



North Central Accountable Community of Health

Welcome aboard!

Quick Starter Guide to Board Member Engagement

This document is intended to provide a **high-level overview** to kick-start board member orientation. We encourage you to reach out to fellow Board members or NCACH's Executive Director with any questions.

Don't forget to spend some time on the NCACH website to learn more! More detailed materials are available on our board orientation page (including recent meeting minutes, more detailed information about selected projects, etc)

Table of Contents

Nonprofit Basics	1
What is a nonprofit?	1
Articles of Incorporation	1
NCACH Purpose.....	1
Bylaws	1
A Primer on Board Governance	2
NCACH Board Member Responsibilities	3
Conflict of Interest Policy.....	3
Tribal Collaboration and Communication Policy	4
Board Committees and Workgroups	4
About NCACH	5
Health Care Reform Context.....	5
Milestones Timeline.....	5
Understanding ACHs	7
NCACH Mission Statement	8
NCACH Region.....	8
NCACH’s Role	9
NCACH Selected Projects	9
Glossary of Acronyms	9

Nonprofit Basics

What is a nonprofit?

Businesses must be registered through the State of Washington's Corporations Division. There are different types of businesses, and NCACH is registered as a nonprofit – or not-for-profit – corporation. Being registered as a nonprofit means that none of the corporation's income can be distributed to its members, directors, or officers.

Many nonprofits also apply for federal tax exempt status so they can receive tax-deductible contributions from people (donations) or foundations (grants). Being tax exempt -- most commonly as a 501 (c) 3 -- is not a requirement of nonprofit corporations.

Articles of Incorporation

Any business registering as a nonprofit corporation is required to file articles of incorporation. For nonprofits, this legal document outlines the general purpose and structure of the organization, and its intent to operate exclusively with a nonprofit purpose.

NCACH Purpose

The purpose of the North Central Accountable Community of Health is to improve the health of our communities in Okanogan, Grant, Chelan and Douglas Counties through achievement of the *Triple Aim*, which includes:

- Improving patient care, including quality and satisfaction
- Reducing the per-capita cost of health care, and;
- Improving the health of the population.

One common principle informs NCACH's work: major changes are coming to our health care system, and it is critical for our communities to have a strong voice in that process. NCACH is the primary vehicle through which our communities can be heard and can participate in the process of change.

Bylaws

After registering as a nonprofit corporation, nonprofits are also required to draft and adopt bylaws. Bylaws are the rules adopted for the regulation or management of a corporation's affairs.

Bylaws don't need to be filed with the State of Washington but they outline important structures and expectations like:

- how often the Board meets
- how members are elected
- how long Board member terms last
- how meetings are conducted
- etc.

✂ ACTION ✂

☐ READ: *NCACH Bylaws*

A Primer on Board Governance

The Governing Board is the principle and ultimate decision-making authority for the North Central Accountable Community of Health (NCACH). Boards have three primary legal duties known as the “duty of care,” “duty of loyalty,” and “duty of obedience.” You can learn more about these duties in Washington Secretary of State’s *Quick Guide to Charity and Nonprofit Board Service*

- o <https://www.sos.wa.gov/assets/charities/2015-Quick-Guide-for-Board-Service.pdf>

A Board provides the strategic direction of an organization. Board members have a fiduciary duty to set policies, oversee legal obligations, and provide critical direction and oversight for the organization’s work and purpose, including approving annual budgets. Boards are not typically “in the weeds”. Here’s an amusing description from the National Council of Nonprofits:

When there are paid staff in place, rather than steer the boat by managing day-to-day operations, board members provide foresight, oversight, and insight: think of them as up in the crow’s nest scanning the horizon for signs of storms or rainbows to explore, perhaps with a pot of gold at the end!

It’s important to note that as an organization evolves, so does its board. **This is not necessarily the direction the NCACH Board is taking**, but here is a helpful summary of how this might play out for ACHs in Washington State:

ACH Governance Evolution

17

As ACHs transition from planning governance to operational governance, the governing body must shift in its focus and perspective and build different capabilities over time.

The structure and goals of governance will evolve.



* Demonstration Year

manatt

Source: Governance Best Practices for ACH Board Members: *Good Governance and Navigating Conflicts of Interest*.
Manatt Webinar, August 2017.

