



Morongo Basin Health Care District
Community Health Center
GOVERNING BOARD ANNUAL MEETING
MINUTES of May 23, 2017
District Administrative Offices
6530 La Contenta Road, Suite 100, Yucca Valley CA 92284

Mission Statement: To provide affordable, quality healthcare to the communities we serve.

Vision Statement: We will improve the health of the community by increasing access to care in the Morongo Basin.

PRESENT:

- Susan Madavan, chairperson
- Amanda Brannon, secretary, excused absence
- Mary Jane Binge, treasurer, excused absence
- Mara Cantelo, member
- Laura Grabow, member
- Mike Lopez, member
- Ricardo Tagle, member
- Sandy Potts, member
- Peggy Toney, member

STAFF:

- Ron Stewart, executive director
- Jackie Combs, CEO
- Karen Graley, board clerk
- P.K. White, Controller
- Jeff Chawenson, director finance
- Kathy Alkire, director quality
- Alexandra Barba, board clerk trainee
- Cindy Schmall, Director of Facilities

GUEST:

- Daniel Frascetti, D.O., Medical Director, Pediatrics
- Marge Doyle, MBHC board member
- Paul Hoffman, MBHC board member
- Sue Tsuda, board candidate (*invited*)
- Summer Grenzow, board candidate (*invited*)

CALL TO ORDER: 5:46 p.m.

OBSERVANCES:

- Amanda Brannon led the assembly in the Pledge of Allegiance.
- Laura Grabow read the mission and vision statements.

PUBLIC COMMENTS:

There were no public comments.

APPROVAL OF MEETING AGENDA:

Ricky Tagle motioned to approve the meeting Agenda as presented; motion seconded by Michael Lopez; motion passed by unanimous vote.

DISCUSSION

MBCHC ORGANIZATIONAL CHART – Ron Stewart, Executive Director

Ron Stewart presented the organizational chart by PowerPoint presentation; a handout of the presentation was provided to the board members. He reviewed the organization chart as well as the department organization. Mr. Stewart offered to email the presentation to the board members

HRSA SURVEY REVIEW – *Ron Stewart, Executive Director*

Mr. Stewart put together a plan to address the seven of nineteen program requirements identified with opportunity for improvement. The official letter summarizing HRSA's expectation should arrive in early July. The draft action plan presented here is based on notes taken during the survey process. The action plan delineates immediate and secondary priorities.

- Program Requirement #2: address language relative to the sliding fee scale as it relates to contracts for radiology, lab, obstetrics, family planning, health education and transportation agreements.
- Program Requirement #3: update credentialing and privileging policies; adjustments to employee personnel files relative to training documentation.
- Program Requirement #6: execute agreement with the hospital for discharge follow-up and patient tracking.
- Program Requirement #8: develop a peer review policy for all service lines; and update related policies.
- Program Requirement #10: add language to contract regarding MBCHC authority and compliance requirements; develop procurement policy for MBCHC.
- Program Requirement #16: update scope of project forms as required by HRSA; update the EHB site as per HRSA.
- Program Requirement #17: evaluate the executive director per employment contract; approve services, hours and fees (already done at the April meeting); adjustments to future minutes and agendas, develop an annual calendar for the HRSA Programs, revisit the Co-Applicant Agreement with MBHD, revisit MBCHC bylaws, board to read and comment on MBCHC policies before approval, and revisit MBCHC committees.

Susan Madavan stated that the surveyors' perception of the executive committee was that the committee was excluding the full board from making independent decisions, she attempted to correct that perception.

Mr. Stewart engaged the board for discussion to determine how they want to proceed in tackling the opportunity list. The general consensus favored a special meeting workshop for the board members.

Additional discussion included that the surveyors did not like the way the Consent Agenda is being used; there were issues with the credentialing process; the board member couldn't give them much information on quality control and they seemed to be looking for more information from the board. Jackie Combs explained that it related to how staff was reporting to the board. She noted that the quarterly quality reports were presented to the board but data was not included; she believes the surveyor was looking for the statistics.

The surveyor complimented the board on their participation as typically they do not see much board involvement.

ACTION ITEMS

APPROVAL OF 2018 OPERATING BUDGET – *P.K. White, Controller*

Ms. White spoke to the budget process as a team effort in support of operations. The assumptions for the new budget include:

- 2% volume increase in Yucca Valley medical and Twentynine Palms dental; Yucca Valley dental has committed to matching Twentynine Palms dental in volume

- 8% volume increase in Twentynine Palms medical because a provider is expanding his service hours
- 22-25% deduction (contractual) from revenue
- \$88,000 net increase for new EHR program

SERVICES: includes the addition of a biller and housekeeper

REVENUE: the planned gross revenue is \$5,927,038; other revenue comes from the HRSA grant and IEHP capitation with a total net budget of \$7,598,598.

