



Morongo Basin Health Care District
Community Health Center

GOVERNING BOARD MEETING

MINUTES of Thursday, December 9, 2021, 6:00 p.m.

- Convened 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 pandemic.
- Additionally, a physical meeting was convened on the District's campus at 6530 La Contenta Road, Yucca Valley, suite 700. The public was screened for COVID-19 symptoms before entering the building and were asked to wear a facemask while inside. Seating was limited to accommodate the six-foot distancing guidelines.

Mission Statement: To improve the health and wellness of the communities we serve.

Vision Statement: A healthy Morongo Basin.

Core Values: Commitment, Collaboration, Accountability, Dignity, Integrity

PRESENT:

- Alejandro Penalva, Member (*not present*)
- Misty Evans Sharma, Chairperson (*on-site*)
- Beverly Scott, Vice Chairperson (*remote*)
- Bryan Goldfarb, Treasurer (*remote*)
- Denise Cullum (*not present*)
- Supinda Sirihekaphong (*on-site*)
- Patricia "Pat" Cooper (*on-site*)
- Cecelia St. Clair (*on-site*)
- Dale Mondary (*not present / resigned*)

STAFF:

- Cindy Schmall, COO
- Debbie Anderson, CFO
- Janeen Duff, grants administrator
- Karen Graley, board clerk
- Joe Ruddon, director community programming
- Kathy Alkire, senior manager, quality program

CALL TO ORDER: Misty Evans, Chairperson, called the meeting to order at 6:00 p.m.

ROLL CALL: Karen Graley, board clerk, conducted roll call and declared a quorum.

OBSERVANCES:

- Pat Cooper led the assembly in the Pledge of Allegiance.
- Supinda Sirihekaphong read the mission and vision statements.

PUBLIC COMMENTS:

No public comments were presented.

APPROVAL OF MEETING AGENDA:

- **Motion 21-53:** Motion by Pat Cooper to approve the meeting Agenda as presented; motion seconded by Cecelia St. Claire; motion passed by unanimous vote.

ADJOURN TO CLOSED SESSION

The board moved to closed session at 6:02:

1. *Public Employee Appointment. Government Code 54957, Title: CEO*
2. *Conference with Labor Negotiator. Government Code 54957.6, Agency designated representative: Chair of the Board, Unrepresented employee: CEO*

The board adjourned from closed to open session at 6:23 p.m. There was no reportable action from the closed session.

APPROVAL OF CHC CONSENT AGENDA:

Motion 21-54: Motion by Pat Cooper, second by Beverly Scott, to approve the Governing Board consent agenda; motion passed by unanimous vote:

- Meeting minutes dated November 2021.
- Re-ratification of Gov. Newsom’s proclamation of state of emergency and authorization for remote teleconference meetings of the CHC Governing Board.

ACTION ITEMS:

APPROVE CEO SELECTION (Disclosure: This was the topic of closed session.)

Motion 21-55: Motion by Cecelia St. Claire to approve the selection of Cindy Schmall as CEO; motion seconded by Supinda Sirihekaphong; motion passed by unanimous vote.

ACCEPT RESIGNATIONS OF GOVERNING BOARD MEMBERS

Misty Evans introduced the action item and gave background on Dale Mondary’s resignation. She invited Beverly to speak to the board regarding her resignation. She said, “It’s been a real privilege to serve on this board and to work with a great group of dedicated people, both board members and employees. I’m going to miss being on the board. It’s been a great experience.” She is resigning for family health issues. Misty Evans thanked Beverly for her time on the board and acknowledged her influence on the board for a behavioral health perspective; Pat Cooper thanked her for her contributions as a board member.

Motion 21-56: Motion by Pat Cooper to accept the resignations of Beverly Scott and Dale Mondary from the CHC Governing Board; motion seconded by Supinda Sirihekaphong; motion passed by unanimous vote.

REPORTS

FINANCIAL REPORT– *Deborah Anderson, CFO*

The clinic financials for the month show a loss for October of **\$(68,383)** and the loss year to date is **\$(610,382)**. (See Tables 1 & 2)

Net Income Clinic	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	545,866	688,569	(142,703)	-20.72%
Grant Revenue	216,912	189,419	27,493	14.51%
340B Revenue	42,496	31,715	10,781	33.99%
Capitation Fees	27,029	24,716	2,313	9.36%
Records & Interest	347	131	216	164.85%
Other	10,116	2,484	7,632	307.25%
	842,765	937,033	(94,268)	-10.06%
Salaries - Clinic	352,382	406,147	53,765	13.24%
Fringe - Clinic	100,269	84,535	(15,734)	-18.61%
Phys Fees - Clinic	153,757	146,677	(7,080)	-4.83%
Purchases Services - Clinic	46,797	57,986	11,189	19.30%
IT, Network & Phones - Clinic	16,252	16,511	259	1.57%
Supplies - Clinic	47,603	31,546	(16,058)	-50.90%
Supplies - 340B	32,031	18,616	(13,416)	-72.07%
R&M - Clinic	3,909	5,061	1,152	22.76%
Leases/Rentals - Clinic	25,518	25,563	45	0.18%
Utilities - Clinic	4,757	4,141	(616)	-14.88%
Ins - Clinic	123	125	2	1.26%
Other - Clinic	8,223	7,208	(1,015)	-14.09%
Depreciation	11,170	11,148	(22)	-0.20%
	802,790	815,262	12,471	1.53%
Operating Income/(Loss) before Allocation	39,974	121,771	(81,797)	-67.17%

Table 1 (continued)

Net Income Clinic	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Allocation of Overhead for Health Centers	(108,357)	(126,791)	18,434	14.54%
Operating Income/(Loss) after Allocation	(68,383)	(5,020)	(63,363)	-1262.17%
Non-Operating	-	-	-	0.00%
	-	-	-	0.00%
Change in Net Position	(68,383)	(5,020)	(63,363)	-1262.17%
Change in Net Position No Depreciation	(57,213)	6,128	(63,341)	-1033.66%

Significant negative variances include encounters continue to be lower than anticipated, and supply costs have gone up. Significant positive variance includes adjustments from a Medi-Cal cost report which was completed.

