



Washington State
Hospital Association



Association of Washington
Public Hospital Districts

GOVERNANCE EDUCATION

WASHINGTON STATE
HOSPITAL ASSOCIATION

ASSOCIATION OF WASHINGTON
PUBLIC HOSPITAL DISTRICTS

Commissioner Candidate Webinar

Oskar Rey, Erica Osborne, Matthew Ellsworth

Speakers



Oskar Rey, Legal Consultant

Municipal Research and Services Center (MRSC)



Erica Osborne, Principal

Via Healthcare Consulting



Matthew Ellsworth, Executive Director

Association of Washington Public Hospital Districts
(AWPHD)

Agenda

- **Powers and Responsibilities of Hospital District Commissioners**

Presented by Oskar Rey

- **Working As A Team: How To Be Most Effective In Working With Your Colleagues**

Presented by Erica Osborne

- **The Health Care Market: An Overview of Health Care Policy and Finance**

Presented by Matthew Ellsworth



Powers and Responsibilities of Hospital District Commissioners

Oskar Rey, MRSC, Legal Consultant



Visit [MRSC.org](https://www.mrsc.org) to learn more about
local governments in Washington State

What are the Legal Parameters for Hospital District Commissioners?

- I. Purpose of Hospital Districts and the Hospital District Board of Commissioners
- II. Powers to Achieve Purpose
- III. Limitations on Powers

Purpose of Hospital Districts

- Deliver hospital and health services to folks within the district.
- “Health services” can include nursing homes, extended and long term care, outpatient, rehabilitative, health maintenance, and ambulance services.
- Expanded in 2018 to include health and wellness facilities and services.
- Source: [RCW 70.44.003](#) (purpose) and [RCW 70.44.007](#) (definitions).

Purpose of the Hospital District Board of Commissioners

- Acts as the governing body of the district.
- Sets policy for the district.
- Day-to-day operations should be delegated to the superintendent (i.e., CEO).

Powers to Achieve Purpose

- I. Powers granted by the legislature.
- II. How does a district exercise its powers?

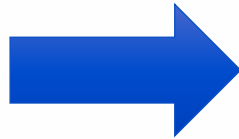
Powers Granted by the Legislature

- [RCW 70.44.060](#) sets forth District powers, including:
 - Power to acquire, construct, maintain, operate, develop and sell real property;
 - Power to assess property taxes;
 - Power to employ and enter into contracts;
 - Power to solicit and accept gifts.

How Does a District Exercise Its Powers?



Board of Commissioners



Superintendent (CEO)



District Staff

How does the Board Exercise its Powers?

- I. Commissioners only have authority when meeting as a board.
- II. Generally, it takes at least a majority of commissioners to take action.
- III. The board's primary contact—and only employee—is the superintendent (CEO).

Limitations on Powers

- I. Nature of Special Purpose Districts
- II. Open Government Laws
- III. Limitations on Use of Public Resources
- IV. Ethics and Conflicts of Interest

Nature of Special Purpose Districts

- I. Public hospital districts are a type of special purpose district.
- II. Special purpose districts are created to carry out a specific (special) purpose.
- III. Limited to powers expressly granted by the legislature.

Open Government Laws

- I. Public Records Act (PRA)—[RCW Chapter 42.56](#)
- II. Records Retention Requirements—[RCW Chapter 40.14](#)
- III. Open Public Meetings Act (OPMA)—[RCW Chapter 42.30](#)

Limitations on the Use of Public Resources

I. Gifts of Public Funds

II. Use of Public Resources to Support or Oppose Campaigns

Ethics and Conflicts of Interest

- I. State Code of Ethics for Municipal Officer
- II. Local Ethics Codes
- III. Doctrine of Incompatible Offices

For More Information...

- [AWPHD Legal Manual](#)
- [Knowing the Territory](#)—Guidelines for Washington Local Officials
- [Open Public Meetings Act](#) Publication and [Webpage](#)
- [Public Records Act](#) Publication and [Webpage](#)
- [Special Purpose Districts](#) in Washington State
- And a host of other topics on the [MRSC website!](#)



Working As A Team: How To Be Most Effective In Working With Your Colleagues

Erica Osborne, Via Healthcare Consulting, MPH

Best Practices: Governance Effectiveness

01

Focus on
Governing

02

Foster Healthy
Board Culture

03

Develop Strong
Board-CEO
Relations

Focus on Governing

- Respect the distinction between governance and management
- Understand the unique pressures of being a healthcare district board
- Bring discussion and issues back to the mission and vision



