



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

October 18, 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 Doyle, Vice President
- Director Markle-Greenhouse, Secretary
- Director Sullivan, Treasurer

Guests:

- Jenna Hunt, Desert Trail
- Eric Knabe, Z107fm
- Laura Grabow, CHC board member
- Jeff Grabow
- Susan Madavan, CHC board member
- Sue Tsuda, CHC board member
- Beverly Scott, community member

Staff Present:

- Jackie Combs, CEO
 - Karen Graley, Board Clerk
 - Cindy Schmall, Director of Operations
 - Joe Ruddon, Director Business Development
 - Tricia Gehrlein, Director Population Health
 - Ron Steward, CHC Exec Director
 - Deborah Anderson, Controller
 - Kathy Alkire, Director Education
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- Linda Evans, Chief Strategy Officer, Desert Market, Tenet

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, Doyle, Sullivan, and Greenhouse were present for a quorum; Director Hoffman was not present.

OBSERVANCES

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

PUBLIC COMMENT None presented.

APPROVAL OF MEETING AGENDA

Motion 18-72: Director Sullivan motioned to approve the meeting agenda as presented; motion seconded by Director Doyle; 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, October 4, 2018
- Minutes: Special Meeting of the Board of Directors, October 11, 2018

Motion 18-74: Director Doyle motioned to approve the consent agenda as presented; motion seconded by Director Greenhouse; motion passed by unanimous vote.



PRESENTATION

HEALTH FAIR UPDATE – Joe Ruddon, Director Business Development

Mr. Ruddon gave a PowerPoint presentation filled with statistics and photos from the health fair. The fair hosted 50 vendors which is a new record for the event; 127 volunteers, and approximately 400 guests visited the fair; a total of 800 hot dogs were distributed.

Director Doyle attended the event and complimented Staff for an event well done.

Director Greenhouse also attended and was pleased to see so many people at the event.

Director Sullivan could not attend but is looking forward to the next health fair in Yucca Valley.

FINANCIAL REPORT – Deborah Anderson, Controller

Ms. Anderson presented the financial reports for July and August, 2018.

JULY:

The first quarter of FY18-19 includes the implementation of the electronic health record and the audit process for the previous fiscal year. She noted that transportation has been designated a department under the District rather than standing separately in the report.

REVENUE: District operational revenue for July was one percent over budget. Health Center revenue was fourteen percent under budget. Overall operating income was ten percent under budget.

Income	Actual Mth	Budget Mth	Over/(Under)	% of Budget
District	243,808	242,155	1,653	0.68%
Clinics	659,488	765,805	(106,318)	-13.88%
	903,296	1,007,960	(104,665)	-10.38%

Description	Actual Mth	Budget Mth	Over/(Under)	% of Total
Immaterial, not analyzed	169,081	172,240	(3,159)	3.02%
Tax Revenue	50,000	50,769	(769)	0.73%
Transportation	-	7,011	(7,011)	6.70%
Investment Interest Income	23,900	12,135	11,765	-11.24%
Bad Debt Recovery	827	-	827	-0.79%
Total District	243,808	242,155	1,653	-1.58%
Patient services	803,321	689,966	113,355	-108.30%
Contractuals	(318,723)	(114,349)	(204,374)	195.27%
340 B Revenue	7,302	33,508	(26,206)	25.04%
Capitation Fees & Other	23,179	18,453	4,727	-4.52%
Grant Revenue	144,409	138,228	6,181	-5.91%
Total Clinics	659,488	765,805	(106,318)	101.58%
Grand Total	903,296	1,007,960	(104,665)	100.00%

EXPENSE: Overall operating expenses were six percent under budget. District operating expenses for July 2018 were under budget by three percent. The largest variances come from fringe benefits, salaries and wages and supplies with fringe benefits being the largest amount. The Health Center operating expenses for July were seven percent under budget. The biggest variance comes from fringe and physician fees.



District	Actual Month	Budget Month	(Over)/Under
SALARY AND WAGES-SUBTOTAL	112,238	105,929	(6,309)
FRINGE BENEFITS-SUBTOTAL	15,217	28,134	12,917
PHYSFEES/CNTRCT LABOR-SUBTOTAL	-	-	-
PURCHASE SERVICES-SUBTOTAL	21,204	17,455	(3,750)
SUPPLIES-SUBTOTAL	1,717	7,257	5,540
REPAIR AND MAINTENANCE-SUBTOTAL	1,809	1,581	(227)
LEASE AND RENTALS-SUBTOTAL	4,991	4,534	(457)
UTILITIES-SUBTOTAL	1,763	1,003	(760)
INSURANCE EXPENSES-SUBTOTAL	15,412	12,779	(2,633)
OTHER DIRECT EXPENSES-SUBTOTAL	18,867	19,549	682
	193,218	198,221	5,003

Clinics	Actual Month	Budget	(Over)/Under
Total Salaries and Wages	278,009	287,789	9,781
Total Fringe Benefits and Payroll Taxes	54,589	67,699	13,110
Total Physician Fees/Contract Labor	123,835	141,830	17,996
Total Purchased Services	41,587	38,263	(3,324)
Total Supplies	27,565	29,964	2,399
Total Repair and Maintenance	1,823	4,510	2,686
Total Rent and Lease	27,240	27,644	404
Total Utilities	8,187	6,700	(1,487)
Total Insurance	-	296	296
Total Other Direct Expense	12,329	12,827	498
	575,164	617,521	42,357

AUGUST:

REVENUE: Overall, operating income was eleven percent under budget. District operational revenue for August was six percent over budget. Health Center revenue for August was thirteen percent under budget, predominantly due to higher contractual amounts than budgeted.

