

iHEA Executive Committee Meeting Notes

November 7, 2009 – Helsinki, Finland

Presentations made by Tom Getzen and Bill Swan, and the detailed agenda are also attached. These notes are intended to be the decisions and discussions beyond that.

Board: Minutes should in the future have structure for actions to be taken and who is responsible for follow up. We need to have charters and job descriptions for the Board (only exists presently for the Finance Committee) to be handed to Board members so they know what their roles are. Minutes should be posted publicly once approved, they will be reviewed by E-Mail by the Board with members in attendance making any desired changes. Materials generally should be sent out two weeks prior to meetings for review in order to make meetings most productive. Minutes of the Beijing Board Meeting were discussed and changes were made to reflect the desire to do a survey about annual meeting structures, need to discuss budget in the Executive Committee as well as risk factors and analysis, and new elections to be held in 2010.

Development of iHEA: Presentation by Tom Getzen. iHEA has grown and changed continually with many reinventions over the years. A key governance issue at founding was having a structure whereby the Executive Director could serve at the behest of the membership and board, with the possibility of removal (in contrast to some existing econ organizations). iHEA evolved because of a perceived niche and hole in the academic infrastructure for supporting health economists. The initial approval for starting iHEA came from agreements with the two key journals, *Health Economics* and *Journal of Health Economics* with an understanding that there was no need for iHEA to create or sponsor new journals. Comprehensive review of conference history and structure, lots of details that the Board usually has not known. iHEA is an academic organization/small NGO, members need something to join and that works for them, leadership is difficult and needs incentives, AEA that we used as a model is good but they have a very large endowment, we now need to form our own sustainable model.

Mission: Developing country questions of how things differ between what people define as health economics. Beijing brought in more people who had broader international public health (epidemiology etc.) interests. We have a question over defining the boundary of what iHEA is about. Some of this is related to what the Scientific Program Committee responsibility is which we discuss below.

Presentation of Current iHEA Operational Procedures: Presentation by Bill Swan. Added iHEA Week back with Paula (Bill's wife) doing this, it now "works". Bill does the main financing management work so bookkeeping is transitioning to Bill what used to be done by Tom. We are doing some support for 1 year for African HEA to manage a grant for them and a small amount of other funds. When we look at major commitments we need to focus on what the gain to our members is, and how we use the Executive Committee and the Board to solicit and approve initiatives. There is an understanding that we need to run more of the strategically, ethically, and financially important

initiatives at earlier stages by E-Mail to the Executive Committee. This issue is one of the key roles of the Executive Committee going forward. Fundraising is coordinated through Bill, we now have a “handout” on support structures and amounts to help funders decide what they can and want to do. Congresses have large numbers of committees and details that are difficult for the Operational staff to deal with. Abstract intake and review is a major activity with a structure that basically works, as well as the process for determining and updating the program. Operations staff is proposing self-assignment of chairs of sessions as a change so that chairs become more engaged in the process for ensuring session quality. IT issues: AVECtra did not work and we have decided to go back to rethink how these tasks will be done. We also have to continually update processes to stay ahead of technical advances and risks on the Internet. We are ready to start up the new web page soon and try to get this working by the end of the year. Journals are being dropped as a service. The Health Economics Network on Social Science Research Network (SSRN) belongs to iHEA. Bill is going on a Southeast Asian trip for which he will share the agenda with the Executive Committee. The management letter of understanding with Bill Swan and his company also will be shared with the Executive Committee.

Program Committee: Eric Nauenberg has proposed a tentative list of special speakers for the Toronto World Congress, this was shared with the Executive Committee for information purposes. We are proposing 12-20 sessions be under the control of Executive Committee or possibly the Program Chair. These would be decided by the preceding September 1, before the call for sessions and abstracts. The incoming President can have a special role in this. Bill Swan will draft a proposal for how this could work. The issue of the organization of the conference in terms of timing of sessions, total number of sessions, and face time for each presenter, along with the function of chairs, also was raised and discussed. The forthcoming survey will be important input to this. Proposed organized sessions could be built with an expectation that papers will be required to be deposited in SSRN prior to the conference.

Budget (reporting/risk analysis): More managerial accounting in the budget could be done, especially with regard to breaking out projects. Direct cost with contribution margins could be built for conference budgets and other major project budgets. You cannot do a conference or other activity that would have a net negative effect, even at best guess worst outcome. We then engaged in more discussion about the details of how this is done. Governance and the Africa activities could be broken out in some way as separate headings as an activity that could be costed directly. Risk factors have been studied by the Finance Committee as Investment Risk, Sponsorship Risk, and Conference Organizational Management Risk. Historically, Attendee Risk has been managed by the staff on the direct conference expenditures. The Executive Committee would like to have more reporting on risk and an opportunity to vote in advance on items that entail taking on more risk. The Finance Committee has not performed this role in the past and it is not part of the written Job Description for the Finance Committee and the Treasurer, so it is more important that it devolve on the Executive Committee (and should be written into the job description for the Executive Committee). The question was raised about what should be posted on the web. Ordinarily the IRS 990 and the audited

financial statements would be publicly available. We would like to keep this structure for transparency and the future. We approve one year of budget in advance, FY10 presently, but we would not post this on the web publicly. The survey will give us important input into the future of annual conferences as a way of smoothing out the Fund Balance curve. There may be other ways to smooth this out. Overhead needs to be able to be covered in the “non-conference” years. We could increase the membership fee. One way is to keep going with the budget as is and let the Fund Balance fluctuate by \$300,000 or so per year. What is the net cost of canceling a conference at the last minute? We probably would have to pay \$100,000 for fixed fees like hotel contracts plus whatever historic costs were paid (e.g. maybe about \$100,000), plus \$800,000 in overhead. So we want to get to \$1,500,000 or \$2,000,000 as a Fund Balance in the intermediate term.

Succession/Transition Planning: Tom Getzen submitted a note to the Executive Committee on the future planning for his career and position as Executive Director of iHEA. Tom would move to a three year contract structure beginning after we negotiate an agreement letter and obtain written consent of the Board via E-Mail. Tom will commit to 50% time for this three year contract with 4% annual increments, after he is no longer employed by Temple, we will pay up to 75% to cover benefits which could happen via employment or continuing as a contract employee. Before the Executive Committee accepts this plan, more detail is desired. Then the Executive Committee followed by the entire Board would vote on this via E-Mail. In order for Tom Getzen to file papers on this with Temple U. we need to resolve this by early December.

Other Task Forces: Ravi will continue to be paid \$1875 a month as the Health Accounts and other initiatives are investigated. Within 6 months a decision will be made whether to retain him working for iHEA.

Affiliates: We have to decide how the eight affiliate members of the Board would be selected. Some discussion about who the right organizations are ensued, but two were left open while AfHEA (Africa) and ALCES (Latin America) were chosen to offer an affiliate Board Member to be added to previously agreed ECHE, HESG, ASHE, and AHES.

Scheduling Future Conferences: We reviewed the survey for scheduling iHEA Congresses. Bill Swan is keeping notes on the changes in the survey.

Plan for 2010 Executive and 2011 Board Sessions: Could the Board Sessions themselves be after the World Congress rather than before? The future conference chair should be invited to the Executive Board sessions (currently Eric Nauenberg). Jane Hall will resolve the question of who presently is on the Board and for 2010 until Fall 2010 elections are held. Elections will be scheduled in the Fall prior to the World Congress and the new Board Members will take effect at the World Congress.

Submitted by JF Burgess November 8, 2009.