

Washington Health Alliance Board of Directors
MINUTES October 26, 2021

Board members present (virtual/call in): Curt Bailey, Lloyd David, Jay Fathi, Sarah Greene, Fred Jarrett, Christopher Kodama, Pam MacEwan, Greg Marchand, Larry McNutt, Lee Mills McGrath, Mich'I Needham (representing Sue Birch), Peter Rutherford, Ron Sims, John Wagner, Carol Wilmes, Jim Zimmerman

Board members absent: Merissa Clyde, Todd Hesse, Charlene Lind, Steve Mullin, Ketul Patel, Megan Pedersen

Staff present (virtual/call-in): Leslie Bennett, Sharon Eloranta, Nancy Giunto, Catherine Lanham, Adria Moskowitz, Mark Pregler, Theresa Lampkin Tamura

Guests present (virtual/call-in): Mary Wright and Aurora Varela, Moss-Adams, LLP

The meeting was called to order at 2:30 pm.

Call to Order

Curt Bailey called the meeting to order at 2:30 p.m. Mr. Bailey asked for conflicts of interest. Mich'I Needham will recuse herself from the WA-APCD conversation.

Consent Calendar

Meeting Minutes:

- September 22, 2020 BOD Minutes
- October 15, 2020 EC Minutes

Committee Reports:

- October 14 Quality Improvement Committee

October ED Report (includes Q3 progress on Annual Plan)

2020 IRS Form 990 (approved by the EC)

Q3 Financials

Year End 2021 Projection

The Board approved the Consent Agenda as presented.

Board members recognized the year-end financial projection is better than budgeted. Projections indicate there will be a significant positive net income driven mostly by grant revenue from the Low Back Pain Implementation Collaborative supported by the Arnold Ventures grant. It is important to recognize that funding for this grant is heavily loaded toward the front end of the engagement and that anticipated expenses have not yet been fully borne.

Conversation with our Auditors

Mary Wright and Aurora Varela from Moss-Adams LLP provided their report from the 2020 audit. They received the full support and assistance of the Alliance staff. Other members of the Moss Adam team who worked on this audit were: Sasha Correnti, Concurring Reviewer; Ian Williams, Staff; Dylan Boren, Staff and Colleen Ramires, Tax Senior Manager. Moss Adams conducted their audit with objectivity and independence.

Moss Adams conducted the annual financial statement audit as for the year ended December 31, 2020. They will also assist in drafting the financial statements of the Alliance as well as tax return preparation, including the 990. The Financial statements are presented fairly and in accordance with U.S. GAAP. As of this date the financial statements are in draft form pending completion of QC processes. Ms Wright reported that Moss Adams found no audit findings or issues to report. The previous year the Alliance changed policy having to do with revenue recognition standards to recognize membership dues in the year they apply as opposed to when they are received. She reminded the Board that, given this change in approach, the 2020 audit showed only one year. We are now back to a two-year comparative statement. There was an additional disclosure for 2020 Paycheck Protection Program loan until that loan was forgiven at 100% and will come off the balance sheet next year and will be shown as revenue.

There were no questions for the Moss-Adams team and they left the meeting at the end of their presentation.

Update from Total Cost of Care

Mark Pregler provided a brief update regarding the Total Cost of Care (TCoC) work reported in the Quality Improvement Committee Report, as well as progress on the Social Determinants of Health and the Area Deprivation Index (ADI) work that is underway. Our TCoC reporting is progressing as planned. We are finalizing the analysis and preparing draft results to take to the Health Economics Committee (HEC) on November 4. After that it goes to the Quality Improvement Committee (QIC) on December 9, then the Pricing Committee prior to the Board of Directors meeting on December 14. We are looking for a release either later this year or shortly after the new year for the TCoC Report analyzed at both the county and Accountable Communities of Health levels.

With regard to the ADI work, we are starting to see some data coming in from some data providers. Some data providers had to opt out for timing reasons, but will provide data for April submissions. Everyone has been a willing participant. We are excited to see what the data looks like after Milliman runs it through the data quality checks.

Update on Low-Back Pain

Sharon Eloranta provided a quick update on the Low-Back Pain project. At this time our focus is on recruitment. We sent letters asking purchasers for a commitment and asking if they have preferred payers and providers that should be invited to join in the

collaborative effort. The next stage of recruitment will be to follow-up with payers and providers. We are looking at end of January or early February for the kick-off meeting.

Feedback from DEI Facilitated Learning Session at September BOD Retreat

Larry McNutt shared the results from the survey requested after the Diversity, Equity and Inclusion (DEI) conversation at September's Board retreat. There were 8 respondents. The majority of respondents gave positive ratings to most aspects of the program such as the overall quality of the program, coverage of key concepts, and openness of the facilitator. There were relatively lower ratings on use of real world concepts, and personal comfort with the material. There were mixed results on the extent to which the program expanded knowledge and understanding of DEI concepts. The richest feedback in the comments, and a very important common theme, is to tie these learning sessions more closely to the work of the Alliance and its strategic direction. The majority of the respondents felt unprepared for this conversation but felt it was a very valuable exercise. The respondents were very much engaged and are looking forward to taking meaningful action in our governance structure, our operations and data collected to be more representative of all the citizens we serve in the state of Washington.

The Expanded Governance Committee recommends the following next steps for learning sessions in terms of content and timing:

- Hold the next DEI learning session in early 2022, and focus the content more concretely on the mission, goals and actions of the Alliance.
- Undertake a review of the organization's bylaws and Board Committee Charters as outlined in the approved DEI action plan under a limited scope:
 - Review documents through a DEI lens and recommend changes to the full BOD that correct issues on items like gender bias, relics of a culture of racism and the like.
 - Complete review of bylaws in Q1, Charters in Q2.

