



Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES

May 12, 2016 at 5:30 p.m.

Convened at the District Offices

6530 La Contenta Road, Suite 100, Yucca Valley CA 92284

760.820.9229

- **Mission Statement:** *To improve the health and wellness of the communities we serve.*
- **Vision:** *A healthy Morongo Basin.*
- **Core Values:** *Commitment, Collaboration, Accountability, Dignity, Integrity.*

Board of Directors:

- Director Sullivan, President
- Director Doyle, Vice President
- Director Cooper, Secretary
- Director Hoffman, Treasurer

Administrative Staff:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- Patricia White, Controller
- Joe Ruddon, Director Business Operations
- Nora Maughan, Hi-Desert Family Health Clinics, Executive Director (HDFHC)

Media:

- None present

Guests:

- | | |
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| <ul style="list-style-type: none"> ▪ WOW Honorees: Heidi Albright, Kathy Alkire, Lacy Pinney and Tessa Rohl ▪ Susan Madavan, CHC board member ▪ Sandra Potts, CHC board member ▪ Stan Helgesen, HDMC Auxiliary ▪ Rebecca Unger | <ul style="list-style-type: none"> ▪ Bruce Norton ▪ Natalie Baxter ▪ Timothy Barbour ▪ Merry Eriksen ▪ Jared Emery ▪ Katherine Gonzalez ▪ Terri Caputo ▪ Catherine Powell |
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CALL TO ORDER

Director Sullivan called the meeting to order at 5:32 p.m.

ROLL CALL

Karen Graley, Board Clerk, conducted roll call:

- Director Sullivan: present
- Director Doyle: present
- Director Cooper: present
- Director Hoffman: present
- Director Avels: not present

OBSERVANCES

Director Cooper read the mission, vision and core value statement.

Director Hoffman lead the assembly in the pledge to the American flag.

PUBLIC COMMENTS

Director Sullivan read the public comment instructions.

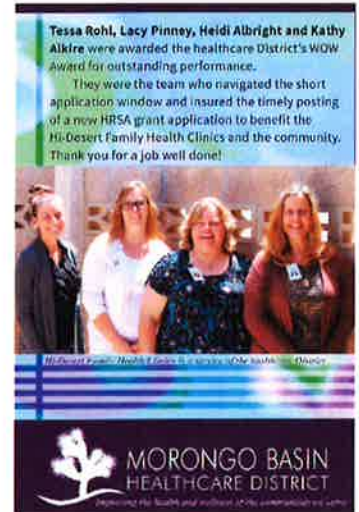


APPROVAL OF MEETING AGENDA

Motion 16-25: Director Sullivan recommended that the order of the agenda be rearranged to accommodate the number of public who wanted to address the Board of Directors; general consensus to present employee recognition and then have Ms. Combs present the portion of her report that pertains to the status of the pain management clinic, followed by public comment; Director Doyle motioned to approve the meeting agenda as amended; motion was seconded by Director Hoffman; motion passed by unanimous vote.

WOW AWARD – EMPLOYEE RECOGNITION PROGRAM

The Morongo Basin Healthcare District's employee recognition program is designed to bring outstanding performance and contributions by District employees before the Board of Directors. Four individuals were presented for recognition: Heidi Albright, Kathy Alkire, Lacy Pinney and Tessa Rohl who work in the Yucca Valley Clinic. They were recommended by Staff for recognition because of the personal and heroic effort given to meet the HRSA quality grant application deadline.



PAIN MANAGEMENT CLINIC

Ms. Combs reported that she met with Dr. Asfaha and the medical center about possible options to reinstate the pain management clinic. The pain management clinic had been temporarily suspended because of a technical contract issue. None of the hoped for options were available leaving the District with one solution: to fund the clinic until the technicality is resolved and it qualifies under the federal funding grant.

Ms. Combs announced she had made the administrative decision to fund the pain management clinic through District resources for up to six months. Should more time be required to change the clinic scope of services, a more permanent solution will be sought. The pain management clinic will continue uninterrupted. As soon as the District became aware of the problem, the primary concern was the welfare of our patients.

Director Sullivan thanked Ms. Combs for her report and invited the public to speak in the order that their Request to Speak Form was presented to the Board Clerk.

Bruce Norton: Mr. Norton stated that his wife is a patient and was on pain medications. She is now off all medications. However, he received a voicemail message that her appointment had been cancelled because the clinics no longer accept his insurance (Tenet/HDMC), but he could pay cash or apply for the sliding fee scale with proof of income. Mr. Norton said Dr. Asfaha has done miracles not only for his wife but others. He requested that the insurance issue be resolved so that his wife may continue receiving treatment.

