

The Role of The Board of Directors at Federally- Qualified Health Centers (FQHC) in The Strategic Planning Process

Community Health Center Association of New York State

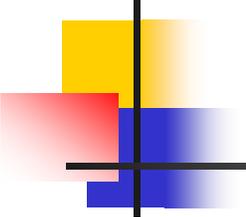
October 27, 2008

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**With special Thanks to:
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BUREAU OF PRIMARY HEALTH CARE (BPHC)



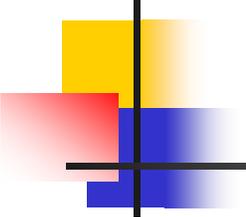
1. The Health Center Program: Policy Information Notice (PIN) # 98-23: Health Center Program Expectations re: Governance

1. Health Center governing boards must maintain an acceptable size as per regulation (between 9-25), members should reflect the population served and the board should have an adequate committee structure to carry on the work of the center.
2. The board has a **legal** and **fiduciary** responsibility by providing policy level leadership.

Legal responsibility for ensuring that the center is operating in accordance with applicable federal, state, and local laws and regulations.

Fiduciary responsibility in maintaining financial solvency and the center is financially viable and stable.

BUREAU OF PRIMARY HEALTH CARE (BPHC)



1. The Health Center Program: Policy Information Notice (PIN) # 98-23: Health Center Program Expectations re: Governance

3. Provide leadership and guidance with established policies in support of the center's Mission.
4. Measure and evaluate health center performance in meeting its annual and long term programmatic and financial goals.
5. Reviews and approves the grant application and annual budget, ensuring the financial health of the organization and aligning the goals of the project application with the strategic direction of the center.
6. Participate in the strategic planning process for the future of the organization.

BUREAU OF PRIMARY HEALTH CARE (BPHC)

1. The Health Center Program: Policy Information Notice (PIN) # 98-23: Health Center Program Expectations re: Governance

7. Approves the selection and dismissal of the CEO and delegates the responsibility and authority for the day-to-day leadership and management, the board must evaluate the performance of the CEO and hold him/her accountable for the performance of the health center.
8. Health center governing boards must meet at least monthly and keep minutes of board actions.

BUREAU OF PRIMARY HEALTH CARE (BPHC)

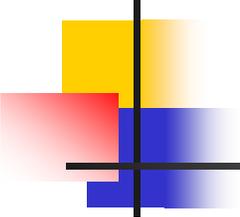
1. The Health Center Program: Policy Information Notice (PIN) # 98-23: Health Center Program Expectations re: Governance

9. Board members should be provided with opportunities for training and development. Orientation and training should be conducted for new board members.
10. Health center boards should conduct periodic self-evaluation to identify educational and training needs.
11. Must have an approved board policy to include provisions that prohibit conflict of interest or the appearance of conflict of interest by **board members**, employees, consultants and others that provide goods and services to the health center.

2. Strategic Planning, one of the BPHC Program Expectations re: Governance.

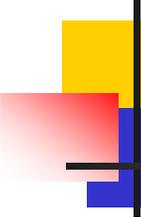
How is strategic planning described/defined

- A continuous, dynamic process/activity required throughout the life of your health center.
- A framework for action in creating the center's future.
- A look at where the center is, where it is going and how's it going to get there.
- Not always focused on future growth, but where trade-offs need to be made so the center can best allocate scarce resources.
- A necessary activity in response to local market issues and opportunities.
- Is broad-based and conceptual.



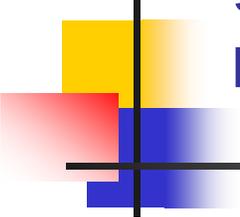
3. Why engage in the strategic planning process?

- One of the roles of the board of directors (a program expectation).
- Joint Commission often questions the level of involvement of the Board of Directors in the strategic planning process.
- In order to think about future changes, we must look at our current position as we explore possibilities for future growth and readiness for change.
- A way to reaffirm the center's Mission and establish policies and procedures to sustain that Mission.
- To look at how we operate in the economic, social and political environment impacting our survival.
- Again to see where we are, where we belong and how we get there.



