

MARIN HEALTHCARE DISTRICT

100-B Drake's Landing Road, Suite 250, Greenbrae, CA 94904

www.marinhealthcare.org

Telephone: 415-464-2090

info@marinhealthcare.org

Fax: 415-464-2094

TUESDAY, APRIL 13, 2021

5:30 PM: REGULAR OPEN MEETING

Board of Directors:

Chair: Jennifer Rienks, PhD

Vice Chair: Brian Su, MD

Secretary: Ann Sparkman, RN/BSN, JD

Directors: Edward Alfrey, MD

Larry Bedard, MD

Staff:

David Klein, MD, CEO

Eric Brettner, CFO

Colin Coffey, District Counsel

Louis Weiner, Executive Assistant

Location:

Via Zoom video conference:

<https://mymarinhealth.zoom.us/join>

Meeting ID: **980 3793 8215**

Passcode: **704721**

Or via Zoom telephone conference:

1-669-900-9128

AGENDA

Tab #

5:30 PM: REGULAR OPEN MEETING

- | | | |
|--|--------|----|
| 1. Call to Order and Roll Call | Rienks | |
| 2. Disclosure of Action Taken in Closed Session | Rienks | |
| 3. General Public Comment
<i>Any member of the audience may make statements regarding any items NOT on the agenda. Statements are limited to a maximum of three (3) minutes. Please state and spell your name if you wish it to be recorded in the minutes.</i> | | |
| 4. Approval of Agenda (action) | Rienks | |
| 5. Approval of Minutes of Regular Meeting of March 9, 2021 (action) | Rienks | #1 |
| 6. League of Women Voters of Marin County: Redistricting Survey (action) | Rienks | #2 |
| 7. MarinHealth Diversity, Equity, and Inclusion Program | Klein | |
| 8. COVID Report and Vaccine Administration | Klein | |
| 9. COVID Task Force Report | Su | |
| 10. ACHD Governance Toolkit, Session 2:
Balancing Governance & Management | Klein | #3 |

The agenda for the meeting will be posted and distributed at least 72 hours prior to the meeting. In compliance with the Americans with Disabilities Act, if you require accommodations to participate in a District meeting please contact the District office at 415-464-2090 (voice) or 415-464-2094 (fax) at least 48 hours prior to the meeting. Meetings open to the public are recorded and the recordings are posted on the District web site.

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TUESDAY, APRIL 13, 2021

5:30 PM: REGULAR OPEN MEETING

11. Committee Meeting Reports

A. Finance & Audit Committee (*met March 16*)

Bedard

B. Lease & Building Committee (*met March 24 and April 5*)

Sparkman

(i) MHD Community Health Webinar: "Teen Mental Health
in the Time of COVID (April 21)

12. Reports

A. District CEO's Report

Klein

B. Hospital CEO's Report

Klein

C. Chair's Report

Rienks

D. Board Members' Reports

All

13. Agenda Suggestions for Future Meetings

All

14. Adjournment of Regular Meeting

Rienks

Next Regular Meeting: Tuesday, May 11, 2021, 5:00 p.m.

Tab 1



**MARIN HEALTHCARE DISTRICT
BOARD OF DIRECTORS**

REGULAR MEETING

**Tuesday, March 9, 2021 @ 5:00 pm
Via Webex Teleconference**

MINUTES

1. Call to Order and Roll Call

Chair Rienks called the Regular Meeting to order at 5:02 pm.

Board members present: Chair Jennifer Rienks; Vice Chair Brian Su, MD; Secretary Ann Sparkman; Director Edward Alfrey, MD; Director Larry Bedard, MD

Staff present: David Klein, MD, CEO; Eric Brettner, CFO; Rebecca Maxwell, Dir.

Behavioral Health; Joan McCready, Dir. Quality; Louis Weiner, Executive Assistant

Counsel present: Colin Coffey

2. General Public Comment

Jonathan Frieman, member of the MHD Citizens' Bond Oversight Committee (CBOC), insisted that real-time closed captioning be provided for this and each MHD teleconference public meeting. Dr. Klein agreed to have it provided in time for the March 29 CBOC meeting, and at each MHD teleconference public meeting thereafter. Ms. Rienks agreed, citing ADA requirements.

