

Multi-State Health IT  
Collaborative of E-Health  
*Establishing HIE Governance*

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# Presentation Topics

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- ❖ Challenges of Establishing Stakeholder HIE Governing Boards
- ❖ The Science and Art of Good State level HIE Governance
- ❖ The Work of HIE Governing Boards
- ❖ Developing a high performing HIE Governing Board

# The Challenges of Establishing a Stakeholder HIE Governing Board

# The Challenges of Creating Successful State Level HIE Stakeholder Governance

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The Challenges can be summarized as follows:

- ❖ Leadership
- ❖ Board governance competency
- ❖ Policy
- ❖ Business and operations management
- ❖ Politics

# Issues that impact board governance performance

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## **High Board turnover**

Difficulty recruiting credible board members

Lack of board know how

Lack of board emotional intelligence

Poor management-board communication

**Board disinterest, poor attendance, or disengagement**

**Board member distrust and factionalism**

Poorly run board meetings

Unresolved board conflicts

Unchallenged conflict of interest

**Rubber-stamping by the board**

**Board interference in appropriate management decision making**

**Board decision paralysis**

Micro managing management decisions

Inattention to compliance and regulatory issues

Lack of governance adherence to by-laws or rules

# Good State Level HIE Governance Produces Value and Benefits of Customers and Community

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The work and decisions of the State Level HIE governing board must translate into:

- ✓ Customer and Stakeholder value,
- ✓ Financial viability and HIE infrastructure sustainability
- ✓ Organizational credibility and internal alignment
- ✓ Public and consumer trust
- ✓ Organizational legitimacy
- ✓ Healthcare system results and improvement that matter

# Why is Choosing the Right Business Model for HIE Important?

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- ❖ The HIE business should fill the gaps between strategy and HIE operations.
- ❖ The business model is built from the state level HIE goals and strategies.
- ❖ The HIE business model should set the parameters and requirements for the HIE technical platform and operational model

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# The Art and Science to Governing and HIE

Governance is:

“The act, process, and power to govern”

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“There is a science and an art to effective board  
governance of healthcare state level HIE  
governance”

# The Science (Know How) of Governance

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The *science of governance* requires board member  
“*know how*” to:

- Utilize governance tools and processes,
- Strategic, operational, and budget planning
- Perform financial oversight of the enterprise,
- Validate organization operations and performance against strategic and business goals,
- Assure the continuous improvement of processes, operations and outcomes,
- Assure regulatory compliance and management of organizational risks,

# The Art of Governing a Stakeholder Board

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The *art of governance* requires strong *leadership and board emotional intelligence and behavioral skills and abilities* which includes:

- **Collaboration,**
- **Teamwork,**
- **Respect for others,**
- **Courtesy and cultural sensitivity,**
- **Empathy for others,**
- **Trustworthiness,**
- **Positive attitude,**
- **Openness,**
- **Willingness to serve.**

# High Board Governance IQ

## *Necessary for Effective Decision Making*

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- ✓ Board Management Skills and Know How = Board Competency
- ✓ Behavioral and Social Skills = Emotional Intelligence
- ✓ Competency + Emotional Intelligence = High Governance IQ

***High Governance IQ is a prerequisite for Good Decision Making***

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# The Work of State Level HIE Governing Board

# The Work of the State Level HIE Governance

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## State level HIE governing board:

- Establishes and maintains the organizational mission
- Sets the state level HIE infrastructure and operational goals
- Develops and maintains a state level HIE strategic plan
- Approves organizational policies and HIE standards
- Managing key stakeholder relationships and facilitates state level exchange
- Ensuring the financial viability of the state level HIE infrastructure
- Monitors performance against goals and directs corrective actions as necessary

# Making Good Governance Decisions

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Decision making is a process that requires good pre-decision planning, adequate information, and the ability to evaluate and adjust as circumstance change.

- Requires a governing board to understand not only the “costs and benefits” but the risk of failure.
- Requires more than information about the decision options, it requires knowledge, skills and competencies to carry execute the decision.
- Decisions should be evaluated against the impact on the mission and strategic goals of the organization.

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# Example of Making a Governance Decision About the HIE Business Model

# The State Level HIE Business Model

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HIE business model is defined as:

*“The value that the healthcare delivery system, payers, and healthcare consumers receive from the electronic health information exchange services or products.”*