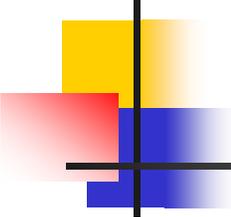
4. Participants in the strategic planning process work as a team. When individuals have input into a process and claim some ownership, they will more likely work harder for successful implementation.

- Health center staff (administration, department heads, clinical staff, etc.)
- Board members (consumer input is invaluable)
- Other stakeholders (affiliated partners)
- Professional facilitator



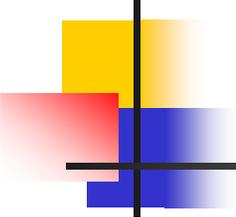
5. The role of the Board of Directors in the strategic planning process.

- Involved in setting directions such as approving goals and objectives as well as operating policies and procedures.
- As stewards of the center's assets, the board is responsible for prudent management and reinvestment that promotes increased access to services needed by the population served.
- Plan for succession of leadership at the center executive level and the board level.



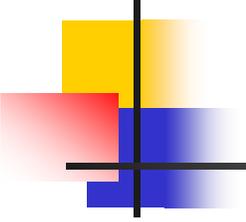
5. The role of the Board of Directors in the strategic planning process.

- One of the standing board committees should be the Strategic Planning Committee, with specific responsibilities spelled out in the board By-laws.
- As community residents, board members can elicit community support when needed.
- As participants in the process and stakeholders in the organization, board members can assist in the implementation of the plan.
- Commit the financial resources and human resources necessary for additional services.



6. The strategic planning process

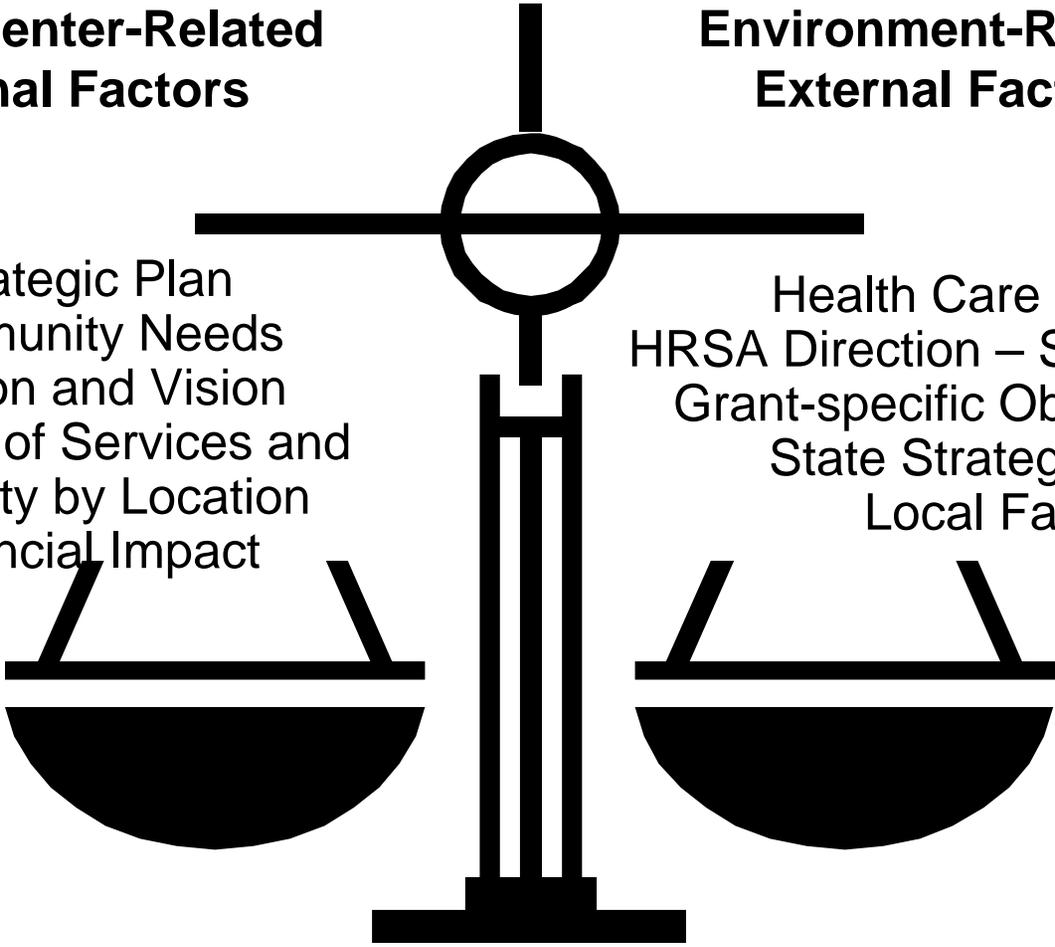
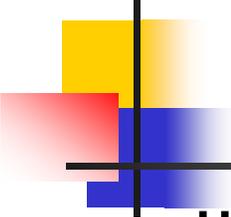
- There is no one perfect strategic planning model for your organization, the process depends on your center.
- The traditional strategic planning processes are often considered “mechanistic” or “linear”, they proceed from the general to the specific or address cause and effect.



