

FY 2015-16

Health Service Board

Annual Self-Evaluation

The Health Service Board conducted its annual self-evaluation during the month of December. This is a report on a summary of the self-evaluation.



Overview

The Process

In November the Health Service Board (Board) Secretary, Laini K. Scott, sent a blank Board Performance Evaluation Survey (Board Survey) to each of the Board Commissioners for completion. This year, the Board Governance Committee requested that members of the Executive Team of the Health Service System (HSS) receive a revised version of the Board Survey for evaluation. The revised version designated for HSS Executive Staff (HSS Staff Survey) was sent to HSS Executive Staff in November for completion. Both surveys were anonymous evaluations, and the completed Board Surveys and HSS Staff Surveys were sent to the Department of Human Resources' Workforce Development Director, Donna Kotake. The results of the Board Survey and HSS Staff Survey will be presented to the Board's Governance Committee meeting on January 5, 2017 and to the full Board at its regular meeting on January 12, 2017.

The Self-Evaluation Form

In accordance with the Board Evaluation Policy, Board members are required to annually complete the Board Survey. It identifies four categories for evaluation – (1) Governance Structure & Policies, (2) Board Member Interactions and Meeting Activities, (3) Goal-Setting and Communications, and (4) Board's Interactions with Management. Statements identifying performance measurements under each category are listed and each Commissioner indicates his/her level of agreement or disagreement on a 5-point Likert scale. There is also an "Unable to Assess" answer option for any Commissioner who recently joined the Board, was unavailable throughout much of year, or did not complete the Board Survey.

The HSS Staff Survey for evaluation included only the category entitled "Board's Interactions with Management." Similar to the Board Survey, statements identifying performance measurements in this category are listed and each HSS Executive Staff member indicates his/her level of agreement or disagreement on a 5-point Likert scale.

Executive Summary

In each of the four categories for evaluation in the 2016 Board Survey showed evaluation improvements in a few areas, decreases in several areas and find some issues of possible concern and focus for the upcoming year. Highlighted here are evaluation statements that demonstrate significant decreases or increases (0.3 points or higher) in comparison to the 2015 Board Self-Evaluation Survey. Where appropriate, evaluation statements are reviewed over a three-year period.

Areas of Improvement

There were several areas of improvement as indicated in the tables below. It is noted that each of the statements listed below were highlighted as Potential Focus Areas in the last Annual Board Survey. Significant improvements were made in the Board's continuing education program and the establishment of goals for the investment program.

Governance Structure and Policies

STATEMENT	2015	2016
The roles that the Board has assigned to key parties match the expertise or experiences of those parties.	4.0	4.3
The Board's continuing education program equips its members with the knowledge they need to be effective.	3.0	3.8

Goal-Setting and Communications

STATEMENT	2015	2016
The Board establishes suitable goals for the investment program.	2.7	3.5

Board's Interactions with Management

STATEMENT	2015	2016
The Board ensures management has the necessary financial and human resources to achieve the organization's goals.	3.9	4.3

Areas of Possible Concern

Listed below are evaluations which showed a decrease in scores from the previous year. These statements are highlighted as areas to be aware of during the coming year. In particular, the statements in the Governance Structure and Policies and the Board Member Interactions and Meeting Activities show a significant decrease from the previous year.

Governance Structure and Policies

STATEMENT	2015	2016
Board meeting agendas adequately reflect policy matters that are consistent with the Board's role.	4.6	3.8
The Board received the information and reports that are necessary to carry out its duties.	4.4	3.8

Board Member Interactions and Meeting Activities

STATEMENT	2015	2016
Board members accept the decisions of the Board, even if they did not vote in favor of them.	4.5	3.5
The Board carefully deliberates before taking action.	4.8	4.2

Goal-Setting and Communications

STATEMENT	2015	2016
The Board communicates effectively to staff.	4.3	4.0
The Board communicates effectively to service providers.	4.3	4.0
The Board communicates with one voice to all parties.	4.3	4.0
The Board instills trust among stakeholders.	4.3	4.0

Potential Focus Areas

The two statements related to Board Member Interactions and Meeting Activities listed below are on-going issues for the Board to address. These statements indicate a downward trend over the last three (3) years as detailed in the table below, and were highlighted as areas of possible concern in the last Annual Board Self-Evaluation.

