

## MNsurance Board Governance Process Discussion

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*The facilitator has provided the following **bolded** statements based on possible functions offered by members on September 21, 2021, (their original offerings are in quotes), the group's discussion, and her subject matter expertise. Members are asked to spend some time reflecting on this output in preparation for the final session hour on October 20, 2021.*

### Possible Board Functions

- **Define the external results expected of the organization and the recipients of those results.**
  - “Strategic planning — set the direction and the outcomes.”
  - “Be independently in touch with the constituents (uninsured, underserved, Legislature, congressional delegation) and not always dependent on what is given to them by the organization.”
- **Establish a process for assessing CEO performance annually.**
- **Ensure the organization is properly staffed and has the resources needed to accomplish MNsure's mission.**
- **Monitor organizational performance against stated expectations — both what is to be achieved and what is to be avoided.**
  - “Proactive oversight to ensure there is compliance — financial oversight is in the bylaws, but should also include operational oversight as risk management.
    - “How is MNsure mitigating risk?”
    - “Review programs to ensure they are working appropriately.”
  - “Responsibility to the legislature and the federal government — making sure the organization is complying with its statutory requirements.”
  - Needs to understand how MNsure interacts with federal and state laws.
- **Clearly delegate scope of authority for organizational management by the CEO.**
  - “Delegation of authority: Define what the delegation is: example listening to stakeholders; not interfering with what the staff is already doing — where is that line?”
  - “The board must delegate some authority to staff: determine what should be reserved for the board and what should be delegated to staff.”
    - Finance and budget

- Litigation
- Reports and audits
- Legislative
- Employment
- “Responsibility to support the work of the staff — how does that interact (or not) with the board’s responsibility of governance? Not interfering with the staff’s work.”
- **Be of assistance to staff as requested and appropriate**
  - “Be available to assist staff” — and — “How can staff utilize the board and the board members’ skills?” — and — “Feedback loop: Providing access and representation to the communities we represent.”

## Planning Table

*This table is our focus for the October 20 meeting. Please explore the center “existing tools and processes” column information prior to the meeting. While together, your task will be to come to agreement on the board’s next steps for each of the function areas.*

| Governing Function  | Existing Tools and Processes to Support This Function  | Board’s Next Steps to Assess and/or Strengthen Existing Tools and Processes   |
|---|--|---|
| <p><b>Define the external results expected of the organization and the recipients of those results.</b></p> | <ul style="list-style-type: none"> <li>• <a href="#">Policy 9</a>, “Reporting Measurement and Evaluation for MNsure,” outlines approving a program for measuring, reporting and improving the performance and effectiveness of MNsure.</li> <li>• Articles 5 and 6 of the <a href="#">Charter and Bylaws</a>, and <a href="#">Policy 4</a> on Advisory Committees, outline mechanisms available to the board for receiving policy and technical advice from the <a href="#">HIAC</a>, <a href="#">CSEAC</a> and other advisory bodies.</li> <li>• Article 5.1 of the <a href="#">Charter and Bylaws</a> outlines the board’s power to employ standing and ad-hoc work groups as a forum for board members to receive information from staff and develop recommendations for presentation to the full board.</li> <li>• <a href="#">Policy 3</a>, “Public Comment,” outlines a process for MNsure’s board to solicit and receive public comments and feedback.</li> </ul> | <p><b>Consider...</b></p> <ul style="list-style-type: none"> <li>• “Board needs to be more generative and provide insight and problem solving, then delegate the authority to staff to accomplish the directive.”</li> <li>• “Dialogue between board and staff — staff may be better informed, but board can help provide solutions or insight.”</li> </ul> |