What Does Strategic Planning Involve?

- Five Key Factors
 - Defining and refining the mission
 - Visioning what the Health Center will look like in 3-5 years, tied to the organization's vision statement
 - Tying organizational goals to the mission
 - Assessing the Health Center's
 - Strengths
 - Weaknesses
 - Opportunities
 - Threats
 - Mapping a course to get to where you want to go (this is a business plan - you need one!!)

Strategic Thinking Process



**Health Center-Related
Internal Factors**

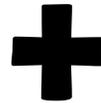
Strategic Plan
Community Needs
Mission and Vision
Analysis of Services and
Capacity by Location
Financial Impact

**Environment-Related
External Factors**

Health Care Environment
HRSA Direction – Special Populations
Grant-specific Objectives
State Strategic Plan
Local Factors

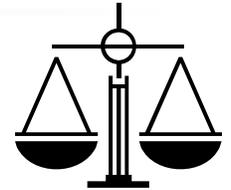
Strategic Thinking Internal Factors

Strategic Plan



- Mission
- Vision for growth
- Goals/objectives

Community Needs



- Demographic and health status data
- Target population needs survey
- Board input/participation

Strategic Thinking Internal Factors

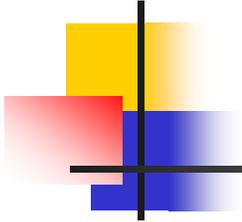
Analysis of Services and Capacity by Location



On-Site Services Matrix

	Alamo (MHC)	Amenia (CHC/MHC)	Atrium (CHC)	Beacon (CHC)	Bohmanrd (PHPC)	Dover Plains (CHC/MHC)	New Paltz (MHC)	Partnership (Homeless)	Peekskill (CHC)	Pine Plains (CHC/MHC)	Walden (CHC)	Migrant Voucher	Mobile Van Services
Primary Care	✓ 3	✓ 3	✓ 3	✓ 2	✓ 1	✓ 3	✓ 3	✓ 1	✓ 2	✓ 3	✓ 3	✓ 1	✓ 2
Dental	✓ 3			✓ 2					✓ 3			✓ 1	✓
Mental Health	✓ 1	✓ 2	✓ 2	✓ 1		✓ 2	✓ 1		✓ 2	✓ 2	✓ 1	✓ 1	
LEVEL OF USE: 1 – Underutilized Service 2 – Adequate Level of Utilization 3 – Demand Exceeds Capacity													