Notes on Board Authority

- Boards only have authority when meeting as a board
- Boards must speak with one voice
- The Board's primary contact – and only employee – is the CEO



Fostering a Healthy Board Culture

- Open, facilitated conversations
- Candid, respectful debate/dissent encouraged and expected of members
- Realize individual board members have no power: *you're all in this together*
- Hold each other accountable for agreed-upon behaviors
- Spend time cultivating individual relationships





Team Characteristics

- Meaningful common purpose shaped by the team
- Specific performance goals that flow from the common purpose
- A strong commitment to how the work gets done
- Mutual accountability

*Excerpted from article by Jon R. Katzenbach and Douglas K. Smith
"The Discipline of Teams"
Harvard Business Review*

Work Group Functioning

Content

- Official Purpose
- Formal Rules
- Written Agenda



Process

- Feelings and Needs
- Informal Leadership
- Group Dynamics
- Interpersonal Communications



Strong Board-CEO Relationship

The most important relationship you have

CEO's success (or failure) is yours also

Let the full-time people run the show

Don't be the police: trust, but verify

Show respect in public forums



Keys to a Successful Partnership

- Agree on Board's role and responsibilities
- Decide on a governance 'philosophy'
- Memorialize agreements in formal Board policies
- Develop written job descriptions
- Regularly evaluate CEO performance, set performance goals

Please keep in touch and let me know if I can assist you...



Erica M. Osborne, MPH

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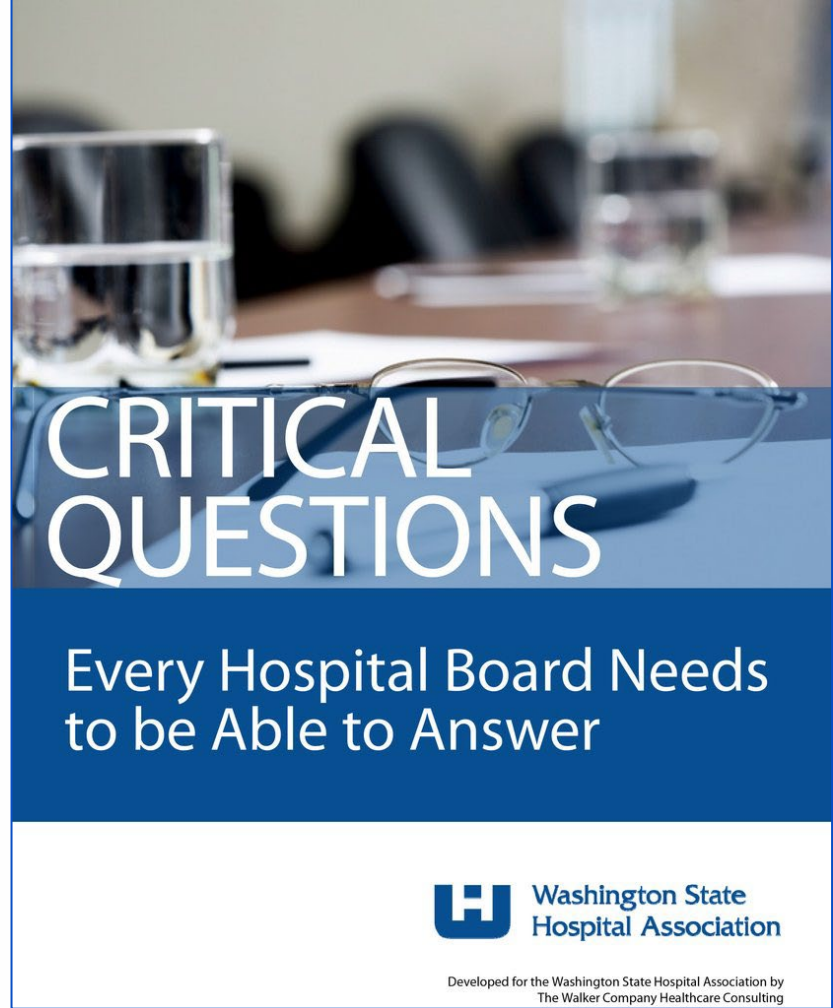
The Health Care Market: An Overview of Health Care Policy and Finance