3. Approval of Agenda

Dr. Bedard moved to approve the agenda as presented. Dr. Alfrey seconded. **Vote: all ayes.**

4. Approval of Minutes of Regular Meeting of February 9, 2021

Dr. Alfrey moved to approve the minutes as presented. Ms. Sparkman seconded. **Vote: all ayes.**

5. MHD Response to Marin County Civil Grand Jury Report: "Opioid Misuse: Strengthening Marin County's Response"

Dr. Klein presented the District's response submitted to the Grand Jury on February 24, 2021, in advance of the March 14, 2021 deadline. This was presented for review to the Board by Ms. Rebecca Maxwell at the Board's January 12, 2021 meeting. The response details and explains (1) agreement with the Grand Jury's findings, and (2) MarinHealth's implementation of the Grand Jury's recommendations. The District's response has been received by the Grand Jury and is now on public file online.

For the adding and retaining of substance use navigators, MarinHealth will submit detailed cost-benefit analysis reassessments at the end of each fiscal year 2021 and 2022.



Ms. Maxwell commented on the good work of MarinHealth's substance use navigator in placing patients in care facilities. Dr. Klein thanked and commended Ms. Maxwell and Ms. Mary Hard (Finance) for their work on this report.

6. Approval of Resolution MHD 2021-04: In Support of SB311: Compassionate Access to Medical Cannabis Act, "Ryan's Law"

Dr. Bedard presented the resolution and gave a brief history of Senate Bill 311, "Ryan's Law." It is being heard in committee tomorrow, and he will attend and testify. He explained that this resolution would be an expression of support by the Board with no financial implication.

This bill would allow terminally ill patients to use medical cannabis in hospitals. Discussion ensued on the inpatient use of cannabis, acknowledging that it remains a Schedule I drug at the federal level which MarinHealth will continue to observe.

There was no public comment and no further discussion.

Vote on the Resolution by roll call: Bedard, aye; Alfrey, aye; Sparkman, abstain; Su, aye; Rienks, aye. The motion carried by majority.

7. Review of Q3 2020 Report of MarinHealth Medical Center Performance Metrics & Core Services

Dr. Klein presented the report as approved by the MHMC Board of Directors at their regular meeting of March 2, 2021.

The hospital's Finance metrics for Q3 2020 show being "at risk/not in compliance"; however, the forthcoming Q4 2020 Annual Report should show recovered compliance with a positive EBIDA and sufficient coverage of loan and bond debt. The Strategic Plan was not presented in 2020 but will be updated in Q2 2021. All of the other performance metrics are in compliance.

Patient satisfaction scores (Schedule 1: HCAHPS) were adversely affected by stresses from COVID and the move into the new hospital. Leadership strategic initiatives are in place to respond to and improve the patient experience.

In Clinical Quality Metrics (Schedule 3), the adverse number for thrombolytic therapy was due to an abstraction error which was noticed in Q4 and not correctible. Sepsis continues to be challenging and there are continued efforts to improve them. Emergency Dept. throughput continues to be a focus of clinical efficiency improvements. Dr. Alfrey commended the hospital's Surgical Site Infection Committee for their work in reducing incidents of central line and catheter associated infections. Ms. Joan McCready (Director of Quality) commented that the current data for C. diff infections shows significant improvement over this Q3 report due to improved and proper testing. Ms. Rienks asked that more recent clinical quality data be made available with each quarterly report to the Boards.

Nursing turnover data shows Q3 re-modeling consolidation of nurse staffing in Labor & Delivery / Postpartum care.

8. Report: MHMC Board Bylaws Review

Dr. Klein reported that the consultant has completed the review of the MHMC Bylaws and has presented the findings to the MHMC Board with no action yet taken. That Board will have a special session with legal review before presenting to the District Board in two



public readings for final approval. He will give a preliminary presentation on March 24 to the District Lease & Building Committee in special study session of the full Board.

9. COVID Report and Vaccine Administration

Dr. Klein reported that there are only 2 COVID patients in the hospital today, 1 in ICU. MarinHealth has administered about 5,000 doses to staff and caregivers, about 5,000 to community members. On April 1 the vaccination clinic will be moving to join the County operation at the Civic Center. Super Saturdays have begun to vaccinate teachers and school staff. The County's goal is to have everyone in Marin vaccinated by the end of June.

