


HTNYS


Governance Insight

Intelligence for New York hospital governing board leadership effectiveness

THE COMMUNITY-CENTERED BOARD: Building Connections, Strengthening Value

Public trust and confidence are critical to sustaining competitive success, building a broad, cohesive base of hospital advocates, and ensuring widespread support for the hospital's important mission and vision.

Too often, hospital trustees become so consumed with organizational issues and challenges that they lose sight of the need to consistently and forcefully connect in meaningful ways with their communities. With growing scrutiny of the community benefit that hospitals provide, hospital boards have a unique opportunity to ensure that their organizations consistently engage in meaningful ways with a broad range of community stakeholders.

The Perception Problem

The public's frustration about the direction of health care in this country is partly driven by a lack of understanding of the current system and its challenges. Many people do not understand how hospitals are organized and managed, what they do to provide charity care, and the services they provide in their communities as part of their mission.

Many people do not understand the forces that are changing health care, including payment inadequacies, the negative impacts of overregulation, the dramatic increase in "disruptive technologies," and workforce changes.

The good news is that hospital leaders have an opportunity to help shape positive public perception about their hospital, the unique challenges they face, how they are addressing those challenges, and why the hospital relies on the commitment and loyalty of its community to continue providing high-quality health care services well into the future.

And while it is hard to change strongly held beliefs and perceptions, change is possible with the correct information and communication, delivered consistently and effectively over time by trusted individuals. Making that happen is a principal job of the community-connected, community-centered board.

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Governance Under the Microscope

Hospitals and their governing boards today find themselves under intense scrutiny. The media, the Internal Revenue Service (IRS), federal and state lawmakers and regulators, patients and families, trial lawyers, state attorneys general, labor unions, special interest groups, the financial community, and their own local communities are more closely scrutinizing hospitals and their governing boards. These powerful and influential institutions, individuals, and groups, many with narrow, self-serving agendas, can cause community confidence to crack, and trust gaps to form.

This scrutiny has taken center stage in Washington, D.C. In a recent letter to the IRS, U.S. Senator Charles Grassley (R-IA), formerly the chair of the Senate Finance Committee, stated his belief that hospitals and health systems have become too complacent because IRS has not scrutinized their operations and governance closely enough in recent years. He went on to say in the letter that hospitals and health systems have been “enriching themselves rather than providing a level of community service that their charitable not-for-profit status implies that they should.”

The critical question that must be addressed relates to community benefit—what it is, and how hospitals can provide it, measure it, and report it.

Building a Community-Centered Board

Being a community-centered board is about really knowing and understanding the local community—beyond the people one works, socializes, and interacts with on a daily basis.

It is about connecting with people, understanding what they think, why they think it, and putting that community intelligence to work to build a better, deeper, and more comprehensive understanding of real community perceptions and needs.

The Trust-Building Continuum

Board members should not think that the responsibility for building community confidence and credibility is someone else’s job. The board sets expectations, establishes the leadership culture, and sets in motion the leadership that powers the organization and its culture of community connections, community service, and community health improvement.

The board provides the power, the purpose, and the potential to build community confidence and trust by connect-

FIVE RULES FOR BUILDING SUSTAINABLE COMMUNITY-CENTEREDNESS

- 1 **Not an event, or a one-time fix—a commitment to community.** Continuing commitment to engaging with and reporting to the community about the things that matter most.
- 2 **Success requires staying power.** Building community-centeredness and pursuing community connections is not something that can be done overnight. Instead, it must be an effort that is able to be sustained over a long period.
- 3 **Leverage the experience and successes of others.** There is no need to reinvent. Instead, use and learn from the successes of others, and adapt from them what works for your organization.
- 4 **Cultivate a broad-based buy-in** and commitment from your community partners.
- 5 **Communicate, communicate, and communicate some more.** Remember, when you think everyone in the community has heard your message, that is about the time that people have likely just become aware of what you are saying and what it means.

ing the values, interests, and objectives of the hospital with a variety of partners and stakeholders whose interests are aligned with the hospital, and who can leverage the hospital’s ability to achieve its mission and vision.

Through its various community collaboration efforts, the hospital builds awareness and understanding. It creates colleagues and champions for enhancing the hospital’s connections with the community. And, it forges the opportunity for a broad-based dialogue about the issues and challenges that matter most to the community.

Through the board’s connections and collaboration, the hospital is able to communicate its story widely, in a compelling and “sticky” manner that builds allies and advocates, and that increases confidence and commitment.

The Hospital Board’s Role in Connecting with the Community

Trustees are in a unique position as community representatives and advocates to form strong connections with the community, listen to community needs and challenges, and build community understanding and awareness about the issues and challenges their hospitals face.

To capitalize on that opportunity, the board needs to understand and respond to what the community wants, needs, and thinks.

However, the job does not stop there. The board needs to ensure that the hospital is committed to measuring and evaluating its performance in meeting community needs and delivering the benefit and value the community expects.

