

Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES
August 6, 2020 at 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-19-19 pandemic. No physical site was available for the assembly.

- **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 Doyle, President
- Director Evans, Secretary
- Director Markle-Greenhouse, Vice President
- Director Armstrong, Treasurer
- Director Sullivan, Member at Large

Guests:

- Paul Hoffman, CHC board member
- Beverly Scott, CHC board member

Administrative Staff:

- Jackie Combs, CEO
- Karen Graley, Board Clerk
- Joe Ruddon, Director Business Development
- Cindy Schmall, Director Operations
- Michelle Zicarria, Performance Improvement Manager
- Janeen Duff, Manager Virtual Dental Home Program

- Cassidy Zimarik, Z107fm, media
- Linda Evans, Chief Strategy Officer, Desert Mkt, Tenet
- Dale Mondary, community member

CALL TO ORDER

Director Doyle called the meeting to order at 6:01 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 Greenhouse read the mission, vision and core value statements.

Director Joe Ruddon led the assembly in the pledge to the American flag.

PUBLIC COMMENT

LINDA EVANS, Chief Strategy Officer, Desert Market, Tenet addressed the board: Thank you for the opportunity to provide an update on Hi-Desert Medical Center (HDMC) and Continuing Care Center (CCC), on behalf of CEO, Karen Faulis,

- HDMC currently has two positive COVID-19 patients; the CCC has four positive residents who are expected to be cleared by tomorrow. All have minor symptoms and are doing well. Staff are doing an outstanding job at observing protocols to protect patients and staff.
- The hospital is following CDPH guidelines and are accepting admissions to the CCC subacute and long-term care units. Visitor restrictions remain in effect at both the hospital and CCC; modifications have allowed outdoor visitation at the CCC by appointment as long as residents are negative for symptoms.
- Following California Department of Public Health guidelines, we are accepting admissions to the subacute, SNF and long term care units at the CCC.



- Bone density scans are now open for scheduling at the hospital.

Director Doyle asked what the hospital's turn-around time for COVID-19 tests. Ms. Evans stated it depends if tests and supplies are available. Turn-around has been as short as 2-3 hours for in-house patients; if the test is sent to a lab outside HDMC it can be 5 days.

Director Evans asked what the protocol is for a CCC patient testing positive. Ms. Evans said the CDPH guidelines are changing frequently. At a minimum, any new admission is required to be tested.

Director Doyle thanked Linda Evans for the monthly updates that she has been providing.

PAUL HOFFMAN: I would like to post my objections to supporting Waste Not Morongo Basin funding for the requested \$40,000 through the Feeding Morongo Basin project. We are not a granting agent for another nonprofit to purchase equipment. They are a member of Basin Wide Foundation and should receive all support from the Foundation. I would like to see their list of Board of Directors, Bylaws, funding sources, and Tax ID Number. They are not registered with the Secretary of State.

APPROVAL OF MEETING AGENDA

Motion 20-39: Director Evans motioned to approve the meeting agenda as presented; motion was seconded by Director Armstrong; the 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 2, 2020.

Motion 20-40: Director Evans motioned to approve the minutes as presented; motion seconded by Director Armstrong; motion passed.

ACTION ITEMS

POLICY LD-244 CONFLICT OF INTEREST CODE – Jackie Combs, CEO

The policy was reviewed without discussion.

Motion 20-41: Director Sullivan motioned to approve Policy LD-244 Conflict of Interest Code as presented; motion seconded by Director Greenhouse; motion passed.

REQUEST FOR FINANCIAL SUPPORT – Jackie Combs, CEO

Ms. Combs reviewed the action item. Discussion followed.

Valla Stultz made public comment on the action item. The USDA is changing their delivery system to a single semi-truck delivery that includes meat, dairy and produce. A two-year contract is required to receive the food under this new arrangement. The request asks for \$40,000 but that has changed; the new request amount is \$50,000 (minus the \$5,000 already provided through the food-agency. This will allow for a long-term, robust means to supply food to our desert community and for local disasters. In spite of the changes, I hope you will consider this funding. Access to food is access to health.