| Governing Function   | Existing Tools and Processes to Support This Function   | Board's Next Steps to Assess and/or Strengthen Existing Tools and Processes   |
|--|---|---|
| <p><b>Clearly delegate CEO's scope of authority for organizational management.</b></p>                                 | <ul style="list-style-type: none"> <li>Minnesota Statute <a href="#">62V.05b1</a> empowers the board to delegate administrative, operational and other responsibilities to MNsure staff, Article 4 of the <a href="#">Charter and Bylaws</a> describe the delegation of authority, and <a href="#">Policy 5</a> outlines delegations and authority limits.</li> </ul>   | <p><b>Consider:</b></p> <ul style="list-style-type: none"> <li><i>What responsibilities can be safely delegated to the CEO and what responsibilities must stay with the board.</i></li> </ul> |
| <p><b>Ensure the organization is properly staffed and has the resources needed to accomplish MNsure's mission.</b></p> | <ul style="list-style-type: none"> <li>Article 5.1 of the <a href="#">Charter and Bylaws</a> outlines the board's power to employ standing and ad-hoc work groups as a forum for board members to receive information from staff and develop recommendations to the full board. The Operations and Finance workgroups have human resources (including staffing), operational performance, and budgeting among their areas of focus.</li> <li>Ad-hoc work groups established under Article 5.1 have been used to search for and recommend placement of the CEO.</li> </ul> |   |
| <p><b>Establish a process for assessing CEO performance annually.</b></p>  | <ul style="list-style-type: none"> <li>Minnesota Statute <a href="#">43A.20</a> directs the agency to design and maintain a performance appraisal process for all employees in the civil service of the executive branch. MNsure has adopted an Administrative Policy on Performance review that is conducted annually and applies to all employees.</li> </ul>   |   |

| Governing Function  | Existing Tools and Processes to Support This Function  | Board's Next Steps to Assess and/or Strengthen Existing Tools and Processes |
|---|--|---|
| <p><b>Monitor organizational performance against stated expectations — both what is to be achieved and what is to be avoided.</b></p> | <ul style="list-style-type: none"> <li>• <a href="#">Policy 9</a>, “Reporting Measurement and Evaluation for MNsure,” outlines approving a program for measuring, reporting and improving the performance and effectiveness of MNsure.</li> <li>• Article 5.1 of the <a href="#">Charter and Bylaws</a> outlines the board’s power to employ standing and ad-hoc work groups as a forum for board members to receive information from staff and develop recommendations to the full board. The Compliance and Finance workgroups have regulatory, legal, privacy, security, procurement, ongoing audits, budget development and financial monitoring among their areas of focus. The board and MNsure staff operate MNsure according to <a href="#">62V</a> and applicable state and federal laws, the <a href="#">Charter and Bylaws</a>, and <a href="#">Policies</a> established by the board.</li> </ul> |   |

| Governing Function  | Existing Tools and Processes to Support This Function  | Board's Next Steps to Assess and/or Strengthen Existing Tools and Processes  |
|---|--|--|
| <p><b>Be of assistance to staff as requested and appropriate.</b></p> | <ul style="list-style-type: none"> <li>• Article 5.1 of the <a href="#">Charter and Bylaws</a> outlines the board's power to employ standing and ad-hoc work groups as a forum for board members to receive information from staff and develop recommendations to the full board.</li> <li>• Articles 5 and 6 of the <a href="#">Charter and Bylaws</a>, and <a href="#">Policy 4</a> on Advisory Committees, outline mechanisms available to the board for receiving policy and technical advice from the <a href="#">HIAC</a>, <a href="#">CSEAC</a> and other advisory bodies.</li> <li>• <a href="#">Policy 3</a>, "Public Comment," outlines a process for MNsure's board to solicit and receive public comments and feedback.</li> </ul> | <p><b>Consider:</b></p> <ul style="list-style-type: none"> <li>• "Elements of feedback loop need to be established — bottom up and top down."</li> <li>• "Meet with constituents (duty to specific groups based on their seat) but knowing as a single member of the board, does not speak on behalf of the organization."</li> <li>• Have an honest, open discussion with staff about the type of board "help" they would find genuinely useful.</li> </ul> |

## Potential Small System Adjustments

*If time allows at the meeting, you will discuss these adjustment ideas based on concerns voiced at the previous meeting.*

- Reassess function / need for small group calls
  - Repetition of information is unnecessary
  - Board meetings provide a better opportunity for board members to receive information and discuss with other members
  - Eliminate small group calls in favor of workgroups?
- Use workgroups to review information, provide oversight, generate ideas, offer opinions, and develop recommendations to present to the full board for discussion and approval.
- Use board meetings to provide oversight, review workgroup reports and recommendations, receive information and updates, and provide direction to staff.