

# Trustee Insights

## QUALITY



## Leadership Matters: A Roadmap Toward Effective Governance of Quality and Safety

The Joint Commission shares six steps that can lead to improvement in an organization's quality performance

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**A**t every level of a health care organization, individuals are responsible for quality and patient safety – from front line staff to senior leadership. Even outside the doors of the facility, stakeholders such as government, professional organizations, as well as accrediting agencies have accountabilities regarding quality of care. Studies indicate that the actions of the leadership group called the

governing body (often referred to as the board of directors or trustees) have a significant impact on patient – and staff – outcomes. However, as health care has become more complex, boards are struggling to understand how to effectively fulfill their role in overseeing quality. A framework for effective governance is needed to clarify their roles, responsibilities and actions that will support the staff and the patients served.

### Current State

There is a lot of attention today on the responsibility of the governing body to oversee quality. Specifically, CMS (Centers for Medicare & Medicaid Services) surveys include evaluating the role of the hospital board and identifying deficiencies when they do not fulfill their duty. In 2023, a hospital was cited for lack of oversight of patient adverse events. The hospital had two adverse events related to maternal hemorrhage within four months, but there was no documentation in the board meeting minutes to indicate that they had reviewed these events. Additional review of board documents indicated that resources were not allocated to the labor and delivery unit for any quality activities. The hospital was cited for failing to demonstrate that the governing body had “effective oversight” of adverse patient events.

Cases such as this and other ongoing challenges in quality and patient safety have led to a ‘call to action’ across the globe. Action plans have recently been published by the [World Health Organization](#), the [US National Steering Committee for Patient Safety](#) and the [U.S. President’s Council of Advisors on Science and Technology \(PCAST\)](#), providing strategic direction and actions to be taken at the national, local and institutional level. In each of these reports, the critical role of the gov-

governing body to improve quality and safety is highlighted. They point to the responsibility and accountability of governing bodies for quality and safety. Specific actions that are recommended for boards include: “commit to safety,” “build a safety culture,” “promote transparency,” “build capacity in human factors,” and “ensure resources for improving health outcomes.”

Why this interest in the governing body? Because data suggest that when the board is actively engaged in overseeing quality and safety, organizations have better outcomes. Governing bodies that implement actions such as selecting and communicating quality and safety as the top priority of the organization, spending sufficient time at each meeting on quality, monitoring quality measures and building trusting relationships between each other, with the Chief Executive Officer and with the staff — those organizations have better clinical quality outcomes, lower mortality rates and their quality program functions better. Unfortunately, there are significant gaps in governing bodies’ performance. Based on data from The Joint Commission (TJC) hospital surveys in 2022, over 40% of hospitals had citations in the LEADERSHIP chapter. The third most frequently cited leadership standard (LD.01.03.01) addresses the role of the governing body: The governing body is ultimately accountable for the safety and quality of care, treatment, and services.

## Recommendation

A significant reason health care

boards are struggling to fulfill their roles is the lack of a standardized, evidence-based model, or framework for effective governance over quality and patient safety. Most of the literature is old, limited to qualitative research and does not include specificity regarding processes and tasks that a board could implement. We recommend following this simple roadmap of six steps (*see diagram on page 3*) as a way boards can start building their framework for effective governance in overseeing quality and safety.

The first step in building an effective governance is conducting an assessment. The Joint Commission has worked with over 860 hospitals and health systems over 10 years, assessing the role of their boards on key actions related to overseeing quality and safety. The majority of the boards – 55% – limit their involvement in quality to ‘hearing reports from their quality committee.’ Unfortunately, many hospital boards do not conduct self-assessments. In the [American Hospital Association’s 2022 National Health Care Governance Survey Report](#) (AHA Governance Survey), 27% of respondents did NOT use any type of assessment of the board. There are a variety of tools and resources available for use, from the U.S. National Steering Committee, from the AHA, and Institute for Healthcare Improvement, as well as from TJC. An annual assessment is recommended, evaluating the effectiveness of the board and their meetings in achieving quality and safety goals. Individual board members, including the chairperson, should be evaluated to determine if they meet the requirements and

criteria for their role.

Criteria for membership should be defined to ensure the governing body has a diverse set of expertise to help guide health care institutions. The most frequently used criteria for membership on a board is financial background; many hospitals do not require their members to have any health care, quality or safety expertise. Using the assessment results and identifying strengths and opportunities, the governing body should have the necessary expertise, including representation from their patient population, to guide their organizations’ efforts.

