



## **Read This Before Reviewing the American Hospital Association's 2019 National Health Care Governance Survey Report**

In 2019, the American Hospital Association (AHA) published its 2019 National Health Care Governance Survey Report, a comprehensive profile of the state-of-the-art of hospital and health system governance structures and practices in the United States. The survey results, completed by more than 1,300 CEOs of non-federal community hospitals and health systems in the US, makes comparisons to data collected by AHA in prior years to show trends as boards are evolving to meet the challenges of a rapidly changing health care environment.

While the AHA report is a descriptive representation of the current dynamics of health care governance, it should not be viewed as a benchmark. The report paints a picture of current board structures and practices, but the data do not necessarily reflect best practices. As noted in the report's Executive Summary, while there are some positive findings indicating that many boards are generally moving to adopt high leverage practices in hospital and health system governance, other data demonstrate that there are significant opportunities for boards to improve.

In addition, while the report segments the data to show general similarities and differences among boards of health care systems, boards of hospitals within systems, and boards of freestanding hospitals, those segments are broad categories into which many different types of organizations and boards fit. They lack the fine-grained structural, organizational and cultural context that would be needed to accurately evaluate the data against your own practices and performance.

You are encouraged to use the AHA's 2019 National Health Care Governance Survey Report as a conversation starter to gain insights into key opportunities for your board to further enhance its own performance and contributions, by taking the following steps.

1. Review the report results. Take time to review the results presented, chapter by chapter. Identify which segment closely resembles your board (system headquarters board, subsidiary board, freestanding hospital board) but also review the aggregate results ("all").
2. Consider the expert commentary at the end of each chapter. Noted governance experts and practitioners provide focus on contemporary governance issues and offer helpful, broad perspectives and insights on the survey results.
3. Use the report's discussion questions to engage your board in a dialogue. These ready-made questions can help your board reflect on the survey findings in the context of your own structure and practices.

# **AHA 2019 National Health Care Governance Survey Report**

## **Questions for Board Discussion**

### Board Composition

- What aspects of today's health care system (changing patient expectations, cost pressures, advancing technology, a younger workforce with different needs, etc.) most affect the way we now deliver care to our patients and communities?
- What actions are our board and organization taking to ensure we continue to meet the demands of an evolving health care environment?
- How does our board's composition compare with the AHA survey results? How might similarities and differences between our board and others around the country influence the effectiveness of our organization's governance?
- What opportunities exist to strengthen our board's composition/membership to better serve our patients and communities?

### Board Structure and Support

- What, if any, changes should our board make to board member terms or term limits to ensure we retain needed expertise and organizational history while allowing for new board members with added expertise to join the board?
- Should our board consider compensating our members? If so, what problems would we be trying to solve by this approach? Are we convinced that no other board practice could address those issues?
- Do we have the committees our board needs to ensure appropriate governance oversights of each of our key responsibilities? Do we need to add or reduce the number of committees to better reflect our specific board's role and authority?
- What, if any, skills, competencies and perspectives should we add to our board so we can appropriately oversee a complex health care organization?
- Do we need to provide more support for our board and committees? For instance, would a dedicated governance professional staff person provide needed bandwidth and expertise?
- Are we optimizing an electronic board portal to assist with initial orientation, provide continuing education resources, and keep board and committee members sufficiently informed? If not, what changes should we make to our portal or our processes?

### Board Practices

- Has our board developed the competencies (skills, attributes, expertise and behaviors) that would be most beneficial to governance? Do these include core competencies that each board member should possess, as well as secondary competencies that may be demonstrated by the board as a whole?

- Does our board, possibly with the help of a committee, annually review the attendance, contributions and competencies of the full board? Is our board able to make hard decisions about replacing board members? If not, would term limits be beneficial if they are not already in place?
- Does our board have job descriptions and a chart of comparative responsibilities in key areas? If not, should these resources be developed to improve clarity and understanding for board members?
- Does our board have a formal orientation programs that is efficient and focused? Does our board have a sufficient program of ongoing board education that incorporates a variety of approaches, including the opportunity for generative discussion?
- Does our board have a full and/or individual performance assessment for board members and officers, as well as committee members and chairs? If so, are the results used to drive performance improvement?

### Board Performance Oversight

- Does our organization have a CEO succession plan? If not, what steps should our board take to ensure we focus on this key governance responsibility?
- How does our organization prepare future executive leaders? How does our board oversee this process?
- Does our organization use an authority matrix or policy to clarify decision-making authority among our board(s) and management?
- Have the metrics and objectives our board uses to oversee performance continued to evolve to reflect the changing structure and work our organization is undertaking?

### Board Culture

- How would you describe our board's culture? How has it changed over the past three years?
- What actions does our board take (ongoing assessment, periodic discussions, etc.) to understand its culture and the impact it has on governance effectiveness?
- Has our board recently taken any specific actions to strengthen aspects of its culture?