Commenting on the issue of Blue Shield possibly taking over vaccination administration state-wide, Dr. Su and Dr. Klein agreed that MarinHealth and the County are doing very well, and that most other counties have stated that they are succeeding well without such interjection.

Dr. Klein added that the hospital's visitor policy is opening up as some restrictions are being relaxed; everyone is still being screened upon entry.

10. COVID Task Force Report

Dr. Su reported that the Task Force met on February 23. The FEMA application was submitted for reimbursement of \$366k, and we may receive 100% of that.

One mobile testing van is still active. Funds for the second van have been shifted to aftercare services in nursing homes. The need for such aftercare is easing because of vaccinations. Funds thus leftover are pivoting to staffing for vaccination clinics. Funding needs change quickly, e.g. wheelchairs were purchased for those clinics; Ms. Rienks reconfirmed that the Task Force has the Board's permission to shift approved funds as needs change.

Regarding variants of the virus, there is a need for surveillance over the next 6 months. Funding may be needed for sending sample tests to the state lab. The Task Force will discuss this process and cost.

11. ACHD Governance Toolkit, Session 1: Community Engagement

ACHD (Association of California Healthcare Districts) has produced a series of 6 governance toolkit presentations. The Board viewed the first video, "Community Engagement."

After viewing, the Board discussed the content and agreed that the concept of "Community Plunges" is worth pursuing. Ways to interact with the community could take many forms to respond inclusively to the public's questions, concerns and needs surrounding health care and population health.

12. Committee Meeting Reports

A. Lease & Building Committee

Ms. Sparkman reported that the next meeting will be on March 24, a special study session of the full Board, to discuss the process of the MGH bylaws review, and to plan the next Community Health Webinar, "Teen Mental Health in the Time of COVID."



B. Finance & Audit Committee

Dr. Bedard reported that next meeting of the committee will be March 16.

13. Reports

A. District CEO's Report

Dr. Klein reported construction of the new hospital is near complete, with the final 2 items to be completed within the week, after which the full license will be issued. Other final 2 separate projects will be completed by the end of May.

Plans for the Ambulatory Services Building received IJ press coverage this week. The permit process is proceeding, though no decision has yet been made on proceeding with funding and construction.

An alternate less costly plan for the main lobby reconstruction is underway to improve entry, hospitality, and wayfinding to the new Oak Pavilion.

Plans for the Board's Annual Retreat meeting are underway, with a preference to meet in person after social restrictions are eased.

B. Hospital CEO's Report

Dr. Klein reported that inpatient volumes are picking up, Emergency is busy and surgical cases are increasing. New growth opportunities are being planned and realized, and today we opened the new Urgent Care Center in San Rafael.

The EPIC (electronic health record) rollout with UCSF is proceeding smoothly.

Organization changes are underway for MarinHealth Medical Network. The org chart has been redone, an interim Executive Director will be hired soon, and a search for a President and Vice President of Medical Affairs will commence soon. A transformation initiative is underway beginning with an alignment workshop toward growth and development of the Network. A strong group of physicians and leaders is being brought in to establish guiding principles and revise governance structures so the organization can function fully as a network. They'll also focus on operational excellence, expense reduction, and clinical efficiency.

Dr. Bedard inquired as to whether MarinHealth's patient drug screening included screening for cannabis, and Dr. Klein said he would find out. Dr. Klein said that Dr. Shavelson (Chief Medical Officer) is working on developing a medical cannabis education program for medical staff.

Ms. Rienks inquired as to how Network pediatricians are doing with patient care backlog resulting from COVID shutdown. Dr. Klein said he would research and report.

C. Chair's Report

Mr. Rienks reported that the MarinHealth Community Benefit Advisory Committee recently met to discuss and decide on providing funding for community-based organizations.

The unveiling of the plaque in honor of Lee Domanico will be April 27 for a small group of invited guests.

Ms. Rienks announced the passing of Cindy Winter, a community activist who for many years was supportive of, among other causes, the District and Hospital. Ms. Rienks agreed to write a letter of condolence to her family on behalf of the Board. Ms. Sparkman



agreed to write a Board Resolution in gratitude. Dr. Bedard suggested the District establish an award in her name.