# Business Model Hierarchy

## Value Proposition

Target Providers and Users

Electronic Health  
Information  
Infrastructure and  
Data Channels

Provider and Consumer  
Relationships and Engagement

Core  
Capabilities of  
HIE

Network  
Configuration of  
State Level HIE

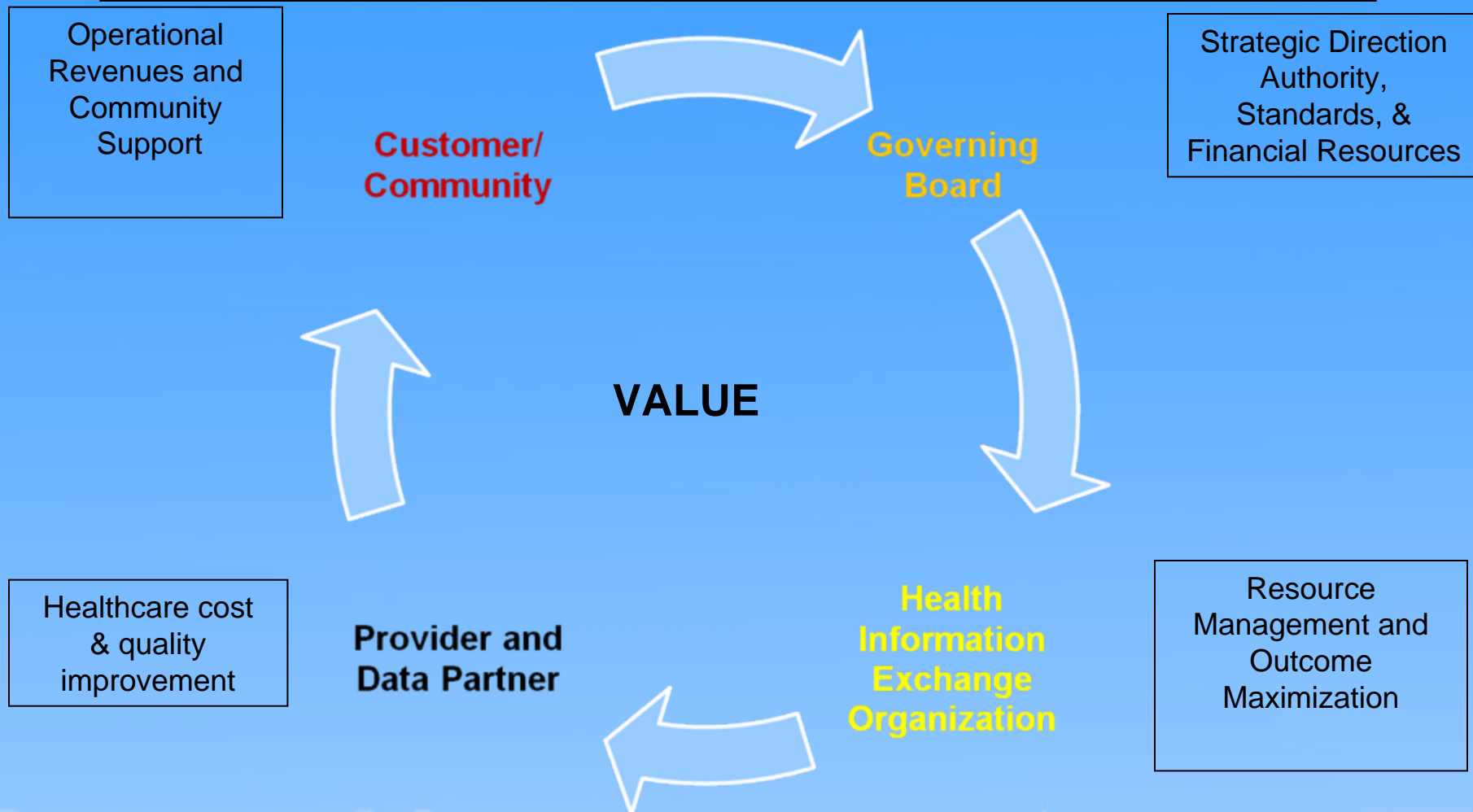
Values, Standards,  
Principals, and  
Security and Privacy  
Policies

