



Minnesota Hospital Association

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BOARD CERTIFICATION

MOVING FROM GOOD TO GREAT



A PROCESS FOR STRENGTHENING TRUSTEE
LEADERSHIP AND ACCOUNTABILITY



Minnesota Hospital Association

MINNESOTA HOSPITAL ASSOCIATION BOARD CERTIFICATION PROGRAM

BACKGROUND AND OVERVIEW

In our era of Enron and board responsibility, hospital governing boards have a profound responsibility to their hospital and community to be knowledgeable and have a full range of skills that will qualify them to make the effective decisions for the future of the organization. Trustees have a very important role to play in carrying out the delivery of health care in their local community and region.



An effective board member doesn't just happen. It takes knowledge, understanding, dedication and commitment. How a health care organization invests in its leaders often times defines its commitment to the community, the mission of the organization, and its future. Health care organizations not only require traditional governance skills and qualities, but a special awareness of a complicated industry. Board members often come to the board responsibility with little, if any, preparation for the task of overseeing their community hospital.

Health care organizations are constantly finding themselves under the microscope of legislators, community members, media and government officials regarding accountability. Many people agree that if healthcare leaders do not establish standards and governing criteria for performance and leadership, federal or state governments eventually will. Recently New Jersey has passed a law that will require all newly appointed hospital trustees to participate in a comprehensive training program to ensure they meet the growing demands of serving on a hospital board. Other states are sure to follow.

The Minnesota Hospital Association Trustee Council has developed this special voluntary board certification designed to make a good board member great and a committed board member an exceptional asset. This certification is a process of verifying an individual trustee's initiatives to improve personal healthcare knowledge, leadership effectiveness and compliance with a variety of governance best practices. Certification is a viable way of assuring various stakeholders that Minnesota's hospitals hold themselves to high standards and are accountable for their governing performance.

This learning experience will develop expertise in Trustee Governance.

MORE INFORMATION

For more information on MHA's Board Certification program, visit MHA's Web site at www.mnhospitals.org; click "Trustees" on the upper right of the home page to reach the TrusteePlace page; and "Board Certification" on the upper right of the TrusteePlace page.

On the Web site, you will find additional forms for certification including:

ENROLLMENT FORM

Fill out this form to let MHA know of your intention to complete the board certification process.

COURSE APPROVAL FORM

To request credit for a health care governance program offered by an organization other than MHA, please complete this form attaching a program brochure including an agenda and program descriptions, making sure to indicate which portions of the conference you attended. MHA will review the content of the program for applicability within the component categories. A maximum of 20 percent, or 7 credits, of a trustee's total education credit hours can be earned through outside organizations.

Please note that only those programs on health care governance topics will be considered applicable. Board education for other industries will not be considered applicable.

COMPLETION FORM

Once you have earned the required credits in each of the education categories, please fill out this form to show that you have completed the basic standards of board involvement.

QUESTIONS

Questions regarding the MHA Trustee Certification Program should be directed to:

- Christy Brager, Education Specialist, cbrager@mnhospitals.org; or
- Peggy Westby, Vice President, pwestby@mnhospitals.org.

CERTIFICATION CORE ACTIVITIES

Certification requires participation in any of the following media: web-based training, audio-conferencing, video courses, state and national health care governance conferences and other activities listed below providing unique instructional content and essential networking opportunities.

- ▶ 12 education units in Principles of Effective Governance
- ▶ 8 education units in Strategic Planning and Positioning
- ▶ 4 education units in Fiduciary Duties
- ▶ 4 education units in Board Development and Self-Assessment
- ▶ 4 education units in Quality/Patient Safety
- ▶ 3 education units in General
- ▶ Basic standards of board involvement
 - Participate in a board orientation
 - Demonstrate basic knowledge of hospital mission, vision and bylaws
 - Attend and participate in board and committee meetings as required by hospital bylaws
 - Review and understand hospital operating and capital budgets
 - Participate in board education
 - Participate in a board self-assessment
 - Participate in annual CEO evaluation (if applicable)
 - Introduce yourself to your state representative and senator as a board member of your hospital and contact them as requested by hospital CEO or MHA when appropriate
 - Comply with conflict of interest policy and abstain from voting when appropriate

TIMEFRAME AND PERSONAL INVESTMENT

Participants are expected to invest their time and energy to complete the components for certification. A minimum of one year of board experience is required to begin the certification process. This certification would result in Trustees being acknowledged as mentors, ambassadors and champions for their facility and community.

