

**Maine Health Access Foundation
Board of Trustees Meeting Minutes
December 12, 2019**

Trustees Present: Roy Hitchings (Chair); Dr. Connie Adler, Nancy Fritz, Dennis King, Dr. Michael Lambke, Barbara Leonard (*ex-officio*), Tony Marple, Edward Miller, Bruce Nickerson, Susan Roche, Catherine Ryder, Toho Soma, Shirl Weaver

Trustees Absent: Deborah Deatrack, Clarissa Sabattis

Staff Present: Margo Beland, Charles Dwyer, Andrea Francis, Jake Grindle, Holly Irish, Ruta Kadonoff, Dani Kalian (recorder), Jeb Murphy, Frank Martinez Nocito

Welcome

Chair Roy Hitchings called the meeting to order at 1:16 p.m., welcomed those present, and introductions were made.

Mr. Hitchings introduced MeHAF's new Program Officer Andrea Francis who will officially begin work on December 16. Ms. Francis provided brief background information about herself and was welcomed by everyone.

Consent Agenda

Chair Hitchings asked if any items on the consent agenda required discussion. Hearing none, *it was MOVED, SECONDED (Adler/Nickerson), and VOTED UNANIMOUSLY to approve the following consent agenda items:*

- President's report
- October 10, 2019, Joint Board and CAC meeting minutes
- October Treasurer's report

Finance Committee –

Mr. Bruce Nickerson (Treasurer and Committee Chair), Ms. Barbara Leonard (CEO)

Finance Dashboard and Update on Investment Portfolio Performance: Treasurer Bruce Nickerson provided an update on the investment portfolio performance and progress toward the 2019 required payout noting that we are on target. He and CEO Leonard explained how the 5% payout figure is derived and Ms. Beland shared information about the penalty assessed by the IRS if we fail to meet this requirement.

Presentation of 2020 Annual Budget: Treasurer Nickerson presented the 2020 budget and explained the budget development process to which all staff contributes. The budget was reviewed by all key committees and it is recommended for approval by the Finance Committee. Mr. Nickerson highlighted portions of the proposed administrative budget specifically drawing attention to any notable variances from 2019. Trustees were provided the opportunity to ask questions and Mr. Nickerson and CEO Leonard provided explanations and justifications for various budget lines. The grants and programs budget detail was then reviewed along with the 2020 projected 5% payout. Director of Programs Ruta Kadonoff explained how the two new responsive grants programs were budgeted for (Community Responsive Grants and Systems Improvement and Innovations Grants programs) relative to other current grants programs.

It was MOVED, SECONDED (Ryder/Fritz), and VOTED UNANIMOUSLY to approve the 2020 annual operating budget as recommended by the Finance Committee.

Updated Investment Policy Statement: Treasurer Nickerson explained that the Finance Committee is responsible for the oversight of the management and investment of the endowment as outlined in the Investment Policy Statement (IPS). The IPS guides investment objectives, asset allocation targets, and performance measurement standards that are consistent with the Foundation's investment goals and objectives.

He further explained that every two years the IPS is reviewed by our Financial Advisors Prime Buchholz and the staff before it is presented to the Finance Committee for its input, with the last revision being made in 2016. Since the Board, CAC, and Finance Committee were exploring the options of investing in private equity in 2018 and into 2019, the Finance Committee decided it would be prudent to make revisions to the IPS after solidifying MeHAF's updated investment strategy. The Board approved the new investment strategy in enhanced public equity options at the October 10, 2019, meeting.

At its November 14, 2019, meeting, the Finance Committee approved a series of changes to the IPS. In addition to asset allocation changes, updates were made to clarify language regarding investment objectives, spending policy, and socially responsible investing. The updated IPS was presented to the Board for review and approval as recommended by the Finance Committee.

It was suggested by Trustees to edit the wording under Section VII, Socially Responsible Investing, "...that are consistent with the mission and values of the Maine Health Access Foundation" to read "...that are *not inconsistent* with..." It was also noted that the deleted sentence under Section III, Spending and Liquidity Policy, "This policy will be reviewed every two years" be reinserted in an appropriate section earlier in the document. Both suggested edits were agreed to by Trustees.

Following further discussion, *it was MOVED, SECONDED (Adler/King), and VOTED UNANIMOUSLY to approve the revised Investment Policy Statement, as amended above and as recommended by the Finance Committee.*

**Strategic Planning Committee –
Ms. Ruta Kadonoff (Director of Programs), Ms. Barbara Leonard (CEO)**

Concept Memo for Systems Improvement and Innovation Responsive Grants Program: Director of Programs Ruta Kadonoff shared background on the development of the concept memo for the Systems Improvement and Innovation Responsive Grant (SIIRG) Program. She noted that MeHAF's strategic planning process identified the need for more responsive grants opportunities to allow organizations throughout the state to submit proposals for projects that align well with MeHAF's mission and strategies, but that fall outside of specific topical RFP opportunities. Key informants in the planning process also noted that it would be helpful if there were more predictability related to the timing of MeHAF's funding opportunities. Earlier this year, MeHAF piloted a new Community Responsive Grants (CRG) program. The proposed SIIRG concept memo outlines a companion program that will be piloted in 2020.

