HL7 Board of Directors Meeting
Wednesday, January 31, 2018
12:30 – 1:30 Luncheon – Compass (Riverside Complex)
1:45 – 5:00 pm Board meeting – Chart (Riverside Complex)
Hilton New Orleans Riverside, New Orleans, LA

Board Member Participants: Calvin Beebe; Pat Van Dyke; Russ Leftwich, MD; Hans Buitendijk; Jennifer Covich Bordenick; Frank Oemig, PhD; Nancy Orvis; Melva Peters; Line Saele; Mary Ann Slack; Walter Suarez, MD; Andrew Truscott; Ed Hammond (chair emeritus)

Regrets: Dave Shaver

Invited guests: Stan Huff, MD, chair HL7 Leadership Development and Nomination Committee

HL7 Staff Member Participants: Charles Jaffe, MD, PhD; Wayne Kubick; Mark McDougall; Karen Van Hentenryck; Lynn Laakso

Expected Affiliate Chair Participants: Fernando Campos (HL7 Argentina); Stefan Sabutsch (HL7 Austria), Melva Peters (HL7 Canada); Francois Macary (HL7 France); Christof Gessner (HL7 Germany); Harai Masaaki (HL7 Japan); Byoung-Kee Yi (HL7 Korea); Peter Jordan (HL7 New Zealand); Line Saele (HL7 Norway); Francisco Perez (HL7 Spain); Mikael Wintell (HL7 Sweden); Frank Ploeg (HL7 The Netherlands); Rik Smithies (HL7 UK)

Agenda

1. **Welcome, establish quorum and agenda review –** Beebe called the meeting to order at 1:34 pm CT. Participants introduced themselves. The agenda was reviewed and no additions were suggested.

2. **Approval of the consent agenda**
   a) Minutes from the December 2017 Board call (Reference: BoDMinutes 20171204.docx)
   b) Approval of EC endorsed SOUs with:
      a. X12 (Reference: HL7_X12_SOU_2017_D2.docx)
      b. IHE International (HL7_IHE_SOU_20180117.docx)
      c. HIMSS (Reference: SOU HL7 and HIMSS 2017v2.docx)
      d. HIMSS Europe (Reference: SOU HL7 and HIMSS Europe_2018_v1.docx)
      e. PCHAlliance (Reference: PCHAlliance_HL7_FHIR Foundation_Liaison_20170919300.docx)
   c) CEO report (Reference: CEO Report to the BoD.31Jan18.docx)
   d) CTO report (Reference: CTOReport_BOD_20180115.docx)
   e) Approval of Board liaisons and appointment committee chairs (Reference: Liaisons 2018-2019.docx)
   f) Approval of EC endorsed affiliate agreement (Reference: 2018-19 Affiliates Agreement EC approved January 15 2018 clean.docx)
   g) Approval of CEO evaluation and bonus payout (Reference: CE) evaluation results and bonus payout.xlsx)

MOTION by the EC: To approve the consent agenda. The motion carried unanimously.

3. **Presentation from the Leadership Development and Nomination Committee (LDNC)** – Huff reminded Board member of the composition of the LDNC. Ed Hammond and Karen Van Hentenryck were in charge of providing training on HL7 the organization. Given recent conversations, Ed and Karen deferred this training to the next WGM, but the slides are completed and ready. The LDNC engaged Steve Gibbons, a professional trainer who also works with Intermountain Healthcare. Gibbons interviewed HL7 members and a few of the members on the LDNC for input on where people feel we are with the organization and its needs in terms of leadership. He then spent 6 hours of facilitated discussion with LDNC members and made some recommendations.

Gibbons proposed three learning sprints per year. The start of each sprint would correspond with the start of the HL7 WGM. Training would be provided at the WGM followed by online learning after the WGM. A new sprint would start again at the next WGM. Each sprint would include a pre-assessment, 1 day of live training, and 3 additional live online events between WGMs. Three books were suggested for use with the LDNC:
- All In: How the best managers create a culture of belief and drive big results
- Crucial Conversations: Tools for talking when the stakes are high
- Influencer: The new science of leading change

Kubick suggested adding the book on Essentialism to the leadership training program.

