

Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES
November 16, 2017 at 5:30 p.m.

- 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 Doyle, President
- Director Armstrong, Vice President
- Director Sullivan, Secretary
- Director Hoffman, Treasurer
- Director Markel-Greenhouse

Administrative Staff:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- P.K. White, Controller
- Joe Ruddon, Director Business Development
- Cindy Schmall, Director Operations
- Ron Stewart, Exec Director, CHC

Guests:

- Tom Dingas, CPA, Dingas | Zarecor & Assoc.
- Jenna Hunt, The Desert Trail
- Eric Knabe, Radio Z107fm
- Mark Goodale, General Manager, MBTA
- MacArthur Wright, Mayor Pro Tem 29Palms, MBTA board member
- Joe Meer, Director Cooperative Purchasing and Grants, MBTA

CALL TO ORDER

Director Doyle called the meeting to order at 5:30 p.m.

ROLL CALL

Karen Graley, Board Clerk, conducted roll call. Directors Doyle, Armstrong, Hoffman, Sullivan and Greenhouse were present for a quorum.

OBSERVANCES

Director Armstrong read the mission, vision and core value statements.
Director Sullivan led the assembly in the pledge to the American flag.

PUBLIC COMMENT

No public comment.

APPROVAL OF MEETING AGENDA

Motion 17-86: Director Hoffman motioned to approve the meeting agenda as presented; motion seconded by Director Armstrong; motion passed by unanimous vote.

APPROVAL OF CONSENT AGENDA

The Consent Agenda presented the following items for approval:

- Minutes: Regular Meeting of the Board of Directors, November 2, 2017
- Minutes: Special Meeting of the Board of Directors, November 9, 2017
- Policy IM-240 Server Backup and Recovery

Motion 17-87: Director Sullivan motioned to approve the consent agenda as presented; motion seconded by Director Hoffman; motion passed by unanimous vote.

PRESENTATIONS

MORONGO BASIN TRANSIT AUTHORITY – *Joe Ruddon, Director Business Development*

Mr. Ruddon introduced the representatives of MBTA: Mark Goodale, Joe Meer, and MacArthur Wright, who presented the keys of a Ford Transit Vehicle, valued at \$51,300; and a check of \$17,579 for a grant to be applied to operations. Director Doyle thanked the representatives for the vehicle and grant, and expressed their appreciation to MBTA for their support of the MBHD LIFT Transportation and its impact on our community.

Mr. Meer spoke to the partnership between MBTA and MBHD and the opportunities it provides. MBTA runs a successful statewide procurement fee program; the monies from that program are used to fund gifts of vehicles and grants to support specialty transportation in the Morongo Basin. This year the MBTA board has partnered with several organizations to fund over \$110,000 in projects. The Basin is so wide spread. MBTA provides mass transit, but MBHD provides specialized transportation, and together we provide transportation solutions.

MBHD AUDITED FINANCIAL REPORT FY2017 – *Tom Dingas, CPA, Dingas | Zarecor & Assoc*

Mr. Dingas presented the audited financial report for FY2017 and proceeded through a page by page review. He explained that there are three independent audit summaries throughout the document. The first covers the financial statements.

- Pages 3-4 shows the District's balance sheet with assets, equity and liabilities and presents a "point in time" perspective related to financials. It shows adequate reserves to operate the District.
- Page 5 is the statement of revenues, expenses and changes in net position. It shows the three big revenue sources: health center, transportation and District. The transition away from the hospital operations now allows a year-by-year comparison of District operations. Lingering hospital issues have been separated out and will eventually cease.
- Page 8 and following contains the notes of the financial report including District history and an accounting summary. Most of the notes reflect the same information as last year's notes.
- Page 11-13 address investments and the portfolio.
- Page 18 Net Patient Revenue shows the patient payor sources. Primary revenue is from Medi-Cal with some private and Medicare income.
- Page 21 shows that District purchased property as a subsequent event.
- Page 22 presents the second independent auditor's report which addresses requirements related to government auditing standards and financial controls. The audit found no significant material weaknesses.
- Pages 24-25 is the third and last auditor's summary and is specific to the Community Health Center's funding. Director Doyle noted that last year's audit the summary had negative findings; this year there are none. She complimented Patricia White and her team for the hard work and for achieving this milestone.

Mr. Dingas stated he was pleased that the audit was presented timely (within 4-5 months after the close of the fiscal year).

Director Armstrong thanked Mr. Dingas for his verbal report and for hitting the highlights; he thanked PK White for her work.

Director Doyle said it felt really good to have such a clean audit.

Director Sullivan spoke to the fact we are a young organization, comparatively speaking, and to have such a clean audit so early is reflective of strong leadership in the organization.

Motion 17-88: Director Hoffman motioned to accept the District's audited financial report as presented by Dingas | Zarecor & Associates; motion seconded by Director Greenhouse; motion passed by unanimous vote.

REPORTS

MORONGO BASIN COMMUNITY HEALTH CENTER OVERVIEW – *Ron Stewart, Executive Director*

Mr. Stewart gave a PowerPoint presentation. It included a list of board members, key staff and physicians. Mr. Stewart thanked the board for recognizing Dr. Salhotra at the previous meeting. Last month, the medical staff came together for dinner and discussion.