Income	Actual Mth	Budget Mth	Over/(Under)	% of Budget
District	241,597	253,162	(11,565)	-4.57%
Clinics	695,556	800,615	(105,058)	-13.12%
	937,153	1,053,777	(116,624)	-11.07%



Description	Actual Mth	Budget Mth	Over/(Under)	% of Total
Lease & Rental Income	169,081	180,069	(10,988)	9.42%
Tax Revenue	50,000	53,077	(3,077)	2.64%
Transportation	-	7,330	(7,330)	6.29%
Investment Interest Income	22,105	12,686	9,418	-8.08%
Bad Debt Recovery	411	-	411	-0.35%
Total District	241,597	253,162	(11,565)	9.92%
Patient services	771,498	721,328	50,170	-43.02%
Contractuals	(256,830)	(119,546)	(137,284)	117.72%
340 B Revenue	5,000	35,031	(30,031)	25.75%
Capitation Fees & Other	21,643	19,291	2,351	-2.02%
Grant Revenue	154,246	144,511	9,735	-8.35%
Total Clinics	695,556	800,615	(105,058)	90.08%
Grand Total	937,153	1,053,777	(116,624)	100.00%

EXPENSE: Overall operating expenses were six percent over budget. District operating expenses for August were twenty-five percent over budget. The largest variances came from salaries and wages, and purchased services. Health Center operating expenses were seven percent under budget.

District	Actual Month	Budget Month	(Over)/Under
SALARY AND WAGES-SUBTOTAL	164,123	110,744	(53,379)
FRINGE BENEFITS-SUBTOTAL	28,721	29,413	692
PHYSFEES/CNTRCT LABOR-SUBTOTAL	-	-	-
PURCHASE SERVICES-SUBTOTAL	9,454	18,248	8,794
SUPPLIES-SUBTOTAL	6,970	7,587	617
REPAIR AND MAINTENANCE-SUBTOTAL	5,849	1,653	(4,196)
LEASE AND RENTALS-SUBTOTAL	5,113	4,740	(373)
UTILITIES-SUBTOTAL	2,076	1,048	(1,028)
INSURANCE EXPENSES-SUBTOTAL	15,412	13,359	(2,052)
OTHER DIRECT EXPENSES-SUBTOTAL	21,422	20,437	(985)
	259,141	207,231	(51,910)

Clinics	Actual Month	Budget	(Over)/Under
Total Salaries and Wages	301,862	300,871	(991)
Total Fringe Benefits and Payroll Taxes	49,351	70,776	21,425
Total Physician Fees/Contract Labor	170,536	148,277	(22,259)
Total Purchased Services	36,948	40,002	3,054
Total Supplies	31,992	31,326	(666)
Total Repair and Maintenance	663	4,715	4,052
Total Rent and Lease	27,168	28,901	1,733
Total Utilities	8,595	7,004	(1,591)
Total Insurance	-	309	309
Total Other Direct Expense	13,590	13,410	(180)
	640,706	645,591	4,885



NET INCOME is eighty-two percent under budget in the amount of \$163,549.

Net Income	Actual Mth	Budget Mth	Over/(Under)	%
District	(17,544)	45,931	(63,475)	-138.20%
Clinics	54,851	155,024	(100,173)	-64.62%
	37,307	200,955	(163,649)	-81.44%

Motion 18-74: Motion by Director Greenhouse to accept the financial report as presented; second by Director Sullivan; motion passed by unanimous vote.

MORONGO BASIN HEALTHCARE DISTRICT – Jackie Combs, CEO

Ms. Combs referred the Directors to her written report under Tab 2 and did not have anything more to add to the report. The board members had no questions regarding her report.

Director Sullivan noted the importance of offering the diabetes prevention and management programs to employees.

CALENDAR REVIEW AND COORDINATION

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

- Director Hoffman will attend the October 23 CHC board meeting.
- Director Armstrong will attend the November 27 CHC board meeting.

NEXT AGENDA ITEMS

- In-depth analysis of finance contractuals

DIRECTOR COMMENTS

- Director Sullivan: “It’s almost exhausting trying to keep up with all the good work being done by staff. We keep circling back that we are blessed by the people who work for us. Thank you.”
- Director Greenhouse: “Thank you to Staff and for the health fair report.”
- Director Doyle: “Great reports, thank you, all.” She asked about showing appreciation to the volunteers to the health fair group; Mr. Ruddon explained that they will receive a thank you card from the District.
- Director Armstrong: “I want to thank Staff for the amount of work you are doing. Thank you all for coming tonight.”

OPEN SESSION ADJOURNED

Director Armstrong adjourned the open session at 5:57 p.m.

CONVENE TO CLOSED SESSION

The Board of Directors convened at 6:05 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 January, 2018.

RECONVENE TO OPEN SESSION

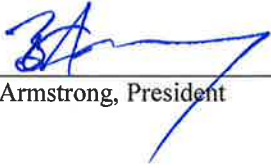
The Board of Directors reconvened to Open Session at 6:52 p.m. and Director Armstrong directed Staff to pursue Rural Health Clinic status for two clinics and the mobile medical unit. Also, to refer the letter received from the CHC board to Legal for recommended action.



MEETING ADJOURNMENT

Director Armstrong adjourned the meeting at 6:53 p.m.

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



Bob Armstrong, President



Dianne Markle-Greenhouse, Secretary