



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

August 2, 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
- Director Hoffman

Administrative Staff:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- Deborah Anderson, Controller
- Joe Ruddon, Director Business Development
- Cindy Schmall, Director Operations
- Ron Stewart, Executive Director, CHC
- Johnathan Hitt, Electronic Health Record Coord

Guests:

- Jenna Hunt, Desert Trail
- Eric Knabe, Z107fm
- Beverly Scott, 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. Directors Armstrong, Doyle, Sullivan, Hoffman and Greenhouse were present for a quorum.

OBSERVANCES

Director Doyle 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 18-50: Director Hoffman motioned to approve the meeting agenda as presented; motion 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, July 19, 2018

Motion 18-51: Director Doyle motioned to approve the consent agenda as; motion seconded by Director Hoffman; motion passed by unanimous vote.



PRESENTATION

OVERVIEW NEW ELECTRONIC RECORD SYSTEM – *Johnathan Hitt, Electronic Health Record Coordinator*

Mr. Hitt shared that when he was hired there were two separate electronic patient record systems in place; and many providers were charting on paper, which then had to be input by staff into the electronic record. After implementation of the new system all providers are charting electronically, prescriptions are ordered on line, and coding patient ICD-10 diagnosis correctly. Staff is now working on reports that provide a broader spectrum of information as well as identifying missing data to be retrieved. The next phase will implement the patients' remote access to their personal medical record.

Director Hoffman complimented Mr. Hitt on the success of the project and the collaborative effort of leadership and staff.

Director Doyle also complimented Mr. Hitt; she asked if there were any providers who stood out in the process for their leadership and enthusiasm of its implementation. He responded that in each phase there were individuals who stood out, specifically mentioning Dr. Frascetti who is proactive in communicating opportunities to improve the system, and Dr. Asfaha who prior to this implementation had not used the electronic record and is now charting in the program.

Director Doyle asked if there were any evident improvements in the reimbursement. He stated that the providers are entering their progress notes more timely which supports the billing process.

Director Hoffman asked about the limitations associated with patient access, i.e. dual systems as back up should the initial system fail. Mr. Hitt works closely with the company to insure that data is protected.

Director Sullivan asked how soon the project will be completed. Mr. Hitt stated that they are currently correcting anomalies; once they are resolved staff will go into a maintenance mode.

Director Doyle asked Controller, Debbie Anderson, how the new system will expedite billing. She explained that the available tools have sped up the billing process and made it more efficient in identifying problems before the invoices are processed.

ACTION ITEMS

HDMC HOLDINGS, LLC CAPITAL PLAN – *Jackie Combs, CEO*

Ms. Combs referred the board to Tab 2. Director Armstrong clarified that this action approves the plan and is not confirming the accuracy of the report; that the board is accepting what HDMC Holdings presented and approving how the specified funds are spent.

Director Doyle stated that the board does have the option to not approve the plan and Tenet would have to adhere to the original Schedule G.

Motion 18-52: Director Hoffman motioned to accept the capital plan as presented by HDMC Holdings LLC at the regular business meeting on July 19; motion seconded by Greenhouse; motion passed by unanimous vote.

HDMC HOLDINGS, LLC – REQUEST FOR PLAN EXTENSION – *Jackie Combs, CEO*

Ms. Combs referred the board members to the copy of the letter dated July 27, 2018, that requested an extension to demonstrate compliance as specified in Section 9.1.1 of the lease agreement. The request is specific to information technology, physician recruitment and service line expansion. They are not asking to make changes to the agreement; they are only requesting a time extension.



Motion 18-53: Director Doyle motioned to approve the requested extension of the compliance deadline for Section 9.1.1 of the lease agreement related to information technology, physician recruitment and service line expansion, to November 15, 2018; motion seconded by Director Greenhouse; motion passed by unanimous vote.