Cost Structure

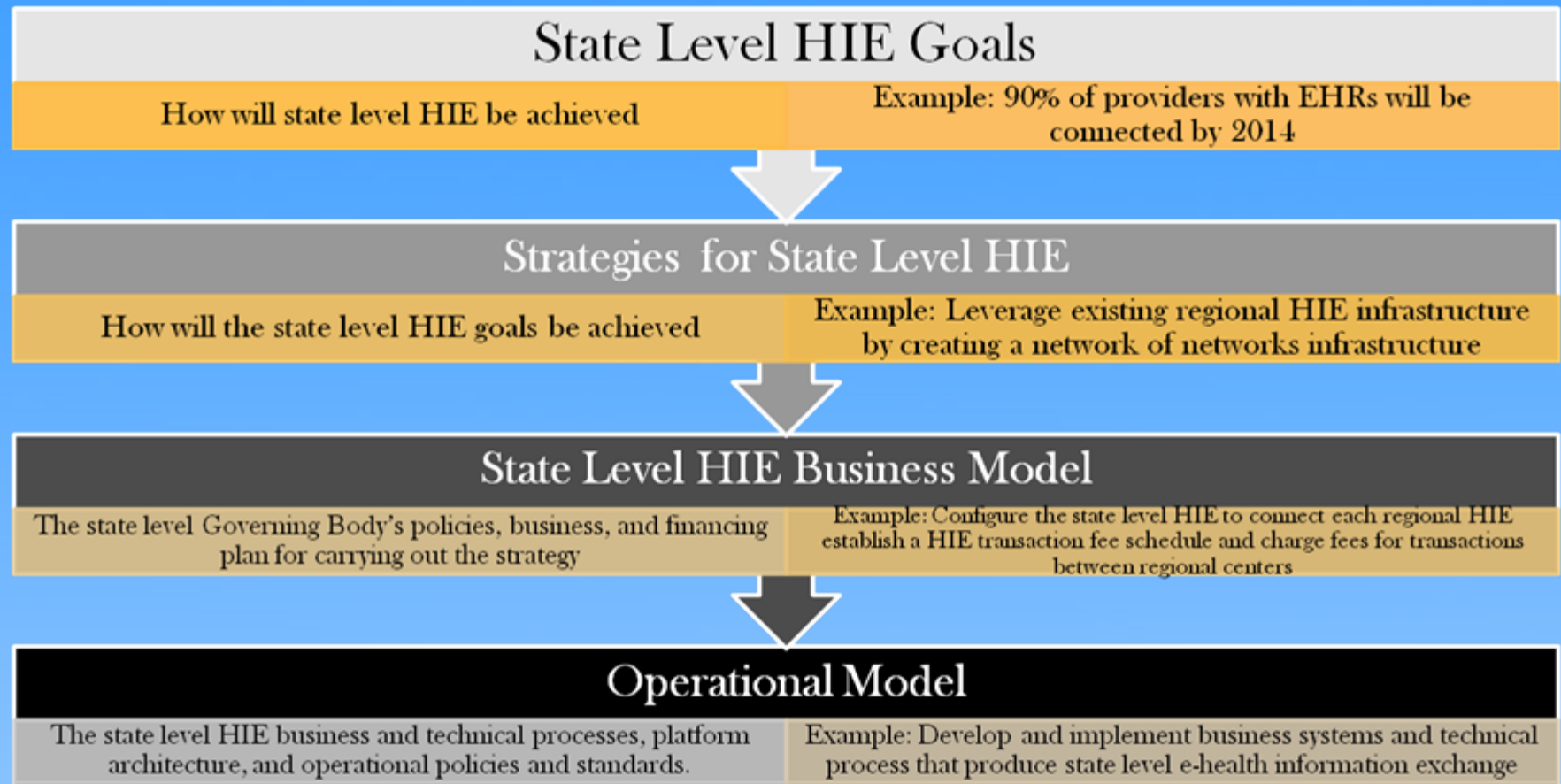
Data Partner  
Motivation and  
Engagement

Revenue  
Sources and  
Cash Flow

# State Level Value Transfer & Value Production Process



# The Hierarchy of Strategic Planning and Implementation



# Areas of Focus for State Level HIE Governance

Resources Policies	Financial	Operations	Information Standards	Technology
Governing Body	Grants and Revenues from Operations	Management and Technical Competencies	Information Management	State Level Exchange Network
HIE Organization	Capital Investment & Revenues from Operations	Trained Workforce Business and Technical processes	Information Exchange Standards	HIE Platform
Healthcare Data Providers	Transaction Fees and/or Cost Savings	Efficiency and Reliability	Health Data and Interfaces Standards	Ancillary Systems and Interface Software
Healthcare Provider Users	Provider Incentives	Training and Support	EHR Certification	EHR systems
Healthcare Payers	Cost Savings	Administrative and Medical Management	Bi-directional health info sharing standards	Decision Support Technology
Healthcare Consumers	Cost Avoidance	Self Support	Web Based Personal Health Record Standards	Smart Phone/ Personal Computer
Researchers and other Users	Grants	Clinical Informatics and Research Methods	Clinical Data Mart or Warehouses	Reporting and Analytical Applications



# Developing a High Performing HIE Governance Organization

What is required to create a high performing HIE governance organization?



# High Performing State Level HIE Governing Body Healthcare Organizations

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- ✓ Consistently focus on what matters to maximize service, quality and healthcare outcomes,
- ✓ High performing governance results from both good member engagement, know how, and good board leadership,
- ✓ Good board governance requires specific board leadership competencies and board membership behavioral skills maturity.

# Recommendations for Managing a Stakeholder Board

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- ✓ Limit the number of standing committees of the board: e.g. Executive, Finance, and Audit (if necessary *use ad hoc task groups or temporary committees only if necessary to handle special issues*).
- ✓ Have an annual calendar of the key Board agenda action items.
- ✓ Make sure that each board member completes a annual self assessment and use it for board member development.
- ✓ Annually review and approve the form and content of Board management reports and communications.
- ✓ Limit the use of executive sessions.
- ✓ Avoid individual Board members consulting with, directing or giving guidance to management on HIE operations that has not been approved by the Board.
- ✓ Board members should communicate to operations and business management through the board chair or executive committee.
- ✓ Make sure there is adequate support to carry out the work of the Board.

# Questions?

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