D. Board Members' Reports

Dr. Su commented on the importance of mental health patient care. There were no other reports given.

14. Agenda Items Suggested for Future Meetings

In response to the earlier discussion on “Community Plunges,” Ms. Rienks suggested that community-based organizations present to the Board every other month.

15. Adjournment

Chair Rienks adjourned the meeting at 7:09 pm.

DRAFT

Tab 2



Local Redistricting Committee Survey

1. Have you started your planning for 2021 redistricting? Yes No

- If not, when do you plan to begin the process?

2. Will you use a Citizens Advisory Commission? Yes No

3. If yes, what form will or does it take?

- **Advisory Redistricting Commission:** Makes recommendations to the legislative body about new district boundaries. ⁱ
- **Hybrid Redistricting Commission:** Recommends two or more maps for the legislative body to choose from and adopt without modification (except where needed in order to ensure compliance with state or federal law).ⁱⁱ
- **Independent Redistricting Commission:** Draws and adopts district maps for the legislative body. ⁱⁱⁱ

4. What is the url for your dedicated redistricting website?

5. If your redistricting website has not yet been established, what is the anticipated date for its launch?

6. Will the following information be found on your redistricting website?

- If a Commission will be used, the number of members and their names.	Yes No
- RFP's or contracts for redistricting related consulting services.	Yes No
- Your outreach and publicity plan (including multi--lingual).	Yes No
- The redistricting process schedule and timeline	Yes No



– The method(s) for public the to use to submit community of interest maps and comments.	Yes No
– The schedule of hearings/workshops to be held before and after the availability of final draft map(s). Yes No	Yes No

Please provide your organization:

Name

Contact person:

Name:

Phone #:

email:

Please submit completed survey to redistricting@marinlwv.org by April 15, 2021

Thank you.

LWVMC - Local Redistricting Committee Contact:

Name: Scott McKown

Phone #: 415 464-7093

ⁱ Cal. Elec. Code § 23000(a)

ⁱⁱ Cal. Elec. Code § 23000(c)

ⁱⁱⁱ Cal. Elec. Code § 23000(d)

Tab 3

ACHD Governance Toolkit



Session 2: Balancing Governance and Management Discussion Guide

[Watch the Governance and Management Webinar Here](#)

[Download the Session Slides Here](#)

Prepared by
James A. Rice, Ph.D.
Brian E. Rice, MHA

Series Preface:

This discussion guide is part of an “ACHD Governance Toolkit” composed of a series of six recorded webinars organized by the Association of California Healthcare District (ACHD) to encourage and support healthcare district boards of directors to further enhance the performance of their governance models and practices. The six topics addressed are:

1. Community Engagement
2. Balancing Governance & Management
3. Board Orientations
4. Strategic Planning
5. Board Self-Assessments
6. Board Education Programming

The six programs consist of an approximately 15-minute video with a downloadable slide deck, and a short discussion guide to stimulate healthy conversations between the CEO and the board about practical ways they can collaborate for more effective and efficient board decision making in each topic. The programs are also intended to help encourage healthcare districts to consider the successful completion of ACHD Certification.

The ACHD Certified Healthcare District Program promotes good governance for healthcare districts by creating a core set of accountability and transparency standards. This core set of ACHD standards is known as *Best Practices in Governance* and districts that demonstrate compliance are designated by ACHD as a **Certified Healthcare District** for a period of three years. [Find more information on our website.](#)



ACHD Governance Toolkit



Each of the six webinars can be optimized when the Board Chair and CEO collaborate to organize a five-step program of education for the coming year.

The five-step process for your board-CEO conversation to address these topics is suggested to be:

