



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

**March 1, 2018 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 Armstrong, President
- Director Sullivan, Treasurer
- Director Markle-Greenhouse, Secretary
- Director Hoffman

Administrative Staff:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- PK White, Controller
- Joe Ruddon, Director Business Development
- Cindy Schmall, Director Operations
- Ron Stewart, Executive Director, CHC
- Tricia Gehrlein, Director Population Health

Guests:

- Jenna Hunt, Desert Trail

**CALL TO ORDER**

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

**ROLL CALL**

Karen Graley, Board Clerk, conducted roll call. Directors Armstrong, Hoffman, Sullivan and Greenhouse were present for a quorum; Director Doyle was not present.

**OBSERVANCES**

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

**PUBLIC COMMENT**

None presented.

**APPROVAL OF MEETING AGENDA**

**Motion 18-16:** Director Hoffman motioned to approve the meeting agenda amended to show that there would not be a presentation by Tenet; motion was seconded by Director Sullivan; 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, February 15, 2018
- Policy: EC-202 Safety Management (*revised*)
- Policy: HR-218 Paid Time Off (*revised*)

**Motion 18-17:** Director Hoffman motioned to approve the consent agenda with the correction to the Minutes of February 15, correcting Board of Director office titles; motion seconded by Director Sullivan; motion passed.



**ACTION ITEMS**

**MBHD FACILITIES UPDATE**, *Cindy Schmall, Director Operations*

Ms. Schmall presented an overview of upgrade projects for the Yucca Valley campus and the project increased project budget because of prevailing-wage requirements and for expanding the project to paint the full structure.

PROJECT	ORIGINAL BID WITHOUT PREVAILING WAGE	BID WITH PREVAILING WAGE	VARIANCE
Admin building roof	\$25,685	\$37,435	\$11,750
Admin building stucco & paint	\$27,082	Vendor B \$33,250	\$6,168
Clinic stucco & paint	In-house	Vendor A \$14,440	n/a
TOTAL requested budget		\$85,125	

Staff recommendation is to:

- Proceed with roofing as estimated at \$37,435
- Use Vendor B for the YV administrative building for stucco and paint: \$33,250
- Use Vendor A for the YV clinic building stucco and paint: \$14,440
- Total requested project budget: \$85,125 with a \$10,000 savings

Director Hoffman asked if contractor bonding was needed; Jackie Combs, CEO, said once the budget approval is received, staff will forward the contracts to the attorney for review and such protections would be addressed at that time. Director Hoffman also referenced policy LD-240 for internal compliance.

Director Armstrong asked if the contractors were local; one is local and one is from the Coachella Valley.

Director Sullivan asked about project phasing. Ms. Schmall said once board and legal counsel approval is received, the project flow and coordination would be addressed.

Director Armstrong asked about the overall budget and how the increased 40% overage will be covered. Ms. Schmall cited that monies saved on previous projects would cover the majority of the overage but there will, most likely, be some budget overage. Director Armstrong requested such requests for increased budget include an explanation of overage will be addressed. General consensus to table the action and present it again with budget overage details.

**REPORTS**

**HUMAN RESOURCE REPORT**, *Second Quarter – Cindy Schmall, Director Operations*

Ms. Schmall provided the following information:

- Management has begun the process of employee performance evaluations which are effective April 2, 2018.
- Management is in the process of revising the performance evaluation tool in response to the Employee Engagement survey results. The new tool will apply to next year’s evaluation process.
- We met with employees regarding the results of the Employee Engagement Survey and received feedback related to the responses.
- Employee service awards will be distributed at the next employee forum, recognizing five year increments of service.
- The District began the quarter with 76 employees with two terminations and seven newly hired during the quarter for a total employee census of 81. Turn over decreased to 2% from 5%.



- Currently two USC nurse practitioner students are interning in clinical rotations with Drs. Salhotra and Fraschetti.

