

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

January 17, 2019 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
- Director Doyle
- Director Evans
- Director Markle-Greenhouse
- Director Sullivan

Staff Present:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- Joe Ruddon, Director Business Development
- Deborah Anderson, Controller

Public Present:

- Jenna Hunt, Desert Trail
- Eric Knabe, Z107fm
- Beverly Scott, community member
- Linda Evans, Chief Strategy Officer, Desert Market
- Karen Faulis, CEO, Hi-Desert Medical Center
- Scott Wartelle, CFO, Hi-Desert Medical Center
- Vikas Sharma, community member

CALL TO ORDER

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

ROLL CALL

Karen Graley, Board Clerk, conducted roll call. All Directors were present for a quorum.

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

No public comment presented.

APPROVAL OF MEETING AGENDA

Motion 19-11: Director Sullivan motioned to approve the meeting agenda with a note under Tab-2 CHC governing board members - that he is not a "retired" police officer; motion seconded by Director Greenhouse; motion passed by unanimous vote.

APPROVAL OF CONSENT AGENDA

The Consent Agenda presented the minutes of the regular business meeting of the Board of Directors, December 6, 2018

Motion 19-12: Director Doyle motioned to approve the consent agenda; motion seconded by Director Sullivan; motion passed by unanimous vote.

ACTION ITEM

ACCEPTANCE OF COMMUNITY HEALTH CENTER BOARD MEMBERS

Ms. Combs referred the Directors to Tab 2 in the agenda packet for the list of persons to be seated as the Community Health Center Governing Board. She stated that she personally met with each member regarding their service on the new board. The list of members is:



COMMUNITY MEMBERS

- Marge Doyle, Joshua Tree
- Bryan Goldfarb, Yucca Valley
- Paul Hoffman, Yucca Valley
- Joe Sullivan, Yucca Valley

CONSUMER MEMBERS

- Cecelia St. Clair, Yucca Valley
- Barbara Newman-Miller, Yucca Valley
- Lori Riskin-Griffith, 29 Palms
- Mary Ann Shirbroun, Yucca Valley
- Barbara Souter, Yucca Valley

The Directors expressed appreciation and excitement about the new governing board.

Motion 19-13: Motion by Director Doyle to accept the list of persons to serve as the CHC Governing board; second by Director Sullivan; motion passed by unanimous vote.

EDUCATION

Ms. Combs presented a brief overview of the lease agreement between HDMC Holdings, LLC and Hi-Desert Memorial Health Care District, specifically regarding the details of capital commitment.

REPORTS

HDMC HOLDINGS, LLC CAPITAL UPDATE – *Scott Wartelle, CFO, Hi-Desert Medical Center*

Mr. Wartelle began his presentation with the items that have been deleted or deferred from Schedule G.

	Total	FY 2016	FY 2017	FY 2018	FY 2019	Actual / Estimated Spend	Change	Status	Priority	Comments
MRI Software Upgrade	480,146	480,146				-	(480,146)	Deleted	N/A	Agree MRI Use
Ceiling Tile Replacement	100,000	50,000		50,000		-	(100,000)	Deleted	Low	Other Projects Over Estimate / Higher Priority Needs
CCC Hot Water System Upgrade	229,640	229,640				-	(229,640)	Deferred	Low	Other Projects Over Estimate / Higher Priority Needs
Nourishment Center Renovations (Med/Surg)	100,000				100,000	-	(100,000)	Deferred	Low	Other Projects Over Estimate / Higher Priority Needs
WWTP Tie in remaining septic systems	927,891				927,891	-	(927,891)	Deferred	Med	Unable to identify need- Partner Cost Reviewing Partner
Secondary emergency water feed	100,000		100,000			-	(100,000)	Deferred	Med	Other Projects Over Estimate / Higher Priority Needs





STATUS UPDATE

	Total	FY 2016	FY 2017	FY 2018	FY 2019	Actual / Estimated Spend	Change	Status	Priority	Comments
Road improvements & parking	1,250,000			625,000	625,000	537,559	(712,441)	Complete	Med	Hospital & CCC Parking Lot Replacement Renovation
Pharmacy - USP 797 Compliance	200,000	200,000				101,600	(98,400)	Complete	High	
HVAC System Upgrade (HDMC)	1,500,000	1,500,000				2,999,157	1,499,157	2019	High	Project Administered at Corp Level
NPC compliance	3,500,000	200,000	1,500,000	1,500,000	300,000	4,147,399	647,399	2019	High	Project Administered at Corp Level
HDMC CCC Roofing	1,500,000		750,000	750,000		2,457,173	957,173	2019	High	Project Administered at Corp Level
CCC Emergency Generator Replacement	200,000	200,000				-	(200,000)	Deferred	Med	Replaced with CCC AC Replacement Project