DP Kadonoff explained that the purpose of SIIRG is to provide funding for organizations undertaking health service innovation in one or more of four strategic priority areas: rural health, aging/older adults, behavioral health, and maternal and child health. Funding will support planning grants of \$10,000 to \$30,000, and program grants of \$25,000 to \$50,000 per year for up to two years. She shared a comparison of key program elements between the CRG and SIIRG programs which includes equity components.

The Strategic Planning Committee reviewed the initial draft of the concept memo at its September 18 meeting and sought input from the Board and CAC at the October 10 joint meeting. Relevant elements of this input were included in a revised draft concept memo that was reviewed by the SPC at its meeting on November 15. Following discussion of the new draft, the SPC approved the concept memo and it was presented to the Board for approval.

After discussion, it was MOVED, SECONDED (Marple/Fritz), and VOTED UNANIMOUSLY to approve funding of up to \$570,000 for a new Systems Improvement and Innovation Responsive Grants program to be initiated in 2020.

CEO Leonard noted that the RFP will be drafted for review and discussion at the Grants Committee's January 6, 2020, meeting, with final review and approval of the RFP slated for its February 3 meeting. The RFP will be released soon after approval. It was also noted that Senior Program Officer Charles Dwyer will lead the SIIRG program and Program Officer Frank Martinez Nocito will lead the Community Responsive Grants program.

Governance Committee – Mr. Toho Soma (Chair) and Ms. Barbara Leonard (CEO)

New Conflict of Interest Policy: Governance Committee Chair Toho Soma noted that the MeHAF Conflict of Interest Policy has been revised to address the importance to include input and information from those with on-the-ground knowledge of the issue at hand, while ensuring that at the time of decision-making, there are no conflicts of interest. MeHAF's attorney developed a memo earlier in 2019 that outlined a conceptual approach to managing conflict of interest that would allow maximum participation in decision-making with clear guidance for when recusal must occur. The new policy also addresses acts of self-dealing. Following review and discussion of the conceptual approach, a new streamlined universal Conflict of Interest policy was developed and was shared with Grants, Governance, and Executive Committees for their review. The Governance Committee approved the new policy at its November 19 meeting with a recommendation for final approval by the Board.

It was MOVED, SECONDED (Adler/Weaver), and VOTED UNANIMOUSLY to approve the new Conflict of Interest Policy as recommended by the Governance Committee.

New Equity Subcommittee: Governance Committee Chair Soma reminded Trustees that in 2017, we began our initial assessment and developed recommendations to advance equity, and an *ad hoc* subcommittee comprised of Trustees and CAC members led the work. In summer 2018 we returned to the members of that *ad hoc* subcommittee to inform and plan a discussion at the October joint Board and CAC meeting. Given the importance of MeHAF's commitment to advancing equity, a desire to monitor organizational progress in this effort, and the deep knowledge and experience of some Trustees and CAC members, the Governance Committee recommends that the Board ratify the establishment of a standing Equity Subcommittee under the Committee's purview. The Board ratified this concept and the proposed subcommittee charge at its August 8 meeting.

At its October and November meetings, the Governance Committee developed and then refined the Equity Subcommittee Charter by identifying and approving its purpose, membership and leadership, responsibilities, and resources. The Governance Committee recommends final approval of the Equity Subcommittee Charter by the Board. Mr. Soma highlighted specifics of the Charter.

It was MOVED, SECONDED (Ryder/Adler), and VOTED UNANIMOUSLY to approve the creation of a new Equity Subcommittee as recommended by the Governance Committee.

Board and CAC Recruitment Update: Governance Chair Soma reported that the Governance Committee is in the process of recruiting three new Board Trustees and up to five new CAC members to fill upcoming 2020 vacancies. The outreach process is going well and we currently have commitments from four new CAC members and two new Trustees with one other being a qualified affirmative, given some personal considerations that will be resolved prior to the April election.

**Grants Committee –
Mr. Dennis King (Chair), Ms. Ruta Kadonoff (Director of Programs),
Ms. Barbara Leonard (CEO)**

Additional Funding to Maine DHHS Including Manatt Health Solutions Contract to Assess Medicaid Program Opportunities: CEO Leonard reported on an adjustment that is being proposed to the Maine DHHS Foundation-Initiated (FI) grant to support Manatt Health Solutions to study innovative approaches for the MaineCare program that would improve program efficiency and management, with an eye toward effective cost control within the context of expansion. The 2019 budget includes \$100,000 for a direct contract with Manatt for this work, but rather than MeHAF contracting directly with Manatt, we can amend the existing MeHAF FI grant to DHHS by \$100,000, which would allow for an additional \$100,000 in federal Medicaid matching funds to be drawn down to support the work.

The Grants Committee, at its November 4 meeting, affirmed MeHAF's commitment of \$100,000 to support work by Manatt for policy research to support MaineCare improvements, and approved a motion that would support one of two funding approaches to be negotiated by staff: either through a direct contract or via an amendment to the DHHS FI grant. The Board is now asked to approve the DHHS grant amendment as the best approach, given the potential to double the value of MeHAF's grant dollars and the close engagement of MeHAF with DHHS that would result.