Natalie Baxter: Ms. Baxter stated she is a patient of Dr. Asfaha; she had been on pain medications for as long as ten years. For her quality of life, she wanted to get off the medications. With Dr. Asfaha that became possible; she was weaned from the medications in 4-6 weeks. She panicked when she heard pain management clinic had been shut down and was so relieved the program has been extended.



Timothy Barbour: Insurance companies are now requiring doctors to limit the time patients are on opioids. For three years he searched for pain management help and finally found Dr. Asfaha. Her advice has included diet and lifestyle changes that have resulted in improved overall health. Opioids mask the pain; it doesn't cure the problem. The localized injections at the pain site relieves the pain; the holistic remedies she prescribes have improved other health-related issues he has. His wife is now off pain pills and other medications as well.

Sandra Potts: It was heartbreaking to learn that our pain management clinic was suspended. It was frightening to me. Thankfully the program was saved; you are to be commended. The program is the last hope to address chronic pain and not have to live under the burden of powerful medications. There are no other steps available to those who suffer with pain. Without this program, suicide seems a viable solution. This pain management program is customized to the individuals needs and has given our patients hope. Thank you for your support and for saving the program.

Merry Erickson: stated she has been suffering with chronic pain her entire adult life. She went to Arrowhead Medical Center for pain relief; they recommended a fusion procedure but her health was not good enough to receive the intervention. She heard about the pain management program at the clinics and found relief from the multiple degenerative sites. With Dr. Asfaha giving the localized shots she can move around and take care of her family. "I wouldn't trust anyone else to touch me with those needles; Dr. Asfaha is precise and cares about her patients. Thank you for saving the program. It's unimaginable to live without this kind of support."

Terri Caputo: She thanked the Directors for extending the program. She is off of the pain medications and now receives only the localized shots. When the phone call came that the program had been suspended, she didn't know what she was going to do. The pain management clinic is so important to the patients for quality of life.

Kathleen Gonzales: After her accident she was in bed 24/7; the pain was so bad she wished she had died in the accident. She went to Arrowhead Medical Center for pain relief and was told they couldn't help her. After working with Dr. Asfaha, she's gone from 38 medications to 13 and has lost 238 pounds. She said she is regaining her quality of life. "No more morphine or Percocet! Dr. Asfaha has done wonders for me."

Jarod Emery: Two years ago he was in a motorcycle accident that left him in constant pain and on the verge of suicide. Dr. Asfaha has given him quality of life and mobility. He now has hope of earning a wage and supporting himself again. "This is a very important program that needs to be protected."

Katherine Powell: She has been seen by Dr. Asfaha since October because of migraines, neck and back pain. Being allergic to pain medications she has no options for treating the pain. With the localized shots now has pain relief. "Thank you for saving the program. I can function now."

Director Sullivan thanked all of the guests for coming in to speak to the board. He explained that the Board of Directors responded very quickly once the nature of the problem was understood. Director Sullivan thanked Ms. Combs for her work and timely response to finding a solution to the problem. He assured the guests that the board will continue to look for a permanent solution.



Director Doyle echoed Director Sullivan's thanks to the guests for coming tonight and for sharing their personal health information with the Board of Directors. She acknowledged that a pain management program is not the first step in treating pain, it is the last step. "I'm proud to be a member of this Board of Directors because we do not abandon our patients. As a nurse, as a human being, and as your elected public servant, this is what I felt we had to do. Thank you for bringing this to our attention."

Director Hoffman asked about the HRSA scope of services. Ms. Maughan explained that staff is collecting data to complete the application; stating it is equivalent to writing a grant application. Staff is hoping to submit the application by end of next week. HRSA can take as long as they want to review and will come back for more data. A scope of services is never approved in the first round. There is no way to predict a timeframe; it depends on HRSA's process.

Director Doyle requested that the clinics reach out to all of the pain management program patient and make sure they understand that the program is still intact.

APPROVAL OF CONSENT AGENDA

The Consent Agenda presented the following items for approval:

- Minutes: Regular Meeting of the Board of Directors, April 28, 2016
- Policy HR-248: Harassment in the Workplace (*revised*)

Motion 16-26: Director Doyle motioned to approve the consent agenda with changes to the Policy HR-248 (adding any legally protected class to the language; create a form to document the harassment; and to define options if the complainant has problems with senior staff); motion seconded by Director Cooper; motion passed by unanimous vote.

