HEALTH LINK SYSTEM GOVERNANCE IN A DECENTRALIZED DELIVERY SYSTEM

Ted Ball

I met my friend **Dennis Pointer** in the '90's. We both had a passion for discovering how to make *Integrated Delivery Systems* (IDS's) work.

I was working with **Herbert Wong** and **Ken Moore** of Quantum Solutions of Austin Texas on <u>how</u> to liberate organizations and systems to redesign themselves. Back then we called it "organizational" and "whole system" **transformation**. But the Ontario healthcare system was only buying something called "re-engineering".

While Herbert Wong was the total health & support system transformation implementation "How To" expert, the intellectual leader of the IDS movement was **Steven Shortell**.

Shortell defined an *Integrated Health Care Delivery System* as "a network of organizations that provides or arranges to provide a coordinated continuum of services to a defined population and is willing to be held clinically and fiscally accountable for the outcomes and health status of the population served."

Now, really, does that not sound like a *Health Link*?

You will know Dennis Pointer's name from the **Pointer-Orlikoff Model of Governance** outlined in their widely-practiced governance processes in their best-selling book: *Board Work*. This is the "gold-standard" in most of the world of health governance.

I began a ten-year learning discovery journey with Dennis Pointer on the topic of integrated healthcare governance. He was the author of a very relevant article in *Frontiers of Health Services Management*, entitled "Loosening The Gordian Knot Of Governance In Integrated Health Care Delivery Systems".

Pointer and his colleagues said, "because of the unique position of boards, governance is potentially the ultimate integrator."

The article explores the key issues that need to be addressed on system governance. Dennis would want more clarity on the high-level goals that government wants to achieve. The role and function of the LHIN (devolved/or not), the role of HSP Boards as governance for their silo and as a system partner focused on the patient/client experience, all need greater clarity.

Pointer says that because IDS's are "accountable for enhancing the health status of the population and integrating the functioning of a diverse network of organizations." He

says that in a multi-organizational system, the responsibilities of governance must undergo a significant shift: from responsibility for treating illness, to responsibility for improving the health status of the population.

"If the system is truly interested in improving community health status, it must interact with public health and other social agencies in the community it serves", says Pointer. "The system and its governance must shift from an illness-based paradigm, to one that focuses on the health of the community."

Imagine that! For \$47 billion annually on health spending, we would actually get improvement in our health status.

Pointer says that for each of the HSP partner boards, there would also be a need for a significant shift: from responsibility for an organization, to a responsibility for an integrated network of organizations. From a focus on the interests of the silo, to a focus on the interests of the patients and citizen-owners.

"Governance must lead the system toward full integration while being willing and able to transform itself in the process," says Pointer. But most organizations are trapped in the same/old governance courses that seem -- based on experience -- to encourage maintaining of the status quo.

"With systems thinking and a clearly articulated mission statement, Board members can prioritize the interests of the system, as defined by the mission, above the interests of the component parts/members," says Pointer.

While all this transformation stuff is marking noise, things seem like "business as usual" at the OHA's *Centre of Governance Excellence*. It isn't like the OHA is opposed to transformation, it is just they are caught in the business of running lucrative governance workshops that are about the status quo vs. mobilizing boards to actually transform themselves and their local service delivery system.

Pointer says partner boards "will have to determine which governance structures, functions and practices are to be retained, while at the same time redesigning and/or replacing those that may be suited to one stage of system development, but not another.

Pointer's experience certainly matched our hands-on transformation coaching role in both Canada and in the United States. He gets us to focus on four dimensions. These are:

Control: whether governance of the system is centralized, or decentralized; a single board, or multiple boards.

<u>Structure</u>: the configuration of, and relationships among, the system boards, subordinate boards, and/or advisory bodies.

<u>Composition</u>: the basis on which members of the system board are selected. Should membership if the system board be representative of system components?

Functioning: nature of the functions performed by boards and advisory bodies; and, in decentralized arrangements, how such functions are shared by system and subordinate boards? How should governance functions be shared among system and subordinate boards?

Pointer says that each of these dimensions are moving parts that shift over time -- as lessons are learned, and as people discover "what works", and "what doesn't work". He says younger systems -- like our newly established 25 *Linkets* -- grow and change at a rapid rate: components are added and corporate structures undergo constant alteration. He says all aspects of the system -- including its governance -- will undergo constant metamorphosis.

Pointer says "in young systems, we would expect to find control, structure, composition and function in a state of constant flux." He says "such flux is the result of a system's attempt to achieve alignment between the incentives, contingencies and constraints presented by the external environment, and the system's key strategic, structural, and operating characteristics. As systems mature, they eventually achieve some degree of equilibrium. At that point, governance form becomes more stable", advises Pointer.

The problem is: *Health Links* are first and foremost about the patient/client experience. While governance can play a positive role, they would become dysfunctional through constant re-invention, system energy will end up being invested in the wrong stuff. The question is: How are Governance Boards going to successfully support the transformation of their health and support services delivery system -- when most Boards are badly stuck themselves?

If you want to think about how Boards could "add value" and get "unstuck", read my friend Dennis Pointer's paper <u>Loosening The Gordian Knot Of Governance In</u>
<u>Integrated Health Care Delivery Systems</u>.

FORWARD THIS BLOG TO COLLEAGUES WHO MAY BE INTERESTED IN ADDRESSING THE LINK CHALLENGES FACING HEALTH LINKS.

