

**MIAMI-DADE COUNTY
HOSPITAL GOVERNANCE TASKFORCE (HGT)**

WORKING DRAFT

Mission

Study possible models for the governance of the Public Health Trust, including but not limited to

- (a) operation of the Public Health Trust by a private, not-for-profit 501(c)(3) organization with a board of doctors, nurses, community leaders, and health care professionals, as was done, for example, with Tampa General Hospital;*
- (b) operation of the Public Health Trust by an independent tax district, as was done for the North and South Broward Hospital districts;*
- (c) other models, perhaps blending these models, as the Taskforce may decide; and*
- (d) other recommendations regarding the governance and financing of the Public Health Trust, as the Taskforce may decide.*

In its deliberations and recommendations, the Taskforce shall at all times keep in mind the importance of protecting the interests of the taxpayers of our community.¹

Themes from HGT interviews and presentations

- Need to be competitive in the marketplace.
- Need for nimble, empowered governance & organization.
- Governance models include: direct local government control, trust, hospital authority, public benefit corporation, hospital district, university, nonprofit, for-profit, third party management, and combinations thereof.
- No evidence that any one organizational structure solves all problems; organizational/legal structures include: government department/agency, hospital district, hospital authority, nonprofit, community benefit corporation, for-profit corporation, public/private partnerships, and combinations thereof.
- Mergers with existing organizations and/or formation of new organizations are feasible.
- Sale or lease may be feasible.
- Facility closures and/or inpatient bed reductions have been included in some reorganizations.
- Encourage innovation and entrepreneurialism.

Focus/methodology envisioned for change

- Need for enabling legislation and/or referenda should not limit HGT recommendations.
- Operational decisions are determined by the health system's governing board.
- Short term change assumption – Change Chapter 25A of the Code to enhance PHT governance.
- Long term change assumption – Charter revisions and state/local legislative changes may be required in addition to changes to Chapter 25A of the Code.
- Governance and organizational structures are TBD.

¹ Extracts from Miami-Dade County Resolution R-30-11 adopted January 20, 2011

**MIAMI-DADE COUNTY
HOSPITAL GOVERNANCE TASKFORCE (HGT)**

WORKING DRAFT

SHORT TERM GOALS

- Set forth a clearly stated mission statement / vision for the health system that reaffirms JHS’ roles as safety net hospital, academic teaching hospital, and health system with multiple academic relationships.
- Establish an organization and governance structure that provides independence, flexibility, and nimbleness for the organization.
- Amend Chapter 25A of the County Code to enhance PHT:
 - Include 2/3 vote requirement for BCC to override PHT;
 - Board structure – smaller, board size of 9 or less members;
 - Board membership – greater expertise; qualifications to be determined.
- Eliminate unfunded mandates. [Confirm what are and are not unfunded mandates?]

LONG-TERM GOALS

- Build on short term goals as follows.
- Incorporate major changes in Home Rule Charter and appropriate additional changes to Chapter 25A;
- Establish a not-for-profit 501(c)(3) with its own board to manage JHS;
 - [Unified system? Satellite facilities?]
 - [New 501(c)(3)? Combination with existing 501(c)(3)?]
- Create independent oversight entity to ensure public accountability on use of the ½ penny surtax funds; [Oversight of use of County’s ad valorem revenues/charity care funding? Assume dollars follow the patient?]
- A governance model that provides clear lines of accountability for the governing body to the County government and to the public;
- Delineate authorities to be provided to the JHS board and those to be retained by the Board of County Commissioners.
 - Powers for assignment to the JHS board:
 - Authorities for independent decisions on CEO hiring/firing, budgets, human resources, staffing, executive and staff compensation, purchasing and contracting, and collective bargaining.
 - [Appointment of board: Initial? Subsequent?]
 - [From the “List of Trust Decisions Subject to the Commission’s Approval (Prior or Subsequent) or the Commissions Override” – *determine what should reside with the JHS board.*]
 - Powers for retention by the Board of County Commissioners:

**MIAMI-DADE COUNTY
HOSPITAL GOVERNANCE TASKFORCE (HGT)**

WORKING DRAFT

- Protect the taxpayers by placing restrictions/controls on powers of the JHS board (such as PHT’s right to sell land in which the taxpayers have financial interests, issue bonds...?)
 - [From the “List of Trust Decisions Subject to the Commission’s Approval (Prior or Subsequent) or the Commissions Override” – *determine what should reside with the BCC*]
 - Modify Sunshine laws (*applicable to public hospitals/healthcare*) as necessary to enable a more sustainable business model.
-

REMAINDER OF SUGGESTED RECOMMENDATIONS

A. Governing Board and Organizational Characteristics

1. Who is to appoint the governing board? What is or is not the role of Miami-Dade County Board of County Commissioners (BCC)? Will it be self sustaining, appointing new members without BCC being involved?
2. Strong ethical and conflict of interest component
3. An organizational structure that provides health care funding based on a defined criteria, a process for determining the amount and for define purposes for the funding (e.g. inpatient, outpatient care, emergency care, mental health care, primary care, etc.)
4. Self perpetuating board with designated seats for affiliated institutions
5. Having the ability to adapt to known and unknown future changes in health care delivery and financing, such as the American Healthcare Affordable Act
6. Process of Transformation/Mode for model change (sale, merger, management contract, joint venture, affiliations)

B. Relationship between the Governing Board and County Government

1. Should the Board be TOTALLY independent and have NO governance relationship to BCC, i.e. BCC would not make decisions nor appointments of the members of the Board.
2. A well developed and defined relationship between county government and the hospital governing board
3. Determination of whether the hospital has taxing authority or not
4. Governance structure to be set up as public entity with exceptions to some Sunshine laws

**MIAMI-DADE COUNTY
HOSPITAL GOVERNANCE TASKFORCE (HGT)**

WORKING DRAFT

C. Financial Issues

1. Clarity on funding financing (capital) and what entity owns the capital assets (can buy, modify or sale) / Eligibility for county, state and federal funding
2. Financial – Sovereign Immunity/Public funding whether ad valorem , ½ penny, MOE
3. Access to capital (public / private);
4. Access to other sources funding, for example grants, private donations, etc / Fundraising

DRAFT