1. The CEO and Board Chair reaffirm their shared commitment to the continuous enhancement of the board's education and capacity development. Jointly express this commitment at the beginning of each year.
2. Adopt a board policy of continuous board development that embraces:
 - Periodic CEO briefing materials on topics relevant to the strategic plans and challenges of the healthcare district.
 - A calendar of speakers in routine board meetings on hot topics to help the district's vitality.
 - Organization of a "Symposium" on board best practices with other community organizations and associations for joint learning and community leader networking.
 - Participation in small groups of district board members at ACHD or other state conferences on strategic issues and trends.
 - Organization of customized educational readings or mentors for each board member based on their unique needs and requests.
3. Organize a 30-minute educational session during a Spring and Fall board meeting to focus on one or more of the six Webinar topics. Ask one board member to team with a member of management and/or the staff to jointly present, and help guide the discussion around the webinar and this Discussion Guide. This team approach helps build interest, ownership and shared responsibility among the board for its ongoing development.
4. Encourage all board members to watch to the short video recording of the webinar before the scheduled discussion session. All should come to the discussion session ready to contribute in these ways:
 - Assess how well this topic is being addressed in your healthcare district;
 - Bring questions and ideas about how your district might better address this topic in the future; and
 - Bring some suggested resources that might help your healthcare district enhance its learning and planning for this topic.
5. Conduct a collegial assessment of each program to see how its value to your district could best be optimized in the coming year. Share your ideas with the ACHD staff.

Thank you again for all you do for the people of your healthcare district, and for the enhanced performance of your healthcare district board work!

Contact ACHD staff at any time with questions, or contact us at jim_rice@governakadimi.org

Let's begin moving through this discussion guide.

ACHD Governance Toolkit



Balancing Governance and Management

Introduction

Thank you for your interest in exploring how your healthcare district board might better understand and develop its capacity for enhanced clarity and effectiveness of the roles for good ***governance & management***. Our experience indicates that a lack of clarity and optimized coordination between the board and the CEO and her/his management team leads to not just frustrations among all parties, but sub-optimal results for the healthcare district.

This discussion guide is not a stand-alone document. The guide is to be used in conjunction with the corresponding [recorded webinar](#) and [slide deck](#). We encourage your board and CEO to collaborate in a five-step process of conversation and shared strategic thinking and planning to support your board members, individually and collectively, to be more effective in establishing and nurturing community partnerships by ***new strategies and structures for balanced roles of the board and management***.

This Discussion Guide is organized to answer these questions:

1. What is “Governance” and “Management”?”?
2. Why is role balance and clarity important?
3. Common issues or challenges?
4. What can boards do to be more successful?
5. Where to secure resources for further educational insights on this topic?

Within each of these five sections, we pose a series of questions to guide your conversations about how to best enhance your understanding of the differences, and how to best balance the roles of the board and your management team to accomplish the mission of your healthcare district.

ACHD Governance Toolkit



1. What is “Governance” and “Management”?

Our work with boards often surface questions from both CEOs and Board Chairs about how to avoid confusion regarding the role and work of the board compared to the management team.

Board and managers both want to maximize balanced collaboration between the perspectives and work of the board in support for the plans and operations of the healthcare district, but not slip into micro-management, or inadequate creativity and sense of ownership. We believe a foundation for the collaboration begins with simple definitions:

Governance: is a structured group decision making process by people entrusted to play a “fiduciary role” to establish the direction, policy framework, secure resources, and monitor progress to plans on behalf of the organization’s mission, and to benefit key stakeholders of the healthcare district.

Management: is a coordinated team of leaders assembled by the CEO (the only employee of the board) to partner with the board to develop strategies and execute the tactics, policies and plans designed to serve the organization’s mission and beneficiaries.

Both are essential sides of the same coin of mission pursuit. The list below is helpful to make distinctions between leaders and managers. The board creates the conditions within which great leadership and management can flourish. Both managers and leaders are essential in modern health sectors to achieve high performance results. They can achieve more together than separately, in the following ways:

1. *Leaders optimize the upside; managers minimize the downside. Both together net more.*
2. *Leaders envision possibilities; managers calculate probabilities. Both together win more.*
3. *Leaders focus on the ends; managers focus on the means. Both together reach more.*
4. *Leaders focus on the what; managers focus on the how. Both together do more.*
5. *Leaders prepare beyond the limits; managers focus on execution within limits. Both together perform better.*
6. *Leaders generate energy; managers preserve energy. Both together energize more.*
7. *Leaders seize opportunities; managers avert threats. Both together progress more.*
8. *Leaders are the first ones onto the battlefield; managers are the last ones off. Both together triumph more.*
9. *Leaders amplify strengths; managers reduce weaknesses. Both together develop more.*
10. *Leaders provide vision; managers provide execution. Both together achieve more.*
11. *Leaders do the right things; managers do things right. Both together is the right thing.*
12. *Leaders drive change; managers maintain consistency. Both together continuously improve.*

Both together yield the greatest harvest.