Director Doyle complimented Mr. Ruddon for his work on this complex policy.

REPORTS

REVIEW OF TENET PURCHASE AGREEMENT – PART 2, Jackie Combs, CEO

Ms. Combs referred the Directors to Tab 3 of the agenda packet for the Executive Summary of the Lease Agreement. A supplemental handout of Schedule 3.2 (Additional Rent Payment Calculations) was distributed.

- Ms. Combs recommends that the lease agreement be reviewed by the board every 2-4 years and should be incorporated into the board orientation for new members. Director Sullivan suggested including it in the strategic plan.
- In the first three years the New Operator shall commit to upgrading the capital equipment of \$32 million (equipment and projects; physician recruitment; medical systems such as IT integration). Ms. Combs drew attention to the handout, Schedule 3.2 that defines the requirements.
- Any changes to an actual leased building must be approved by the District with 60 days' notice.
- Maintenance of Clinical Services lists the following as protected by the Agreement
 - ♦ Emergency department
 - ♦ Obstetrics, maternity gynecological and related women's services
 - ♦ Surgical services
 - ♦ Medical / surgical
 - ♦ Imaging Services including diagnostic imaging modalities in existence as of the Commencement Date
 - ♦ Home Health and Hospice
 - ♦ Occupational and physical therapies
 - ♦ Social Services

- ♦ Skilled Nursing Services at CCC
 - ♦ Intensive Care
 - ♦ Rehabilitation Services
 - ♦ Behavioral Health Services
- Termination/reduction during the first ten years: New Operator must reasonably justify the termination of any services on the above list.
 - The District shall use the annual rent and any additional rent for healthcare purposes for the benefit of the community served by the District. District shall not use such annual rents for any purpose not within District's authority as a public agency.
 - The New Operator may terminate the lease with two years' written notice because of dramatically reduced revenue. There was discussion about how the District could get the financial status of HDMC. The lease states that corporate financials must be reported to the District, but the local data is not called out. There is no apparent way to determine the financial health of the local entity.

Director Doyle commented that Tenet has delayed the IT installation for Serner. Ms. Combs stated the lease agreement refers to IT expansion to connect back to Tenet's system. Serner stands alone. Director Doyle expressed concern that Tenet adhere to the lease schedule. Director Hoffman offered to take our board's questions to the Tenet board meeting.

Director Sullivan inquired about Schedule 3.2 and if Tenet is aware of compliance. Ms. Combs stated she had given a copy of Schedule 3.2 to the hospital CEO. She suggested that we give the hospital a month and she will check back with the CEO for status; their fiscal year is January through December. Director Sullivan spoke strongly to monitoring Tenet to insure their compliance with the schedule.

HI-DESERT FAMILY HEALTH CLINICS, *Nora Maughan, executive director*

Ms. Maughan referred the Directors to Tab 4 in the agenda packet.

- There was a correction to the first paragraph: data is for April, not May.
- The April 30th Health and Resource Fair triggered an email from Frank Luckino inquiring about the veterans' fair in Twentynine Palms. This has opened dialogue with City staff and we are targeting October for the event.
- Ms. Maughan thanked everyone who was there to support the April 30th event. In spite of the weather, we had a good turnout. It was a success because two people came to the outreach table and asked if they could get healthcare services when they don't have insurance. Sheree Fansler made appointments for them.
- The clinic has provided care to veterans on the Veterans' Choice Program; we have not yet received payment for those services.
- Congressman Cook attended the Health and Resource Fair which provided opportunity to dialogue about some of the issues facing the clinics. Vaccinations are an issue for the privately insured; the clinics are going to offer immunizations to those with private insurance.
- The Tenet insurance plan is not reimbursing the clinics for service. It has been next to impossible to get payment because the hospital is still using the District's tax ID number and the insurance companies deny payment because the clinics appear to be a part of the covered organization.
- Clinic received three site surveys for IHEP; we passed with flying colors and we can continue to receive payment from that insurance carrier.
- The National Service organization surveyed the Twentynine Palms office.

FINANCIAL REPORT – COMPREHENSIVE POST AFFILIATION TRENDING INCOME STATEMENT, Patricia White, Controller

Ms. White referred the Directors to Tab 5 in the agenda packet.