The budget was presented for three options based on 20 individuals in each sprint (same 20 people participating in the 3 sprints throughout the year). The budget for one sprint would be just over $19k. Individualized leadership coaching would be $12k per sprint. Finally, there is concierge program management, which is the administrative tasks that needs to occur behind the scenes. That would be about $6,600 per sprint. For 20 people the cost would be $37,900 per sprint, and $113,700 for three (an entire year).

The LDNC committee thought the recommendation was good but the price tag was too high. Options considered for lowering costs included training fewer people, asking people to pay for part of the cost, providing the concierge portion ourselves, or looking at other sources that could provide the same training for less money. The LDNC committee's recommendations are to:
- train fewer people (5-10 people) at least for the first year
- skip the coaching
- ask AMG to do the concierge program management

These changes would bring the cost down to $47,700 for 10 trainees for the first year, excluding the cost of AMG's work. Hammond also clarified that we need to identify the mentees to get the program started. Kubick noted that since most of the costs are fixed we could train 20 people if we have that many good candidates. It was also noted that there are one-time costs and thus the costs would decrease after the first year. Truscott noted that many people have access to leadership programs through their own companies and that we should assess the appetite for this type of training within the organization. Slack feels this is valuable training and suggested we zero in on one sprint and then assess the value. Huff noted that we could do a single sprint and determine whether we want to continue with the

remaining two sprints. Bordenick also feels that this would be good as a one-time event to reduce travel costs for participants. Huff noted that most of the people who would take this training would already be attending the WGM. Leftwich noted that many HL7 members have not had this type of leadership training and feels the organization would benefit from more skilled leadership. Truscott is not sure that we as an SDO should be developing a leadership program. We run the risk of homogenizing our leadership by putting our people through the same training. Peters noted that a large piece of the training is about HL7, which people would not get outside this organization. Huff feels that we could do our due diligence to see if there is training available elsewhere that could be used. Kubick spoke in favor of developing leadership skills at multiple levels of the organization. Buitendijk feels that having these types of programs available would be beneficial to HL7, though we should maintain a level of optionality. He also feels those in the program should contribute to the cost.

Huff suggested the LDNC: (1) identify cost of generic training, (2) identify mentee candidates (3) come back to the Board with a funding requests.
MOTION by Buitendijk to charge the LDNC with the three items suggested by Huff above; seconded by Leftwich. The motion carried unanimously.

4. Chair's report – Beebe reported on the following:

- Discuss Board members' role in finalizing the CEO, CTO and AMG annual goals. Beebe reported that Jaffe (CEO), Kubick (CTO), McDougall (Executive Director) and Van Hentenryck (Assoc. Executive Director) were asked to come back with draft goals. Beebe's charge to them was to include some stretch goals, have measurable outcomes, and try to align their goals and objectives to the strategic plan. They have delivered an initial draft and have a follow up call next week to refine them. Beebe wants to get the Board's input on the approval process. The CEO's contract stipulates that the Board is responsible for finalizing the goals. In previous years, the Board had delegated this responsibility to the EC. The goals will be finalized by the end of February. Another opportunity would be to form a subcommittee of the Board to review the goals. Truscott feels Board members should be involved. Suarez agrees but noted that EC is comprised of Board members. In other Boards he's served on, this is done by a committee. Beebe clarified that the final set of goals will be approved by the Board. Leftwich suggests that the volunteers from the Board be people who have experience with CEO goals either as executives in their organization or their service on other Boards. Bordenick, Suarez and Orvis volunteered to work with the EC on the goals.
- Discuss work effort to formalize HL7 processes for dealing with and bringing in large projects – Beebe noted that we have been dealing with large communities bringing large projects into HL7. Rather than being reactive, we should establish processes that enable us to be proactive. We will discuss this at a later time as well as other topics that might be considered for discussion at the Board retreat. Submit ideas to Beebe or Van Hentenryck. Kubick noted that large projects were discussed in ARB and TSC. The TSC will put together some recommendations for Board review/approval. The Board's role is probably due diligence. Orvis suggests that as these percolate up, that they be framed in terms of the strategic goals/objectives.