MBHD RESTATED BUDGET FY2019 – *Debbie Anderson, Controller*

Ms. Anderson referred the board members to Tab 3 and reviewed the restated budget with the board. She noted there is a decrease to operating net income of \$10,977 which includes

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| ▪ (\$42,710) electricity/gas/water | ▪ (\$41,364) raised benefits |
| ▪ (3,792) disposal | ▪ (46,077) additional Suta |
| ▪ (3,492) auto insurance | ▪ 13,326 reduced audit fees |
| ▪ 3,500 requested increase at budget workshop | ▪ 37,398 reduced contract M.D. (Airway) |
| ▪ (10,620) increased rent at 29Palms | ▪ 82,855 patient trans expense / included twice |

Also, transportation was moved under the District's designation.

Director Hoffman asked that the restated budget be presented as PowerPoint slides just as the original budget was presented.

Director Doyle clarified that this is .05 percent change from the original budget.

Motion 18-54: Director Sullivan motioned to approve the restated District budget as presented; motion seconded by Director Greenhouse; motion passed by unanimous vote.

REPORTS

CAPITAL IMPROVEMENTS – *Cindy Schmall, Director Operations*

Ms. Schmall gave a PowerPoint presentation depicting the recent capital improvements to the Yucca Valley campus. The board was very complimentary of the presentation and the improvements.

FINANCIAL REPORT – *Deborah Anderson, Controller*

Ms. Anderson referred the board to Tab 4 in the agenda packet. A breakdown of revenue has been provided as requested at the previous board meeting. Ms. Anderson noted that this report is an interim year-end report as staff prepares for the year-end audit process.

Operating income overall was 14 percent under budget at \$120,527. District was 14 percent under budget related to an adjustment made in May. The clinics are 14% under budget due to lower patient volumes related to the training and implementation of the new electronic record. Other variances were explained in the Controller's report.

Operating expenses overall were 11 percent above budget at \$76,935. District operating expenses were six percent over budget. Clinic operating expenses were 12 percent over budget. Clinic volumes, overall, are up although in comparison to previous months actual, June was comparatively lower. The budget for Physician Fees has been too low throughout the year and therefore actuals have been consistently over budget. The 2018 budget was not restated at six months as had been discussed. Other variances were explained in the Controller's report.

Net income overall was 139 percent under budget.

Director Doyle complimented Ms. Anderson on the clarity of her report. Director Armstrong also complimented her on her presentation.



Motion 18-55: Director Hoffman motioned to accept the financial report; motion seconded by Director Doyle; motion passed by unanimous vote.

CALENDAR REVIEW AND COORDINATION

The calendars for the Board of Directors were reviewed and coordinated. There were no changes.

NEXT AGENDA ITEMS

- None presented.

DIRECTOR COMMENTS

- Director Sullivan “Great reports tonight. Reflects the great progress of staff in meeting the expectations of the board.”
- Director Greenhouse “Community feedback has been very positive for all the work staff is doing.”
- Director Doyle “I’m delighted Cindy got all those capital projects done in such a short time. Thank you Debbie for your report. Pleased that we have a functional EHR system.”
- Director Hoffman “Fine reports; capital improvements are very nice. I’m thrilled the electronic record system is launched.”
- Director Armstrong “I find myself in awe of this District. This is a treat. Great staff to work with. It’s a joy to sit on this board.”

OPEN SESSION ADJOURNED

Director Armstrong adjourned the open session at 6:40 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 October, 2018.
- Pursuant to Government Code section 54957 of the Health and Safety Code: Employee Performance Evaluation: Chief Executive Officer.


RECONVENE TO OPEN SESSION

The Board of Directors reconvened to Open Session at 7:40 p.m. Director Armstrong directed Staff to schedule a closed session following the next regular business meeting to finish the CEO evaluation; and to provide additional information related to the Trade Secrets topic when available.

MEETING ADJOURNMENT

Director Armstrong adjourned the meeting at 7:42 p.m.

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



Bob Armstrong, President



Dianne Markle-Greenhouse, Secretary