Additionally, an area of concern is the evaluation of the Board's Interaction with Management. Eight (8) of the nine (9) statements by the Board showed a decrease and several statements were highlighted in as areas of possible concern in the last Annual Board Self-Evaluation. This is an area that Board members recognize must continue to be addressed.

Board Member Interactions and Meeting Activities

STATEMENT	2014	2015	2016
Board members are respectful of other's ideas and opinions.	4.8	4.4	4.2
Disagreements between Board members tend to be handled professionally.	4.8	4.4	4.0

Board's Interactions with Management

STATEMENT	2014	2015	2016
The Board provides sound advice to management.	4.5	4.9	3.7
The Board challenges management in a constructive manner.	4.7	4.3	3.5
The Board provides valuable alternative points of view to management.	4.2	4.1	3.7
The Board ensures management has the necessary financial and human resources to achieve the organization's goals.	3.5	3.9	4.3
The Board creates an atmosphere in which management's ideas are genuinely welcome.	5.0	4.7	4.3
The Board effectively evaluates the Executive Director's performance.	2.8	4.4	3.7
The Board provide the Executive Director with helpful feedback to enhance future performance.	3.7	4.1	3.5
Where feasible, the Board engages in effective management succession planning.	2.5	3.0	2.8
Board members are respectful of the opinions expressed by staff and management.	4.8	4.8	4.3

Results of Board Performance Evaluation

Evaluation of Governance Structure & Policies

This year less than half of the statements (3 out of 7) in this category received 83.33% to 100% of “Agree” or “Strongly Agree.” Although only half of the Commissioners indicated agreement regarding the statement that the Board’s continuing education program equips its members with the knowledge they need to be effective. However, it should be noted that this rating has continually improved over the past 3 years. A comment about this particular topic stated, “The Board has engaged and completed several aspects of Board Education under the Terms of the Governance and its Education Plan. These activities have been accomplished during regularly scheduled Board meetings, as well as through the November Board Forum, and by individual Board member attendance at outside meetings and webinars.” A somewhat conflicting comment stated, “We now have written goals for the Board Education but have work to do to implement. We still do not have adequate funding to carry out our goals.”

Another area to look at is the statement about the Board received information and reports that are necessary to carry out its duties. It is highlighted as an area of possible concern, and this rating has

continued to decrease over the last 3 years. One particular example stated, “...Any major changes to the members’ health benefits should be presented to the Board and members far in advance of the final meeting for the vote. This may need to be written into our Governance policies.”

The following table shows the breakdown of levels of agreement with an average of 4.0 out of a possible 5 points for the Evaluation of the Board’s Governance Structure & Policies. The 4.0 points is slightly higher than the 3.9 average points in the 2015 Board Survey in this category.

Table 1:

	STATEMENT	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)	Unable to Assess	Average Agmt
1	Evaluation of Governance Structure and Policies							
a	The Board has clearly defined roles of all key parties.				66.67%	33.33%	1	4.3
b	The roles that the Board has assigned to key parties match the expertise or experience of those parties.			16.67%	33.33%	50.00%	1	4.3
c	The Board orientation program met your expectations.			33.33%	50.00%	16.67%	1	3.8
d	The Board's continuing education program equips its members with the knowledge they need to be effective.			50.00%	16.67%	33.33%	1	3.8
e	The Board has developed a comprehensive Board policy framework or manual.			33.33%	33.33%	33.33%	1	4.0
f	Board meeting agendas adequately reflect policy matters that are consistent with the Board's role.			16.67%	50.00%	33.33%	1	3.8
g	The Board received the information and reports that are necessary to carry out its duties.		16.67%	16.67%	33.33%	33.33%	1	3.8

Board Member Interactions and Meeting Activities

The majority of the statements (9 out of 12) in this category received 83.33% to 100% of “Agree” or “Strongly Agree.” However, as described in the Executive Summary section, there are statements in this category as Areas of Possible Concern and Potential Focus Areas. One comment related to this category indicated, “A key Health Plan change for Retirees was a critical decision point for the Board during this year. The Board made this decision within the constraints of meeting requirements, provider delivery of information, the myriad of legitimate concerns and comments of Retirees and their organized representatives. Some Board members while expressing reservations publicly and privately had those reservations resolved by a thorough questioning engagement with the new provider. However, some choose to persist in activities that caused misinformation to be disseminated which served neither the Board or our Retiree members. It is my hope that the lessons learned during this process will enable us to make better decisions in the future. In order to make those decisions, we need to be guided by our mission on behalf of all members, regardless of the constituent authority who appointed or elected us.”