Strategic Thinking External Factors



Health Care Environment

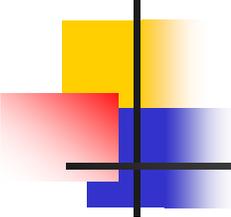
- Competition
- Politics
- Collaborators
- Policy/Reimbursement environment
- Local health care ecology

Strategic Thinking External Factors



HRSA (Others?) Strategic Directions

- Historical/Philosophical Influences
 - Statutory imperatives
- Administration Priorities
 - Frontier & rural
- Funding Trends/Mandates
 - Special pops only applications



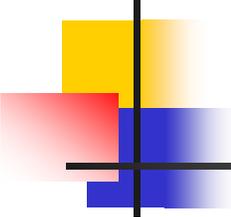
Analysis of the internal and external variables helps to
indentify “**SWOT**”
(Strengths, Weaknesses, Opportunities, and Threats)

Strengths are inherent characteristics of the organization that position it for success, by virtue of their existence,
i.e. a culturally competent staff
a new facility

Weaknesses are conditions that can be improved upon to eliminate them.

A weakness, when corrected, is not automatically a strength; rather, the correction may simply stabilize the organization.

Examples: an inefficient MIS system
 less than 15 days cash reserve
 large operating losses year after year
 clinical vacancies for a long time



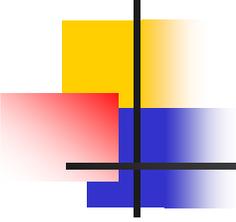
SWOT

Opportunities are areas available for improvement, as well as chances to take advantage of changes in the environment.

Examples: assuming operations of a hospital-based clinic
HRSA/BPHC Expanded Medical Capacity Grants
Medical Director's election as president of local medical society

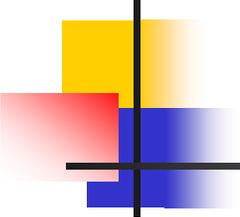
Threats are issues that, if not quickly addressed, have the potential to negatively impact the organization, or even force its closure.

Examples: state budget deficits
sudden departure of a clinician with a large patient load
increasing competitive grant funding environment
closure of backup hospital
gentrification of service area (core neighborhood)



STRATEGIC PLANNING

- Set goals and objectives and prioritize these
- Develop an action plan and timetable for achieving the goals and objectives
 - strategic action plan
 - tactical action plan
- Evaluation

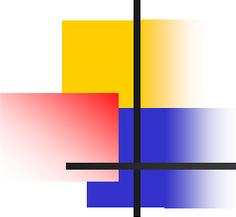


Succession Planning

An element of strategic planning, helps to ensure a smooth and orderly transition of leadership when it occurs:

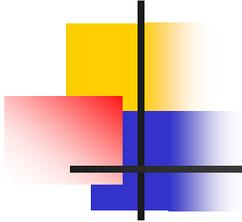
- A.** Change in executive leadership

- B.** Change in board leadership

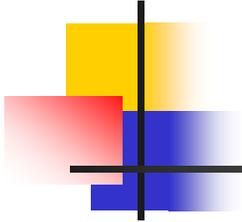


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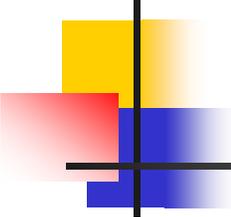
- Health Center Boards: Models for Good Governance (A NACHC produced video)
- NACHC Information Bulletins – Governance Series
- Across the Board – A Bulletin to Assist, Educate, Encourage and Communicate with Volunteer Board members. Contact HRSA Information Center at 1-888-ASK-HSRA or download a PDF form from www.vpca.com and click Across The Board
- To strengthen the Governance Team of Non-profit Community Based Primary Care Centers – A Resource for Primary Care Associations and Health Care Center Leaders – NACHC, 1992



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- Boardsources, www.boardsource.org
- Toolkit for Boards: www.managementhelp.org/boards.html



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