Introduction to Health Center Governance

National Center For Farmworker Health
May 2015
Outline

• Community Health Centers (CHC)
• Health Center Governing Boards
• Responsibilities of a Board of Directors
• Board Composition
• Standards of Conduct for Board Members
• Resources for Governing Boards
Community Health Centers

Community-based
Non-profit
Consumer-majority board
Service Delivery Infrastructure

Needs

Systems: Clinical, administrative & finance

Policies & Overall Oversight
Why Health Centers Need Governing Boards?

To Govern

To serve as a link with the Community

To comply with local, state and federal laws & regulations
CHC Governing Board’s Basic Responsibilities

1. Define and preserve the Mission
2. Make Policy
3. Safeguard the Assets
4. Select, Evaluate, and Support the Executive Director/Officer
5. Monitor and Evaluate Performance
6. Evaluate Board Performance

1. Define/Preserve The Mission

“Mission Statement” is a written document and a public declaration of the principles and values guiding the CHC.

**Mission Statement indicates:**

- What the health center stands for
- Its purpose
- The community to be served

Board’s responsibility

1. Understand and commit to the Mission
2. Evaluate the Mission
3. Periodically revise the Mission for appropriateness and relevance

The Mission of your CHC
“Healthy Town” CHC

The Mission of Healthy Town CHC is to improve the health status of agricultural workers (farmworkers) by providing high quality health services regardless of language, financial, or cultural barriers.
“Healthy Town” CHC

• “Farming Town” has 10,000 mostly monolingual Hispanic agricultural workers. The Healthy Town CHC is the only health center in the town; it received from the federal government 1 million dollars to provide health care services to the agricultural worker population. All providers working at the health center are monolingual in English and the center does not employee interpreters. The only employee of the health center that speaks English & Spanish is the receptionist. In 2014, Healthy Town provided health services to 1000 people; only 98 were agricultural workers.
The Mission of Healthy Town CHC is to improve the health status of farmworkers by providing high quality health services regardless of language, financial, or cultural barriers.

- Is the CHC true to its Mission?

- What is the board’s responsibility in preserving the Mission?

- What needs to be done?
2. Make & Monitor Policy

Policies
• Provide a framework for decision making
• Determine a general course of action
• Ensure uniformity and consistency of action

Some of the CHC policies include:
  – Fiscal Management
  – Personnel Management
  – Clinical Management
  – Quality Assurance
Formulating Policy

• Boards formulate policy to initiate action and accomplish the CHC Mission

• As a response to:
  – Changing community needs
  – Changing directive or policy from funding agencies

Before changing policy:

1. Review the Mission Statement

2. Determine if the proposed policy is in keeping with the Mission

3. If not, is this policy appropriate or valid?

4. If the policy is necessary, the Mission should be properly amended
Healthy Town CHC

**Sliding Fee Scale Policy:**
New uninsured patients interested in applying for the Sliding Fee Scale Program must present their Income Tax return to document family income.

**Impact:**
The majority of the agricultural workers seeking services at the CHC are unable to provide the required document; therefore, not eligible to apply for sliding fee scale.

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National Center for Farmworker Health
What Can be done?

Board sets policy
“New clients can temporarily self-declare their income and if eligible received appropriate SFS discount for 90 days.”

Management team
Revised SFS procedures to reflect the new policy, included requirement for self-declaration, and trained staff on the new policy, procedures and forms.
3. Safeguard Assets

Health Center’s board has the fiduciary responsibility for management of the health center.

- Protect the CHC’s assets
- Ensure that CHC’s income is well managed
- Preserve the CHC’s Mission

Boards must understand and follow applicable internal & external Laws & Regulations

External: State Nonprofit Business; Internal Revenue Services; etc.
Internal: Articles of Incorporation; Bylaws; etc.
Cont....Safeguard Assets

- Approve operating and grant budgets
- Monthly review of financial reports
- Selection of auditor and approval of audit report
- Take measures to prevent and deal conflict of interest
- Ensure the its authority is not compromised by any contractual or affiliation agreement

Healthy Town CHC

Situation:
The CHC needs to establish a line of credit. There is only one bank in town and a board member is the spouse of the bank’s manager.
The board will discuss and vote to authorizing the executive director to solicit the line of credit.

What the board should to avoid conflict of interest?
Spouse of the banker should declare conflict of interest, abandon the room during the discussion, and refrain from voting.

Board minutes must document those actions.

Members not to discuss matter outside of the board.
4. Select, Evaluate, and Support the Executive Director

The executive director performance must be tied directly to the position description and the overall roles and responsibilities:

- Program management
- Financial management
- Personnel administration
- Grant management
- Program development
- Community relations
- Etc.

You are a board member of the CHC board of directors. While in the post office you are approached by a health center consumer who wants to complain about his health care provider.

How should a board member handle this situation?
Healthy Town CHC

• Explain that a board member does not oversee the CHC’s day to day operations

• Inform the consumer about the grievance procedure

• Refer consumer to the executive director
5. Monitor and Evaluate Performance

Boards must periodically review the CHC performance to answer some questions including:

- How well the Mission is being achieved?
- Are the needs of the target community being met?
- How are effective health services being delivered?
- What is the quality of the services provided?