ACHD Governance Toolkit



Questions to stimulate your conversations about how you may choose to define the relative roles of the board compared to leaders/managers are shared here:

- How do your current job descriptions for a board member compare to the job description for your CEO? What are the similarities, and differences?
- How have you established a consensus about how you measure for the CEO's success, compared to the metrics for the board's success?
- How might you invite in local community leaders and board members to discuss how they have chosen to differentiate between the work and competencies of their great managers and great board members?

2. Why is role balance and clarity important?

High performing board-CEO partnerships are much more likely to yield these benefits:

- Fewer errors in stakeholder communications & enthusiasm
- More effective board meetings
- Sharper focus on strategic service and financial plans
- Enhanced morale and collaboration with providers
- Better media relations
- More effective donor relations
- Less turnover of board and staff

What might you describe as the advantages from a well-defined set of accountabilities between the board and management of your healthcare district?

If confusion exists over roles, what might be the difficulties, distractions, and dilemmas of this lack of clarity?

ACHD Governance Toolkit



3. Common issues or challenges?

While most boards acknowledge the value of balanced roles of the board and management, the pressures to enable the healthcare district to be agile, responsive and successful can cause board members to be too helpful, and CEOs not to fully engage the board in key decision-making or ask too late for board participation. As a result, we see these challenges:

- Board members slide into micro-management distractions, such as:
 - Unplanned walking tour of departments and district facilities
 - Pressure to hire certain staff or contractors
 - Second guessing terms of agreements
- Management withholds difficult news until a crisis stage
- Mixed signals about coordination and collaboration appear as “fault lines” to providers, unions, public, staff, payers and donors. This confusion can lead to eroding morale and enthusiasm. This distraction can frustrate achievement of the healthcare district’s vitality.

For your healthcare district, how might you address these questions?

- What are 1-2 examples where a board member may have overstepped from their strategic policy level role into the tactical and operational work of management? How might this situation have been better managed?
- What are 1-2 examples where the CEO was been perceived as not providing enough lead time or information about a strategic issue facing the healthcare district’s plans or performance, and what may have caused this oversight by management? How could this situation have been better managed?

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4. What can boards do to be more successful?

High performing boards proactively identify threats to a healthy CEO-board partnership, and then seek to minimize the distractions. Our work indicates the following strategic initiatives can be very helpful to build a desired balance of roles:

- Establish a better sense of role clarity in board recruitment, onboarding, and annual performance reviews of board & CEO, in a periodically updated “[Authority Matrix](#)” of who does what, when, and how
- Conduct ***competency mapping*** to help ensure better use of board talent. Each board member can contribute 4-5 key competencies to the work of the healthcare district. Ask and document the unique profile of each board member’s skills and experiences that could help optimize focus
- Provide coaching support for Board Chairs to cultivate a culture of balanced board member contributions to the strategic planning and oversight of the healthcare district’s performance
- Encourage the CEO to conduct more frequent, effective and transparent communications about the district’s threats, plans for growth, strategic quality plans, new community partnerships, and ways to enhance provider relationships, pride and performance
- Conduct joint educational programs that offer orientation to “[Appreciative Listening](#)” among all parties
- Jointly organize tours and visits with key stakeholders by teams of board members and managers to enhance rapport and common insights needed for the success of the healthcare district
- Build an enhanced ***Culture of Celebration Trust and Collaboration***

Discussion questions to encourage healthy dialogue between the board and management about positive collaboration among board members and managers are:

- How has your healthcare district celebrated board members and managers that go above and beyond to understand and model behaviors of open communication and trust building?
- What could be the advantages of updating the board’s job descriptions and code of conduct as a means to enhance collaboration with managers, and how can board members best be encouraged to embrace and follow such guidelines?
- How can the CEO and management team improve the timeliness, comprehensiveness, and quality of their communications about healthcare district plans and performance?

ACHD Governance Toolkit



5. Where to secure resources for further educational insights on this topic?

ACHD members have many sources of ideas and activities they can embrace to enhance the balance and effectiveness of the work of their boards and managers, such as:

- Nonprofits: CEO-Board Partnership [is Key](#)
- BoardSource: CEO Nightmare: [Micromanagement](#)
- BoardEffect Insights: Balanced Roles [Key](#)
- ACHD Authority Matrix [draft](#)

Thank You

Thank you again for all you are doing to clarify the roles of the board and management.