This certification process will take approximately two years involving educational and personal aspects to help guide the trustee to a final “Governance Certificate”. The certificate will be presented to each Trustee upon successful completion of the program.

Your benefit from this experience will be a knowledgeable board member who is an ambassador and champion for your facility and the community. Benefits from certification help in promoting consistent standards, a better understanding of critical issues facing healthcare organizations, meaningful leadership and enhancing public trust.

This certification process has been designed for hospital trustees as part of a larger effort to hold Minnesota hospitals to a higher standard of accountability. By its use, participating hospitals are demonstrating a commitment to improve performance of their boards, encouraging trustees to pursue ongoing education and educating trustees about their responsibility in serving their community. It also provides trustees with an opportunity to move beyond the basics of governance to a forward thinking, strategic understanding of the healthcare environment and how to move their hospitals mission and vision to a new level.

ADVANTAGES TO BOARD CERTIFICATION

- Increased knowledge and skill development of health care issues
- Moving from reactive to proactive in their approach to strategic planning
- Understanding of the roles and responsibilities of the board and the CEO
- Increased awareness of financial accountability and performance
- Improve knowledge about effective governance best practices
- Better understanding of public policy and importance of trustee involvement in contacting their legislators and getting involved in advocacy and grassroots at their community level.

GOVERNANCE STANDARDS

- Commitment to Hospital and Community
- Fiduciary Duties of Care, Loyalty and Obedience
- Educational Development
- Adherence to Conflict-of-Interest Policies
- Participation in Self, Board and CEO Performance Evaluation
- Board Meeting Preparation

COMPONENTS

- ◆ Principles of Effective Governance (EG)
 - Mission, Vision and Values
 - Bylaws
 - Policies and Procedures
 - Basic
 - Basic Role in Governance
 - Leader and vision vs. manage
 - Legislative policy priorities
 - Governmental Regulations
 - Advocacy / Grassroots /policy priorities
 - How to be a state or national advocate
 - Legal issues
 - Commitment to Compliance
 - Conflict of Interest
 - Confidentiality
 - Ethics
 - Sarbanes Oxley
 - Corporate Compliance
 - Functions of the Board
 - Selecting and supporting the CEO
 - CEO Compensation / Performance Review
 - Communication – with CEO, other board members, doctors, staff and community
 - Lines of authority
 - Acting alone vs. at the direction in representing the board
- ◆ Strategic Planning and Positioning (SP)
 - Setting goals
 - Leadership principles
 - Trends
 - Developing policies for overall operation
 - Board Role in Physicians Relations

COMPONENTS, CONTINUED

- Appoint and maintain a qualified medical staff
 - Credentialing
 - Hospital/doctor relationship model
 - Anti Trust issues
- Community Relations
 - Understanding the market place
- ◆ Board Role in Quality / Patient Safety (QP)
 - Assess and improve the quality of care
 - What to expect at board meetings
 - Ensure adherence to quality and patient safety standards and expectations
 - Websites
- ◆ Fiduciary Duties (FD)
 - Healthcare finance fundamentals
 - Understanding financial statements
 - Standards of measures / ratios
 - Budgeting process
 - Access to capital
 - Facility design and construction / growth
- ◆ Board Development and Self-Assessment (BD)
 - Commitment to on-going education
 - Core functions
 - Assessing governing accountability
 - Board performance
 - Board Self-Assessment
- ◆ General (GE)
 - All other types of educational programs