Boards must periodically review the CHC performance to answer some questions including:

- How productive is the health care team?
- What is the cost of services?
- Are clients satisfied with the services?
- Are employees satisfied with the work environment?
- Is the CHC in compliance with applicable Laws & Regulations?

Plan for the Future of the Health Center

- Strategic Planning
- 3-5 years
- Participative process-Board & Management Helps the CHC to figure out:
  - Where the CHC is
  - Where it wants the CHC to go
  - How it intends to get there
Board Responsibilities:

• Participates in strategic planning
• Approves the Strategic Plan
• Monitors Progress
6. Evaluate Board Performance

After evaluating the performance of the CHC and the Executive director, boards must conduct a self-evaluation that includes:

- How well the Board meets its responsibilities?
- How effective are monthly meetings and how well do the minutes reflect board’s actions?
- How is the board interaction with CEO?
- How are the dynamics of the Board and the interaction among its members?
- Is time set for skill-building & training sufficient?
- How well the board sets goals & objectives for the CHC future?

The health center governing board, as a group, represents the individuals being served by the center in terms of demographic factors such as race, ethnicity, and sex. Specifically.

**51% Consumers** (Users or care givers)

**Non-consumers** (Representatives of the community in which the center's service area is located) are selected for their expertise in Community affairs, Local government, Finance and banking, Legal affairs, Social Services, Trade unions, and other relationships.

Farmworker representatives: current or former workers; family members; and consumer farmworker advocates
Cont.... Board Composition

• No board member shall be an employee of the health center or an immediate family member of an employee.

• The Chief Executive may serve only as a non-voting ex-officio member.
Standard of Conduct for Board Membership

• Board members should commit to a set of duties:

• The duty of care
• The duty of loyalty
• The duty of obedience
The Duty of Care

To be reasonably careful of having enough information before acting or making a decision.

It is the board members duty to find needed information and prepare for meetings by reading minutes and reports provided in board packets. Review the agenda and attend board meetings.
The Duty of Loyalty

• When making decisions, being faithful to the health center

• Putting the interests of the health center as first priority and not personal interests

• Declaring any conflict of interests
The Duty of Obedience

- Being faithful to the mission and goals of the health center and the board of directors

- Board member can have their own opinions and express disagreement with other members, but once a board decision is made, individual members cannot act against that decision.

- The key to a strong and effective board is that all members speak with one voice.
Resources
Health Center Program Site Visit Guide

For HRSA Health Center Program Grantees and Look-Alikes

January 2014/Fiscal Year 2014
National Cooperative Agreements

National Cooperative Agreements (NCAs) are national organizations that receive HRSA funds to help health centers and look-alikes meet program requirements and improve performance. They also support Health Center Program development and conduct national analyses around one of the following target audiences:

- Disadvantaged Populations
- People Experiencing Homelessness
- Residents of Public Housing
- Vulnerable Populations
- Asian Americans, Native Hawaiians and other Pacific Islanders
- Lesbian, Gay, Bisexual and Transgender Populations
- School-Aged Children
- Medicaid/Legacy Partnerships
- Extremely low-income individuals who frequently find inappropriate utilize health system resources
- Underinsured Communities/Populations
- Health centers
- Seeking capital financing
- Recruiting and retaining clinicians

Primary Care Associations

Primary Care Associations (PCAs) are state or regional nonprofit organizations that provide training and technical assistance to safety-net providers. PCAs can help health centers and look-alikes:

- Plan for the growth of health centers in their state
- Develop strategies to recruit and retain health center staff

Contact the PCA in your state or region to learn more about training and technical assistance opportunities.
The National Center for Farmworker Health

Becoming a Leader in Migrant Health:
Preparing for Health Center Board Membership

English & Spanish

Module I
Participation and Leadership in Community Health

Module II
Understanding Health Center Leadership & Governance

Module III
Joining a Health Center Board of Directors
GOVERNANCE TOOLS

The unique role of the consumer majority board of directors within Community/Migrant Health Centers (C/MHCs) has been a critical component since the inception of the program in 1962, and at the same time, can present challenges that require special management. Governance is an essential component of the health center program. In order to be an effective board member, it is vital to understand board members' roles and responsibilities and the HRSA expectations of C/MHC board of directors.

It is imperative to cultivate the knowledge and expertise of the board members, the board's relationship with the Chief Executive Officer (CEO) and Chief Medical Officer (CMO), and to know how to bring all three together to maintain a healthy corporation. Board and executive staff must work in concert with each other in order to achieve a productive and healthy relationship and to fortify the corporation as a whole. The health centers have a governing body which assumes full authority and oversight responsibility for the health center. The governing board must maintain an acceptable size, composition and meeting schedule.

Strategic thinking and planning are essential functions for the board within the context of the environment that the health center operates, as well as pursuing its mission, goals and operating plan. The board carries out its legal and fiduciary responsibility by providing policy-level leadership and by monitoring and evaluating the health center's performance.

Tools:
- NCFH's Guide to Board Membership for Agricultural Workers (Coming Summer 2015)
- Self-evaluations: Introduction & points to remember
- Self-evaluations: Templates (English and Spanish)
- Introduction to All-A-Board: NACHC's Governance Clearinghouse
- Governance Guides: Governing Board Responsibilities & How to Do Them
- Board of Education Video Series
- Documenting Consumer Majority
- Board Action Calendar
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