

Federally Qualified Health Center Board Service and Governance





Nevada's Voice for Community Health Care

The Nevada Primary Care Association (NVPCA) was founded in 1995 and became the federally designated primary care association for Nevada.

The NVPCA Mission

Our mission is to advocate for, broaden and strengthen the Health Center network.

NVPCA is dedicated to assisting health centers and other community health providers with the implementation of solid business practices and community-responsive programs in an effort to improve service delivery effectiveness and efficiency.



NVPCA Services

Advocacy and Policy
Analysis

Program
Management

Data Analysis and
Mapping

Patient-Centered
Medical Home
Consultation

Quality/Performance
Improvement

Workforce
Development

Increasing Health
Center Awareness

Training and
Technical Assistance

Objectives

01

Distinguish between the concepts of governance and management.

02

Identify the role of the collective board of directors.

03

Discuss the responsibilities of individual board members.

04

Outline the importance of board meetings and board committees.

05

Introduce some governance-specific terminology for board meetings and committees.



Let's Get Acquainted

Your name,
what part of
Clark County do
you live in?

One sentence
as to why you
choose to serve
on the board?

One important
skill or
perspective you
bring to the
board?



The Community Health Center Movement: How Did It All Begin?

Was born out of the Civil Right Movement: civil rights activists fought to improve the lives of Americans living in deep poverty and in desperate need of health care.

- funded as a demonstration project under the Federal Office of Economic Opportunity, the lead federal agency in President Lyndon Johnson's War on Poverty
- The first two health centers opened in 1965
 - an urban, public housing project in Boston and
 - in the rural Mississippi Delta

Dr. H. Jack Geiger and
Dr. John W. Hatch
during construction of
the Delta Health
Center



Columbia Point Health Center in the
Dorchester neighborhood of Boston





More than **28 million** people rely on a HRSA-funded health center for care, including:



1 in 12 PEOPLE



1 in 9 CHILDREN



1 in 5 RURAL RESIDENTS



1 in 3 LIVING IN POVERTY



more than **385K** VETERANS

2018 UDS Data

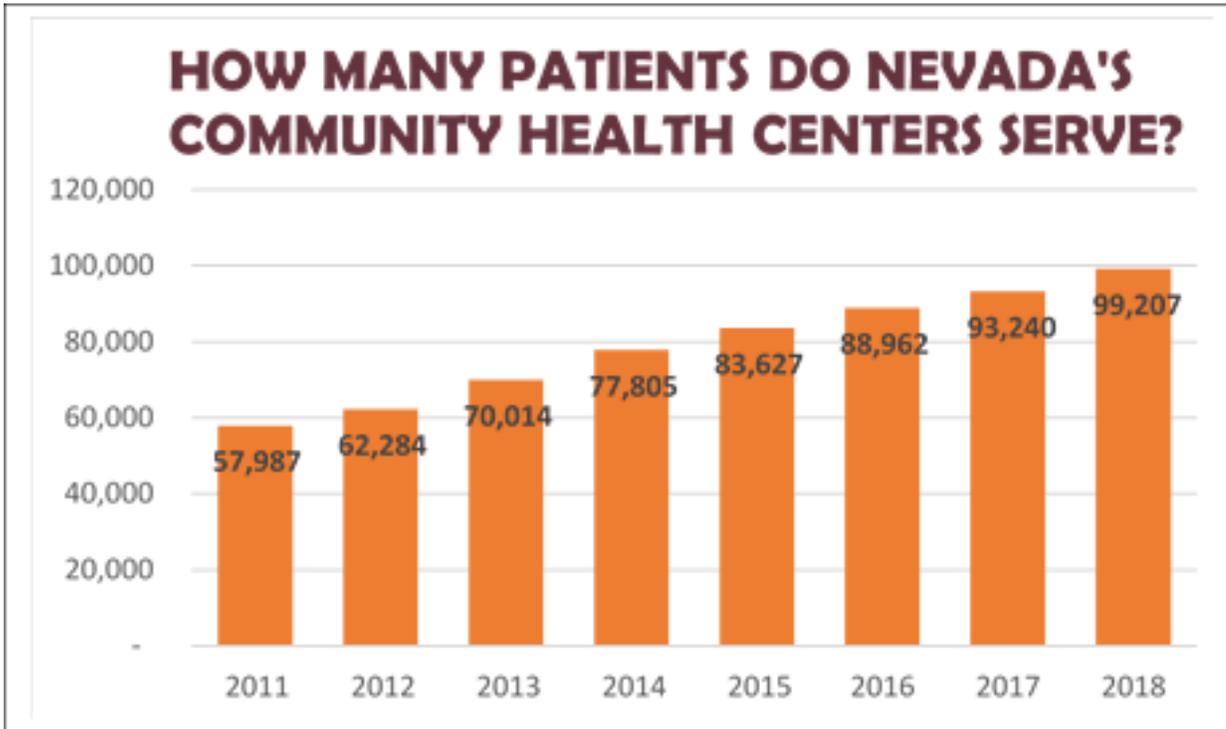
The Health Center Movement - Now

FQHCs now funded through:

- Health Resources and Service Administration (HRSA) – Health Center Program (330 Funding)
- HRSA funds nearly 1,400 health centers operating approximately 12,000 service delivery sites in every U.S. state, U.S. territory, and the District of Columbia.
- In 2018, there were more than 236,000 full-time health center providers and staff serving nearly 28.4 million patients.



Nevada's Community Health Center Growth



HOW DO CHCs SERVE NEVADANS?

NV has **9** CHCs with 51 sites state-wide.

Primary care services offered:

- Medical Services
- Dental Services
- Integrated Mental and Behavioral Health Services

Select CHCs offer targeted services through:

- WIC clinics
- Homeless Outreach clinics
- Mobile Mammography
- Care Coordination
- Complex Care for Chronic Disease
- HIV Services
- Needle Exchange

What does the FQHCs designation mean?



Comprehensive and Collaborative: Provide comprehensive primary care and enabling services (e.g. education, outreach, and transportation services). Collaborate with other community providers to maximize resources and efficiencies in service delivery



No One is Turned Away: Services are available to all with fees adjusted based upon ability to pay



Patient Directed: Private non-profit or public agency that governed by a patient-majority community board



Serve High Need Areas: Must serve a high need community or population (e.g. HPSA, MUA/P). Develop systems of patient-centered and integrated care that respond to the unique needs of diverse medically underserved areas and populations



Accountable: Meet performance and accountability requirements regarding administrative, clinical, and financial operations



Why are there boards?



To learn more: <https://www.bridgespan.org/insights/library/boards/why-do-you-need-a-board>



Governance vs. Management

As a collective, the board *governs the* health center

- To govern is to steer
- Board has a fiduciary responsibility

The Executive Director *provides leadership, management and oversees the staff* of the organization. “Great boards govern – they don’t try to run operations – explicitly or subtly.”