We will be sure to include diverse perspectives for the document reviews. Dr. Amy Bonomi is putting together a resource list for guidance.

Strategic Priorities for the Alliance in 2022 and Beyond

Curt Bailey led the conversation about the results of the small group breakout sessions at the Board September retreat. There were a number of questions asking if our governance structure is functioning as we hoped it should.

1. Is our governance model aligned in strength and flexibility to allow the Alliance to fulfill its mission and organizational goals? **92.86% responded that it is either mostly or fully aligned.**
2. Are BOD meetings a valuable (efficient and productive) use of your time? **87.51% responded that meetings were either always or mostly valuable.**
3. To use my time as a Board member most usefully, I would like to see the board

spend more time on: **64.29% said Policy, 21.43% identified Strategy, and 14.28% mentioned Governance as the third most important topic.**

As a follow-up to question 3, Board members shared their thoughts about Policy and Strategy moving forward for the Alliance. All Board members need to have the same conception of the strategic plan and be aligned with what this looks like for end products and workload. Among the ideas presented were that the Alliance should challenge the concepts that quality and experience are always a given; the Alliance should stress that population-based cost matters; that quality and cost should be wrapped together in Alliance strategy, which will be driving value in the healthcare marketplace, and the importance of contributing to strengthening Primary Care. The Alliance should find legislative support to advance our agenda and provide subject matter expertise to make sure legislation results in the best outcomes for the healthcare system.

Connecting Some Dots on Initiatives Underway and BOD Strategic Recommendations

Nancy Giunto has joined the Board of CIVITAS, a merger of NHRI and SHIEC, representing health information exchanges across the nation dealing with clinical data transfer. There are about 80 HIE's across the nation and provides a great opportunity for data expansion possibilities. This is a two-year commitment.

Curt Bailey reminded the Board that the Alliance has diversified revenue from the traditional subscription model through the Low Back Pain Implementation Project supported by the Arnold Grant, and convening work with pharma on biosimilars and oncology.

There were five themes emerged from the September strategic retreat:

- Diversification of Revenue
- Data Acquisition and Reporting
- Purchaser Attraction and Engagement
- Driving Market Change
- Partnerships to Advance the Alliance's Work

We should also include incorporating Diversity, Equity and Inclusion in all the work we do.

Diversification of Revenue Polling Questions

1. Alliance reliance on data is becoming less of a market differentiator?
 - **Yes- 60%**
 - **No - 40%**
2. Are data submitters willing to consider amending Data Supplier Agreements to allow quicker action outside of secondary use requests?
 - **Yes - 100%**

Data Acquisition and Reporting Questions

Should we pursue monthly data submissions to allow more timely reporting?

- **Yes - 86%**
- **No - 14%**

Should the Alliance consider adding new data sources? If so, what should we consider. If not, why not?

- clinical data
- Medicare data
- other?

Board members volunteered the following thoughts on this question:

- Cost and transparency work should include Medicare data.
- It is important to define the ultimate business purpose that is going to be served when we talk about changes to data acquisition and reporting.
- Don't duplicate efforts.
- Clinical health outcomes are really what people are looking for. There is a lot of benefit in bringing administrative and clinical claims together. That said, collection, harmonization, and comparison of clinical data is a large resource toll; how would we see measurable return on investment?

What are your thoughts on new ways to aggregate and display data (for example, smart phone accessibility)? **No one had strong feelings about this issue. Perhaps this is a capability that Payers and Purchasers would want to enable when they are at decision points so this is not an Alliance issue. The reports are not really actionable by consumers.**

Purchaser Attraction and Engagement:

We have not had as much success in attracting purchaser members as we would like, particularly from non-governmental entities.

- What strategies should we consider in light of this reality?
- Should we host a C-Suite gathering targeting CFOs?

Board members provided feedback about making sure we have the right product, the right price and are addressing the right audience. We need to create tangible value to attract purchasers.

Partnerships to Advance the Alliance's Work:

Many organizations pursue the same or similar goals as the Alliance. Here is a brief list of the ones the Alliance works with:

- Bree Collaborative
- Cambia Grove
- CIVITAS
- Comagine
- DEI partners
- National Alliance of Healthcare Purchaser Coalitions
- One Healthport
- Purchaser Business Group on Health

Jim Zimmerman agreed that the Sustainability and Innovation Committee (SIC) will look at the organizations that the Alliance is in partnership with, analyze them and prioritize synergy with them according to the value they add to the Alliance's mission, and determine the business case for further involvement as appropriate. SIC will then return a recommendation to the Board.

Driving Market Change

Looking to frame the Annual Plan and beyond: We can drive change in many ways including:

1. Reflect each of the strategic priorities in the work underway and planned.
2. Undertake a major new project supported by the BOD that touches on each of the strategic priorities.

Selection criterion for a major project:

- Builds on past Alliance success and current priorities.
- Further the five strategic priorities summarized in this document.
- Is a focus area where the Alliance is uniquely positioned to make a major contribution.
- Is manageable with current Alliance resources.
- Timeline for initiation and completion.

The Board did not make a decision on the approach for driving market change based on the two options listed above. There was rich feedback about attracting big businesses, leveraging the Alliance's unique multi-sector member base, and changing the Alliance's actions in the short term in response to the current pandemic environment.

The Board will discuss the strategic approach and most important tactics to drive market change in future meetings.

The meeting adjourned at 4:15 pm for the Executive Session. Mich'I Needham recused themselves at this time.

The meeting was adjourned at 5:00 pm.

Respectfully submitted by Adria Moskowitz

Curt Bailey, Chair