

Hi-Desert Memorial Health Care District dba  
**Morongo Basin Healthcare District**  
**BOARD OF DIRECTORS REGULAR MEETING MINUTES**  
**February 4, 2021 at 6:00 p.m.**

*Convened on site restricted to board members and staff; public invited to attend via GoToMeeting, an electronic, remote-site platform temporarily permitted as per the Executive Order issued by California's Governor in response to the COVID-19-19 pandemic.*

- **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 Brown (*remote*)
- Director Doyle
- Director Evans
- Director Markle-Greenhouse
- Director Mondary

Administrative Staff:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- Cindy Schmall, COO
- Debbie Anderson, CFO
- Joe Ruddon, Director Community Programming

Guests:

- Karen Faulis, CEO, Hi-Desert Medical Center
- Jimmy Fish, ACFO, HDMC (*remote*)
- Paul Hoffman, CHC board member (*remote*)
- Linda Evans, Chief Strategy Officer, Desert Mkt, Tenet (*remote*)

**CALL TO ORDER**

Director Greenhouse called the meeting to order at 6:05 p.m. The meeting was convened using the electronic platform of Go-To-Meeting; there was no physical assembly.

**ROLL CALL**

Karen Graley, Board Clerk, conducted roll call and declared a quorum.

**OBSERVANCES**

Director Evans read the mission, vision and core value statements.

Director Mondary led the assembly in the pledge to the American flag.

**PUBLIC COMMENT**

No public comments were presented.

**APPROVAL OF MEETING AGENDA**

**Motion 21-10:** Director Evans motioned to approve the meeting agenda as presented; motion was seconded by Director Mondary; the motion passed by unanimous vote.

**APPROVAL OF MEETING MINUTES**

**Motion 21-12:** Director Mondary motioned to approve the minutes the Board of Directors for January 7, and January 30, 2021 as presented; motion seconded by Director Evans; motion passed by unanimous vote.

**DESERT CARE NETWORK UPDATE – Karen Faulis, CEO, HDMC**

Karen Faulis, CEO, Hi-Desert Medical Center, addressed the board, reporting on the medical center and Desert Care Network.



- Thank you for the opportunity to provide an update on Hi-Desert Medical Center (HDMC), Continuing Care Center (CCC) and Desert Care Network (DCN). The trend is that the COVID-19 surge is diminishing according to the decline in patient numbers.
- HDMC hospital currently has three positive COVID-19 patients and one PUI patient in-house (as of this morning).
- CCC residents and employees are tested twice a week for exposure, none have tested positive for COVID-19. Modified outdoor visitation continues at the CCC.
- Desert Regional Medical Center currently has 89 positive COVID-19 patients and four PUI patients in-house (as of this morning). JFK currently has 26 positive COVID-19 patients and four PUI patients in-house (as of this morning).
- Vaccination clinics are continuing at the DCN hospitals with future clinics anticipated once vaccine allocation is available.
- Personal Protective Equipment remains in adequate supply at all facilities.
- The HDMC Labor and Delivery Department has been recognized as a Blue Distinction Center for Maternity Care by meeting rigorous quality criteria set by the Blue Distinction Specialty Care program.

Director Greenhouse thanked Ms. Faulis for the update.

## PRESENTATION

HDMC HOLDINGS, LLC CAPITAL UPDATE – *Karen Faulis, CEO, and Jimmy Fish, ACFO, Hi-Desert Medical Center*

Ms. Faulis began the presentation, stating that it has been more than a year since HDMC Holdings reported (July 2019). The initial capital agreement was from July 2015 through June 2018. Tenet committed to spending a total of \$17 million as defined by the lease. Tenet asked for an extension for fulfilling the capital spending due to delays on projects, the interruption of COVID-19 related issues, and for the transition of the patient billing and accounts receivable platform. The new projected completion date for IT services is May 2021.

