# Texas Healthcare Trustees

Governance in Healthcare Organizations

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# Overview

## Unprecedented Challenges:

America's hospitals and healthcare systems are facing an unprecedented array of challenges. Many of these challenges involve *ethical* as well as biomedical, financial and strategic considerations

## Board Responsibilities

The responsibility for establishing the ethical standards of conduct that serve as a foundation for organizational decision-making is vested directly in the organization's governing board, working in concert with clinical and executive leadership.

# Objectives

## Our Ethics Paradigm.

First acquaint webinar participants with the ethics paradigm or model on which this presentation is based.

## Hallmarks: structures, processes, practice.

Second, discuss principal hallmarks of ethical governance in healthcare organizations and the moral imperatives --- the key structures, processes, and practices --- that need to be in place for boards to attain these hallmarks.

# HALLMARKS OF HIGHLY ETHICAL GOVERNANCE:

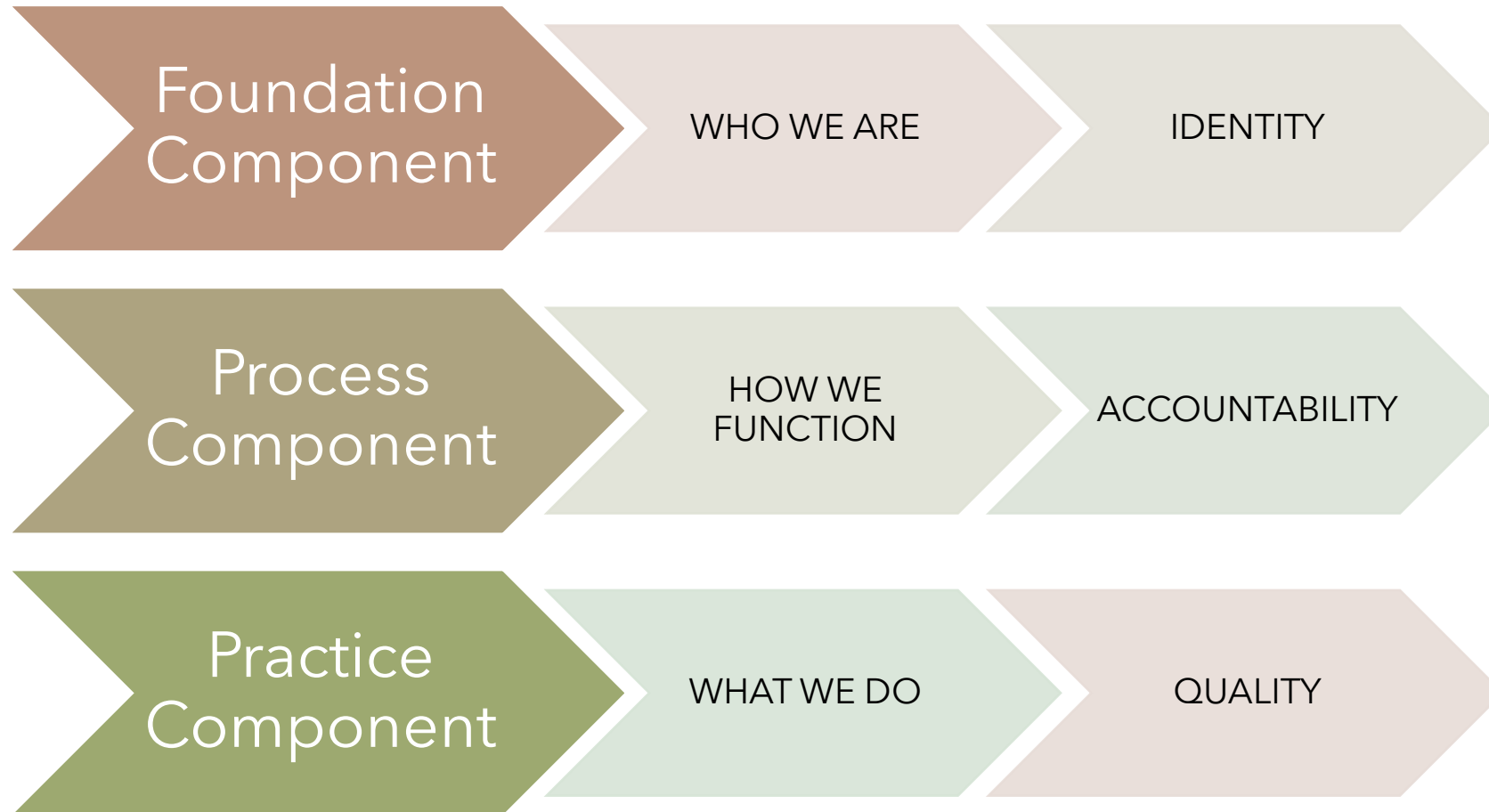# PRINCIPAL CATEGORIES

GOVERNANCE STRUCTURE

GOVERNANCE OF COMMUNITY BENEFIT

GOVERNANCE OF COMMUNITY HEALTH

GOVERNANCE OF PATIENT CARE QUALITY

GOVERNANCE OF PATIENT AND STAFF SAFETY

# ETHICS PARADIGM

| Foundation Component | WHO WE ARE | IDENTITY |
| Process Component | HOW WE FUNCTION | ACCOUNTABILITY |
| Practice Component | WHAT WE DO | QUALITY |

## Hallmarks & Imperatives

Governance Hallmarks: necessary attributes

Moral Imperatives: take-away endeavors

# GOVERNANCE STRUCTURE

## GOVERNANCE STRUCTURE:

Foundation Component:

## Governance Hallmark #1:

High level of board competence --- the members' collective mix of diversity expertise, and experience --- in combination with deep commitment to the organization's mission.

