

MNsure Board Governance Discussion

This document stems from the board's deliberation on September 21, 2021. Comments recorded on-screen during the meeting have been grouped to aid with sense-making and the facilitator has posed possible action steps in bold for the board's later consideration. Members are asked to spend some time reflecting on this output in preparation for the final session hour on October 20.

Definition Review and Discussion

"Governance is the coming together of a group of elected or appointed individuals to act as one for the purpose of guiding the organization of which they hold trusteeship toward the accomplishment of its ends, while establishing appropriate boundaries for accountability." — John Carver

Missing in this definition of governance:

- One of a board's primary responsibilities is hiring or firing a CEO (perhaps this covered under *guiding an organization toward the accomplishment of its ends?*).
- It is the charge of MNsure's board to address constituents' health care needs (perhaps this covered under *guiding an organization toward the accomplishment of its ends?*).
- Emphasis on "accountability" — major purpose of a board is to make sure there is accountability to their various constituents — how is a company (not for profit/not accountable to shareholders) accountable to those it serves.

Important clarifications:

- Expand the definition of trusteeship to include access and representation — and — Authority comes from the top down, but the clear inclusion of access and representation is missing. Needs to include a bottom-up approach so you can meet in the middle. (If this is about who has access — is that covered under *guiding an organization toward the accomplishment of its ends?* The issue of who the board represents is an obvious concern for trusteeship. However, the board should take care that it doesn't assume it **only** represents those who would be MNsure customers).
- Some goals are statutory requirements, and some goals are created by the board.

Mindsets and questions:

- Act independently, but come to consensus to act as one.
- Boundaries — integrity is missing from this definition, modeling and requiring principles that we want to see in our governance.

- Accomplishment is critical for boards — feel you are driving toward an outcome (an external good) but feel a sense of personal accomplishment.
- What are the appropriate boundaries? Is that the board role or staff role? Or organization as a whole — the board makes sure the board is accountable to its purpose.

Bylaws Review and Discussion

Learning opportunities

- Not clear what the relationship to DHS (1.3D). What's the “how”? How are they connected? How does MNsure fit in (at this stage) and how does it coordinate with other agencies — particularly those it's close to like DHS. **(Possible action: request staff presentation)**

Action opportunities

- Art.3.1: Goes against expectations. Board does not manage anything — the day-to-day business needs to be [delegated to] the executive director. **(Possible actions: Review existing “policy” that defines delegation to the CEO. Request high level presentation of current operational policies and procedures.)**
- Good to see how the foundation has come together. The board needs to figure out what they bring to MNsure. We do the day-in-day out, but what does the board bring to the table? Asking questions — do things still make sense in today's atmosphere? Do these bylaws still make sense? — and — Governance Principles 2.2G: In some cases, we do this extremely well, but in some cases, the board becomes too deeply involved in administrative detail. Spend so much of the time learning about what the staff has done as opposed to focusing on the direction of the organization. **(Possible actions: review existing or craft new board-level “policy” that clearly defines the unique jobs/responsibilities of the board and the scope of its authority compared to the CEO. Review Policy 10, “Reporting, measurement and evaluation for Board of Directors.” Review and revise bylaws and policies.)**

Pure observation

- Art. 1.2 & 1.2: Many layers to these — they are ambitious.
- Authority for MNsure arises from MN statutes — not from federal statutes. Plays into the complexity of what MNsure can do within the guidelines of what are imposed by the federal government. For example: Reinsurance — there is a bill on the federal level for federal reinsurance. The state has already done this — interesting comparison.