- Capital Alterations: \$15 million spent through December 2020; with targeted completion as December 2021.
- IT: requesting an additional extension for the \$5.4 million to December 2021 because of the complexity of the project and unknown variables (i.e. COVID-19 surges). This project includes installation of new equipment, wiring and Bluetooth technology at the hospital and the Continuing Care Center. The software is comprehensive for all departments, procedures and physician and patient portals.
- Capital Alterations: Mr. Fish presented the information for capital monies. The data presented included projected costs for incomplete projects, and line items that will not be spent as the project is no longer relevant. Director Brown asked about the air handlers in the operating room; Ms. Faulis reported that the project is in process now and that once installed will resolve humidity issues in the operating room. Mr. Fish acknowledged that they were going beyond the timeframe due to COVID-19 interference and projects that were no longer feasible. Director Doyle asked about the projects indicated in red on the spreadsheet. Ms. Faulis assured her that the indicated projects were not on Schedule G. Director Doyle expressed concern that the lease called for four years completion and we're looking at extending to year seven. Is this recent request for extension a firm commitment? Ms. Faulis responded that the previous extension was through the end of 2021; unfortunately, there are



issues beyond our control such as OSHPOD taking a year to respond on projects. However, she is firm that the timeframe is solid. Mr. Fish stated that the implementation of IT will exceed the original \$10 million commitment.

- **Quality Assurance Funding:** A percentage of the QAF monies are tied to the capital projects. The funding does not finalize within the fiscal year. A schedule of the projected funding cycle was presented, about October 2021 for monies designated in 2019. Director Evans asked if there was communication with the state about the delay; there hasn't been any communication; HDMC Holdings will advise if there is. Director Evans stated that we understand the strain imposed by the variables, but we have a public commitment and on behalf of the public, we need to represent the community and ask the hard questions to confirm that the communication and expectations are met, and that it is a disappointment that they have not been met. Director Doyle commented that she was on the board during the contract negotiations; going forward, related action items should not be placed on the agenda before the board has reviewed the supporting data. As board members, we like to do our homework and be prepared. Director Mondary said he agreed with Director Doyle's statement.

## **ACTION ITEMS**

### **ADOPT RESOLUTION #21-01 FOR AUTHORIZED SIGNATURES** – Jackie Combs, CEO

Ms. Combs presented the resolution which is a standard action when new board members are seated on the Board of Directors.

- **Motion 21-12:** Director Doyle motioned to adopt Resolution #21-01 to authorize change to account signatures for District bank and investment accounts, second by Director Mondary; motion passed by unanimous vote.

### **ADOPT CHC GOVERNING BOARD BYLAWS** – Jackie Combs, CEO

Ms. Combs presented the CHC Bylaws stating that the adoption of the document was called for in the co-application agreement.

- **Motion 21-13:** Director Evans motioned to adopt the CHC Bylaws as presented; motion was seconded by Director Monday; discussion followed.

Director Mondary asked about the procedure for patient grievances and about the timeline for their resolution. Ms. Combs stated that HRSA does not specify a timeframe in the compliance manual but our internal policy and procedure specifies a timely resolution.

He asked about the District board members represented on the CHC board and that the CHC board must approve their appointment. Director Evans presented the CHC governing board process, indicating that any conflict with a District representative would be resolved through conversation between the boards. Director Mondary questioned the language about the District representative rotating annually; Director Evans presented that the language was flexible to reflect the pleasure of the District board in who it appoints to the CHC governing board. Director Doyle pointed out that these are the CHC bylaws and the District board cannot mandate to them how the language should read. We can only make a recommendation to the CHC board.

Jackie Combs recommended adopting the CHC Bylaws and editing the District's bylaws to reflect this discussion.

Director Doyle asked about the language in Article 2.1.L Co-Applicant Agreement, and if the language was correct; she recalled it as different than what is presented in the bylaws. Ms.



Combs stated she copied the language directly from the manual; she will review and make recommendations to the board.

The action item was tabled to next meeting and the motions were withdrawn.

APPROVE POLICY HR-293 EMERGENCY PAID SICK LEAVE – Cindy Schmall, COO

Ms. Schmall presented the policy stating that it comes out of a previous federally-mandated policy related to COVID-19; this new policy is the District's attempt to extend the policy for the benefit of the employees. If the 80 hours granted by the original policy was not used in 2020, employees can now use those benefits through March 31, 2021.

