Dear Reader,

On December 4 the National Center for Healthcare Leadership celebrated three major events. Our Invitational Symposium attracted a stellar group of speakers and attendees who explored the complicated issues of governance in healthcare organizations and the role of the board in guiding quality, service, and organizational performance. Additionally, we honored two dedicated and outstanding leaders of the healthcare community, American Hospital Association President Dick Davidson and Northwestern Memorial HealthCare’s retired President & CEO Gary Mecklenburg, as co-recipients of NCHL’s National Healthcare Leadership Award. Dick and Gary were each recognized for their lifetime of achievements in the field and for mentoring future generations toward the goal of transforming organizational performance and improving healthcare in the U.S. And finally, we celebrated NCHL’s fifth anniversary.

NCHL began just five years ago and has rapidly become the industry catalyst and authority on understanding and addressing the role of healthcare leadership in driving organizations to achieve and sustain excellence. With broad ongoing support from the field, NCHL is meeting the needs of healthcare at every career stage and across all disciplines and industry sectors in order to ultimately improve the health of the public. Our ability to affect change has never been stronger.

As we look forward to another year of fostering change, we extend to you our warmest wishes for a very happy and healthy holiday season and all the best for the New Year.

Gail L. Warden
President Emeritus
Henry Ford Health System
Chair
National Center for Healthcare Leadership

Marie E. Sinioris
President and CEO
National Center for Healthcare Leadership

A View From the Board
Edward A. Brennan
Chairman, Board of Trustees
Rush University Medical Center
Retired Chairman, President and CEO
Sears, Roebuck and Co.

The role of governance in healthcare organizations is changing and not-for-profit organizations face the same core issues as their for-profit counterparts, Ed Brennan, chairman of the Board of Trustees of Rush University Medical Center told the Invitational Symposium in a keynote address. “Whether we are in business to provide a product or a service like healthcare, the need to run any institution from a position of total integrity and a position of doing the right thing for the right reason is all important,” he said. Brennan provided the audience with practical advice on governance including the need for boards to be independent by having few inside directors, the need for highly competent board members to run the three key committees of nominating and governance, compensation, and audit, and the need for boards to have executive sessions that exclude the CEO. The board’s work should be strategic and succession planning, Brennan said, is a key responsibility. “Management should be grooming and developing people, but the oversight of that responsibility is the board’s,” he explained.
Reflections and Reactions on A View from the Board

Panel members debated whether in fact not-for-profit organizations face the same governance issues as for-profit boards. The transparency issues and independence issues are applicable to both, said L. Edward Bryant, Jr., Partner, Gardner, Carton and Douglas. But while Ruth M. Rothstein, chairman of the Board of Trustees of Rosalind Franklin University of Medicine and Science agreed that good governance for all institutions is important, she was somewhat skeptical about the similarities between for-profit and not-for-profit organizations. Not-for-profits may have a mission of serving indigent populations that make it difficult to look at the bottom line in the same way. “You have to hold everybody responsible, but there are different ways of approaching it,” she said. Panel members acknowledged the critical importance of the independence and competency of board members, which presents a challenging problem for recruitment. All organizations want the generalist, but active CEOs and CFOs don’t have time and are limited in their ability to commit to outside boards, said Christopher B. Begley, CEO, Hospira. “As a public company, we try to have one international person on our board representing another part of the world. I think the value of bringing in experts outside the political/social/business/work environment on a hospital board will have tremendous value.” Even though board members are not paid, he said, most people who serve on hospital boards do it to give back.

Accountability and Transparency: The Keys to Improved Healthcare
Reed V. Tuckson, MD
Executive Vice President and Chief Medical Officer
United Health Group

“We are not terrific when it comes to healthcare,” was a key message that Reed V. Tuckson, MD delivered at the Invitational Symposium. While great progress was made between 1990 and 2000 to improve the health of the nation, it has since stagnated, overwhelmed by such things as smoking, obesity, and the number of people with multiple chronic diseases. Healthcare organizations struggle to provide care to complex patients who may have multiple physicians treat them, but each one operates in a silo. And the patient may additionally require care from social service organizations that are providing meals or home healthcare, but without any centralized oversight to keep all the pieces in place. “The leadership challenge is that healthcare is wasteful and quality is suboptimal,” Dr. Tuckson added. Board members should be urged to be more attentive to quality especially as care becomes more patient centered. The future of healthcare will include information on pricing, rankings, and performance assessments that will enable patients to make better choices about what is best for their individual healthcare needs. “Consumers’ experience with care is going to be an integral part of the performance measures built in granularly at the level of the DNA of performance measures,” Dr. Tuckson said. “We need a willingness and mechanisms to rise above daily business concerns to more effectively align our work in pursuit of our missions.”

