

**MINUTES OF MEETING OF BOARD OF DIRECTORS  
OF THE REACH FOUNDATION  
January 19, 2012**

Attendees:

Brenda Bohaty  
Tom Carrico  
Ken Davis  
Scott Glasrud  
Randy Lopez  
Tim Michel  
Janie Schumaker  
Brad Stratton

Bill Bruning  
Heidi Cashman  
Karen Gilpin  
Harold Johnson  
Eve McGee  
Chad Moore  
Brenda Sharpe, ex-officio  
Judy Works

Not in Attendance:

Kumar Ethirajan  
George Pierson

Guests:

Lyle Pishny, REACH Legal Counsel  
Dawn Downes, REACH Staff  
Bill Moore, REACH Staff  
Jo Yun, REACH Staff

Becky Benak, REACH Staff  
Carla Gibson, REACH Staff  
Karen Moore, REACH Staff

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The meeting was called to order by Chair Scott Glasrud at 4:00 p.m. Scott announced a change in his professional affiliation, as did Janie Schumaker. Karen Moore will email updated contact information for Board members to everyone. At 4:05, Bill Bruning motioned to adjourn to closed session for 10 minutes for the purposes of discussing personnel matters. Karen Gilpin seconded the motion. At 4:15 p.m., Brad Stratton motioned to extend closed session by 5 minutes, and Ken Davis seconded the motion. The Board returned to open session at 4:20 p.m.

Scott requested a motion on the prior meeting's minutes. It was noted Joanne Yun's title was erroneously stated as CFP, and the minutes should be amended to correctly state CFO. Chad Moore motioned to approve the November 17, 2011 minutes as amended, and Harold Johnson seconded the motion. The minutes were approved as amended.

The Board and staff participated in a diversity activity centered on parables that reflect many shared core values of various cultural and ethnic groups. Discussion followed.

Brenda Sharpe and Bill Moore facilitated a discussion on the Foundation's history of grant making to large institutions, particularly those with sizeable endowments. Brenda noted that staff was seeking Board feedback on future grantmaking to such institutions. She also informed the Board that the REACH Healthcare Foundation's non-compete clause, to which the Foundation is obligated under the original settlement agreement with Health Midwest and HCA, expires in July 2013. Staff anticipates that at that time, the foundation will receive more requests from large health care institutions and their affiliated foundations. Discussion ensued regarding the impact the Foundation's grant dollars can realistically have. Our prior grantmaking experience with large institutions indicates that they have a more difficult time identifying, prioritizing and submitting projects and proposals that fit the Foundation's specific grantmaking priorities, due to their many underlying departments and faculty seeking grants to fund their positions. They also have difficulty segregating the Foundation's dollars and demonstrating their direct impact on the uninsured, given

their large budgets and complicated reporting systems, financial statements and audits. Questions were also raised about executive compensation levels of some large and/or endowed institutions, relative to the average REACH grant. Foundation dollars relative to overall budgets and perceived necessity of those dollars to do the work was also discussed. Sustainability of grant-funded projects in large institutions is also an issue given that such projects usually go away when the grant ends, calling into question the long-term value of the Foundation's investments. On the other hand, it was noted that large institutions inherently have more capacity, particularly in the areas of evaluation and research. They tend to be early adopters and incorporators of best practices that can then be transitioned into the safety net health care system. Large institutions are embracing electronic medical records and ACO's and may be in a better position to track and improve population health outcomes. They tend to serve greater numbers of uninsured and underserved people, and have more access to specialty care, case management and supportive services than smaller institutions. Rather than develop a formal policy on grantmaking to large institutions, staff will continue to revisit this issue with the Program and Policy Committee in future months, and will continue to review such requests on a case-by-case basis.

Brenda Sharpe reported 22 statements of interest have been received for the 2012 Board nominations process. All applicants will be interviewed by the CAC on February 2-3, 2012, after which the CAC will determine the slate of 16 Board nominees at their February 16 meeting. The Board and nominee "meet and greet" will be held Thursday, March 1, 2012 from 4-6 p.m. and Board elections will take place at the next Board meeting on March 22, 2012.

Brenda reported REACH will host the quarterly meeting of the Funders Oral Health Policy Group in February, and the group of national funders will discuss the potential of including oral health within the Patient Centered Medical Home model of care. This discussion will be facilitated in part by Bonni Brownlee of Qualis, the consultant on REACH's Medical Home Initiative. Brenda reported four staff members and five Board members are planning to attend the Grantmakers in Health Annual Conference in Baltimore, MD on March 7-9, 2012. Attendees include: Bill Bruning, Tom Carrico, Karen Gilpin, Harold Johnson and Judy Works from the Board, and Dawn Downes, Bill Moore, Brenda Sharpe and Jo Yun from the staff. Dawn Downes will be presenting a workshop there with our colleagues from Missouri Foundation for Health and Health Care Foundation of Greater Kansas City. There is an opportunity for Board members to volunteer at the Kansas Mission of Mercy event, of which REACH is a sponsor, on February 17-18, 2012. Please contact Karen Moore if interested, and she will assist with registrations. REACH is planning to host a poverty simulation on Friday, April 13, 2012 from 2:00-4:00 p.m. if enough Board and CAC members are able to attend. Several Board members spoke of what a powerful experience the simulation is, and encouraged their fellow Board members to attend.

Tom Carrico moved to approve the consent agenda. Harold Johnson seconded the motion, and the following consent agenda items, each of which were reviewed and recommended by their respective committees, were approved:

- the October and November 2011 Financial Statements approved as presented by the Finance Committee;
- the Directors & Officers insurance policy renewal approved as presented by the Finance Committee;
- approval of funding in the amount of \$150,000 for the MARC Regional Healthcare Initiative for 2012 as presented by the Program & Policy Committee.
- approval of the Medical Home Year 4 proposal as presented by the Program & Policy Committee.

Tim Michel gave the Treasurer's report. He reviewed the November Financial Dashboard. Tim noted that 2011 ended very close to budget on expenses. REACH investment returns were ahead of policy benchmarks, but remain under budget by \$7.1 million for the year. The next Finance Committee meeting will be Tuesday, February 14, 2011 at 7:30 a.m.

Janie Schumaker gave the Program and Policy Committee report. As was decided at the September Board meeting, the staff has awarded 2012 program grants based on proposals made in the 2011 application process. The staff reviewed 34 program grant applications totaling \$3.38 million in requests in December, and awarded \$1.2 million in program grants to 14 organizations. The next competitive Request for Proposal process will be announced in the fall of 2012. Discussion ensued with Board members asking questions of staff regarding grants made. Janie reported an RFQ has been issued for a lobbyist to advise REACH on policy related matters. Three proposals have been received, and interviews of all three firms will take place in the next two weeks. Janie noted a public policy update was included in the packets for review, as was the final 2011 staff discretionary grants summary report. The next Program and Policy Committee meeting will be Tuesday, February 7, 2012 at 5:00 p.m.

There being no further business, the meeting was adjourned at 6:20 p.m.

The next Board meeting will be held March 22, 2012 at 4:00 p.m.

Respectfully submitted,

Karen Moore  
Administrative Assistant