

**Washington Health Alliance
Board of Directors Meeting**

**MINUTES
December 11, 2018**

Board members present: *Curt Bailey, Merissa Clyde, Dr. Al Fisk, Sarah Green, Fred Jarrett, Tim Lieb, Pam MacEwan, Greg Marchand, Larry McNutt, Ron Sims, Caroline Whalen, Carol Wilmes*

Board members call-in: *Sue Birch, Leanne Bough, Charlene Lind, Dr. Peter Rutherford, Claire Verity, Jim Zimmerman*

Board members absent: *Dr. Jeff Collins, Patrick Connor, Dr. John Espinola, Dr. Christopher Kodama, Steve Mullin, Dr. Paul Sherman*

Staff present: *Susie Dade, Nancy Giunto, Catherine Lanham, Adria Moskowitz*

Call to Order

Fred Jarrett called the meeting to order at 2:30 p.m. Mr. Jarrett asked if there were any present who felt there was a conflict of interest with an agenda item and needed to be recused. No conflicts were sited.

Consent Calendar

The Board unanimously approved all consent calendar items:

- October Year to Date Financials
- December 6, 2018 Executive Committee Minutes with the following change: Under **Progress on New Governance Structure Including Proposed 2019 Meeting Schedule**, the word “not” has been removed from “Committee charters have been reviewed by all and the chairpersons are **not** finalizing committee membership ...”
- October 23, 2018 Board of Directors Minutes
- Consumer Education Committee Summary
- Health Economics Committee Summary

2017 990

Ms. Giunto presented the 2017 990 to the Board. Through a series of miscommunications, our external accounting team notified the Alliance when there were 4 days to complete the 990. The 990 was submitted to the IRS on time but did not receive approval from the Executive Committee before it was sent. This will not happen again. Fred Jarrett was aware of the deadline and the notifications; his concern was getting the document out to meet the deadline. The Board accepted the 2017 990 report.

Executive Director Report

The Alliance has published the second addition of the “First, Do No Harm” report. A copy of this report is available to all Board members in the room. Adria Moskowitz will send an electronic copy to the Board members who were not able to attend in person.

Susie Dade presented a summary of the report. The Waste Calculator tool that drives this report has been enhanced with some measures added and some dropped. The previous report had 47 measures, this one has 48 measures for commercial and Medicaid populations. The vast majority of “Low Value” services fall in the “Wasteful” category rather than the “Likely Wasteful” category. The number one Low Value service is a new measure: Opiates for Acute Low Back Pain in the First 4 Weeks. The report spans July 2016 to June 2017. Ms. Dade is happy to answer questions after Board members look through it. The press release announcing this report went out 12/11/2018, just before this meeting.

The first action step based on the Do No Harm report was Drop the Pre-Op, rolled out in October. It was well-received locally, and at both the state and national levels.

Nancy Giunto shared that she received a note from Senator Alexander’s office that the Senator wants to explore, through regulatory and other action, how to eliminate waste in healthcare based on the series of hearings they conducted this fall and winter.

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There was an active conversation by Board members about action steps:

- Many expressed significant concern about opioid use and shared with others how they have educated employees/members on evidence-based use, improving employee health and saving considerable dollars in the process.
- People will take waste more personally if they understand how much waste costs each family or person. Can the Alliance get to this number?
- Antibiotics has the highest rate of waste; this is a measure that effects seniors strongly. The question is not “if there is going to be a prescription” but “how long will the prescription be for?” How can we further educate seniors about the deleterious impacts of unnecessary antibiotics?
- Make it easy for consumers to get rid of old medications; turning them in to a safe site, rather than throwing them out.
- Educate medical school students on the harms of waste and overuse in health care. Jim Zimmerman offered to approach the Elson S. Floyd's College of Medicine curriculum on adding this information.