Table 2 Clinics Year to date

Net Income Clinic	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	2,095,566	2,762,072	(666,506)	-24.13%
Grant Revenue	786,074	757,676	28,398	3.75%
340B Revenue	222,685	129,880	92,805	71.45%
Capitation Fees	106,831	98,864	7,967	8.06%
Records & Interest	404	535	(131)	-24.44%
Other	69,430	9,936	59,495	598.81%
	3,280,991	3,758,962	(477,971)	-12.72%
Salaries - Clinic	1,640,753	1,624,587	(16,166)	-1.00%
Fringe - Clinic	325,797	315,164	(10,633)	-3.37%
Phys Fees - Clinic	624,194	600,677	(23,517)	-3.92%
Purchases Services - Clinic	231,021	232,573	1,552	0.67%
IT, Network & Phones - Clinic	63,058	66,232	3,175	4.79%
Supplies - Clinic	199,760	129,186	(70,573)	-54.63%
Supplies - 340B	97,613	75,132	(22,481)	-29.92%
R&M - Clinic	13,380	20,342	6,962	34.23%
Leases/Rentals - Clinic	102,057	102,251	194	0.19%
Utilities - Clinic	27,506	23,642	(3,864)	-16.34%
Ins - Clinic	494	500	6	1.26%
Other - Clinic	29,697	29,018	(679)	-2.34%
Depreciation	44,310	44,592	282	0.63%
	3,399,638	3,263,896	(135,742)	-4.16%
Operating Income/(Loss) before Allocation	(118,647)	495,066	(613,713)	-123.97%
Allocation of Overhead for Health Centers	(491,734)	(507,166)	15,431	3.04%
Operating Income/(Loss) after Allocation	(610,382)	(12,100)	(598,282)	-4944.61%
Non-Operating	-	-	-	0.00%
	-	-	-	0.00%
Change in Net Position	(610,382)	(12,100)	(598,282)	-4944.61%
Change in Net Position No Depreciation	(566,072)	32,492	(598,564)	-1842.20%

Board members asked for clarification on several points. Beverly Scott asked about the Medi-Cal requirement to choose an HMO before December 31, expressing concern of its financial impact and that some behavioral health patients may not understand the significance of the issue. Cindy Schmall noted that staff has contacted patients to inform and assist with the transition; staff has been educated to how to engage patients on the topic, and the District website has a direct link to the Medi-Cal website to make the online choice. It was recommended that we use radio to communicate the deadline.

- **Motion 21-56:** Motion by Pat Cooper to accept the CHC financial report as presented; second by Bryan Goldfarb; motion passed by unanimous vote.

STAFF REPORT – *Cindy Schmall, COO*

Cindy Schmall referred the board to the written report in the agenda packet. Additionally, she reported that the HIV and Hypertension grants are moving full-steam-ahead. The staff are doing an excellent job working with hypertensive patients. The HIV grant staff are working with DAP Health to get education to our staff regarding the need and process for HIV/STI patients. Interviews have been completed for the community outreach worker which is funded by the grant. Two part-time employees have been hired and will begin in January. And additional general outreach worker not specific to the HIV grant has been hired. Dr. Cruikshank began working Monday and is already performing case reviews. “We’re thrilled to have him join us,” Cindy said; he will be focusing on patients with chronic disease diagnosis.

She presented encounter statistics through October. The clinics are 819 visits under budget for October but the overall YTD trend is improving.

BOARD CALENDAR:

- No changes to the published calendar.

ITEMS FOR NEXT MEETING AGENDA:

- Updates on the Medi-Cal conversion
- Encounters: stats on the prenatal program

MEMBER COMMENTS:

- **PAT COOPER:** She expressed great celebration at the appointment for Cindy Schmall being approved as CEO.
- **DENISE CULLUM:** Not present.
- **SUPINDA SIRIHEKAPHONG:** “Change is a constant. Transition requires communication to be successful.”
- **BEVERLY SCOTT:** Thanked everyone for their kind words regarding her resignation and her service. “I appreciate the opportunity to have served.”
- **CECELIA ST. CLAIR:** She expressed personal shock from the resignation of Mitch Hall.
- **BRYAN GOLDFARB:** Thanked Beverly Scott for her service; he appreciate the improvements in CHC volume trends and that we have grants to help with finances.
- **ALEJANDRO PENALVO:** Not present
- **MISTY EVANS:** Thanked Beverly for her service; congratulated Cindy Schmall on her appointment, and thanked staff for their reports.

MEETING ADJOURNMENT

The meeting adjourned at 7:15 p.m.

Minutes recorded by Karen Graley, Board Clerk