EXPENSES: total budgeted expenses are \$6,491,022.

DISTRICT OVERHEAD ALLOCATIONS: includes payroll allocations, payroll taxes, insurance and payroll benefits. A detail of District administrative staff allocation was presented showing percentages of District staff time that is dedicated to the health center support and operations. There was significant discussion about the listed percentages. Additional costs now allocated to the health center include legal fees, insurances, state permits, mileage, training, advertising and employee recognition. Total overhead allocated is \$670,835.

Marge Doyle asked if these allocations will be incorporated into the Medi-Cal rate setting; Mr. Chawenson stated yes but there may be some limitations imposed.

NET INCOME: is projected at \$349,931

Motion by Amanda Brannon, second by Laura Grabow to approve the FY2018 budget as presented, motion passed by unanimous vote.

APPROVAL OF 340B POLICIES – Jackie Combs, CEO

Jackie Combs shared how the surveyor inquired about the 340B drug program which has been in limbo. She recently received a demand letter giving 30 days' notice to bring the program into compliance. Using the PowerPoint presentation, she explained what the 340B program is and how it works. The presentation covered four policies in detail:

- 340B-101 Prevention of Duplicated Discounts
- 340B-102 Program Compliance Monitoring and Reporting
- 340B-103 Contract Pharmacy Oversight and Monitoring
- 340B-104 Noncompliance / Material Breach

Board members asked several questions to clarify the program and policies. Mary Jane Binge thanked Jackie Combs for her excellent effort to make the program functional and compliant.

Motion by Michael Lopez, second by Ricky Tagle, to approve the four 340B policies presented; motion passed by unanimous vote.

APPROVAL OF HRSA FORM 5A AND 5B – Jackie Combs, CEO

The forms were presented in the agenda packet. The surveyor wanted Yucca Valley adult and pediatric registered separately on the form because they occupy two distinct suites; the finance office in the Green Professional office is being added. District office is to be added as it houses HR files.

Motion by Ricky Tagle, second by Michael Lopez to approve the changes as presented; motion passed by unanimous vote.

REPORTS:

EXECUTIVE DIRECTOR'S REPORT: *Ron Stewart, executive director*

Mr. Stewart referred the board members to his written report in the agenda packet. He invited questions from the written report. He noted that the written reports to the board will be shared with health center staff.

Mary Jane Binge asked about the expanded hours: Drs. Fraschetti and Shih are at Twentynine Palms two days a week; Mark Milliron is expanding hours to include later afternoons and more Saturdays.

MONTHLY FINANCIAL REPORT: *Jeff Chawenson, director finance*

Mr. Chawenson gave a highlight presentation for the month of April. Of note:

- The month of April wasn't very strong with 20% fewer visits and 20% less revenue due to reduced provider hours.
- We reached the \$1,000,000 goal due to reconciliation of drawdowns of the HRSA grant.

BOARD DEVELOPMENT COMMITTEE: *Mary Jane Binge, chairperson*

- Mary Jane Binge introduced two candidates for board membership, Sue Tsuda and Summer Grenzow, stating one is a consumer and one is non-consumer. The June meeting agenda will include their consideration for appointment. Mr. Stewart invited board members to speak with Mary Jane or himself if they have questions about these candidates.

FINANCE COMMITTEE: *Michael Lopez, chairperson*

- Michael Lopez had no comments beyond that presented by Jeff Chawenson.

APPROVAL OF CONSENT AGENDA:

Motion by Michael Lopez, second by Ricky Tagle, to approve the Consent Agenda as presented. The motion passed by unanimous vote.

MINUTES

- Minutes of the Governing Board dated April 25, 2017
- Minutes of the Board Development Committee dated May 10, 2017
- Minutes of the Outreach & Patient Education Committee dated May 17, 2017
- Minutes of the Finance Committee dated May 18, 2017
- Minutes of the special Finance Committee dated May 18, 2017
- Minutes of the special Board Development Committee dated May 18, 2017

Motion by Ricky Table, second by Laura Grabow to approve the Consent Agenda as presented; motion passed by unanimous vote.

BOARD CALENDARS

- The agenda packet presented calendars for May, June, and July 2017.
- The Executive Committee meeting on Monday, June 12 is canceled to accommodate a special meeting of the board to work through the HRSA opportunity list as discussed in this meeting.

MEMBER COMMENTS:

- Peggy Toney asked if the presentations could be spread out since tonight's presentations were many and lengthy, stating she felt overloaded. Susan Madavan explained that tonight was an exception because of the business that needed attention at the conclusion of the fiscal year.
- Michael Lopez thanked staff for a great job on all the HRSA related business.

ITEMS FOR NEXT AGENDA:

- Consideration and appointment of new board members

Meeting adjourned at 7:45



Susan Madavan, Governing Board Chair