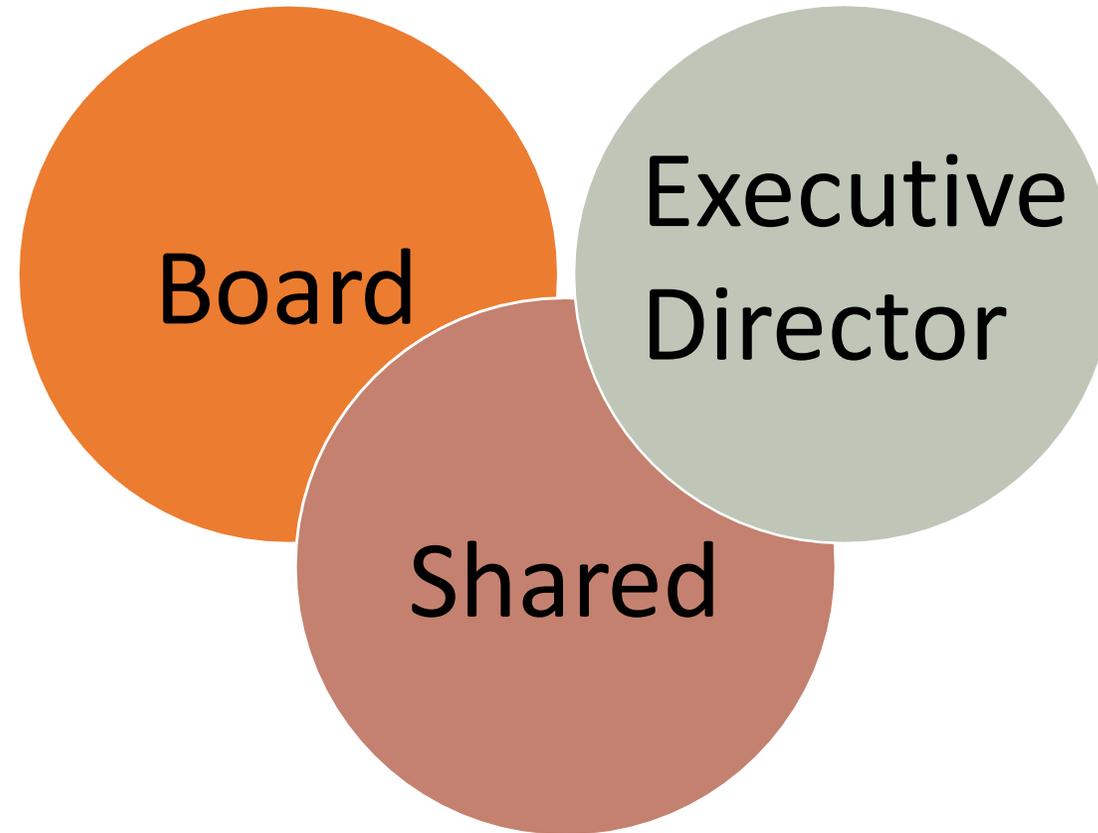
Governance Tool

Seven guiding questions to help a board stay focused on governance

If unsure if it is a governance issue or a management issue, ask yourself...



Shared Responsibility



Roles of the Collective Board





Strategic Direction

- Partner with the Executive Director in the creation of and approve:
 - **Vision:** expresses an organization's broader conviction about its work in the world. It is a forward-looking statement.
 - **Mission:** articulates the particular focus of an organization's efforts and who benefits from its work
 - **Values:** organization's core beliefs (i.e. excellence, quality, teamwork, compassion, and respect)

Strategic Direction (continued)

- Partner with the Executive Director and key staff to formulate the strategic plan
- Approve the strategic plan
- Monitor the implementation of the strategic plan
- Engage in ongoing strategic thinking



Definitions from Capital Link and NACHC's "Creating a Dynamic and Useful Strategic Plan"

<http://www.caplink.org/images/stories/Resources/publications/Toolkit-Creating-a-Dynamic-and-Useful-Strategic-Plan.pdf>



Select, Support, Evaluate the Executive Director



Hires the Chief Executive Officer (Executive Director)

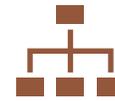
Ensures has skill set needed to lead a viable health center
Seeks HRSA approval if change in Executive Director position post-award



Ensures the Executive Director has clear goals



Evaluates the Executive Director's performance on a regular basis (at minimum, annually) in writing. Every board member must participate and approve of the evaluation.



Succession planning for filling a vacancy in Executive Director role when one exists



Establishes Executive Director compensation based on comparable market data

Becomes public information reported on IRS Form 990



Oversight - Financial

- Approve budget
- Review financial statements regularly
- Ensures financial controls are in place
- Reviews audit, meets in executive session with the auditor
- Approves policies and (at least every 3 years) update policies that support financial management and accounting systems



Oversight - Quality

- Set tone
- Establish and revise quality assurance (QA) and quality improvement (QI) policies
- Assure enough resources are in the budget to provide high quality care
- Review data measurements and ask questions at board meetings
- Ensure follow-up taken regarding quality, patient grievances, etc.*



Oversight – Polices, Bylaws, Compliance

Corporate Compliance

- Assures that the health center is operated in compliance with applicable Federal, State, and local laws and regulations.

