



# MPHCA 2017 Annual Conference Sessions



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## Fundamentals of Leadership – Roles and Responsibilities of Board Members

- ▶ PR#17 Board Authority
- ▶ PR#18 Board Composition
- ▶ PR#19 Conflict of Interest Policy
- ▶ Roles and Responsibilities
- ▶ Leadership Qualities

# Program Requirement #17

## Governance

- ▶ Health center governing board maintains appropriate authority to oversee the operations of the center, including:
  1. holding monthly meetings;
  2. approval of the health center grant application and budget;
  3. selection/dismissal and performance evaluation of the health center CEO;
  4. selection of services to be provided and the health center hours of operations;

# Program Requirement #17

## Governance - continued



5. measuring and evaluating the organization's progress in meeting its annual and long-term programmatic and financial goals and developing plans for the long-range viability of the organization by engaging in strategic planning, ongoing review of the organization's mission and bylaws, evaluating patient satisfaction, and monitoring organizational assets and performance;\* and

6. establishment of general policies for the health center.

▶ HRSA PIN 2014-01 "Health Center Governance"

▶ <https://bphc.hrsa.gov/programrequirements/policies/pin201401.html>

# Program Requirement #17

## Governance

- ▶ Health center Corporate by laws must include:
  - ▶ Health Center Mission
  - ▶ Authorities, functions, and responsibilities of governing board as a whole.
  - ▶ Board membership (size and composition).
  - ▶ Individual board member responsibilities.
  - ▶ Process for selection/removal of board members.
  - ▶ Election of officers.
  - ▶ Recording, distribution and storage of minutes.
  - ▶ Meeting schedule and quorum.
  - ▶ Officer responsibilities, terms of office, and selection/removal processes.
  - ▶ Description of standing committees (which may include but are not limited to, executive, finance, quality improvement, personnel, and planning committees) and the process for the
  - ▶ creation of ad-hoc committees.
  - ▶ Conflict of interest provisions.
  - ▶ Provisions regarding board dissolution.

# Program Requirement #18

## Board Composition

- ▶ The Health Center's Governing Board must meet the following requirements:
  1. A majority of the board members are individuals ("consumers" or "patients"; also previously known as "users") served by the organization.
  2. As a group, these "patient" or "consumer" board members represent the individuals being served by the health center in terms of demographic factors such as race, ethnicity, and sex.
  3. The board has at least 9 but no more than 25 members, as appropriate for the complexity of the organization.\*

# Program Requirement #18

## Board Composition - continued

4. The remaining non-consumer members of the board shall be representative of the community in which the center's service area is located and shall be selected for their expertise in community affairs, local government, finance and banking, legal affairs, trade unions, and other commercial and industrial concerns, or social service agencies within the community.\*
5. No more than one half (50%) of the non-consumer board members may derive more than 10% of their annual income from the health care industry.

# Program Requirement #19

## Conflict of Interest Policy

The BPHC encourages organizations to require its directors, trustees, officers and others covered by the policy to disclose, in writing, on a periodic basis any known financial interest that the individual, or a member of the individual's family, has in any business entity that transacts business with the charity. The organization should regularly and consistently monitor and enforce compliance with the conflict of interest policy.



# Program Requirement #19

## Conflict of Interest Policy - Continued

- ▶ Health center's bylaws or written, corporate-board-approved policy includes provisions that:
  1. Prohibit conflict of interest by board members, employees, consultants and those who furnish goods or services to the health center.
  2. State that no board member shall be an employee of the health center or an immediate family member of an employee.
  3. Ensure that the Chief Executive may serve only as a non-voting ex-officio member of the Board of Directors.