✂ ACTION ✂

- ❑ REVIEW: “What Does Board Service Entail?” Infographic (BoardSource)
- ❑ READ: “Fiduciary Responsibilities of Board Members” (BoardSource)

NCACH Board Member Responsibilities

We don’t have a formal Board Member job description, but key responsibilities of Governing Board members are generally as follows:

- Determine, carry out, evaluate, and revise the NCACH’s strategic priorities to fulfill the NCACH’s mission and purpose; including providing strategic direction on approved projects.
- Be responsible for ensuring that NCACH complies with applicable federal, state, and local laws and regulations, and that it adheres to its stated purposes, and that its activities advance its mission.
- Act as liaison for NCACH to Washington State on issues of funding, governance, alignment of state initiatives with regional preferences, and other health care initiatives or topics that may arise relevant to the NCACH’s mission.
- Approve an annual budget and provide financial oversight.
- Work to secure any necessary funding for the core collaborative activities of NCACH partners that benefit the shared aims.
- Oversee, monitor and review as necessary the governance documents of the NCACH, including bylaws, policies, and articles of incorporation.
- Enact policies and charters to delineate the duties, selection and responsibilities of the Coalitions, and their interaction with the Board.
- Oversee and facilitate a community based process intended to improve healthcare access in the North Central Regional Service Area.
- Enact policies relating to the responsibilities of the NCACH’s Executive Director, and any administrative or backbone organization engaged and authorized to carry out, facilitate or support the administrative and business activities of the NCACH.
- Select, evaluate and terminate the Executive Director.

Conflict of Interest Policy

Many nonprofits – especially those registered as federal 501 (c) 3 entities – must have a conflict of interest policy.

This policy assists Directors in identifying and disclosing actual and potential conflicts. Board members are expected to act in the best interest of the organization they are serving, but conflicts of interest arise all the time.

Because it's not possible to avoid all conflict of interest situations, the purpose of this policy is to help Directors recognize and handle them effectively.

✎ ACTION ✎

□ READ: *NCACH Conflict of Interest Policy*

□ SIGN: *NCACH Conflict of Interest Policy Certification*

Tribal Collaboration and Communication Policy

The purpose of this board approved policy is to “establish a clear and concise collaboration policy and communication procedure between the Accountable Community of Health (ACH) and tribal governments, Indian Health Service (IHS) facilities, and Urban Indian Health Programs (UIHPs) in the development of all ACH policies or actions”. This model policy was drafted by the state and approved by NCACH in May 2017.

✎ ACTION ✎

□ READ: *NCACH Tribal Collaboration and Communication Policy*

Board Committees and Workgroups

Board committees and workgroups allow a subset of Board members to focus on specific aspects of board governance. At this time, NCACH's only committee is the Executive Committee (as described in the Bylaws.)

Due to their expertise and role in the healthcare field, many board members or their colleagues will be involved in planning and implementation workgroups (outside of formal board committees), as the NCACH leads health care transformation efforts in the coming years.

About NCACH

Health Care Reform Context

The delivery of healthcare is a constantly changing landscape. From 2013-2016, Medicaid enrollment in Washington State grew by 1.7 million beneficiaries (about 60%) and spending increased by \$2.6 billion (“Washington gets Medicaid waiver for 'accountable health communities' model”, Modern Healthcare, 10/19/16).

As our region moves to *Fully Integrated Managed Care* (FIMC) in 2018, additional major changes will include how care is delivered and how care is paid for.

To understand where we are headed and what we’re trying to accomplish as a region, it’s helpful to first understand recent changes to Medicaid health care delivery.

Milestones Timeline

2013	The federal Center for Medicare and Medicaid Innovation (CMMI) awards Washington State Health Care Authority (HCA) nearly \$1 million to develop a five-year State Health Care Innovation Plan.
2014	HCA submits its Innovation Plan – known as Healthier Washington – to CMMI after extensive community conversations across the state. The plan creates a framework for health system transformation with three core strategies: (1) pay for value instead of volume, (2) integrate physical and behavioral (mental health and substance abuse) care, and (3) promote prevention and early mitigation of disease.
Dec 2014	The Innovation Plan and bipartisan legislation supporting Healthier Washington elements (E2SHB 2572 and 2SSB 6312) form the basis of Washington State’s Innovation Models - Round Two Model Test grant. HCA is awarded \$65 million by CMMI in December 2014, catalyzing many of the changes in 2015. This funding is often referred to as the State Innovation Model (SIM) grant.
2015	Two regions (North Sound and Cascade Pacific Action Alliance) receive a “pilot grant” to launch Accountable Communities of Health (ACH). ACHs are designed to take the lead on local health improvements that connect to Healthier Washington goals. “Design grants” help the other 7 regions explore and develop this model.
Jan 2016	North Central Accountable Community of Health (NCACH) achieves official designation. By February, all 9 ACHs across the state are officially designated.