Bylaws

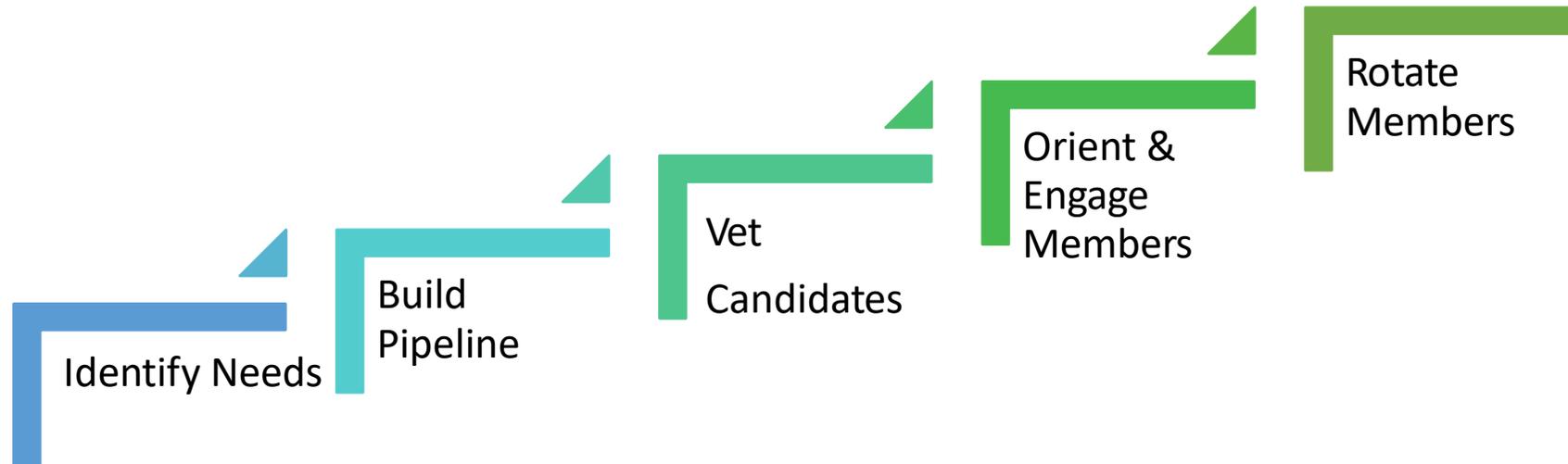
- Board develops bylaws which specify the responsibilities of the board.
- They prescribe the process for selection and removal of all governing board members.
- Important an attorney review bylaws to ensure they are compliant with state law.

Policies – examples:

- Board – such as confidentiality and meeting attendance, conflict of interest
- Financial – investments polices, accepted gifts policy, Sliding Fee Scale eligibility policy
- Personnel - Selection and dismissal procedures, salary and benefit scale, and employment opportunity practices

Board Composition

- Ensures board composition is strategic -Guided by strategic plan, your community needs, health care landscape
- Ensures there is infrastructure in place to support board members – orientation, ongoing education





A Voice in Your Community

- Ensure the health center has the financial resources it needs - Engages in fundraising (if conducted by organization)
- Serves as a representative in the community; however does not speak for the full board unless a board approved message
- Leverages the community voice, appropriate advocacy
 - Educating the community, local, state and federal legislators on your health center and the services provided



Board Functioning

Ensure board has effective meetings



Ensure effective committee structure in place



Defines and ensures a healthy board culture

Board Culture

Board culture

is a broad set of traditions and habits developed over time that guide behavior.

Comparable to organizational culture, it is the norms and values of the board as a group.



“Culture is what people do when no one is looking.”

-former Southwest Airlines Executive Director Herb Kelleher



Board Meetings

Board meetings are important because they are where the board...

formally carries out its responsibilities at board meetings

boards are required to meet regularly in-person or virtually

Board meetings must have a quorum, a minimum number of board members who must be at the meeting before it can qualify as a meeting



Board Meeting Agendas

- Board meeting **agendas** list items to be addressed at the meeting, are typically developed collaboratively by the Board Chair and Executive Director with input from others
- Board meetings need to balance the following elements:
 - Exercise oversight responsibilities
 - Explore strategic issues
 - Ask questions
 - For board education
 - For board members to get to know one another



Parliamentary Procedures

Using general principles of “Parliamentary Procedures” can help structure meetings – common elements include:

- **Call to Order** – Opening of the meeting
- **Motion** – Proposal for action
- **Amendment** – Modification to a motion before it is passed
- **Adjourn** – Closing of the meeting