# Leadership – Roles and Responsibilities

## LEGAL AND PROGRAM RESPONSIBILITIES

Responsibility	Primarily that of the Board	Primarily that of Staff	Shared Responsibility
Develops and amends the mission statement			
Selects board members who will meet the duties of care, loyalty and obedience!			
Hires and evaluates key leadership staff, - the CEO,			
Sets the strategic direction for the organization			
Implements the strategic plan			
Keeps track of "lobbying" expenditures			
Ensures that there is no conflict of interest when board members make a decision			
Establishes and approves financial policies			
Accepts the annual audit report			

# Leadership – Roles and Responsibilities:

Responsibility	Primarily that of the Board	Primarily that of Staff	Shared Responsibility
Develops the annual operating budget			
Approves the federal grant budget			
Reviews the general ledger for accuracy			
Reviews personnel records to ensure that policies are being followed			
Approves health care policies, procedures and protocols			
Receives VIP treatment when seen by a provider			
Ensures compliance with all applicable federal, state, and local law, regulation and policy			
Plans for the annual party!			

## *As a board member, if you can only ask eight questions....ask these*

1. What is your strategic plan and what progress has been made?
2. What is the one-year operational plan and what progress has been made?
3. What is the current financial position?
  - ▶ Total margin - are we profitable?
  - ▶ Days cash on hand – do we have any money to pay bills?
  - ▶ Days in A/R - how much do others owe us?
  - ▶ Days in A/P – how much do we owe other people?
  - ▶ Current ratio – what is our ability to pay off our debts today?

***As a board member, if you can only ask eight questions....ask these***

4. What mechanisms are in place to ensure compliance with: 330 requirements; state and federal laws and regulations; Medicaid and Medicare requirements?
5. Is your staff satisfied? How do you know?
6. Are your patients satisfied? How do you know?
7. What goals have been set in the QA/QI Plan and have they been met?
8. What is the need in the community - # of services and type of services? How well are you doing in meeting this need?

# Remember the Five Deadly Sins

14

1. Board & Management not on the same page.
2. Obsolete business model (e.g. centered on adult medicine).
3. Low provider productivity.
4. Unfunded grant obligations. (less availability to grants)
5. Poor patient revenue cycle management. (Cash is “King”)

# Leadership Qualities by example:

- ▶ Be Courageous- Daring more e.g. Martin Luther King, Winston Churchill, Dr. Brooke
  1. Courage in business often requires staking out your line of attack and charging ahead. E.g. While at Yale, Fred Smith wrote a college paper describing the blueprint for a world wide overnight delivery company. The paper got a C grade.
  2. Courage and boldness give one more than depth. They generate second chances.
  3. Good leaders create cultures where failure and error are looked upon as steps toward success.
  4. When life and business deals a bad hand, have faith. The most inspiring opportunities for courage come when you face the longest odds.

# Leadership Qualities by example:



## ▶ Challenge Convention

1. Be pragmatic and flexible. Change rules and policies when the situation demands it. Keep an open mind.
2. Inspire people to find quicker ways of achieving goals.
3. Make sure technology is not spurned by those who do not understand it.
4. Learn from your mistakes. One of the biggest lessons is recognizing how many variables you can juggle and expect to succeed.



# Leadership Qualities by example:



## ▶ Turn Details into Action:

1. Demand frequent, regular reports to keep your finger on the pulse of operations.
2. Keep thing up new ways to gather and display key information about the progress within an organization.
3. Be goal and action oriented. Press for results by the earliest feasible time. Do not accept bureaucratic excuses. Demand initiative and signs of progress.
4. Show appreciation and you will earn people's loyalty.

# Leadership Qualities by example:

## ▶ Build Hope and Confidence:

1. Develop an authentic aura of confidence and resolve. Trust, inspiration, and charisma are contagious and crucial in winning wars and customers.
2. Regard test as prime opportunities to build morale in your organization. Leaders realize that difficulties can be used to strengthen their character and that of their workers.
3. Do not allow different standards for top executives and managers of workers.
4. Put bad news into perspective. There may be a silver lining in the dark clouds.

# NEVER SURENDER!

- ▶ “Never give in, never give in, never, never, never, never – in nothing, great or small, large or petty – never give in except to convictions of honor and good sense.
  - ▶ Winston Churchill, Prime Minister England WWII
  - ▶ Speech at Harrow, October 29, 1941

“CASH IS KING”

Questions?