Declaration of Conflicts of Interest – No conflicts were declared.

It was MOVED, SECONDED (Weaver/Miller), and VOTED UNANIMOUSLY to approve a grant amendment of \$100,000 to the Department of Health and Human Services Medicaid Expansion Foundation-Initiated grant to support a contract with Manatt Health to prepare a report on Medicaid program opportunities.

Foundation-Initiated Grant to Wabanaki Health and Wellness for Tribal Substance Use Disorder Treatment: CEO Leonard reminded Trustees that in October 2017 the MeHAF Board approved \$250,000 in funds (\$125,000 per year for each of two years) for a special funding opportunity for tribes in Maine to develop a project that will help them to address the opiate epidemic and other substance use disorders. The intent was to provide a flexible funding option whose ultimate focus would be defined by tribal leadership. Since that time, Wabanaki Public Health (WPH) has helped to convene a series of meetings of tribal leadership to discuss what approach they wish to take. Tribal leaders have agreed that development of a wellness center for treatment and recovery for Wabanaki people that is based in Wabanaki culture is the most important approach to address the epidemic of addiction to opioids, alcohol, and other drugs. They have also agreed that the funding will support this work as a collective project rather than through individual grant awards.

CEO Leonard explained that because of a slow ramp-up of this project, \$125,000 that had originally been allocated for expenditure in 2018 was moved to the MeHAF/Maine Community Foundation Donor Advised Fund when that fund was established by the Board in August 2018. This request is focused on the funds that will flow directly from MeHAF. The start and end dates of the project will be adjusted to December 15, 2019 – December 31, 2020. Approval of the allocation of the \$125,000 held in the MeHAF/Maine Community Foundation Donor Advised Fund for a grant period that will follow this initial award, likely for calendar year 2021, will be sought from the Board in the future.

The Grants Committee has reviewed and approved this Foundation-Initiated grant and recommends Board approval.

Declaration of Conflicts of Interest – The following conflicts of interest were determined:

Trustee:	Conflict:
Catherine Ryder	Hanley Center for Health Leadership Board member.
Toho Soma	Project Director of a project at UNE that also supports Wabanaki. Hanley Center for Health Leadership Board member.

Trustees Ryder and Soma recused themselves from the discussion and left the room.

*It was **MOVED, SECONDED (Nickerson/Lambke), and VOTED UNANIMOUSLY** to approve a grant of \$125,000 to Wabanaki Health and Wellness for the grant period December 15, 2019, through December 31, 2020, consistent with standard MeHAF contract obligations.*

Trustees Ryder and Soma returned to the room.

Recent Committee Actions – Community Responsive Grants Approval: Director of Programs Ruta Kadonoff provided an update on the recent review process and funding outcomes of the applications from the Community Responsive Grants (CRG) RFP. At its November 4 meeting, the Grants Committee approved 14 out of 22 applications, and the list of project profiles was shared. The total funding for this program in 2019, to be paid out before the end of the calendar year, has been increased from the budgeted amount of \$400,000 to \$592,878. The increase will allocate accumulated variances from budgeted to actual program spending across program areas, allowing us to provide funding to as many qualified applicants as possible and to ensure that MeHAF is able to meet our required payout amount.

Executive Committee – Mr. Roy Hitchings (Chair)

2020 Board and CAC and Committee Meeting Calendars: 2020 calendars were shared.

Plans for Board Leadership: Chair Hitchings reported that the Executive Committee conducts the process of identifying future Board leadership in cooperation with the Governance Committee. The proposed leadership succession for April 2020, pending formal nomination followed by voting at the Annual Meeting, includes Connie Adler assuming the role of Board Chair with Catherine Ryder becoming Vice-Chair. Deb Deatruck and Bruce Nickerson will remain in their roles as Secretary and Treasurer, respectively.

MeHAF 20th Anniversary: Chair Hitchings noted that plans are underway for multiple events in 2020 to celebrate MeHAF's 20th Anniversary.

2019 Compensation Review Summary Report: Chair Hitchings shared that MeHAF had engaged the services of Laurie Bouchard of L Bouchard & Associates, LLC, to perform a comprehensive review of compensation, including salary and benefits. After reviewing and discussing the summary documents including a new salary range structure with recommendations by CEO Leonard for compensation adjustments, the Executive Committee had approved the new salary structure along with the recommended adjustments to employer health insurance, HSA, and short-term disability insurance benefits, and staff titles. The Board moved into Executive Session at 3:04 pm to discuss additional details of the summary report. CEO Leonard left the meeting at 3:27 pm.

Trustee Check-In and Meeting Evaluation – Mr. Roy Hitchings (Chair)

The Board remained in Executive Session to gather feedback about the meeting process, solicit suggestions for improvement, or other issues of concern. At 3:36 pm, Trustees left Executive Session.

Next Meeting

The Board is scheduled to next meet on Thursday, February 13, 2020, at the MeHAF office in Augusta.

Adjournment

The meeting adjourned at 3:37 pm.

Respectfully Submitted,
Barbara A. Leonard, MPH
President & CEO