[Please click here to evaluate this board development discussion guide and its webinar](#) to help us improve support for your board's continuous development and effectiveness.

And thank you for all you do for the people you exist to serve in your healthcare district!

ACHD Governance Toolkit

Board Session 2

Balancing Governance & Management

Jim Rice: 1-612-703-4687 jim_rice@ajg.com



ACHD
ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS

1

ACHD Governance Series

Effective Board Work for Enhanced Service and Performance

Six Short Programs for use by ACHD Members

1. Community Engagement
- 2. Balancing Governance & Management**
3. Board Orientations
4. Strategic Planning
5. Board Self-Assessments
6. Board Education Programming

Good Board Work: Better Service. Better Performance.

2

2

Jim Rice: Governance Adviser



Experienced. Practical. Responsive.

Jim Rice, PhD, FACHE is Senior Adviser with the Governance & Leadership service line of Gallagher's Human Resources & Compensation Consulting practice, and Chairman of the Akadimi Foundation. Having served on many boards, Jim focuses his consulting work on strategic governance structures and systems for high performing medical groups, hospitals, credit unions and integrated care systems. He is often engaged for enhanced strategic alliances and mergers for large and small not-for-profit organizations; as well as leadership development programming for Physicians, Boards and C-Suite Senior Leaders.

Dr. Rice holds a masters and doctoral degree in management and health policy from the University of Minnesota. He has received the University of Minnesota, School of Public Health Distinguished Alumni Leadership Award; a National Institute of Health Doctoral Fellowship; a US Public Health Service Traineeship in Hospital Management; a Bush Leadership Fellowship at Stanford and the National University of Singapore; and the American Hospital Association's Corning Award for Excellence in Hospital Planning. He is a Fellow in the American College of Healthcare Executives (ACHE) and has worked in over 35 countries in North America, Asia, Africa and Latin America.



Connect: 1-612-703-4687 jim_rice@ajg.com

Balancing Governance & Management

Focus of Session:

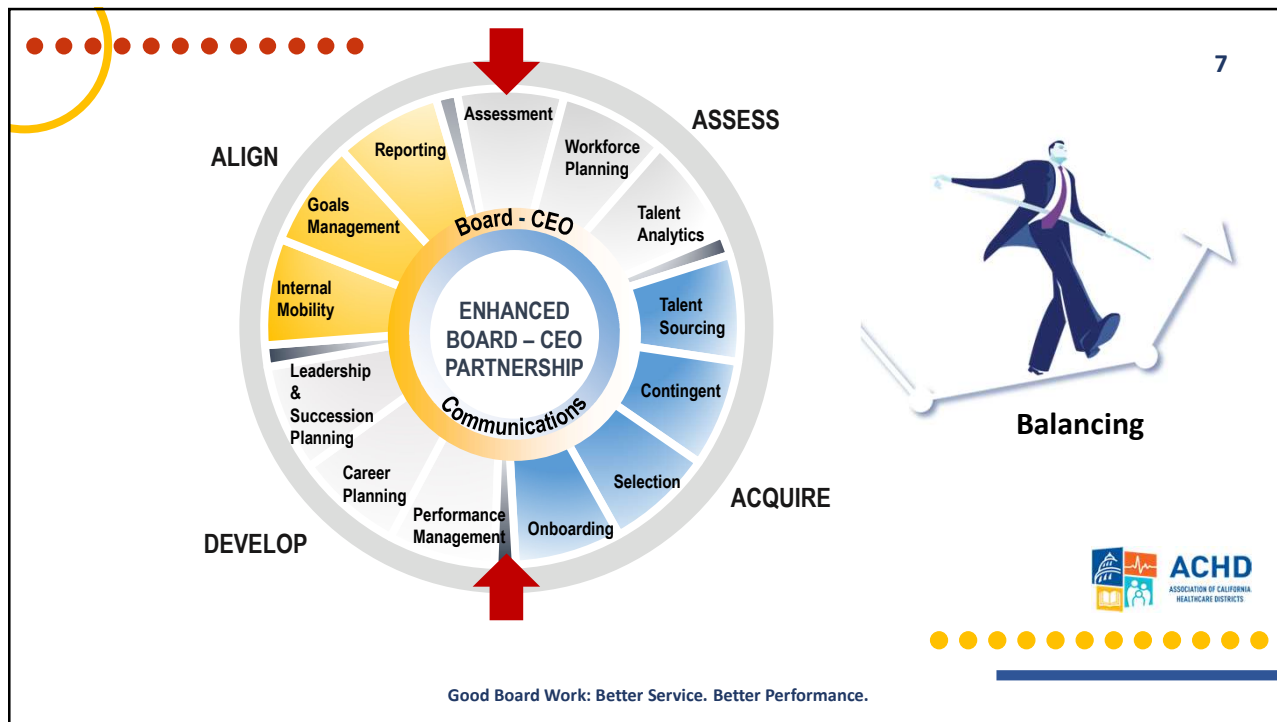
1. What is "Governance" & what is "Management"?
2. Why is it important to get the difference right?
3. Common issues or challenges?
4. What can Boards do to be more successful?
5. Resources for further insights?