Matthew Ellsworth, AWP/PHD, Executive Director

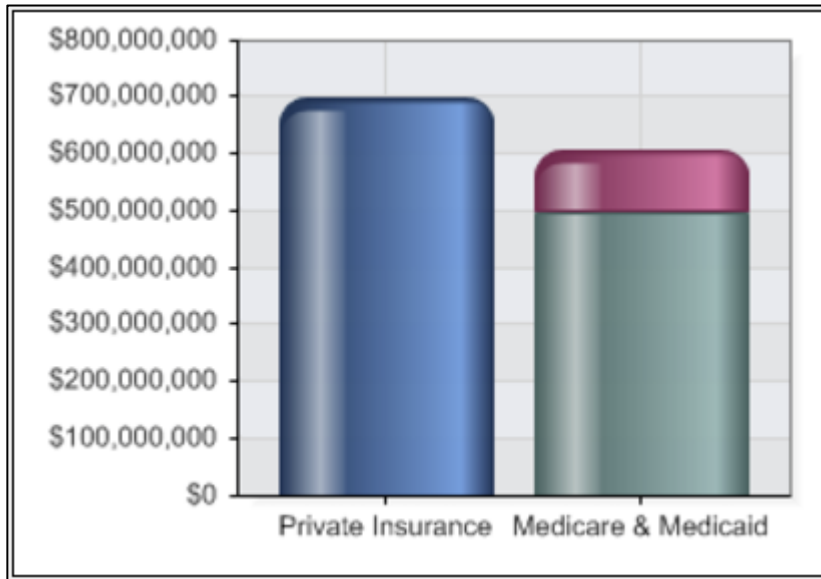
Key Points

www.wsha.org/bookstore

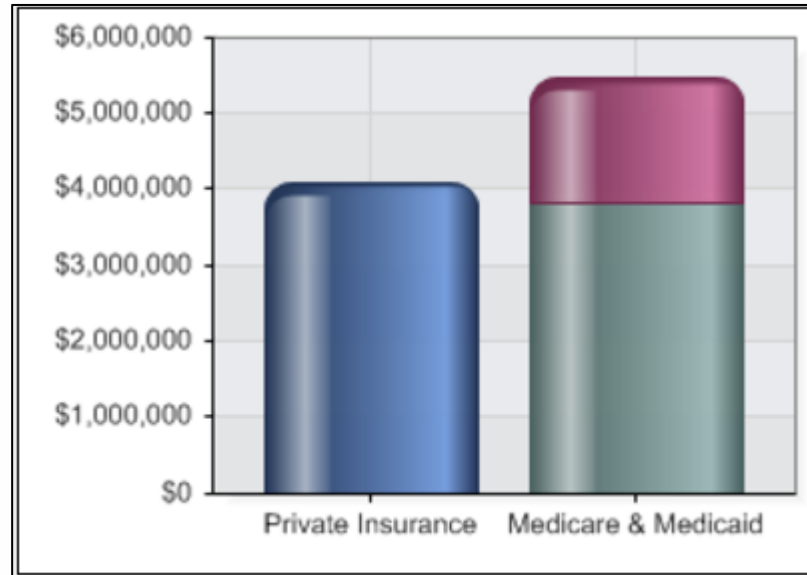
- Maintaining financial viability is essential.
- Financial viability depends on mastering new payment models.
- Hospitals are providing an increasing amount of outpatient services.