The service lines meet monthly (adult, pediatric, behavioral health and dentistry). The HRSA survey resulted in six findings which have been addressed. The health centers were recognized for best-practices during its recent progress-survey of the three-year Care Coordination grant: Take A Hike program, Community Resource Directory, LIFT Transportation, and Coalition Formation.

The staff has selected eClinicalWorks as the new electronic health record. A great deal of research and comparison went into the selection.

The Twentynine Palms office space has been expanded, new flooring installed, resurfaced exam beds, new vinyl waiting room furniture and three new dental chairs and side equipment. Thereafter, the Yucca site will receive new paint, interior and exterior, new vinyl waiting room furniture, updated exam beds and a resurfaced parking lot.

Mr. Stewart presented first quarter patient volumes which indicate they are ahead of the projected budget. The pediatric department has expanded and is driving the volume increase.

New revenue includes Inland Empire Health Plans (IEHP), our managed Medi-Cal partner. They have grant funds available. Mr. Stewart recently applied for funding and received a grant for \$150,000 to help fund Dr. Puglisi's salary. They also give incentives for performance such as wellness exams. New grant monies will be available for reducing Medicare funding. Mr. Stewart plans to access additional funding that will be available in 2018.

Director Hoffman asked Mr. Stewart to speak to risks to the health centers as related to national legislative activity; Mr. Stewart was optimistic and cited bills that are before Congress which are expected to pass for future funding, impacting the next two years. Additionally, clinic HRSA funding is only \$1.5 million in a \$6 million budget so any impact to us locally is only partial.

A community education program has been launched. A Women's Health seminar was hosted with gynecologist Andrea Randall, MD; we are targeting Diabetes education for February.

The health center will introduce telemedicine for behavioral health services and is targeting for 2018 for behavioral health pediatric services.

Mr. Stewart gives tours of the facilities to CHC board members and invited the MBHD board to meet his team and see the facilities.



Director Doyle thanked Mr. Stewart for the report and complimented him for the structure he has provided for the clinics; she is excited about the telemedicine component. She believes it will enable us to better meet community needs more than we have ever been able to do in the past.

Director Armstrong complimented Mr. Stewart on the presentation, and said he will take a tour of CHC. He acknowledged that we have a great management team of which Mr. Stewart is a member.

Director Greenhouse asked where he thinks the clinics will be in one year. Mr. Stewart referenced his background in organization development and that he spent 15 years serving on the San Bernardino County board for rural health clinics. He stated that we still have great deal of foundational work to put in place. He wants to get the patients bragging about the clinics. In the second year he wants to focus on community areas that are underserved, stating that he envisions a mobile unit in tangent with additional transportation to bring outlying patients to the mobile unit for care.

Director Sullivan thanked Mr. Stewart for the presentation and said he, too, would take the tour.

MORONGO BASIN HEALTHCARE DISTRICT UPDATE – Jackie Combs, CEO

Ms. Combs referred the Board of Directors to the written report under Tab 2 in the Agenda packet. She provided the following additional information:

- We are expecting Scott Wartelle to present at the next meeting. She has requested the data from him before the meeting so the board may review it in advance. CEO Karen Faulis will be unable to come to the December 7 meeting to present a quality update but will present at the December 21 meeting.

CALENDAR REVIEW AND COORDINATION

The calendars for November through December, 2017 were reviewed and coordinated.

- Special meeting November 30 at 3 p.m.
- Foundation's annual meeting is scheduled for December 14.

NEXT/FUTURE AGENDA ITEMS

- HDMC presentation
- Action item for donation \$1,000 to TLC event on December 25

DIRECTOR COMMENTS

- Director Greenhouse: "Everything this healthcare District accomplished is because we have surrounded ourselves with greatness."
- Director Hoffman: Thanked MBTA for their contribution to our transportation program; thanked PK White for the fine work she has done with District finances; and thanked Ron Stewart for the presentation on the clinic programs. He made a plug for the CMC athletic program, thanked Karen Graley for her work on the program book and the banner. "Additionally, we have an awesome basketball team."
- Director Sullivan: He agreed with everything Director Hoffman said. He thanked Joe Ruddon for his part in making the MBTA contribution possible. Staff needs to be recognized for their work.

- Director Armstrong: Ditto to Director Hoffman’s comments.
- Director Doyle: “Absolutely, our staff is stellar. Leadership is effective, thank you to CEO Jackie Combs and the key staff. The board also deserves a pat on the back because we hold staff to a high standard. That’s what the community expects.”

MEETING ADJOURNED TO CLOSED SESSION

The Board of Directors adjourned to a brief break at 6:32 and then reconvened to closed session at 6:35 p.m.

- *Pursuant to Government Code section 32106 of the Health and Safety Code: Report involving Trade Secret. Estimated date of public disclosure is projected to February, 2018.*

RECONVENED TO OPEN SESSION to receive Closed Session report at 7:18.

Director Doyle reported that Staff will provide any new information on the Trade Secret topic as it becomes available.

MEETING ADJOURNMENT

Director Doyle adjourned the meeting at 7:20 p.m.

Board meeting minutes recorded by K. Graley, board clerk.


Marge Doyle, President


Joseph Sullivan, Secretary