In response to Mr. Hoffman's comments, Waste Not Morongo Basin is an affiliate of Basin Wide Foundation and we operate under their 501-3-c status while waiting for the IRS approval of the application. I can provide the other documents as requested. Ms. Stultz confirmed that she is working under the knowledge and approval of Basin Wide Foundation.



DIRECTOR SULLIVAN: no questions.

DIRECTOR ARMSTRONG: One of the reasons I originally ran for the board was that the District might be vulnerable to local organizations requesting funding. I supported the \$5,000 food-agency financial support but I am against the funding of a capital expenditure.

DIRECTOR EVANS: Thanked Ms. Stultz for the information and said she was in agreement with this long-term solution to continue food access to the community. It makes common sense to me and I am supportive of this funding as it fits within our mission statement. She asked Jackie Combs if the District's legal had been consulted. It was confirmed there was no legal conflict.

DIRECTOR GREENHOUSE: Food security is a huge issue in the Morongo Basin. Not being able to receive and store the USDA supply is a big deal. I understand the issue around the capital outlay, but we've set aside \$500,000 to feed the Morongo Basin, I am supportive of the funding.

DALE MONDARY (community member): I have spent the last few days reviewing objectives of the board; I don't understand how this falls within the mission of the District. With the limited funding, how will you tell other organizations that you won't support their capital expenditure requests? Ms. Stultz did not state whether Basin Wide Foundation, the parent entity, is providing financial support for this project.

VALLA STULTZ: This issue has been discussed in the Basin Wide Foundation board meetings. The foundation provides in-kind support. At this time, they are not donating cash to the project, but they are supportive of the project and assisting with grant writing.

DIRECTOR EVANS: Responded to Mr. Mondary's inquiry; it does fit within our mission to promote the health and well-being of residents. Food insecurity is directly related to health. We cannot guarantee that every request will be granted, but we can state that we will review any request and consider if it fits within the mission of the District.

DIRECTOR DOYLE: Referred Mr. Mondary to our Community Health Needs Assessment document which identified food insecurity as a health determinant. The local food agencies indicated on their financial application that they have seen an increase in community members accessing food pantry provisions since the onset of COVID-19.

DIRECTOR GREENHOUSE: Asked if Basin Wide Foundation will provide liability coverage for the installation.

DIRECTOR ARMSTRONG: We can make a reasonable argument that it relates to healthcare. We're talking about a piece of equipment of sizeable donation. This is different than supplying food directly to the residents. I'm not opposed to the service provided by Waste Not Morongo Basin but this is a slippery slope.

BEVERLY SCOTT (CHC board member): Asked if the CHC governing board will be able to discuss this at next week's board meeting. Director Doyle stated that the request was made to the District board not the CHC. The fiscal responsibility for the District lies with this board, not the CHC board.

DIRECTOR ARMSTRONG: We voted to put \$500,000 into food to feed the community. It would be far more palatable for the board to find funds elsewhere than to redirect a portion of the \$500,000 differently than what this board initially voted on.



DIRECTOR GREENHOUSE: Valla Stultz mentioned that food agencies access these USDA delivers. If they don't get the refrigeration, that food cannot be delivered and we will lose that food for Morongo Basin residents. It directly effects the outcome of food distribution.

DIRECTOR EVANS: My opinion is that this is needed and is valuable to the community, and that it fits within the District guidelines.

DIRECTOR SULLIVAN: I've been paying careful attention to all the comments made on this topic. It bothers me that we're using District funds to support another non-profit organization.

DIRECTOR DOYLE: Asked if there is some way to find common ground. It is a deserving non-profit, but a non-profit none the less. My question is, if we awarded less than is being requested, would that serve as middle ground?