Board Minutes

- Boards must retain meeting **minutes** that document the board's work
 - Minutes document the board's operations, decisions
 - Health center boards must reflect items in board meeting minutes per the Health Center Program Compliance Manual – e.g., Approval of:
 - Health center's budget
 - Services provided, locations, modes of delivery, hours of operation
 - Various policies
 - Among others

Board “Book” – The packet of materials sent to board members to review prior to the meeting, includes minutes from the prior meeting, supporting materials for the meeting



Consent agenda

- Combines routine items as one component of the agenda that do not need board discussion before vote
- Board members can request that an item be removed from the consent agenda and added to the meeting agenda if they feel the item requires discussion

Sample Consent Agenda:

Approval of minutes from X date meeting

Executive Director report

Committee reports

Monthly Financial Report



Executive Session

Confidential, closed session of the board, may include the Executive Director or other individuals invited by the board.

Executive session discussion is documented in the minutes as the Board went into Executive Session.

- Used to discuss items such as
 - the audit
 - the Executive Director’s review and compensation
 - confidential, legal matters

Other Board terms to know

- **Recusal** – Board member does not participate in discussion on an item due to a conflict of interest
- **Abstention** – Board member does not vote on an item, most often due to a conflict of interest
- **Meeting Evaluation** – Board members can provide feedback on each board meeting





Individual Board Member – Legal Duties

- **Duty of Obedience**
 - Ensuring that the corporation uses its resources to advance its purpose and goals, and that it complies with all appropriate laws
 - This is accomplished by approving the bylaws, understanding the health center mission.
- **Duty of Loyalty**
 - Acting in the best interests of the corporation and avoiding even the appearance of a conflict of interest
 - Demonstrated by participating in the conflict of interest policy.



Board Members Duty of Care

Board members must fulfill a **Duty of Care** = Acting in good faith with the degree of diligence, care, and skill that prudent people would use in similar circumstances

- Prepare for board and committee meetings – e.g.,
 - ✓ Read materials
 - ✓ Make notes of questions in advance
- Participate in board and committee meetings – e.g.,
 - ✓ Participate in discussion and deliberation
 - ✓ Ask questions



Individual Board Member – Sample Responsibilities

- Know the health center's mission, services, etc.
- Prepare for board and committee meetings
- Participate in board and committee meetings
- Serve on a committee
- Avoid conflicts of interest
- Assist in fundraising and make a personally meaningful gift to the organization (if this is a revenue stream)
- Publicly support organizational decisions
- Avoid asking special favors of staff
- Suggest potential candidates for the board



Executive Director Role

- Leader of the staff, focuses on management
- Strategy implementation
- Policy implementation
- Operates the organization
- Assemble, engage, coach teams/staff
- Lead by example to reinforce organization culture & mission
- Nurture innovation; lead change
- Partners with the board and board chair
- Support board to accomplish its work
 - Help board focus on what matters
 - Advise on trends, significant changes, non-compliance with policies
 - Ensure board receives adequate information

Adapted from: BoardSource, McNally & Associates, Woods Liddell (Sitting at the Head of the Table, P&I 2015)



Board Committees

- Committees are important because they make recommendations, report to the board
- Standing committees should focus on the board's **ongoing governance work**
- Supplement with task forces for time-limited tasks, e.g. Strategic Planning



Board Committees

Executive

- Comprised of Officers
- Clearly defined roles in Bylaws
- Full board must affirm decisions
- Ensure it does not operate as a “board within a board

Finance

- Takes early action on budgets, financial reports, makes recommendations about financial procedures and controls
- Coordinates the external audit (if not audit committee)
- Board Treasurer usual chairs, staff liaison is the Chief Financial Officer (CFO)

Audits

- Coordinates the external audit



Board Committees

Governance

- Leads recruitment and orientation of board members, board self-assessments, educational programs and other activities that are involved in enhancing the work of the board

Quality

- Reviews and recommends policies related to patient care, oversees the quality management plan and reviews and recommends the clinical privileges of health center provider staff

Fundraising /Development

- Oversees raising funds not generated from patient revenues
- The staff liaison may be the Development Director, Grants Manager, or Executive Director



Thank you!

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