Board Committee Chairs and Meeting Dates for 2019

The Board endorsed the committee chairs as listed and approved by the Executive Committee for terms beginning January 1, 2019 through December 31, 2020:

- Governance Committee – Tim Lieb
- Government Affairs – Steve Mullin
- Membership Development – Caroline Whalen
- Sustainability and Innovation – Curt Bailey

The Board reviewed the proposed meeting dates for 2019 that include a reduction in the number of full Board meetings and dropping one Board Retreat in September (the September retreat will be for EC and Committee Chairs only). The Board discussed possible challenges for the full Board meeting in January due to changes in Metro transit. Board members are welcome to call into meetings.

The Board accepted the new meeting schedule for 2019. Ms. Moskowitz will send the revised 2019 Board schedule as approved by the Board to Board members' assistants.

Board Committee Chair Reports

- **Governance Committee:** Tim Lieb shared that he met with members of the former Nominating Committee in person prior to the Board meeting to transition activities. The newly appointed Governance Committee will be meeting soon to review Board member terms and recommend a new slate of officers to the Executive Committee before its January meeting.
- **Government Affairs Committee:** Fred Jarrett, stepping in for Steve Mullin, shared that the update to this committee's work will be discussed during the Executive Session of the Board meeting today. This committee has been meeting consistently for several months.
- **Membership Committee:** Caroline Whalen reached out to Board members who have agreed to be members of the committee. An important goal of this new committee is to reach out to member organizations looking at best practices about the use of Alliance materials to create action-oriented stories about use. The first meeting will be held in January.
- **Innovative Committee:** Curt Baily shared that almost all new members have been contacted to verify interest. The first meeting will be held in January.

Fred Jarrett reminded the chairs that the Board wants to get feedback to continue to improve this new structure.

New templates to track and communicate about committee progress were reviewed with the Board to insure that Board members feel that this will provide adequate insight into deliverables by each committee and progress toward goals. The Board supported use of these templates.

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Closing 2018 and Preparing for 2019

Ms. Giunto presented the Year End Projection. A successful year end to 2018 will be based on the timing of collecting 2019 membership contributions. The Board approved an operating budget for a net loss of about \$110,000, with no depreciation. The year-end projection for 2018 reflects a loss of around \$97,000. This projection includes collecting \$1.240M in 2019 memberships in Q4 2018. This year the Alliance is about one and a half weeks late getting out the renewal invoices. The Alliance has collected \$722,000 in 2019 membership contributions as of today's meeting. In Q4 2017, the Alliance collected \$465,000 more than projected which more than explains the shortfall in revenue contributions in 2018.

The Board discussed moving from a cash basis of accounting to an accrual basis for member contributions as identified during the December Executive Committee meetings. This will allow easier tracking of member contributions year-to-year and will be addressed further in the January EC meeting. A decision to move in this direction will greatly impact the Alliance's budget during a transition year.

The Alliance has done very well in meeting financial goals for grants and contracts. Nancy Giunto thanked Boeing and the Washington State Health Care Authority for entrusting us with additional work this year.

Nancy Giunto presented the 2019 draft Annual Plan. It is short and more focused than previously and much of it comes from recommendations of the Governance Committee, as part of the Board restructuring process and decision. The three strategies focus on the most significant issues to work on and include:

- Strategy # 1: Drive marketplace action through our products and initiatives and develop a sustainable funding model for a growing organization.
- Strategy #2: Lead within the state and nation in the quality of our core data sets and analytics as well as the products and services that deliver that data to others.
- Strategy #3: Add many new large to medium-sized purchasers and providers as members of the Alliance.

The Board discussed each of the Strategies and touched on several of the Objectives and Tactics. The Group encouraged Ms. Giunto to refine the Strategies to address the most important "What's" and to have Objectives and Tactics address the "How" to accomplish them.

Ms. Giunto previewed the 2019 Budget. A significant question is whether we should undertake a patient experience survey in 2019, a \$700,000 commitment over a two-year period. Board members suggested a reevaluation of this effort to further advance this work.

Nancy will submit the 2019 draft annual plan and budget to the Board for approval at the January 2019 meeting.

The meeting adjourned at 4:10 pm, for the Executive Session.

The Executive Session was convened at 4:27 PM