

GOVERNANCE CONSIDERATIONS

THE ROLE OF THE BOARD DURING TIMES OF CRISIS

Board governance must be adaptable in times of unprecedented crisis. As health care boards navigate the extraordinary challenges presented by the COVID-19 pandemic, communication and oversight are more important than ever.

While decisions on reopening the hospital or health system are primarily the role of management, boards continue to have fiduciary responsibility (duty of care, loyalty) for oversight of operations, finances and other operational concerns — all of which have or will be affected by management's decision to reopen. These duties extend to enterprise risk management. Trustees should be kept informed about a variety of plans, protocols and issues in a timely manner.

An informed and engaged board is an important resource for management while confronting unprecedented challenges. Boards can add tremendous value to their hospitals and health systems by providing crucial advice, guidance and support to executives and their teams.

Boards should, as needed, examine their bylaws and consider necessary governance changes, even if these changes are temporary. Special task forces can be established to support efforts of sustainability during the months ahead. Management is responsible for developing and implementing an organization's overall strategy, taking into account business-related opportunities and risks. Management also is responsible for developing an appropriate crisis plan, and forming and preparing a crisis team. The board is responsible for overseeing management's work in these areas and monitoring its progress.

In a crisis, boards need information and a credible, candid communications policy that keeps them, the community, the media and other stakeholders aware of clinical, operational and strategic developments.

BOARD AND CEO COMMUNICATION

There is a strong need for collaboration and communication between the board and the CEO. The board will want to receive regular reports from management, but boards should be sensitive to how and when they engage with the management team.

Some boards may find they are having more communication with the CEO during this time of crisis. For example, some hospitals are engaging in weekly conference calls with key stakeholders to have an open dialogue on the status of cases, deaths and protocols; board members should be invited to participate on these calls. In whatever manner is appropriate for the circumstances, CEOs should keep the board informed as events unfold and should engage the board in evaluating alternative courses of action.

UNDERSTANDING ORGANIZATIONAL PLANNING AND SAFETY PROTOCOLS IN PLACE

The variables and risk factors of the decision to reopen a facility to non-COVID-19 care delivery after COVID-19 are quite complex. It becomes a decision that must be based upon the highest critical thinking, relevant information and government or other authorities' directives or recommendations. The board has responsibility to protect the mission and the health of the organization. As complex decisions are made, it is essential to communicate and engage the board in the reopening plans and include them in scenario analyses that lead to critical decisions affecting the organization. In addition, boards should be fully apprised of any shifts in patient decision-making, and changes in referral patterns, all of which have a significant financial impact on the hospital and health care system.

Boards also should be fully apprised of the safety protocols put in place for staff and patients. There should be updates on the status of all critical resources (staff, supplies, space, etc.). Special attention to the workforce wellness efforts should be communicated routinely to the board.

BOARDS AS COMMUNITY LEADERS

Boards oversee hospitals' and health systems' responses to community needs and the efforts to address those needs. This includes having a heightened awareness of the impact of social determinants of health and health disparities. Significant health disparities among people of color were exacerbated during the COVID-19 crisis.

Communicating with the local community also is extremely important. Boards should ensure there is a solid communications plan in place to assure their communities that the hospital is doing everything possible to keep them safe. One of the most challenging issues will be getting community residents to trust seeking care in the hospital and emergency department again. Boards should be briefed on the clinical risk/benefit analysis behind decisions to reopen non-COVID-19 care and the tools provided to patients to assist them in their care choices. It also is important for boards to know about contingency plans designed to shape actions should conditions change, e.g., infection rate prevalence, workforce or other resource shortage.

Having champions on the board to engage around focused strategic and operational considerations to address socioeconomic disparities, access to services and care, and the economic impact of the pandemic on the hospital and health system is critical. Designating one or more board members as spokesperson(s) for media and community events is recommended. Providing the spokesperson(s) with accurate and timely data and talking points will ensure the success of such community outreach.

COMPLIANCE WITH REGULATORY GUIDELINES FOR REOPENING

An important part of a board's responsibility is to ensure the hospital or health system is meeting the local, state and federal guidelines for reopening. Boards should be getting updates from management on their reopening plans for compliance with federal and state guidelines. Boards will need to provide oversight of management's plan to move forward as states release specific plans.

UNDERSTANDING FINANCIAL IMPLICATIONS

The extraordinary pandemic-based financial challenges affecting hospitals and health systems as a result of COVID-19 should prompt boards to continue to focus on the organization's financial condition. Keeping the board apprised of plans for reopening services and the financial implications of doing so will continue to be important.

CAPTURE LEARNINGS TO BETTER PREPARE FOR THE FUTURE

Boards should ensure that management is capturing the learnings from the pandemic and documenting actions taken. Boards also should observe the effectiveness of their own governance during the COVID-19 crisis by reviewing what worked well and what needs to be improved. Reviewing and improving governance processes will assist boards in planning for a second wave of COVID-19 or another public health crisis, and allow them to reflect consciously on learnings as they move forward.

Boards should consider:

- Which leaders are responsible for communication and to which stakeholders?
- What is the internal single source of information and which third party sources are necessary?
- Were board members proactive in their oversight of risk identification and mitigation?
- Has the board developed or reviewed its own crisis management plan which identifies roles it may play depending on management's role in crisis?