With the right mix of members, boards will need support to gain the knowledge necessary to fulfill their role of overseeing quality and safety. Unfortunately, studies have shown that board members are not receiving this education. The 2022 AHA Governance Survey Report shows 61% of boards do not have continuing education requirements, yet board members have shared that they are not confident in their knowledge or skills for managing quality and safety. There are various resources available to educate the board. The Joint Commission recently created a complimentary webpage: [The Board Education Resource Center](#). This site offers information and educational resources, descriptions of regulatory and accreditation requirements, tools and templates that trustees can use to learn more about quality. In addition, video messages from hospital leaders and board members offer ‘leading practices, innovative ways to engage and utilize the expertise of the board.’

## Six steps to start building a framework for effective governance in overseeing quality and safety



Board meetings allow members to set strategy, review performance and make decisions with the overall purpose of improving performance of the organization. An effective agenda can guide the board in meeting their specific requirements in the quality framework. Research suggests that better quality outcomes are associated with hospitals at which the board spends more than 25% of their time on quality issues. Yet over half of boards in the US spend less than 20% of their time on quality, and a third do not even have quality on their agenda at every meeting. In addition to a set agenda, governing bodies should define an annual schedule to assure they meet all requirements from regulatory or accrediting agencies. The agenda, including enough time to review, discuss and act on key quality and safety issues, will help provide a roadmap for the board to follow.

The responsibilities of the governing body as it relates to quality and safety is defined in fiduciary, regulatory and accreditation requirements. The overarching fiduciary duty of the board is oversight: to act in the best interest and for the benefit of the organization. For quality, this can be implemented through actions including defining the mission and strategic priorities, monitoring performance,

holding leaders accountable. Specific responsibilities of governing bodies are defined further in the CMS conditions of participation and TJC standards. Specific terms used to describe actions that the board must demonstrate include engages, ensure, specify, approves, sets priorities, work together, has an active role. Evidence of their active engagement may be monitored during CMS or TJC surveys through review of meeting minutes and attendance rosters, interviews and observations.

One of the challenges faced by health care organizations is clearly defining the separate responsibilities of, and respective processes for governance versus management. CMS and TJC differentiates the responsibilities of the governing body – active engagement in oversight, determine and secure the necessary resources from the senior leadership role, which is responsible for directing day-to-day operations and activities. Without clear lines of responsibility, the actions of the governing body may feel threatening or intrusive to administrative leaders. Studies have shown that better quality outcomes are associated with hospitals where there was a high level of interaction between the board and leadership. Specifically, hospitals in which the board and medical staff interact “a great amount” were associated with

higher performance than hospitals where the board and medical staff interact “somewhat” or “not at all.” Detailed guidance and specific processes for what and how the governing body should perform their oversight responsibilities will help leadership and staff performance in quality.

Performance measures are the primary source of information used for monitoring quality and safety. Governing bodies are often shown dashboards, but there is wide variation in what is included, how it is presented and where the information gets reported. Board members may struggle with these reports because:

- Data may be restricted to regulatory or required measures, which may not represent the priorities of the organization.
- Limited information is shared, as senior leaders may not be fully transparent if results are complex or unsatisfactory.
- Excess data are distributed, leading to intimidation or confusion.
- Time allotted for discussion is not adequate.

Boards should receive validated data in a standardized quality performance report, with data that reflects the priorities of the organization. All levels of leaders should be aware of and held accountable for the results.

It is known that culture affects how organizations accomplish their work. Leadership and culture can be seen as two sides of the same coin. The board plays a significant role in defining, creating and maintaining the culture of an institution, through actions such as: setting the vision and mission that prioritizes quality and safety; providing the necessary resources (human, financial, technical) for staff to be able to provide high quality and safe care; defining and role modeling behaviors that support a culture of safety; engaging staff through communication and activities such as leadership rounds. In organizations with a

culture of quality and safety, the governing body works with leaders to plan, support and implement the necessary systems in order to achieve excellence in performance.

## Conclusion

Health care organizations continue to struggle with quality and safety issues. Research indicates that an engaged governing body can drive improvement in performance. Professional organizations, regulatory agencies and accrediting agencies are calling on boards to fulfill their roles as being ultimately accountable for quality and safety. Boards can develop strengths and

capabilities to effectively conduct their responsibilities by implementing the following six steps:

1. assess performance
2. select members
3. gain knowledge
4. set the agenda
5. oversee quality
6. create the culture,

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