Once that value has been clearly defined, it should be communicated widely in ways that are meaningful to various community constituencies. A “one-size-fits-all” message does not work. Different constituencies have different needs and different confidence “trigger points.”

People throughout the community need to be informed and engaged in meaningful discussions about the role and value of the hospital, and the benefit it provides that is unique to them and their needs. Through this kind of customized connection, the hospital will be able to build a broad body of advocates in every corner of the community to support what the American Hospital Association calls hospitals’ “rightful place as valued and vital community resources that merit broad public support.”

Why Connect with the Community?

A strong, vibrant, and sustainable initiative to build relationships with the community has the potential to counter vulnerabilities, including questions about community benefit, tax-exempt status, billing and collections, and the threat of corporate campaigns by labor unions, among others.

The initiative should be undertaken with a goal of reaffirming the hospital’s place as a mission-driven, community-centered health care leader committed to community service and improving community health. It should result in a rich array of powerful and compelling stories of community service and community commitment that can be shared with lawmakers, influencers, the media, and others as clear evidence of the hospital’s critical role and value as a community asset. These efforts should contribute to shaping public attitudes and building community-level understanding of, and support for fundamental change in the way health care is financed.

But making and expanding community connections is more than just a public relations effort. To be effective for the long term, it must be “hardwired” into the organization’s culture, becoming embedded over time in the hospital’s DNA.

The HTNYS Community Connections Initiative

Healthcare Trustees of New York State has embraced AHA’s *Community Connections* initiative to help bolster New York hospitals’ relationships with and accountability to their communities. The association’s publication, *Enhancing Your Connection With Your Community, Stepping Up and Speaking Out*, provides hospitals with a long list of key questions to ask to help determine if they need to do more to connect with their communities, including:

COMMUNITY CONNECTIONS

Community Connections is a nationwide leadership initiative developed by the American Hospital Association (AHA) to bolster hospitals’ relationships with and accountability to their communities. HANYS/HTNYS is a State Partner in *Community Connections*. For more information, go to http://www.hanys.org/members_only/emergency/comm_connections.cfm.

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QUESTIONS TRUSTEES SHOULD ASK

It is the board’s job to ask the penetrating questions that will yield insight into the quality of the hospital’s community connection efforts.

Board members should ask:

- How are we meeting our mission in terms of the community benefits we provide?
- Specifically, how have we planned to benefit our community?
- Have we budgeted for community benefit this year, and if so, how did we arrive at the budget amount?
- What programs do we include in our definition of community benefit and how did they meet the needs of the people we serve?
- How are we quantifying our community benefit programs?
- How are we demonstrating the effectiveness of our community benefit efforts?
- Are we forcefully and articulately telling our community benefit story to our community, policymakers, and regulators?
- Does the community benefit story demonstrate that we earn the tax benefits we receive?
- How are we holding management accountable for providing community benefit?

Source: Defining and Measuring Community Benefit, Trustee Magazine, October 2006.

- Does our organization’s mission describe our commitment to the community?
- Does our board feel confident that we know what community members are thinking about the hospital and local health care needs?
- Have we defined our organization’s “community benefit?”
- Have we thought about what role trustees can play in our community outreach and community relations activities?

The booklet also includes a summary of resources and tools to assess community connections and accountability. Resources and tools that are available to New York hospitals include:

- ***Strengthening the Community Connection: Strategies for CEOs***, designed to help health care leaders assess and improve their connections with their community.
- ***Trust Counts Now: Hospitals and Their Communities***, a report that examines the forces and factors affecting public trust and confidence, and which offers insights from leaders throughout the country.
- ***Healthy Conversations Toolkit: Talking About New York’s Health Care and Demonstrating the Value of Health Care Providers as Vital Community Resources***, which provides resources to help New York health care organizations engage their communities in conversations about health care issues.

To access these tools, contact HTNYS at (800) 360-7211.

The hospital’s community benefit report should be one of the most important documents produced for the local community. Report content should include:

- 1 A message from the chief executive and the board chair that outlines the importance of the hospital to the community and that highlights many of the important community benefit successes that you have achieved in the last year.
- 2 A discussion of emerging health issues and community health risks, and ways the hospital is working to address them.
- 3 Statistics and results of community benefit activities.
- 4 Visualization of the value created for the community as a result of your community benefit activities.
- 5 Pictures, simple charts, and other graphic elements that enable readers to interpret the results of your initiatives.

Creatively and Consistently Conveying the Value Message

Making community connections is only one aspect of being a community-centered board. Creatively and consistently conveying the value message is accomplished through a community benefit report that defines and communicates the true benefit and value hospitals create, not simply the economic value they provide or the economic multiplier they create.

To accomplish that, an organization must be willing to think differently about what benefit and value are, be passionate about helping the community make the connections, and make a community value and benefit reporting process more than a one-time effort that is undertaken because it is the “solution of the day.”