There were two comments related to improvements in this category. One comment stated, “During this performance period the Board has improved its overall performance by being at full strength in its membership. Board member meeting preparation and participation has substantially improved.” And the other comment stated “We do not have an investment policy but work is in progress towards that goal.”

The following table shows the breakdown of levels of agreement with an average of 4.1 out of a possible 5 points for the Evaluation of the Board Member Interactions and Meeting Activities. The 4.1 points is lower than the 4.3 average points in the 2015 Board Survey in this category.

Table 2:

	STATEMENT	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)	Unable to Assess	Average Agmt
2	Evaluation of Board Member Interactions and Meeting Activities							
a	Board members are adequately prepared for meetings.			16.67%	50.00%	33.33%	1	4.2
b	Board meetings are frequently well-organized.			16.67%	33.33%	50.00%	1	4.3
c	The Board focuses on policy and strategy rather than operations.			16.67%	50.00%	33.33%	1	4.2
d	Board members understand when it is appropriate to act in a fiduciary or stakeholder role.			33.33%	50.00%	16.67%	1	3.8
e	All Board members adequately contribute to discussions and deliberations.			33.33%	33.33%	33.33%	1	4.0
f	Board members are respectful of other's ideas and opinions.			16.67%	50.00%	33.33%	1	4.2
g	Disagreements between Board members tend to be handled professionally.			16.67%	66.67%	16.67%	1	4.0
h	The Board routinely adheres to its own policies.				83.33%	16.67%	1	4.2
i	The Board effectively manages Board members who fail to act in accordance with policies.				83.33%	16.67%	1	4.2
j	Board members accept the decisions of the Board, even if they did not vote in favor of them.		16.67%	16.67%	66.67%		1	3.5
k	The Board takes timely action to resolve problems when they arise.				83.33%	16.67%	1	4.2
l	The Board carefully deliberates before taking action.				83.33%	16.67%	1	4.2

Evaluation of Goal-Setting and Communications

The majority of the statements (7 out of 9) in this category received 83.33% to 100% of “Agree” or “Strongly Agree.” The statement about the Board establishing suitable goals for the investment program improved from the 2015 Board Survey score of 16.7% “Agree” to 33.33% “Agree” and “Strongly Agree” for this year’s Board Survey.

In the area of Board communications however, decreases in scores occurred in 4 out of 5 statements. These include communications to Plan members, staff, service providers and the Board communicating with one voice to all parties.

The following table shows the breakdown of levels of agreement with an average of 4.0 out of a possible 5 points for the Evaluation of Goal-Setting and Communications. The 4.0 points is slightly lower than the 4.1 average points in the 2015 Board Survey in this category.

Table 3:

	STATEMENT	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)	Unable to Assess	Average Agmt
3	Evaluation of Goal-Setting and Communications							
	The Board establishes suitable goals for:							
a	the organization as a whole.				83.33%	16.67%	1	4.2
b	the investment program.			66.67%	16.67%	16.67%	1	3.5
c	Member Services.			16.67%	50.00%	33.33%	1	4.2
	The Board communicates effectively to:							
d	Plan members.			16.67%	66.67%	16.67%	1	4.0
e	staff.			16.67%	66.67%	16.67%	1	4.0
f	service providers.			16.67%	66.67%	16.67%	1	4.0
g	The City.				83.33%	16.67%	1	4.2
h	The Board communicates with one voice to all parties.			33.33%	33.33%	33.33%	1	4.0
i	The Board instills trust among stakeholders.			16.67%	66.67%	16.67%	1	4.0

Evaluation of Board's Interactions with Management

In this year's Board Survey, one-third of the statements (3 out of 9) in this category received 100% of "Agree" or "Strongly Agree." The statement that the Board ensures management has the necessary financial and human resources to achieve the organization's goals received a 100% "Agree" or "Strongly Agree." The agreement with this statement has steadily increased over the past 3 years.