5. **CEO update** – Jaffe's report was included in the packet but he provided brief updates on the following:

- Da Vinci project – This project met this week. Several organizations have committed to membership and funding for the project. They are working to develop an SOU with HL7 to define roles/responsibilities. They agreed on interim governance and we have seen some growth in the HL7 membership as a result of this project.
- Meeting with National Academy of Medicine – They are publishing a book titled Procuring Healthcare Interoperability. Over 50 leaders were in attendance. They pronounced HL7 FHIR as essential for the next step in achieving interoperability. Jaffe received an invitation from the Gordon & Betty Moore Foundation to attend a roundtable of healthcare CEOs to discuss how the community is going to implement FHIR.
- HL7 Genomics – Our 4th annual Genomics Summit is Feb 20-21 in DC. DIGITizE technology is moving to the HL7 FHIR Foundation. Sync 4 Genes FHIR integration profile is being developed. Agile Genomics Alliance is being suggested as a large project (ala Da Vinci). The vision is to provide members of the consortium the tools, policy, experience and project support its members need to navigate, implement, and collaborate on challenges in leveraging FHIR-linked technologies to implementing genomics to solve problems in healthcare.
- HL7 FHIR Apps Roundtable – Suggesting 2-2.5 days immediately preceding the Working Group Meeting in Baltimore, including an evening program for networking and celebration of successful applications. This would occur at a DC venue, would broaden developer access, include enhanced participation by government agencies, aggressive use of marketing and PR, preferential travel and housing, collaboration with local professional societies, agencies and health services organization. Kubick spoke with Posnack about this event and reports that he's very excited. We're also suggesting a juried competition. We traditionally attract a couple hundred people to this event but are hoping to grow that. Orvis suggested we contact the federal HIMSS chapter for assistance with identifying appropriate venues.

6. **Treasurer's report** – Leftwich noted that entire treasurer's report is in the packet. He will not review that in its entirety. Instead, he will provide 2017 yearend highlights and a high-level review of the 2018 budget.

2017 yearend revenue highlights: Although organizational membership has continued to decline the decline is slower. Individual memberships declined more rapidly due to changing the criteria for eligibility.
- ORG memberships: $2.599M ($102k over budget)
- Individuals membership: $124k ($1,512 under budget)
- Affiliates dues: $169k ($13k over budget)
- The 3 WGMs: $1.1M ($114k or 12% over budget)
- Distance learning: $428k ($178 or 71% over budget)
- Yearend revenues of $5.279M which is $656k or 14% better than budget (excluding Argonaut & ONC pass through funds)

2017 yearend expense highlights
- Replaced part-time Marketing Director (Melanie) with full-time FTE with funds from piloting Mary Ann's absorbing of Lillian duties and not backfilling Mary Ann's duties
- Zero net change to AMG's billings to HL7 during 2017, but will add support position

in 2018
- Noteworthy expenses under budget:
  - -$40k CEO discretionary budget
  - -$43k Ticia Gerber expenses
  - -$27k PR firm expenses
  - -$56k Tooling expenses
  - -$64k Madrid WGM expenses
- Yearend expenses of $5.171M which is $111k or 2.1% less (better) than budget (excluding Argonaut & ONC)

2017 Yearend Net Income (pre-CPA audit)
- Budget: was expecting to lose $659k
- Yearend Actual: Net income of $108k which is $768k or 116%, better than budget

2018 budget revenue highlight
- Includes $120k in margins on the ONC funded projects
- Includes the impact from four Board approved increases effective January 1, 2018:
  - OID price to $250 for members and $500 for non-members expected to generate $160k more in 2018
  - Average of 5% increase to ORG dues over 2 years expected to produce $62k more in 2018
  - 5% increase to registration fees over 2 years expected to generate $35k more in 2018
  - Benefactor dues for governmental agencies to increase to $35k over 2 years ($39k more in 2018)
- Expected to add $412k to 2018 revenues