- Deferred: CCC hot water system upgrade has become a priority
- Deferred: Nourishment Center Renovations, funds to be directed to other projects
- Deferred: Waste water tie in – engineers have been unable to identify an additional hook ups needed, so the project is deferred
- Road improvement/parking: is completed and look great
- Pharmacy compounding hood project is completed
- In Progress: HVAC in OR/central sterile; seismic compliance project is approaching final stages; roofing – 70% hospital complete / related to OR handlers; and CCC over rooms is complete, HVAC related.
- CCC Generator: original plan was to swap the CCC generator with hospital generator. However, CCC’s current generator cannot carry the new HVAC system and full facility. The hospital generator is in engineering review to add a second smaller unit to supplement the hospital generator. The CCC HVAC project is projected in excess of \$4 million. The original budget of \$2.2 million will be used for the \$4 million project.
- MRI software upgrade: deferred


After explaining that the MRI software upgrade would not improve the quality of images and that HDMC Holdings was requesting the software be deleted from Schedule G, Director Armstrong asked about the timeframe for replacing the current MRI unit. Mr. Wartelle anticipates the replacement timeframe would not exceed five years. Director Armstrong asked for further clarification; why wait five years? Mr. Wartelle explained the primary issue is the state of the magnet; even with a software

upgrade, the magnet cannot generate the digital quality needed. Director Armstrong asked why the replacement equipment is delayed; Mr. Wartelle noted that there are other greater imaging priorities so funds have been redirected. Additionally, Tenet coordinates equipment purchases as bulk-purchases for multiple facilities which is also a factor in the timing of replacing the equipment.

In total, deleted/deferred projects is approximately \$5.5 million of the \$12.2 million Schedule. Director Armstrong noted that at the end of four years Tenet would spend \$17 million on capital improvements, however Director Armstrong stated that it feels as if we are negotiating. Mr. Wartelle noted that the agreement allows for flexibility with the approval of the Board of Directors. Mr. Wartelle also stated that 15% of QAF funds will be committed to capital improvement projects.

Director Sullivan noted that getting the information prior to the meeting for BOD review was requested in the past and he reiterated that request again. Director Doyle clarified that the fiscal year for Schedule G begins July 1.

Mr. Wartelle reviewed the funding for the future (2019 and 2020).



CAPITAL FUNDING AVAILABLE

Capital Alterations	2019 Funding	2020 Funding	Total Funding Available
Rollover from Initial Capital Commitment - Capital Alterations - Allocated to CCC HVAC	2,202,173		
2018 Percentage of QAF (Roll over from 07/16/18-12/31/18)	1,037,204		
2019 Percentage of QAF	2,256,118		
2020 Percentage of QAF (Estimate Only)		2,256,118	
Total Capital Alterations Funding	5,496,496	2,256,118	7,751,614
IT Systems			
Rollover from Initial Capital Commitment	7,265,218	-	
Total IT Funding	7,265,218	-	7,265,218
Physician Recruitment & Service Line Expansion			
Rollover from Initial Capital Commitment	2,307,122	-	
Total Physician Recruitment & Service Line Expansion Funding	2,307,122	-	2,307,122
Total Funding	15,067,836	2,266,118.20	17,323,954

Director Armstrong asked Ms. Combs for her perspective; she said she had reviewed the spreadsheets and is comfortable with the information presented.

Director Armstrong expressed, on behalf of the board, their appreciation for the reports and Mr. Wartelle being responsive.

PROVIDER & QUALITY COVERAGE UPDATE – Karen Faulis, CEO, Hi-Desert Medical Center

Ms. Faulis presented a PowerPoint report on the Patient Experience and Service Lines. Specific improvements include:

- Six percent increase in patient satisfaction survey since 2017; a great effort was invested in improving the patient experience and changing the HDMC culture. HDMC was the second most improved facility within the Tenet family. It will continue to be our focus in 2019.
- Patient Experience projects list of projects included in the patient experience programs.
 - ♦ Patient reading care now available
 - ♦ Patient and family advisory council
 - ♦ Welcome bags for inpatients debuted in Med/Surg
 - ♦ Birthday month cards and cupcakes
 - ♦ Operation patient first launched for outpatients
 - ♦ ED care coordinator present for follow up care
 - ♦ Focus board debuted in LDRP, M/S, ICU and ED
 - ♦ Education department conducts playbook training for inpatient staff
 - ♦ Patient access performs financial counseling for inpatients
 - ♦ Discharge videos used for all inpatients
 - ♦ Patient care ambassador used in ED
 - ♦ Redesigned white board debuted in M/S, ICU and LDRP: a type of personal story board about their personal life, i.e. likes to ride bikes, has a pet, etc. Facilitates staff building relationships with the patients.
 - ♦ Discharge phone calls initiated for inpatients
 - ♦ New tempo board debuted in M/S
 - ♦ Bed management meetings throughout day
 - ♦ Outpatient appointment times now extended
 - ♦ Pharmacists begins rounding on patients prior to discharge
- Physician recruitment: 2018
 - ♦ Patrick Sweet: colonoscopy / endoscopy
 - ♦ Neeru Agarwal: general surgery
 - ♦ Lan Truong: obstetrics / gynecology
 - ♦ Bobby Alexander: urology
 - ♦ Sean Fink: internal medicine / supports Continuing Care Center patients
- Service Line Update
 - ♦ Emergency: new provider group; same as at Desert Regional Medical Center
 - ♦ Neurology: telemedicine services started October, 2018
 - ♦ Cardiology: stress testing, cardioversion, TEE
 - ♦ Gastroenterology: colonoscopy and endoscopy screening procedures
 - ♦ Home Health & Hospice: expanded services to include the low desert
- 2019 Goals
 - ♦ Expand orthopedic service line with the addition of a sports medicine surgeon
 - ♦ Increase community access to the Continuing Care Center with additional physician coverage
 - ♦ Add a Partial Hospitalization Program to the behavior health centre
 - ♦ Continue expansion of cardiology service line with weekend diagnostic capabilities and telecardiology services
 - ♦ Expand hospice service in the high and low deserts



Director Sullivan congratulated Ms. Faulis on the improved patient satisfaction. Director Doyle was pleased about the physicians that have been recruited, but expressed concern that the list does not include primary physicians which makes her reticent to approve the transfer of monies from physician recruitment to IT expansion. Ms. Faulis agreed that patient volume has decreased at the hospital, but length of stay has also decreased. Keeping patients out of the hospital when outpatient resources are available is the national mantra. The ED volumes have increased but admissions have not increased and the length of stay is reduced. HDMC readmission rate has been decreasing every month which indicates we're not discharging patients too quickly. Primary care physician recruitment is still a priority but it is difficult to recruit to the Morongo Basin. Resident internal medicine physicians are approaching retirement. We are still pursuing the residency program and we are exploring making HDMC a satellite of the low desert.

Jackie Combs stated that the District has been working with three physician recruitment firms and they have been unable to recruit to our area. Director Doyle stated that the priority is physician recruitment to meet the needs of our residents. Ms. Faulis said they are also exploring telemedicine for primary care supported by a mid-level provider.

Linda Evans, Chief Strategy Officer for Desert Market, added that recruitment is now being done under Desert Regional's umbrella because the trauma care status provides for a less restricted arena for a physician's area of practice; Desert Regional's zip codes for trauma cover all of the desert area.

Director Armstrong invited comments: Director Greenhouse shared that she had two students share about their recent positive experience at HDMC; Director Sullivan likes the progress being made and the support of Foundation in helping with recruitment. On a personal note, he received excellent outpatient and inpatient experience.

Director Armstrong spoke to the advantage of desert weather and recreational opportunities compared to mid-west and east coast weather; how could that not be an excellent recruitment tool? Our cost of living is less. He said he's hearing wonderful things about the hospital; no longer hearing people complain about care. There has been a marked improvement since Tenet has taken over.

Ms. Faulis stated that an integrated electronic medical record is important to physicians and is a recruitment tool. Physician resistance to locating in the high-desert includes the drive and distance from Desert Regional as the trauma center.

Director Armstrong asked about the response time for physicians to HDMC from the low desert; it is longer for HDMC because of the distance. He spoke to the disadvantage of physicians not living locally and participating in our community. He hopes that some of the recruitments would consider living in the high desert or at least being an ambassador for Tenet and participate in community events.

MBHD STRATEGIC PLAN UPDATE – Jackie Combs, CEO

Ms. Combs presented the following progress on the strategic plan.

STRATEGY 1: Increase access to non-emergent transportation for residents in the Morongo Basin

- Staff continues to meet with MBTA and Reach Out as needed to address any gaps in service; no significant outcomes to report.
- The program has been transporting health center patients to specialty care appointments down-the-hill since fall of 2018. We currently do not have the resources to expand this service to residents who are not patients of the health center.



STRATEGY 2: Improve access to primary care and specialty care in the Morongo Basin.

- Three search firms have been engaged to assist with provider recruitment; to date, a psych nurse practitioner and psych physician's assistant have been hired.
- The Mobile Medical Unit has been approved by HRSA as an extension of the Community Health Center; we are waiting for a provider to finish orientation before providing medical services to the community.
- Split Rock project: construction bids in process; notice was published in the local newspaper this week.
- The behavioral health department is moving from Airway Medical Plaza into the administration building on the Yucca Valley campus. This relocation will facilitate a more integrated care with adult medicine and allow behavioral health patients easier access to our lab-draw service.
- Landers Elementary is scheduled to host the mobile medical unit on January 28 as the initial school site for the First 5 dental program.