However, in all other statements the average agreement scores decreased from last year's Board Survey. Comments from Board members in this area relate to the lack of succession planning, "The HS Board has not begun or completed any discussion of succession planning of the Senior Staff level at HSS, including the Executive Director. By the Board not undertaking the task of framing a process definition in this effort, a vulnerability has been created. The issue must be addressed by the Board very soon on a priority basis." Other comments include: "Most Board members do not challenge management and rarely present alternative points of view. They go along with what is presented." "The Board cannot effectively evaluate the Director if all Board member's opinions or comments are not included in the evaluation." "All Board member's opinions and comments need to be heard for effective feedback." "All Board members should be notified when the Director plans to be out of the office for a period of time and who will be in charge."

The following table shows the breakdown of levels of agreement with an average of 3.8 out of a possible 5 points for the Evaluation of the Board's Interactions with Management. The 3.8 points is lower than the 4.2 average points in the 2015 Board Survey in this category.

Table 4:

	STATEMENT	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)	Unable to Assess	Average Agmt
4	Evaluation of Board's Interactions with Management							
a	The Board provides sound advice to management.		16.67%	16.67%	50.00%	16.67%	1	3.7
b	The Board challenges management in a constructive manner.		16.67%	33.33%	33.33%	16.67%	1	3.5
c	The Board provides valuable alternative points of view to management.		16.67%	16.67%	50.00%	16.67%	1	3.7
d	The Board ensures management has the necessary financial and human resources to achieve the organization's goals.				66.67%	33.33%	1	4.3
e	The Board creates an atmosphere in which management's ideas are genuinely welcome.				66.67%	33.33%	1	4.3
f	The Board effectively evaluates the Executive Director's performance.		16.67%	33.33%	16.67%	33.33%	1	3.7
g	The Board provide the Executive Director with helpful feedback to enhance future performance.		33.33%	16.67%	16.67%	33.33%	1	3.5
h	Where feasible, the Board engages in effective management succession planning.		50.00%	33.33%		16.67%	1	2.8
i	Board members are respectful of the opinions expressed by staff and management.				66.67%	33.33%	1	4.3

This year it was a positive step for the Board to solicit input from the HSS Executive Staff in the category of Board Interactions with Management. There were some significant differences in the level of agreement with the statements by the Board and the HSS Executive Staff. These discrepancies highlight the need for the Board and HSS Executive Staff to continue to work together on these issues.

The following table shows the breakdown of levels of agreement with an average of 3.8 out of a possible 5 points for the Evaluation of the Board's Interactions with Management by the Board and by HSS Executive Staff.

STATEMENT	Board 2016	Staff 2016
The Board provides sound advice to management.	3.7	4.0
The Board challenges management in a constructive manner.	3.5	2.3
The Board provides valuable alternative points of view to management.	3.7	3.3
The Board ensures management has the necessary financial and human resources to achieve the organization's goals.	4.3	4.0
The Board creates an atmosphere in which management's ideas are genuinely welcome.	4.3	3.0
The Board effectively evaluates the Executive Director's	3.7	2.3
The Board provide the Executive Director with helpful feedback to enhance future performance.	3.5	2.3
Where feasible, the Board engages in effective management succession planning.	2.8	2.3
Board members are respectful of the opinions expressed by staff and management.	4.3	3.3

There was one comment from the HSS Executive Staff in this category which stated, “Commissioner Breslin drags all of the ratings down. Her negativity dominates the Board meetings and actual business at HSS. The vendors in the audience comment regularly on her negativity.”

Additional Comments

Commissioners had the opportunity to submit additional comments, which were highlighted in the previous sections. The Board Survey and comments clearly demonstrate the progress the Board has made in several areas and, also pinpoint some of the areas for the Board to address over the next year.

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