EMPLOYEE ENGAGEMENT SURVEY FOLLOW UP, *Cindy Schmall, Director Operations*

Ms. Schmall shared that management staff met with employee groups for follow up on the survey questions and for clarification. Feedback was given to Ms. Schmall for evaluation.

- Recognition: an additional broad group of employees met to refine the employee perception and how management can effectively respond. Staff felt the employee evaluation tool did not provide concise information for the employee; the tool is being evaluated and revised.
- Professional Growth: staff felt there were positive changes but requested more opportunities for professional training and certification. Because we're a small organization, opportunity for promotion is very limited. Management is expanding criteria for professional growth; more internal education is being expanded. Daily huddles have been implemented to facilitate communication.
- Safe Work Environment: Training has been provided for handling the work place; the parking lot lighting at the Yucca Valley campus has been improved. A safety committee has been formed with 51% of the committee comprised of staff; the committee addresses various safety issues throughout the District and meets monthly.
- Communication and Change: Employees indicated communication has improved since the survey.

Director Armstrong thanked Ms. Schmall for the presentation and acknowledged an excellent job.

CHC OVERVIEW DENTAL GRANT, – *Ron Stewart, Executive Director, CHC*

Mr. Stewart presented an overview of the Virtual Dental Home Initiative (VDH).

- VDH creates a community-based oral health delivery system in which patients receive preventive and simple therapeutic services in community settings.
- VHD uses the latest technology (telehealth) to link Health Center providers working in community settings with dentists at remote offices.
- VDH deploys registered dental hygienists to community settings to collect diagnostic records, provide preventative procedures (fluoride varnish, dental sealants, prophylaxis, scaling and placement of interim therapeutic restorations) and, when more complex dental treatment is required, connect the patient to Health Center dentists.
- A six-year demonstration project by the Pacific Center for Special Care at the University of the Pacific, indicated that two-thirds of the patients seen in VDH were able to receive the care they needed at the community site.
- First-5 Riverside (tobacco tax monies) and San Bernardino established a partnership to expand VDH in the Inland Empire; our District was awarded a two-year grant with a maximum reimbursable of \$531,720.
- The grant has two components. One is the provision of VDH with a goal of serving 467 children annually, and the second is Early Childhood Oral Health Assessment with a goal of serving 2,400 persons.



- The Health Center will use existing registered dental hygienist staff and dentists to provide VDH. Two and one-half FTEs will be recruited to provide the assessment work and overall coordination of the grant activities.
- The Health Center's inaugural partner to launch VDH is the Morongo Unified School District (MUSD). Early discussion is focusing on Landers Elementary and/or Morongo Elementary to serve as the first community site.
- Mr. Stewart and Ruddon have had the first meeting with the MUSD principal of Landers Elementary and the director of information technology to discuss the project.

Director Hoffman asked for site details. Space on each campus will be used with a portable, special chair and hand-held equipment. The school district identified three schools to begin the program.

Director Sullivan asked about parental approval. Parental approval is required before the child can be seen, and will provide information about the child. If the child already has a dentist, they would not be seen through the VDH program. The program can be applied to any site where there is need, however, the sites must be registered through HRSA as part of the community center licensing.

#### FINANCIAL REPORT FOR JANUARY, 2018, P.K. White, Controller

PK White began by addressing a question from the Human Resource report, with the increased employee census, how is the budget affected. She directed the Directors to the line entry that showed employee expense is above budget by four percent.

The financial results for the month of January, 2018 were above projections as the operating net surplus (EBITDA) was \$282,033 compared to a budget of \$143,352. The difference to budget was due to increased patient revenues during the month of January. Year-to-date operating net surplus is 43% above budget.