2018 Budget expense highlights
Includes $308k in new or expanded resources:
- $85k website enhancements per EC
- $48k for administrative assistant position to support education expansion, more marketing and meeting related duties from absorbing Lillian's position
- $35k more for expanding marketing deployment
- $25k for part-time IT support that is currently being funded by Tooling budget
- $15k for Leadership Development training costs
- $50k CTO comp
- $50k more for tooling resources

2018 budget highlights

- Revenues of $5.943,580
- Expenses of $5,879,811
- Net operating income: $63,769
- Yearend reserves of $6,094,861 which reflects 12.44 months of operating expenses

MOTION by EC: To accept the Treasurer's report. The motion carried unanimously.

7. **Review/provide input and feedback on proposed Product Roadmap Strategy** – Kubick reported that he gave a presentation on his ideas related to the Product Roadmap at the last Working Group Meeting in San Diego but there was no time for discussion.

Before getting to that Kubick provided a list of items that have surfaced that should be discussed in the near future:

- TSC Essentialism moving ahead
- Tightening the screws on tooling
- Philosophical discussions (role of modeling)
- Remote access requests
- Angst about external relationships (ala Da Vinci)
- Preponderance of influence
- FHIR Connectathon update and implications

In terms of this week's connectathon:
- It was our 17th connectathon session
- 19 hours of collaboration in 2 days
- 265 attendees
- 26 tracks
- 68 first time attendees
- 144 connectathon attendees attended the Working Group Meeting

In terms of the Roadmap, the Board needs to discuss and agree on the messages to communicate the direction of our standards. We have a product group for each product and they are putting together plans that will be shared with the Board

Product Roadmap Observations
- We should recognize lifecycle stage for each of our main product families
  o Communicate those in growth, maturity and decline
  o Highlight most important products; but drilldown to others
- Designate a definitive, stable release version for v2 core, and try to avoid new 2.x versions
  o Continue to release IGs and supplements/extensions to incorporate new features
  o Proceed with retooling to modernize publication and access to position v2 as a core foundational standard for decades to come
- Recognize V3 Messaging and the RIM are in decline phase
  o Support by simplifying publication process for individual v3 models and specifications still being developed
  o Forego future releases of V3 normative edition
  o Recognize that while other v3 produces and artifacts will continue to be released or maintained, we should seek migrations paths where possible
- Concentrate on a small set of tooling priorities based on a core architecture for the most essential needs; accepts that some older tools may run on fumes, be retried, or expire.

Truscott suggested we consider a maintenance stage as part of the product lifecycle as some countries are still using V3. Slack agrees that messaging is really important. Buitendijk noted that there are differing opinions on whether we should have a V2 core. He suggests that we be careful about giving the impression that there will be no more Version 2.X.

Decisions Required:
- Craft and communicate a clear message on V3
- Position on proceeding with stable definitive v2 version, and associated retooling projects
- Craft and communicate clear message on future convergence of CDA with FHIR
- Articulate a position on the role of modeling and CIMI on future directions
- Support for enforcing more consistency of tooling, and beginning to retire some legacy tooling.

Leftwich: On remote access, we are fairly rapidly moving from conference call to screen sharing. Remote access is a similar move. He would look at connectathon numbers differently. There were 140+ people who did not stay for the WGM. Preponderance of influence could be assisted by our leadership training.

MOTION by Buitendijk: CTO will craft a clear message for all standards and bring them back to the board for review/approval before communicating further; seconded by Suarez. The motion carried unanimously.

8. **Joint HL7 Board/HL7 FHIR Foundation Board meeting** – Ewout Kramer and Viet Nguyen joined us at this time.

Kubick was appointed spokesperson for the HL7 FHIR Foundation as Huff had to leave early. Kubick reminded participants that we had a joint meeting in San Diego around scopes and roles of each organization. The action item from that meeting was for the HL7 FHIR Foundation Board to develop a set of principles for working together with HL7 International.