Leadership Excellence Networks (LENS)
American College of Mental Health Administration
Ascension Health
AtlantiCare Health System
Catholic Healthcare West
Froedtert Memorial Lutheran Hospital
Henry Ford Health System
Kaiser Foundation Health Plan and Hospitals
North Shore-LIJ Health System
Provena Health
Regional Medical Center - Memphis
St. Luke’s Episcopal Health System
Trinity Health
University Hospitals Health System

University Demonstration Sites
Rush University
Simmons College
Texas A&M University System
Texas Woman’s University
University of California - Los Angeles (UCLA)
University of Michigan
University of Minnesota
University of Missouri at Columbia
University of North Carolina at Chapel Hill
University of Washington

Governance Assessments Available

NCHL has available two governance assessments for use by healthcare systems. The Governance Alignment Assessment aims to assess how engaged hospital and health system board of trustees are in leadership development, succession planning, and organizational performance improvement. The assessment helps to outline the scope and nature of an organization’s board and management commitment to and active engagement in these activities.

The Governance Effectiveness Self-Evaluation enables the board to measure and compare the extent to which the board both adopts and embraces “best practice” processes, as described in NCHL’s white paper Ten Best Practices for Measuring the Effectiveness of Nonprofit Healthcare Boards.

Both assessments are web-enabled. Aggregate feedback reports are provided for both assessments. For more information please contact NCHL at 312.755.5017.
Reflections and Reactions to Accountability and Transparency

The trend in healthcare to obtain various performance statistics is viewed as a move towards greater accountability. But while many boards are now seeking quality measurements as a means to evaluate their performance, not everyone sees this as a panacea. Those statistics are not always relevant to the people we are serving, said George F. Lynn, President and CEO of AtlantiCare Health System, and it is often more important to understand and meet the needs of each community we serve. In the end, said Rush University Medical Center Executive Vice President and COO Peter W. Butler, an institution needs a culture that encourages its leaders to speak out about problem areas as part of its commitment to achieving excellent quality. “Overall, a commitment to our culture is what is making a difference in our quality, not getting that measurement that everyone is pursuing,” he said. Even if measurements and outcomes are not important to the communities we serve, they can be important to other institutions, said David Bernd, President and CEO of Sentara Healthcare. “Transparency and clinical information will force all of us to do a better job and that’s why many healthcare institutions have been fighting for it. Clinical outcomes can be used as a tool,” he said, “to raise performance.” The good news, the panel agreed, is that momentum is building among board members who realize that quality is one of their key responsibilities.

Leadership Matters
Ian Morrison
Healthcare Futurist
National Healthcare Leadership Award
Keynote Address

As the nation prepares to meet what he labeled a “triple tsunami” of chronic care – driven by obesity, heart disease, diabetes, depression, and cancer – healthcare futurist Ian Morrison said the need for great leaders is more profound than ever. This year’s award co-recipients – Dick Davidson and Gary Mecklenburg – and NCHL Chairman Gail Warden embody the five attributes of great leaders that Morrison said are critical to healthcare:

• Great leaders are focused on their organization and not themselves. They present a unique combination of strength and humility and the ability to be likeable without idolatry.
• Leaders think broadly. They engage with the external environment, they are able to look to the future, and they are able to see the interconnections between stakeholders.
• Great leaders build followers through their behavior, which matters more than vision and values. CEO should stand for Chief Example Officer. They are authentic in their behavior, consistent, and approachable. They are optimistic and confident.
• Leaders build sustainable organizations through others. It is about mentoring and leadership development. It is about getting things done through others and building teams of people who build teams of people.
• Great leaders have a strong moral compass. They have a true sense of right and wrong.

Leadership development, Morrison said, is about experiencing leadership and showing others the way it is done. Additionally, evidence-based tools are showing us how to do things “and the good thing is that the National Center for Healthcare Leadership is bringing the discipline of those learnings to a much broader community and I applaud you for that,” he said. “The best way to honor Gary, Dick, and Gail is to take the time to develop new leaders, to take the time to mentor, to use best practices, and to learn from all around you in this industry and others,” Morrison said, “because in the final analysis, leadership matters.”

NCHL Bulletin Available

The Bulletin of the National Center for Healthcare Leadership, which was distributed as a supplement to the December 4, 2006 Modern Healthcare and at the Invitational Symposium, featured a white paper by L. Edward Bryant, Jr., Partner, Gardner Carton & Douglas and Peter D. Jacobson, Professor of Health Management & Policy, University of Michigan School of Public Health, on the Ten Best Practices for Measuring the Effectiveness of Nonprofit Healthcare Boards, with commentary from David L. Bernd, Paul B. Hofmann, and James Rice. Copies are available. Please call NCHL at 312.755.5017.
Some of the nation’s top healthcare leaders attended the Leadership Award dinner to honor colleagues Dick Davidson and Gary Mecklenburg. Pictured here is Ian Morrison’s keynote address.

Additional photos from the Invitational Symposium and Leadership Award event are available at www.nchl.org.