- **REVENUE:** Health Center patient revenues were 24% above budget due to a 32% increase in visits from the previous month. District operational revenue was on target at 5% above budget. Transportation revenues were above budget by \$2,197 due to the allocation by month of the MBTA grant.
- **EXPENSE:** Transportation expenses were 3% below budget. Health Center operating expenses were 11% over budget driven by higher contract provider payments due to increased visits. District expenses were 23% below budget.
- **NET INCOME:** The consolidated net income for the month was a positive \$145,298. This reflects the deduction of depreciation and other non-operating expense of \$36,735 from the operating net surplus. Year-to-date consolidated net income is \$815,608.
- **BALANCE SHEET AND CASH FLOW:** The lease payment from Tenet was received in January for the calendar year 2018. This is detailed on the Statement of Net Position (Balance Sheet) under Current Liabilities (\$833,333 represents the five months left of received payment for the fiscal year ending 6/30/18) and Deferred inflow of resources (\$1,000,000 is the amount of deferred revenue received for the coming fiscal year months of July through December, 2018). A reduction of cash in the local bank account was due to less payment received in January for the reduced visit revenues earned in December. The ratio analysis of Balance Sheet and Income Statement items indicate the continued strong financial position of the District.



The Directors didn't have any questions about the financial report. Director Armstrong thanked Ms. White for the check register and the opportunity to see that level of detail.

**Motion 18-19:** Motion by Director Sullivan to accept the financial report as presented; second by Director Greenhouse; motion passed by unanimous vote.

**MORONGO BASIN HEALTHCARE DISTRICT UPDATE, Jackie Combs, CEO**

Ms. Combs reported that Monday of this week she and Joe Ruddon presented to the school district principals about the healthcare District. They also visited the ACE program again at Town Center Mall which was filled with computers and students.

Last night Dr. Salhotra delivered a community health education on cholesterol, there were about ten people in attendance. His presentation was well received.

**CALENDAR REVIEW AND COORDINATION**

The calendars for the Board of Directors were reviewed and coordinated.

- Staff requested a date in May to convene the Budget Workshop: May 15 at 3 p.m.
- Foundation annual meeting will convene April 6 at 3 p.m. Director Hoffman is not available.

**NEXT AGENDA**

- None presented

**DIRECTOR COMMENTS**

- Director Hoffman: Thanked PK White for her work on behalf of District finances, saying how much he would miss her smiling face; excellent report on the dental program. Also a great report on the employee survey; we still have lots of work to do on behalf of our employees. Looking for positive things to help them understand this is the best place to work.
- Director Greenhouse: Directed her comments to staff, thanking them for all that they do, going above and beyond every day
- Director Sullivan: Offered to help Cindy Schmall with the Yucca Valley campus improvement if needed; thanked PK White for her work, acknowledging she has been a very important member of the team reminiscing that once she arrived the quality of reports steadily improved.
- Director Armstrong: Told PK White he really appreciates the work she has done for us and wished her the best of luck. He attended the CHC board meeting on Tuesday and was very excited about the new board members; he was impressed with the meeting noting how well the board works together.

**OPEN SESSION ADJOURNED**

Director Armstrong adjourned the open session at 6:42 p.m.

**CONVENE TO CLOSED SESSION**

The Board of Directors convened at 6:50 p.m. to Closed Session pursuant to:

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



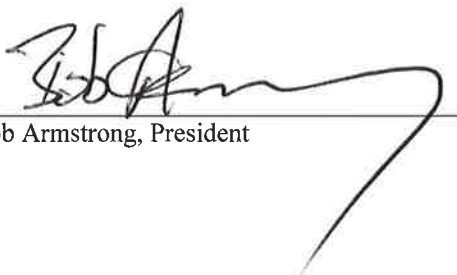
**RECONVENE TO OPEN SESSION**

The Board of Directors reconvened to Open Session at 7:15 p.m. Director Armstrong directed Staff to bring additional information when available.

**MEETING ADJOURNMENT**

Director Armstrong adjourned the meeting at 7:17 p.m.

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



Bob Armstrong, President



Dianne Markle-Greenhouse, Secretary