DIRECTOR AMRSTRONG: I would be willing to look at this if it didn't come out of the \$500,000 to feed people. This \$50,000 would redirect 500 food boxes from the community. The purchase of equipment is not what I voted on.

DIRECTOR SULLIVAN: I think the principle remains the same. If we embrace using District funds to support another non-profit, I can't support it.

DIRECTOR GREENHOUSE: As of June 30 the total cost of food distribution is \$100,000. The food agency disbursement was \$84,000. Those organizations receive food supply from Waste Not Morongo Basin. It goes hand in hand.

DIRECTOR EVANS: I'm supportive of taking the funds out of the \$500,000. It's a matter of perspective. I see this refrigeration as having the potential to increase food supply to Basin residents.

VALLA STULTZ: The \$50,000 would allow us to supply food to 1,000 people a week. You won't lose feeding 500 people, but will increase the food supply in the Basin. Additionally, the District is buying food where we get tons of free food from the USDA. I am also seeking funding from other sources to support other components of the program, such as organizations that can supply modifications to make it more functional, the pad to place the unit on, etc.

Motion 20-42: Director Evans motioned to approve the funding of \$50,000 to Waste Not Morongo Basin for the purchase of refrigeration equipment out of the \$500,000 set aside for feeding the Morongo Basin. as presented; motion seconded by Director Greenhouse; motion passed 3:2.

- Director Doyle voted yes
- Director Greenhouse voted yes
- Director Evans voted yes
- Director Armstrong voted no
- Director Sullivan voted no

DIRECTOR DOYLE: asked Ms. Stultz to report back to the Board regarding how the unit is functioning.

PRESENTATION

FEEDING MORONGO BASIN – Joe Ruddon, Director Business Development

Mr. Ruddon presented a slide overview of the project for providing financial support to local food agencies.



- \$84,000 was disbursed to 18 local agencies in July. Most organizations received \$5,000, some received less based on their request or criteria.
- Two board members (Doyle and Greenhouse) sat on the evaluation committee.
- Agencies will submit a status report every 60 days until the monies are spent. Monies are to be spent by December 31, 2021.

DIRECTOR SULLIVAN: “So glad we have done this, giving good money to a good cause.”

DIRECTOR GREENHOUSE: Asked about the next food box distribution is (August 15).

DIRECTOR DOYLE: Thanked staff for their work on this component of the project; and thanked the board members for their inspiration and approval.

DALE MONDARY: Asked about Waste Not Morongo Basin dollar amount; Joe Ruddon confirmed that the agreement was that if the board approved the action item, the \$5,000 received as a food agency would be deducted from the action item amount.

REPORTS

FINANCIAL REPORT – Presented by Jackie Combs, CEO

Ms. Combs reported that report is for June 2020, but please bear in mind it is not final for June 2020. Every year an annual single audit is performed, and as such, year to date numbers could change pending the outcome of the audit. Similar to last year, once the audit is finalized, June and fiscal year-to-date numbers for the 2020 year will be presented to the board.

Units for June began to climb back up. Even though they are not where they were prior to COVID-19, the fact that they are trending upwards is good news. Closing of the books for fiscal year-end is just about completed. As mentioned in a previous board meeting, year-end adjustments for the clinics include break outs of the contractual allowances from the write-offs.

Net income for the clinics has been reduced by approximately \$(10,000). This is because upon detailed review of when the units (and thus the revenue) started to dramatically decrease, that month was March and not February. Part of the grant monies cover “lost income.” However, February was actually a fairly good month for units, as compared to March and subsequent months. As such, “lost income” has been revised to include the months of March – June instead of February – June. The net effect of this change was approximately \$(10,000), and that is why clinics will show a negative \$(10,000) as opposed to a zero balance.