Apr 2016	<p>Mental health and chemical dependency services for Medicaid recipients are consolidated (they used to be provided through separate mechanisms and providers.)</p> <p>⇒ As part of this change, Behavioral Health Organizations (BHO) replaced Regional Support Networks (RSN) who used to be responsible for contracting out MH services.</p>
Jan 2017	<p>Washington State’s Medicaid Transformation Project (MTP) Demonstration grant approved by the federal Centers for Medicare & Medicaid Services (CMS). This 5-year contract authorizes up to \$1.5 billion in federal investments through December 31, 2021 to support 3 statewide initiatives, including an initiative focused on health improvements projects coordinated through ACHs. Note that 2017 is known as Demonstration Year 1 (DY1)</p>
May- Aug 2017	<p>All ACHs required to go through a comprehensive certification process to draw down design funds that will catalyze capacity investments. This includes submitting a Phase I certification application (May 2017) and Phase II certification application (August 2017.)</p>
Nov 2017	<p>All ACHs are required to select at least 4 project areas from a list of 8 designated areas. Project plan applications (outlining <i>preliminary</i> blue prints of regional health transformation efforts) are due in November 2017.</p>
Jan 2018	<p>As an “mid adopter” to Fully Integrated Managed Care (FIMC), the North Central ACH region will integrate physical and behavior health services for Medicaid recipients under managed care.</p> <p>⇒ As part of this change, Managed Care Organizations (MCO) will manage contracts with providers and the North Central BHO will dissolve.</p>
2018	<p>Demonstration Year 2 (DY 2) focuses on community engagement and regional planning to build on preliminary project plans submitted in November 2017. This involves infrastructure investments (staffing, IT, systems, etc) to build a solid foundation for implementing the work plans.</p>
2019-2021	<p>Project implementation begins in 2019, Demonstration Year 3 (DY3)! Over the years, project outcome measures are increasingly tied to payments we receive as a region. Projects are expanded over ensuing years including ensuring sustainability beyond 2021.</p>

✂ ACTION ✂

- ❑ REVIEW: *State Contracting Diagrams* document (3 infographics)
- ❑ REVIEW: *Current vs Transformed System* (Healthier Washington)

Understanding ACHs

Nine ACHs were created across Washington State. As described on the Healthier Washington website, “Accountable Communities of Health (ACHs) bring together leaders from multiple health sectors around the state with a common interest in improving health and health equity.”

ACH Regions Map



HCA 82-008 (5/17)

Okanogan and Klickitat are transitional counties based on Medicaid regional service areas.

✂ ACTION ✂

□ WATCH: *Accountable Communities of Health* video

<https://youtu.be/JmNKk3Vue58>

NCACH Mission Statement

The mission of the North Central Accountable Community of Health (NC ACH) is to improve the health of the North Central region’s communities and the people who live in them, improve health care access, quality, and the experience of care, and lower per capita health care costs in the North Central region which includes Chelan, Douglas, Grant and Okanogan counties (the “North Central Regional Service Area”).

This mission statement is aligned with the efforts statewide to reach the *Triple Aim*.

✈ ACTION ✈

□ REVIEW: *Achieving the Triple Aim* infographic (Healthier Washington)

NCACH Region

Our region includes 4 counties: Chelan, Grant, Douglas and Okanogan counties.



NCACH's Role

When it comes to achieving the triple aim, our main role at NCACH is to coordinate and convene our partners. We let our health care and community partners do what they do best (direct services), and we focus on connecting everyone towards a common vision.

As described in toolkits from the State of Washington, ACHs serve as the lead and works with partnering providers to plan and implement Medicaid transformation projects. The ACH's responsibilities include:

- engaging stakeholders region-wide
- supporting partnering providers in planning and implementing projects based on requirements of the Delivery System Reform Incentive Payment Demonstration (DSRIP) – aka the demonstration
- developing budget plans for the distribution of DSRIP funds to partnering providers based on funding methodology prescribed by the State
- collaborating with partnering providers in ACH leadership and oversight
- leading and complying with all state and federal reporting requirements

NCACH Selected Projects

After gathering community input and assessing regional needs, the Governing Board selected NCACH's Medicaid transformation projects in May 2017. ACH's are required to pick at least 4 projects, and 2 projects are required across the entire state.

The six projects NCACH selected are going to be a big part of the coordination activities from 2017 through 2021.

✂ ACTION ✂

- **REVIEW:** *Medicaid Transformation Demonstration Selected Projects* (two-page summary)

Glossary of Acronyms

For relevant health terms and acronyms, it's helpful to have the following documents at your fingertips!

✂ ACTION ✂

- **REFERENCE:** *Demonstration Glossary* (Healthier Washington)
- **REFERENCE:** *Building Changes Glossary of Relevant Health Terms* (Building Changes)