- At the last meeting we presented a trending year-to-date income statement of district operations, and a trending income statement with everything we had processed from the hospital. The consolidated report was promised. This packet included the consolidated numbers for the District including the Meditech data.
- Tonight's handout refined the agenda packet report with blue highlighted subtotals. Supporting detail is on pages 1-3 and consolidated data is on page 4. Page 5 is the YTD showing revenues and expenses for District, Clinic, and Transportation operations.
- In the future, staff will present the consolidated income statement with detailed support presented by month.
- Director Hoffman requested that the consolidated numbers be presented first and the detail support behind the summaries. He asked for clarification:
 - ♦ Administrative adjustment page 1: \$99,000 in adjustments was made by the hospital, showing reductions in patient bills. Ms. Combs hypothesized that these are contractual adjustments.
 - ♦ Director Hoffman asked if this was the actual reality of the District finances. Ms. White said the current handout is complete.
- Director Hoffman acknowledged Ms. White's extraordinary efforts in refining the reports.

MORONGO BASIN HEALTHCARE DISTRICT UPDATE, Jackie Combs, CEO

Ms. Combs referred the Directors to tab 6 in the agenda packet and provided the following additional information:

- Medi-Cal / Medicare ID numbers: Ms. Combs sent an email to the HDMC CEO to inquire status of separating District and hospital identification numbers. Ms. Combs met with the CFO and suggested that he call Medi-Cal for status because the application was submitted to the state in August, 2015.
- Meaningful Use: the attorney that handled the issue with Medicare is crafting a letter to Medi-Cal; the attorney recommends that we send the letter with the payment. The payment will be approximately \$870,000. The Medi-Cal adjustment check is expected next week so we are hoping that the income will be received in time to cover the reimbursement.
- Hospital financials: Adele Nafziger requested that the District collect the financial records from the office and warehouse. Because she retires tomorrow, Ms. White went to work with her to secure as much information as possible. We sent a team to box the file cabinets (25 boxes), and to cull financial boxes stored in the warehouse (approximately 800 boxes). 400 boxes have been reviewed and 175 sent for shredding. The remainder will be transferred to storage.
- Budget workshop packets will be distributed on Monday.
- The Directors thanked staff for taking on the box project.

CALENDAR REVIEW AND COORDINATION

The calendars for the Board of Directors was reviewed and coordinated:

- A special meeting Budget Workshop is scheduled for Thursday, May 19 at 4 p.m.
- The next regular meeting of the Board of Directors is Thursday, May 26 at 5:30 p.m.
- June calendar: Sullivan requested June agendas early for approval on 5/26

FUTURE AGENDA ITEMS

- Purchase Agreement Review
- Any reports/update on Tenet compliance
- Budget approval in June
- Updates on HRSA requests for Scope of Services
- Pain management clinic a pro forma report

DIRECTOR COMMENTS

- Director Cooper: thanked staff for their excellent work and reports.
- Director Hoffman: noted that Ms. White impressed him with the remarkable job on the financial reports, “I commend you.”
- Director Doyle: thanked all of staff, particularly with regards to the patient care crisis with pain management, and the financial reviews. She stated she is proud of the board and staff for the pain management clinic intervention.
- Director Sullivan: stated his agreement with the thanks that the Directors had already mentioned. “I so appreciate the extra effort. It seems that it is common for staff to intervene and impress us. The financial reports are much more understandable than ever before. I want to encourage closer cooperation with other agencies in regard to the pain issue.” He thanked Sandra Potts for rallying the pain management patients because the board needed to hear their perspective.

OPEN SESSION ADJOURNED

Director Sullivan adjourned the open session at 8:01 p.m.

CONVENE TO CLOSED SESSION

The Board of Directors convened at 8:06 p.m. to Closed Session pursuant to:

- Government Code section 32106 of the Health and Safety Code: Report involving Trade Secret. Estimated date of public disclosure is projected to August, 2016.

RECONVENE TO OPEN SESSION

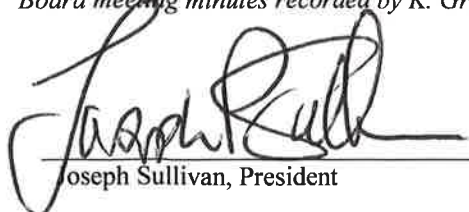
The Board of Directors reconvened to Open Session at 8:20 p.m. Director Sullivan reported that:

- Trade Secrets: Board members will review presented information and continue discussion in another closed session at the next regularly scheduled meeting.

MEETING ADJOURNMENT

Director Sullivan adjourned the meeting at 8:22 p.m.

Board meeting minutes recorded by K. Graley, Board Clerk.



Joseph Sullivan, President



Patricia Cooper, Secretary