Finally, in reviewing the year, FY 19-20 saw new grants and restricted funds received by both the district and the clinics. Whereas last year, between the district and the clinics, there were a total of three grants (First Five, the HRSA 330 grant, and a HRSA Quality grant), this year seven new grants/restricted funding were received. These include: a Kaiser transportation grant, a HealthNet telehealth grant, a HRSA COVID grant, a HRSA CARES grant, a HRSA CET grant, as well as an HHS stimulus payment and an HHS rural health payment. All of these grants/restricted funds are for a specific purpose, and it is important to remember that until the criteria have been met, we cannot recognize the income. To that ends, the district still retains \$849,262 in deferred revenue.

Consolidated June 2020 operating income after allocation came in at \$159,047, and the change in net position came in at \$38,764, both of which exceeded budgeted expectations. Year to date consolidated operating income after allocation came in at \$2,386,230, and the change in net position lands at \$1,829,255, both of which exceed budgeted.



June 2020 District operating income after allocation came in at \$110,535, which was below budgeted expectations, and the change in net position came in at \$49,268, which exceed budgeted expectations. District operating income after allocation is coming in at \$2,216,240 and the change in net position came in at \$1,752,551 both of which continue to exceed budgeted expectations.

June 2020 clinic operating income after allocation came in at \$48,511, which was over budgeted expectations, and the change in net position came in at \$(10,504), both of which was under budgeted expectations.

The most notable differences on the balance sheet when compared to the prior year is receivables grant is quite a bit higher and current liabilities is higher. Accounts receivable are up mostly due to grants receivable, which was discussed above, and current liabilities is higher due to deferred revenue, also discussed above.

Motion 20-43: Director Greenhouse motioned to accept the financial report as presented; motion seconded by Director Sullivan; motion passed by unanimous vote.

MORONGO BASIN HEALTHCARE DISTRICT UPDATE, Jackie Combs, CEO

Ms. Combs referred the Directors to Tab 4 of the agenda packet for her written report and provided additional information as follows:

- Proud to say that we were approved by the County and State for the CPSP Women and Children's program.
- Another unexpected excitement is a local internal medicine physician, and her sister, a general surgeon; have agreed to join the CHC team of providers. We are in the process of credentialing them. The surgeon will replace Dr. Nalam for surgical consultations and will reopen wound care.
- The Mobile Medical Unit was on site at the Yucca Valley campus for the pediatric Saturday clinic and saw four pediatric patients for dental treatment. Ms. Combs complimented Janeen Duff, manager of the mobile dental unit, for her excellent effort in working with our pediatricians.
- Next week is National CHC Week. It's different this year because of COVID-19 precautions. Cindy Schmall and staff have done a great job putting the week together with a special focus each day. 13 employees will be recognized for their years of service; awards will be presented individually within their department.

DIRECTOR EVANS: Staff has worked very hard during the pandemic. It's great that there is this opportunity to recognize their efforts.

DIRECTOR SULLIVAN: Glad to see that we're making progress in redeeming business in the clinics after it dropped off during COVID-19. Appreciate staff making sure our employees are being recognized and appreciated.

CALENDAR REVIEW AND COORDINATION

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

- The next food box distribution event is August 15, 2020;
- Foundation meeting is August 20 at 6 p.m. by virtual platform.

DIRECTOR COMMENTS

- Director Armstrong: No comment; left meeting because of power outage at home.
- Director Evans: There's been moments in my life when I felt hopeless and that's when someone showed up to assist me. Very proud of our communities who have come together to support each other; it's not always easy. Heart-felt thanks to our board members, staff, community partners and all that is being accomplished. There is always hope.
- Director Greenhouse: Thank you everybody; good job.
- Director Sullivan: No comments; I'm talked out.
- Director Doyle: Thanked the board members; these are tough times for all of us and the challenging decisions we make. This virtual format is difficult, thank you for your perseverance. Thank you Mr. Mondary, CHC board members, Valla Stultz and Linda Evans for attending this evening.

MEETING ADJOURNMENT

The meeting was adjourned at 7:54 p.m.

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



Marge Doyle, President



Misty Evans, Secretary