- **Motion 21-14:** Director Doyle motioned to approve policy HR-293: Emergency Paid Sick Leave as presented; motion was seconded by Director Evans; the motion passed by unanimous vote.

APPROVE FIRM FOR CEO RECRUITMENT – Jackie Combs, CEO

Ms. Combs presented the information about CEO recruitment. We have previously used Wifli for auditing District financials and for other services. Wifli does not do executive recruitment but referred us to this recommended firm for the CEO search. They do have a track record of recruiting to rural areas.

- **Motion 21-15:** Director Mondary motioned to approve ROKOS Group to conduct the CEO recruitment search and authorize Jackie Combs to enter into a contract for service; motion was seconded by Director Doyle; the motion passed by unanimous vote.

## REPORTS

FINANCIAL REPORT – Debbie Anderson, CFO

Ms. Anderson reported that visits for December landed at 3,355, which is about 93% of normal monthly visit activity pre COVID. This is the highest month of units since COVID-19 occurred.

Almost \$400,000 has been spent for the food distribution project, which is 80% of the amount set aside for this program. Based on current spending trends, funding will last for approximately another 2.5 months.

The financial statements for the clinics continues to remain adjusted to \$(16,225) so that the calendar year to date net income for the clinics remains at \$0. New regulations for calculating this amount were published

Consolidated December 2020 operating income after allocation came in at \$12,735, which was over budgeted expectations and the change in net position came in at \$72,967, which was under budgeted expectations on January 15, 2021. Currently, correspondence is ongoing with the auditors to ensure calculation methodology will comply with these regulations. Year to date consolidated operating loss after allocation came in at \$2,980, and the change in net position came in at \$356,831, both of which were under budgeted expectations

December 2020 operating income after allocation came in at \$12,735, and the change in net position was \$72,967, both of which were below budgeted expectations. Year to date non-clinic operating loss after allocation came in at \$31,940, and the change in net position came in at \$446,023, both of which were under budgeted expectations.





- **Motion 21-16:** Director Doyle motioned to accept the financial report; motion was seconded by Director Evans; the motion passed by unanimous vote.

MORONGO BASIN HEALTHCARE DISTRICT UPDATE – Jackie Combs, CEO

Ms. Combs referred the board to the agenda packet for her report. Additionally, she reported that we've received 200 COVID-19 vaccines and are currently vaccinating patients that are 65+. We do not know if or when we will get more vaccine; however, she did hear that Walgreens and Rite-Aid are giving vaccines. She said she was very grateful that the hospital was able to vaccinate District employees; the second vaccine for District employees is scheduled for next week at HDMC.

**CALENDAR REVIEW AND COORDINATION**

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

- The next food box distribution event is February 20, 2021;
- CHC board meeting next Thursday, January 14, 2021;
- Shared Meeting April 18, Director Evans asked if the meeting could be moved to April 22. General consensus to move the meeting to April 22.

**DIRECTOR COMMENTS**

- Director Brown: No comment.
- Director Doyle: Thanked staff and apologized for her late arrival to the meeting. "Again, board orientation was extremely well done, thank you staff."
- Director Evans: "I, too, want to thank staff; I love the orientation reference binder. I appreciate our new board members and the expertise and experience they bring to the District. Our discussion tonight was excellent. I always appreciate communication from Tenet. I'm excited about the new year with this board."
- Director Mondary: "One of the reasons I wanted to run for this seat was because I thought there were things I wanted to bring to this board; after the orientation and the overload of information tonight, I now have a different perspective on what we should do. Staff is doing a tremendous job. If you look at what the staff is doing you will be impressed. Thank you, staff. You gave me so much information It makes me so proud to be a member of this board when we are doing so much for this community."
- Director Greenhouse: Thanked Karen Faulis and Jimmy Fish for the presentation from HDMC Holdings, LLC. She thanked each of the staff for their excellent work and said, "Our staff makes us look like rock stars."
- **MEETING ADJOURNED**

The meeting was adjourned at 7:32 p.m.

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

  
Dianne Markle-Greenhouse  
President

  
Greg Brown  
Secretary