Financial Viability is Essential- and Hard



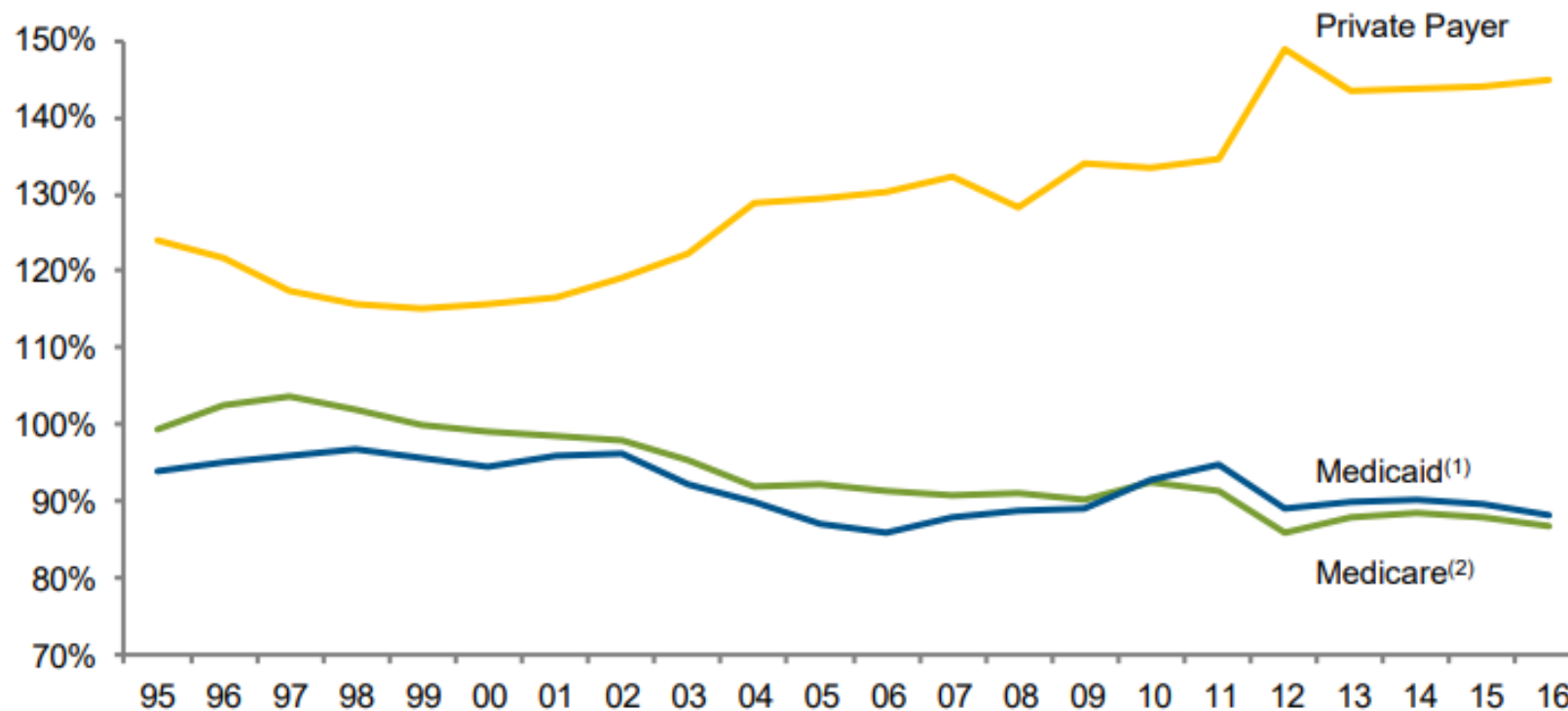
A King County Hospital



A Washington Rural Hospital

- Medicaid, in pink, pays about 70 cents on the dollar for hospital costs
- Medicare, in green, pays about 80 cents on the dollar
- Private insurance pays about 121 cents on the dollar

