



**Strengthening Oklahoma's Safety Net,  
One Community At A Time**

## **Board Bulletin**

**Volume 1, Number 8 • August 2003**

### **CHC Policy - Framework for the Future**

#### ***Formulating Policy***

When initiating or changing policy, boards must review the mission statement to see if the proposed change is consistent with the goals and objectives of the health center. Boards must make policies as follows:

◆ **Operations** - CHC boards must establish policy regarding selection, review and dismissal of CEO, provide organizational structure, ensure availability of equipment, facilities and personnel necessary to achieve goals and objectives, determine scope, location(s) and availability of center services, establish client grievance procedures, and ensure compliance with applicable federal, state and local laws and regulations.

◆ **Personnel Management** - The board establishes broad personnel policies to guide the CEO in developing a sound and realistic personnel program that includes selection and dismissal procedures, employee compensation (including wage/salary scales, benefit packages), position descriptions/classification, performance review and evaluation procedures, employee grievance procedures and equal opportunity practices.

◆ **Fiscal Management** - The board should establish the center's financial priorities, institute long-range planning and review and approve CHC's annual budget and annual audit. The board should also ensure the establishment of internal control procedures, purchasing policies and standards, protocols for determining eligibility for services (including partial-payment schedule criteria), and a billing and collection system that establishes charges based on locally prevailing charges and the health center's costs; adjusts or discounts charges based on a person's ability to pay and family size; bills and collects from users of services and third-party payers, such as Medicare and Medicaid, insurance companies, or managed care plans; incorporates procedures for aging accounts receivable; and includes procedures for writing off bad debts.

◆ **Clinical Management and Quality Assurance** - CHC boards are obligated to make sure the CEO and staff make continuing efforts to maintain and improve the center's quality of care. Given that obligation, the board should ensure that the CEO hires a competent, qualified Medical Director who will effectively supervise other clinical staff; generally accepted principles of quality health care are developed and followed; and an internal quality assurance program that provides for the periodic review of the center's performance in meeting the health needs of the community.

#### ***Implementing Policy***

The board has the job of making policy while the center's CEO and staff have the job of implementing policy. Once policy is made, implementation must be reviewed and approved by the board. It is then the board's job to support the CEO and the staff in their efforts to successfully implement the change.

If you have questions or want further information, please contact OPCA by phone or e-mail [jgrant@okpca.org](mailto:jgrant@okpca.org). The questions below are provided to help you evaluate your health center's policy making procedures.

\_\_\_\_\_ Does your CHC board have a mechanism in place to reassess and reorder its priorities to meet the changing needs of the community, of the health center, and of its funding sources?

\_\_\_\_\_ Do you review the health center's financial status when making programmatic decisions?

\_\_\_\_\_ Does your health center have appropriate grievance procedures (client and employee) in place?

**Oklahoma Primary Care Association  
4300 N. Lincoln Blvd., Ste 203, OKC, OK 73105  
(405) 424-2282 • Fax (405) 424-1111 • [www.okpca.org](http://www.okpca.org)**

**Primary source for OPCA Board Bulletins is the Governing Board Handbook, 2000 developed by U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Bureau of Primary Health Care (BPHC), Bethesda, Maryland. Funded by HRSA/BPHC.**