylaws, notably by exempting itself from term limits**
- 5. Similar agendas from one meeting to the next**
- 6. Failing to involve physicians and nurses in discussions**

Being sensitive to any of these changes in board dynamics may help to avert serious conflicts and keep the board focused on what is best for the organization in the long term

4 MAJOR CHALLENGES

--FACING COMMUNITY-BASED TRUSTEES:

- 1) RECRUITMENT, DEVELOPMENT, AND RETENTION OF QUALIFIED TRUSTEES**

- 2) MEETING KNOWLEDGE REQUIREMENTS**

- 3) DEVELOPING EFFECTIVE GOVERNANCE INFORMATION SYSTEMS**

- 4) ACHIEVING INTEGRATED COMMUNITY HEALTHCARE SYSTEMS**

MAJOR CHALLENGES

1) RECRUITMENT, DEVELOPMENT, AND RETENTION OF QUALIFIED TRUSTEES:

- AN INFORMED, EDUCATED, AND ENTHUSIASTIC BOARD WILL STRENGTHEN THE ORGANIZATION.
- THE HOSPITAL SHOULD HAVE A STRATEGIC PLAN THAT CAN BE USED TO HELP DEFINE THE SKILLS AND THE LEADERSHIP QUALITIES THAT ARE NEEDED BY THE GOVERNING BOARD MEMBERS.
- EACH TRUSTEE SHOULD BE ENCOURAGED TO ASSESS REALISTICALLY WHETHER BOARD SERVICE IS PRACTICAL FROM A **TIME AVAILABILITY** POINT OF VIEW AND BE PREPARED TO SUSTAIN SUCH A COMMITMENT FOR THE TERM OF THE APPOINTMENT.
- SOME GENERAL QUALIFICATIONS INCLUDE EXPERIENCE, CREDIBILITY IN THE COMMUNITY, COMMITMENT TO THE COMMUNITY, UNIQUE SKILLS, KNOWLEDGE OR PROFESSIONAL TRAINING, AND ABILITY TO COMMUNICATE EFFECTIVELY. ALSO, OTHER CONSIDERATIONS, SUCH AS REPRESENTATION OF MINORITY GROUPS OR GEOGRAPHIC AREAS, COULD BE USED IN SCREENING CANDIDATES.
- IT IS THE RESPONSIBILITY OF EXECUTIVE MANAGEMENT IN PARTNERSHIP WITH BOARD LEADERSHIP TO ENSURE THAT TIME SPENT BY THE TRUSTEE IS **MEANINGFUL AND PRODUCTIVE**. (Care in setting agendas, providing in advance pertinent information)
- **HISTORICALLY HOSPITALS HAVE GROWN AND FLOURISHED UNDER THE LEADERSHIP OF TALENTED AND COMMITTED TRUSTEES**

- THE HOSPITAL ADMINISTRATOR BENEFITS FROM A STRONG BOARD IN THAT ITS MEMBERS CAN PROVIDE LEADERSHIP AS WELL AS EXPERTISE IN MANY AREAS, THEREBY MAKING THE INSTITUTION MORE EFFECTIVE AND THE ADMINISTRATOR’S JOB MORE SATISFYING.

2) MEETING KNOWLEDGE REQUIREMENTS:

- FOR BOARDS TO BE EFFECTIVE IN FULFILLING THEIR CORE RESPONSIBILITIES, SUFFICIENT KNOWLEDGE ABOUT THE FIELDS OF HEALTHCARE DELIVERY AND FINANCE AND THE ISSUES FACING ORGANIZATIONS IS ESSENTIAL.
- WHAT IS REASONABLY EXPECTED - AND NEEDED – IS AN ONGOING PROGRAM OF INDIVIDUAL AND GROUP DEVELOPMENT THROUGH BOARD EDUCATIONAL PROGRAMS, EXPERIENCE INVOLVING THE WORK OF THE BOARD, AND SELECTED READINGS. AREAS OF KNOWLEDGE-BUILDING INCLUDE:
 - ETHICAL DECISION MAKING;
 - MANAGING FINANCIAL RISK;
 - QUALITY ASSESSMENT AND IMPROVEMENT;
 - STRATEGIC PLANNING AND POSITIONING;
 - HEALTH STATUS MEASUREMENT; AND
 - ACHIEVING HEALTHY COMMUNITIES.

MAJOR CHALLENGES

3) DEVELOPING EFFECTIVE GOVERNANCE INFORMATION SYSTEMS

- **TOO OFTEN BOARDS ARE PRESENTED WITH DATA DESIGNED PRIMARILY TO BE USED BY MANAGEMENT –**
 - Operational in content – rarely strategic by intent
- **USEFUL INFORMATION IS HIGHLY SELECTIVE – VALID – ACCURATE - TIMELY**
 - Information regarding the most important things- policies and decisions
- **COMPARATIVE INFORMATION-**
 - The most meaningful and useful information has a high degree of contrast – portrayed across time and/or compared to similar information from other hospitals.
 - Such comparisons allow the board to put information into context and make meaningful evaluations
- **CLEAR – CONCISE – USER-FRIENDLY INFORMATION**
 - Presented in a simple manner, not wrapped in esoterica, jargon and technical minutiae
- **REACHING AGREEMENT ON A PREFERRED GOVERNANCE INFORMATION SYSTEM WILL IMPROVE THE HARMONY AND RELATIONSHIP BETWEEN THE BOARD AND MANAGEMENT, AND WILL HAVE THE POTENTIAL OF IMPROVING BOTH THE EFFECTIVENESS AND SATISFACTION OF THE BOARD.**

**4) ACHIEVING INTEGRATED COMMUNITY HEALTHCARE SYSTEMS
GENERALLY INCLUDES 3 ELEMENTS:**

- **BEING RESPONSIBLE FOR DELIVERING A COMPREHENSIVE SET OF SERVICES**
 - ✓ HEALTH PROMOTION AND DISEASE PREVENTION
 - ✓ MEDICAL CARE, INCLUDING AMBULATORY SETTINGS
 - ✓ EMERGENCY CARE
 - ✓ ACUTE INPATIENT CARE
 - ✓ POSTACUTE, LONG-TERM, AND REHABILITATION
 - ✓ HOME HEALTH SERVICES

- **BEING PUBLICLY ACCOUNTABLE FOR THE PERFORMANCE OF THE ENTIRE ORGANIZATION–**
 - ✓ MEETING SPECIFIC ACCESS CRITERIA AND STANDARDS
 - ✓ MEETING CONTEMPORARY QUALITY STANDARDS
 - ✓ MEETING EFFICIENCY AND EFFECTIVENESS STANDARDS, INCLUDING FINANCIAL, AND ORGANIZATIONAL

 - ✓ **BEING COLLABORATIVE PARTNERS WITH OTHER SEGMENTS OF THE COMMUNITY IN WORKING TOWARD ACHIEVING HEALTHIER COMMUNITIES**

SUMMARY:

In this early phase of decentralization extraordinary leadership will be required from trustees and their paid hospital executives, working together and committed to a shared vision of the future for their hospital organization if significant progress is to be achieved.

Time, attention, priority, effort, and sustained commitment to improvement are in order for all.

The extent to which this evolving system of healthcare delivery for this Province and community is preserved and strengthened is at stake.

Thank you very much for your attention and participation. Good luck and best wishes for a long and successful tenure.