Financial Viability: Payment-to-Cost Ratios

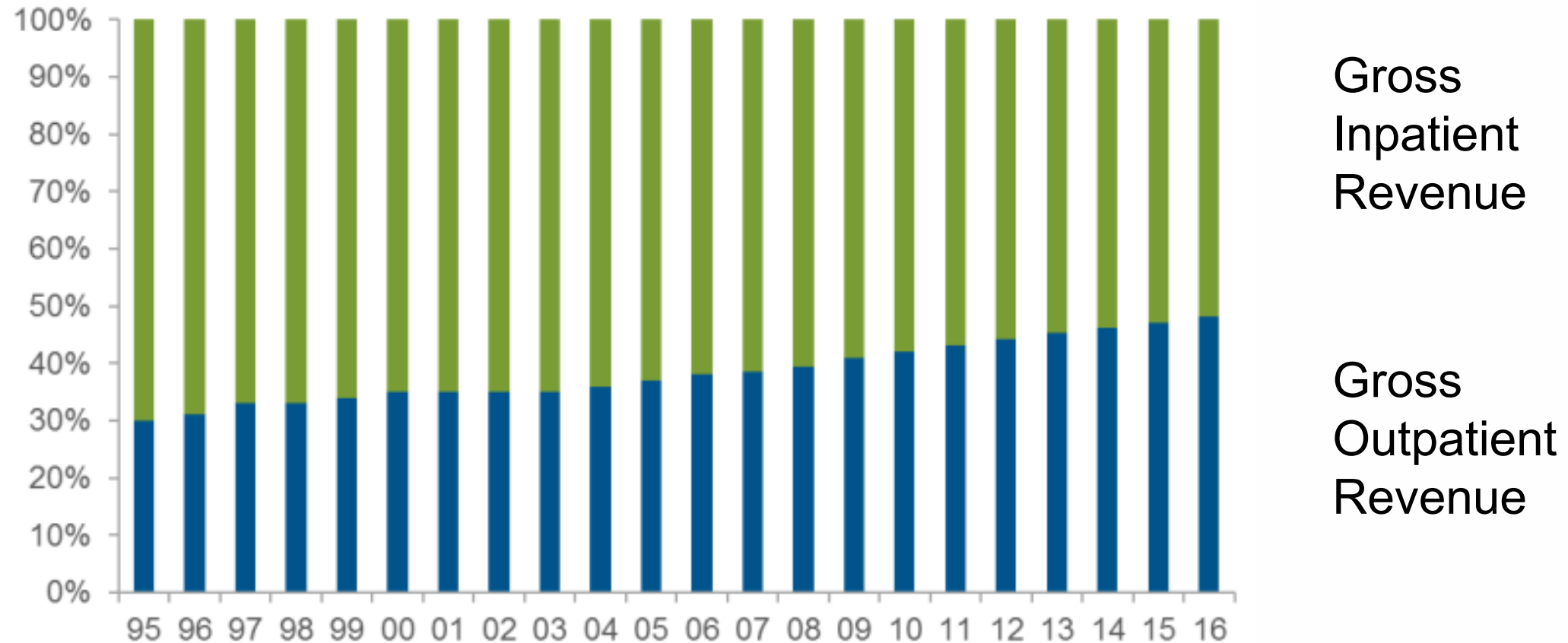


Source: Analysis of American Hospital Association Annual Survey data, 2016, for community hospitals.

⁽¹⁾ Includes Medicaid Disproportionate Share Hospital payments.

⁽²⁾ Includes Medicare Disproportionate Share Hospital payments.

Outpatient Services Are Increasing!



Source: Analysis of American Hospital Association Annual Survey data, 2016, for community hospitals.

Payment for Quality and Value is Increasing



Safe and Quality Care

May 13, 2021 9 am – 12:30 pm



Safety and Quality Leadership Summit

Northwest Safety and Quality Partnership

Oregon Association
of Hospitals and Health Systems

Washington State
Hospital Association

Agenda

9:00 am	Welcome & WSHA Overview	Darcy Jaffe
9:15 am	Safety Story	TBD
9:30 am	The 5 Focus Measures of NWSQP Safety & Quality	Member Champions
	Health Equity – Diagnostic Excellence – Opioid Stewardship – Leader Resilience – Workplace Violence	
10:45 am	Psychological Safety and Just Culture	David Marx
	David Marx will talk about the tension in creating an environment of psychological safety while also creating a “just” workplace culture. How can we create open learning? How can we remove fear? Yet, simultaneously, how do we ensure personal accountability for executives, managers, and staff. Drawing upon the contemporary topics of patient safety, COVID-19, and racial/gender discrimination, David will lead a thought-provoking discussion on a path forward for corporate culture.	
	Q&A – Discussion Groups	
11:30 am	The Board’s Role in Leading a Culture of Psychological Safety & Workplace Justice	David Marx
	Q&A – Discussion Groups	
12:15 pm	Closing Remarks	Cassie Sauer

Thank you for attending!

A REMINDER FOR THOSE WHO ARE WORKING TOWARDS EARNING THEIR WSHA & AWPHD HEALTH CARE GOVERNANCE CERTIFICATION OR RECERTIFICATION, PARTICIPATION IN THIS COURSE QUALIFIES FOR (1) CREDIT HOUR.

YOU WILL BE SENT AN EMAIL TO THE ACCOUNT THAT YOU USED TO REGISTER FOR THIS COURSE.

THAT EMAIL WILL PROVIDE YOU WITH INSTRUCTIONS ON HOW TO LOG YOUR CREDIT HOURS.

IF THERE ARE MULTIPLE BOARD MEMBERS WHO HAVE REGISTERED UNDER ONE ACCOUNT, PLEASE HAVE EACH INDIVIDUAL FOLLOW THE LINK PROVIDED IN THE EMAIL TO ENSURE THAT EVERYONE WILL BE CREDITED FOR THEIR PARTICIPATION.

IF YOU HAVE ANY FURTHER QUESTIONS, OR WOULD LIKE TO PROVIDE FEEDBACK ON THE COURSE, PLEASE FEEL FREE TO EMAIL US: GOVEDU@WSHA.ORG