

# Governing Post-COVID-19: Moving Past the New Normal Toward an Extraordinary Future

By Guy M. Masters

**M**any governing boards are examining ways to redefine and redesign their governance, organizational structures and strategic plans to optimize resource use, improve efficiencies, eliminate duplication, streamline governance, and reexamine core businesses and services.

## Crisis Creates an Opportunity for Change

Standing at this critical crossroads, governing boards can either work with their senior leadership teams to use the experience as a springboard for change - or let the organization drift into a “new normal” state of affairs carried by the desultory momentum of complacency or “wait and see.” As a governing body with fiduciary responsibility, consider the following action tracks.

## Short-Term and Long-Term Action Tracks

**Short-term:** The first focus area is short-term and entails identifying immediate steps with the management team to address the following priorities:

- Rebuild non-COVID-19 patient volume and revenue streams.

- Reduce expenses and overall costs of care.
- Ensure safety and high quality of care.

## A checklist of select short-term strategic and operational items to review includes the following:

- Take actions to improve market share and patient volume. This might include referral review, service line growth strategies, alignment with physicians, niche marketing, telehealth, social media push, other outreach efforts.
- Create an ad hoc physician/provider advisory group to work with service line leaders to identify strategies to improve efficiencies, increase quality, productivity and patient volume and revenue.
- Evaluate employee health plan benefit design/costs and leakage.
- Review all payor contracts to determine areas of

performance and incentive improvement or obtain special COVID-19-related funding.

- Ensure accurate documentation and coding.
- Complete a cost assessment to identify opportunities to reduce costs across all areas.
- Review supplies and pharmaceuticals for product standardization/generic prescription use.
- Perform a system integration assessment of operational efficiencies to increase standardization and reduce redundancy in administrative, support and clinical areas across the organization.

**Long-term:** The second track of activity focuses on the overall principles of streamlining and enhancing organizational and governance structure and processes. The purpose is to build the infrastructure needed to drive the business and strengthen the mission going forward. To achieve this, the board and senior leadership team should explore the following questions:

- Governance: What changes would help streamline and create the ideal governance structure and functions? (e.g., examine the board's size, meeting frequency and effectiveness, committee structure and value, terms for directors, diversity, succession planning, bylaws update, others.)

- Leadership: What changes should be considered to the corporate organization chart to further streamline and clarify leadership positions and roles, reporting relationships, authority, and accountability? Does the organization hold people accountable, internally as well as externally to the communities we serve, at all levels of the hospital?
- Services offered: Consider which services the organization should grow, create, eliminate, divest, or partner. What gaps exist in current service lines, and what is the best way to fill them? To what extent will you use telehealth going forward? Are you using a co-management model with physicians with major service lines? What other methods and processes are being used to maximize the potential of your key service lines?
- Vision and strategy: Are the organization's strategic vision and direction still relevant, or should leadership reconsider its relevance coming out of the pandemic? A key indicator when assessing this is whether the vision and priorities are clearly understood, communicated, and consistently reinforced across the hospital. If they have not been, it signals that the current vision and strategy has a weakness and offers an opportunity for leaders to put forward a stronger vision that will better resonate with – and



## Retreat Planning?

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We can help organize a retreat that will be intellectually engaging, timely and directionally invaluable. The COVID-19 experience has created a unique opportunity for many hospitals, health systems and medical groups to re-focus and re-design their strategic direction and competitive position, streamline governance, and refine organizational processes, staffing and payment models.

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*(continued on next page)*

motivate – leaders and teammates. The governing board can analyze whether the strategic plan could provide more clear direction and set higher performance expectations to the units, departments and individual associates across the organization.

- Revenue opportunities: Examine if opportunities exist that could provide more significant returns (tangible and intangible) if they are maximized. Can physicians be utilized in more productive ways to help achieve this?
- Market alignment: How can the hospital more purposefully increase alignment with physicians and other providers? Can the organization remain independent, and if so, should the organization remain independent? Are there potential partners who would benefit from an alignment with your organization? What are the non-merger options available that should be explored in terms of their benefits, risks, and other potential long-term impacts?

## View to the Future

Governing boards that work with their senior leadership teams to examine the short-term and longer-term options and decisions available to them post-COVID-19 will be in a stronger position to fulfill their fiduciary duties and ensure that they are fulfilling the organization's mission. Making thoughtful and bold decisions about strategy, structure and people at this time will help the organization move beyond the crisis with renewed vigor, vision and alignment to meet the challenges and opportunities of the future.

**Guy M. Masters**, is a principal in the strategic advisory practice of Premier, Inc. He focuses on strategic planning, governance improvement, physician-hospital alignment, transaction advisory and service line growth. He is a speaker and advisor with the Governance Institute and is a frequent speaker at hospital, health system and medical group retreats and other conferences nationwide. He can be reached at [Guy\\_Masters@premierinc.com](mailto:Guy_Masters@premierinc.com) or 818-416-2166.

