

# Alignment of Governance and Leadership in Healthcare: Building a Roadmap to Transformation

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## The Challenge

Today's healthcare leaders are confronted with a plethora of complex, time-sensitive demands for decisions in new and unfamiliar areas, and in a policy environment that is uncertain at best. The imperative for meaningful change is countered by resistance from powerful forces, both internal and external, and growing demands for capital expenditures at a time when financial margins are narrowing.

Investments in new data systems are confounded by resistance from physicians, resentful that time with patients is limited by increasing demands for data entry and handoffs to new and unfamiliar team members. Building a more comprehensive picture of patient populations through application of analytic methods and data sharing across organizations is impeded by proprietary concerns, as well as design inconsistencies driven by the profit motives of data technology firms. The focus on quality of care in clinical settings is complicated by the growing recognition that most of what drives the health of our patients is in the external world and outside our control. Our hospitals are increasingly expected to assume financial risk for reducing the demand for acute care medical services for specific populations, when the bulk of financial rewards are for filling beds and conducting procedures. These challenges are particularly acute for safety net hospitals with high percentages of low-income populations who reside in socially and economically disadvantaged communities.

While a growing number of hospital and health system leaders recognize the need for bold decisions, they report to a board of directors whose competencies and orientation are still driven primarily by the legacy focus on fiduciary stability. Gaining their support for actions that move beyond legacy concerns requires both education and a deeper form of engagement; one in which their input informs strategic decisions as healthcare organizations become involved in improving health and well-being in communities.



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## The Opportunity

For the last 18 months, The Governance Institute, in partnership with the Public Health Institute and Stakeholder Health, has led the Alignment of Governance and Leadership in Healthcare program (AGLH). AGLH is an initiative funded by the Robert Wood Johnson Foundation that focuses explicitly on building shared knowledge among senior leaders and board members to better address the drivers of poor health in communities. Stakeholder Health is a collaborative partnership of health systems from across the country whose leaders share a commitment to build genuine partnerships with diverse community stakeholders to address the drivers of poor health. The Public Health Institute is a private non-profit organization with a long history of supporting the advancement of community health improvement practices through partnerships among hospitals and community stakeholders across the country.

To date, the AGLH program has brought together teams and individual representatives of over 75 hospitals and health systems, ranging from large national systems and their subsidiaries and multi-facility regional systems, to urban academic health centers, and stand-alone rural hospitals. Examples of national systems and their subsidiaries that have participated include Catholic Health Initiatives, Trinity Health, and Ascension. Regional systems range from UMass Memorial Health Care and University of Vermont Medical Center, to Mountain States Health Alliance and Wake Forest Baptist Medical Center. These

## Key Board Takeaways

It is now crucial that hospitals and health systems become more involved in improving the health and well-being of the communities they serve. A few steps boards can take include:

1. Allocate substantial time (e.g., two to three hours) for board education and deeper examination of the impact of the social determinants of health.
2. Build shared knowledge of variations in health status and quality of life among residents in surrounding communities (e.g., differential prevalence and acuity for chronic diseases and service utilization patterns by race, ethnicity, and geography).
3. Review board competencies and expand to encompass skills needed to support deeper engagement across sectors in regional markets. (In the process, you may discover the presence of invaluable skills you didn't know were present!)
4. Establish protocols for board meetings that create space for in-depth dialogue by sharing materials ahead of time and limiting presentations.
5. Join us for a future AGLH intensive!

and others invested in two-day intensives that combined presentations and dialogue with thought leaders with team work sessions that provide an opportunity to drill down into how new knowledge may be applied in diverse settings.

## The Experience

AGLH faculty are current or former hospital and health system CEOs, board members, and other senior leaders who share their direct experience in the application of innovations and lessons they've learned in the process.

Participant teams are supported in the completion of a self-assessment tool that assists in determining the relative progress of their organizations in areas such as data systems development, care redesign, financial innovations, and integration of community benefit and population health management. The intent is to create a safe space for senior leaders and board members to move beyond generalized discussions to a deeper examination of structures, functions, and progress to date.

Teams have responded positively to the experience, particularly the opportunity to engage board members in more of an

exploratory, reflective exercise. A sampling of input shared by participants include:

- “The self-assessment tool was effective in getting us beyond a general conversation, and to focus on the infrastructure needed. It was an eye-opening experience.”
- “The tool has helped to structure the strategic plan in a way that is helpful to our regional and local boards.”
- “It generated important dialogue, forcing us to step back and say where we want to go. I don’t think we’ve ever done anything like this before.”

Participant teams also expressed strong support for a curriculum that focuses on how to engage boards and senior leaders in a deeper examination of their roles in working with others to address the drivers of poor health in communities. As stated by one board member, “What really struck me was setting the framework for how little we touch. There are a lot of others who have vital roles to play, and how do we integrate with them?”

Several senior leaders shared their initial trepidation about bringing board members into these kinds of discussions. Feedback since their participation suggests their courage to engage has been rewarded. As noted by one senior leader, “We have never had two days for a focused discussion on these issues, to immerse ourselves in it. The dialogue since then is on a much different level. It was very helpful to understand the

impact of the social determinants of health, to really put it into our thought process more than it has been.”

In addition to CEOs, CFOs, and other members of the senior leadership, many of the teams included vice presidents for population health. In some cases, these were recent appointments and their organizations are still determining how best to leverage the contributions of these new team members. Board members expressed their appreciation to spend quality time with senior staff that don’t typically attend board meetings. As shared by one board member, “The intensive provided us with an opportunity to address key questions and have in-depth discussions about local/regional issues.”

During the intensive, teams also completed an action plan that serves as a broad template for what kinds of potential next steps to take upon their return. The intent is to set a few targeted objectives, recognizing the need to share learnings and to engage a much larger contingent of organizational colleagues on the home front who did not participate in the intensive. Some teams indicated that they implemented the self-assessment tool with their full board and leadership.

Thanks to support from the Robert Wood Johnson Foundation, project staff conducted a series of six bi-monthly follow-up calls with many of the teams. In the process, they documented relevant

accomplishments, challenges, and emerging lessons in the year after participation in the intensives. Most expressed strong support for continued engagement. As stated by one team member, “We appreciated the time to work together as a team, and the follow-up is critically important to add rigor and commitment that helps us move towards identified goals and objectives.”

### Next Steps

The support from the Robert Wood Johnson Foundation for the AGLH initiative clearly demonstrated the need for in-depth dialogue among senior leaders and board members on how to more strategically address the drivers of poor health in our communities. In the wake of the first three intensives, The Governance Institute has made a commitment to continue its partnership with Public Health Institute and Stakeholder Health in the immediate future. In a future article, we’ll share details of the accomplishments, key challenges, and lessons reported by participating hospitals and health systems. ●

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