Truscott asked why we have a Foundation and why we don't just do what the Foundation does under one organization. Nguyen responded that the FHIR Foundation allows the implementer community to develop implementations in a more agile manner. Truscott feels we should be able to carve out a way to enable this within HL7. Viet argued that historically HL7 has had difficulty providing that level of agility. Creating the Foundation was one way to address that. Current HL7 processes were developed around standards development. Truscott feels it will be difficult for us to work through the details to co-exist. Suarez agrees and feels the implementation should be done by an arm of HL7. If done in a separate organization, it creates a number of challenges. Truscott suggested creating a WG within HL7 that is agile. Leftwich is not optimistic about that being successful. The other primary reason for creating a Foundation is that it is a 501 c3, which offers some advantages. Kramer indicated that the Foundation targets a totally different audience than HL7 International. If there is a problem with the standard, the Foundation participants want to throw it over the wall for HL7 International to fix. Hammond noted that Da Vinci wants their own governance, which didn't seem possible under HL7. Slack noted that the Foundation train has already left the station and it is now too late to pull it back. We should be looking at ways to bring the Foundation members into HL7. Bordenick feels we have created a new Foundation to solve a marketing/messaging problems and suggests there are easier ways to address this. Nguyen feels the Foundation community will want to join HL7 to help develop the standard. It is a growth opportunity. Buitendijk does not feel we understand what we are trying to do. Jaffe noted the distinction has always been where you develop the standards vs. where they are implemented. This is not about money. Leftwich noted that we tried to create user groups to work with implementers and they have not been terribly successful, so he

supports the Foundation for this purpose. Suarez thinks we should talk about principles of the relationship first. Truscott asked if the two organizations can be different legally but exist as one organizationally. Yes, that is possible. Truscott then suggests that there be one governance Board that is shared by both orgs. Smithies (UK) noted that people will spend their money in one place and they usually choose the one with lowest dues. The Foundation is therefore hurting their revenue.

MOTION by Suarez: Move this discussion into a small group with representation from both HL7 International and the HL7 FHIR Foundation to develop recommendations and come back with a defined plan for the strategic delineation of responsibilities and roles; seconded by Truscott. Buitendijk and Hammond noted that the HL7 FHIR Foundation and HL7 International Board have a lot of common representation. Friendly amendment by Orvis: that the original group refine the principles and propose an SOU. Friendly amendment to specify the financial relationship between the two groups. Suarez and Truscott both accepted the friendly amendments. Kaminker wants the affiliates to be considered. The recommendations should be brought back for the May WGM. The motion carried unanimously.

9. **Closed session – No business for closed meeting**

<u>**MOTION**</u> by Buitendijk at 5:09 PM to adjourn.

<u>**Proposed schedule of upcoming Board calls:**</u>
- Monday, February 12, at Noon ET
- Monday, March 12, at Noon ET
- Monday April 19 at Noon ET
- Tuesday, May 15 at 12:30 pm, Cologne, Germany
- Monday, June 4 at Noon ET
- July 25 – 26 – HL7 Retreat, Cheyenne Mountain Resort, Colorado Springs
- Monday, September 10 at Noon ET
- Tuesday, October 2 at 12:30, Baltimore, MD
- Monday, November 5 at Noon ET
- Monday, December 3 at Noon ET

Addendum

The addendum is provided to record votes taken between Board meetings and calls

MOTION on February 10 by EC + Suarez + Bordenick + Orvis: That the Board approve (1) the committee endorsed 2018 goals for the CEO, CTO and Staff, (2) the AMG 2018 Discount Recovery Plan and (3) authorize the Executive Committee to work with the CEO, CTO and AMG to possibly adjust the weightings.
Outcome: The motion carried on February 27, with 12 in favor, 0 against, 0 abstentions
Voting: Bordenick, Truscott, Suarez, Peters, Buitendijk, Slack, Saele, Kreisler, Leftwich, Oemig, Beebe, Orvis.