1. What is “Governance” & what is “Management”?

- **Governance:** a structured group decision making process by people entrusted to play a “Fiduciary Role” to establish direction, policy framework, secure resources, and monitor progress to plans on behalf of the organization’s mission and to benefit key stakeholders.
- **Management:** a team of leaders assembled by CEO (the only employee of the Board) to partner with Board to develop strategies and execute the tactics of policies and plans designed to serve the organization’s mission and beneficiaries.

- DUTY OF OVERSIGHT** The governing body is responsible for the overall direction of the organization. It must supervise and direct its own officers while insuring the group's efforts in carrying out its mission. The duties of care, loyalty, and obedience describe the manner in which members are expected to carry out their fundamental duty of oversight in service to the organization's mission.
- DUTY OF CARE** Members must consider all reasonably available and pertinent information before taking action. Each member must act in good faith, with the care of a prudent community leader or businessperson in similar circumstances, and in a manner they believe to be in the best interest of the organization.
- DUTY OF LOYALTY** Members must candidly and transparently discharge their duties in a manner designed to benefit only the organization, not individual interests. This duty incorporates the obligation to disclose situations that may potentially conflict with the mission, as well as a requirement to avoid competition with the organization.
- DUTY OF OBEDIENCE** Members are required to ensure that the organization's decisions and activities adhere to its fundamental purpose.





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2. Why is it important to get the difference right?

A well aligned partnership between the Board and CEO is associated with these benefits:

- Fewer Errors in Stakeholder Communications & Enthusiasm
- More Effective Board Meetings
- Sharper focus on Strategic Service and Financial Plans
- Enhanced Morale and Collaboration with Providers
- Better Media Relations
- More Effective Donor Relations
- Less Turnover of Board and Staff

Good Board Work: Better Service. Better Performance.

8

3. Common issues or challenges?

- Slide into Micro-Management Distractions:
 - Unplanned walking tour of hospital departments
 - Pressure to hire staff or contractors
 - Second guessing terms of payer or supply chain agreements
- Management Withholds Difficult News Until Crisis Stage
- Mixed Signals along “Fault Lines” to Providers, Unions, Public, Staff, Payers and Donors

4. What can Boards do to be more successful?

- Role clarity in board recruitment, onboarding, annual performance reviews of Board & CEO, in “Authority Matrix”
- Competency mapping to optimize use of Board Talent
- Effective Board Chairperson Role & Interventions
- CEO more frequent, effective and transparent communications
- Orientation to “Appreciative Listening” among all parties
- Planned tours and visits with key stakeholders
- Culture of Celebration Trust and Collaboration

5. Resources for further insights:

- Nonprofits: CEO-Board Partnership [is Key](#)
- BoardSource: CEO Nightmare: [Micromanagement](#)
- BoardEffect Insights: Balanced Roles [Key](#)
- ACHD Authority Matrix [draft](#)

Good Board Work: Better Service. Better Performance.

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Thank you for all you do for the people in your healthcare district!

We hope this short program stimulates your continuous pursuit of enhanced board work to strengthen your healthcare district's support for *health care* and *health gain* in challenging times.

Please contact ACHD to access their many other board support resources.



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