## Moral Imperative:

Oversight of Term Limits & Board Composition

## GOVERNANCE STRUCTURE:

Foundation Component:

### Governance Hallmark #2:

Clearly-defined board role, responsibilities, and accountabilities that are well-understood by board members, the organization's executive and clinical leadership, and other key stakeholders.

### Moral Imperative:

Oversight of Defined Responsibilities & Board Effectiveness

# GOVERNANCE STRUCTURE:

Process Component:

## Governance Hallmark #3:

Strong commitment to defining performance expectations and priorities for the board --- as well for the organization as a whole --- and having a well-established policy and processes for objectively evaluating progress in relation to them.

## Moral Imperative:

Oversight of Board Evaluation Process

## GOVERNANCE STRUCTURE:

Process Component:

### Governance Hallmark #4:

Careful, on-going attention to succession planning for board members, board officer positions, and senior executive leadership is viewed by the board as a principal governance duty and a key determinant of board effectiveness.

### Moral Imperative:

Oversight of Board System Planning & Continuous Updating

## GOVERNANCE STRUCTURE:

Practice Component:

## Governance Hallmark #5:

Excellent communications, mutual respect, and trust-based collaboration *within* the board and *among* board, executive, and clinical leadership are accepted as being essential to effective and ethical governance.

## Moral Imperative:

Oversight of Leadership Collaboration

## GOVERNANCE STRUCTURE:

Practice Component:

### Governance Hallmark #6:

The board is deeply committed to adopting strategies that will improve all aspects of the organization's culture, performance, and the quality and outcomes of its services.

### Moral Imperative:

Oversight of System-wide Stategy

# COMMUNITY BENEFIT

## COMMUNITY BENEFIT:

Foundation Component:

## Governance Hallmark #7:

The existence of policies and processes that enable assessment of the overall health of communities the organization serves and *active* board engagement in the organization's efforts to make measurable improvement in the community health status *as well as* meeting acute health needs.

## Moral Imperative:

Oversight of Board Engagement.

## COMMUNITY BENEFIT:

Process Component:

### Governance Hallmark #8:

Effective communications within the organization, with the communities it serves, and with other public and private stakeholders are given high priority by the board in concert with the organization's CEO and leadership team.

### Moral Imperative:

Oversight of Communication regarding Community Health Needs

# COMMUNITY HEALTH

## COMMUNITY HEALTH:

Foundation Component:

### Governance Hallmark #9:

The existence of collaborative partnerships with other public and private sector organizations with whom they share mutual interests, respect, and trust to address certain challenges and opportunities rather than always acting independently.

### Moral Imperative:

Oversight of Community Partnerships

## COMMUNITY HEALTH:

Practice Component:

### Governance Hallmark #10:

Extensive operating experience and research regarding organizational partnerships in many sectors --- including the healthcare field --- have identified the features that are needed to build and sustain *successful* partnerships. Board understanding, support, and on-going oversight clearly are essential.

### Moral Imperative:

Oversight of Performance Improvement in Community Partnerships

# PATIENT CARE QUALITY

## Patient Care Quality (PCQ):

### Foundation Component:

## Governance Hallmark #11:

Strong, unified commitment by board, clinical, and executive leadership to fulfill their organization's accountabilities to multiple public and private stakeholders with clarity, completeness, and transparency.

## Moral Imperative:

Commitment to Fulfilling Multiple Accountabilities

## Patient Care Quality (PCQ):

Process Component:

## Governance Hallmark #12:

Strong board commitment and engagement with the organization's clinical and executive leadership in establishing high standards for patient care quality and maintaining effective processes for board oversight to ensure those standards are being met, with corrective actions taken promptly when needed.

## Moral Imperative:

Establishing and Meeting High Standards of PCQ

# PATIENT & STAFF SAFETY

## Patient & Staff Safety:

Foundation Component:

### Governance Hallmark #13:

An organization-wide culture of commitment to safety for patients, staff, and guests coupled with highly-developed systems for preventing errors and addressing them proactively whenever they occur.

### Moral Imperative:

A Systems Approach for Safety

## Patient & Staff Safety:

Process Component:

## Governance Hallmark #14:

Board capability and dedication --- in collaboration with the organization's clinical and executive leadership --- to set high standards for Patient, Staff, and Visitor *safety* and provide proactive oversight directed at ensuring these standards are met.

## Moral Imperative:

Proactive Deliberations for Safety

# QUESTIONS & DISCUSSION.

## HALLMARKS OF HIGHLY ETHICAL GOVERNANCE:

## PRINCIPAL CATEGORIES:

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GOVERNANCE OF COMMUNITY HEALTH

GOVERNANCE OF PATIENT CARE QUALITY

GOVERNANCE OF PATIENT AND STAFF SAFETY