STRATEGY 3: Develop and present routinely scheduled health classes to the community.

- Eight seminars were coordinated in 2018; most had poor attendance; staff is considering alternative models.
- Staff met with Desert Care Network to discuss opportunities to partner on presenting health topics.
- The smoking cessation eight-week series began January 8; an asthma seminar is planned for April.

STRATEGY 4: Develop collaborative relationships with government, public and non-profit agencies to establish and accomplish community health goals.

- Children: Staff continues to meet monthly with MUSD staff; current focus is the launch of the First 5 dental program at elementary schools.
- Seniors: A group of stakeholders concerned with senior services is now meeting monthly; target outcomes include food insecurity and repairs.
- Broad Band Access: The first community broad band meeting was held September, 2018 with good community involvement.
- Nutrition Access: Two nutrition related seminars were presented: "Healthy Eating on a Budget" and "Healthy Holidays."
- Community Health & Wellness Garden: the project was presented to community leadership that included Joshua Tree National Park, Morongo Basin Conservation Association, and Mojave Desert Land Trust.

MORONGO BASIN HEALTHCARE DISTRICT – Jackie Combs, CEO

Ms. Combs provided a verbal update to the Directors.

- Split Rock Remodel: a call for bids has been published in the newspaper.
- Mobile Medical Unit: staff are practicing setting up in remote locations to prepare for treating patients.
- First 5 dental contract: have seen students at Landers Elementary School; additional schools will be scheduled for care.
- The property appraisal for La Contenta Business Center came in at \$2.5 million which is the purchase price; escrow opens next week and should close in 30-days. The money is available and ready.



- La Contenta Business Center: Desert Arc is now on a month-by-month lease until their new space is ready to accommodate them.
- We were the target of another vehicle vandalism so the LIFT vans are now secured inside the bay garage at La Contenta. The mobile medical unit (MMU) will not fit inside the bay and has been parked in another secure location. We have identified some additional security measures for the La Contenta property.
- We have started the application process for the Rural Health Clinic locations.

DIRECTOR COMMENTS

- Director Evans stated she is excited about the MMU and how it is a response to the Health Needs Assessment.
- Director Doyle spoke to attending the “State of Education in the Basin” which included a program promoting a career path with a livable wage. She noted that the program did not offer a career path in the medical field and she hopes we will work with the ACE program to expand opportunities. Ms. Combs responded that it is on their radar but that it is a manpower issue. There is also some interest in a Medical Assistant program.
- Director Greenhouse mentioned the HDMC teen volunteer program which would provide great exposure to the health field for young people.
- Director Sullivan said he is excited about the synergy that he sees happening; he recalled the early days of affiliation. Of the two options presented to the Board of Directors at that time, Tenet was obviously the best choice. There is such change going on in the medical field, I’m pleased that everyone is being responsive and seeking to lead in the community. Jackie spoke to the relationship with HDMC and the informal collaboration and exchange of information and how it benefits the community. Director Sullivan commented on the clinics within the community and how the new relationship between the district board and the CHC governing board is taking healthcare to a new level. There’s a lot of adaptation and forward thinking, so good to see all parties seeking to collaborate for the benefit of the community.
- Director Armstrong “pontificated” about the tendency to focus on national issues rather than on our own backyard. “Here we are in a rural community that has stepped up to take care of our community members. The potential for change in our community is tremendous. We’re providing medical care to people who can’t afford it, providing transportation, even down to regional medical facilities. Everything Tenet has demonstrated in our community has been first class. This is a classic example of local members coming together to make it better. What we’re providing are incredible opportunities for our communities. I’m very proud to be a part of the healthcare District and of the relationship with Tenet. This is a huge accomplishment and we thank the people in the trenches who are making it happen. I appreciate everyone who is making this a reality.”

CALENDAR REVIEW AND COORDINATION

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

- Director Greenhouse noted that three board members and the CEO will be attending the ACHD conference.
- LAFCO is meeting for an 18-month strategic plan. LAFCO is the oversight agency for the healthcare district. Discussion about sending a District representative.

NEXT AGENDA ITEMS

- None presented.




DIRECTOR COMMENTS

- Director Sullivan None.
- Director Greenhouse “Thank you for in-depth reports.”
- Director Doyle She thanked HDMC for the reports; wished Scott Wartelle well in his relocation; and thanked Jackie and staff for their hard work.
- Director Evans: “The MMU is very exciting for our community; it always pleases me when many come together for the good of the community.”
- Director Armstrong stated he enjoyed working with Scott Wartelle and thanked him for all his work for the District and being responsive to our needs.

MEETING ADJOURNMENT

Director Armstrong adjourned the meeting at 7:37 p.m.

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



Bob Armstrong, President



Dianne Greenhouse, Secretary