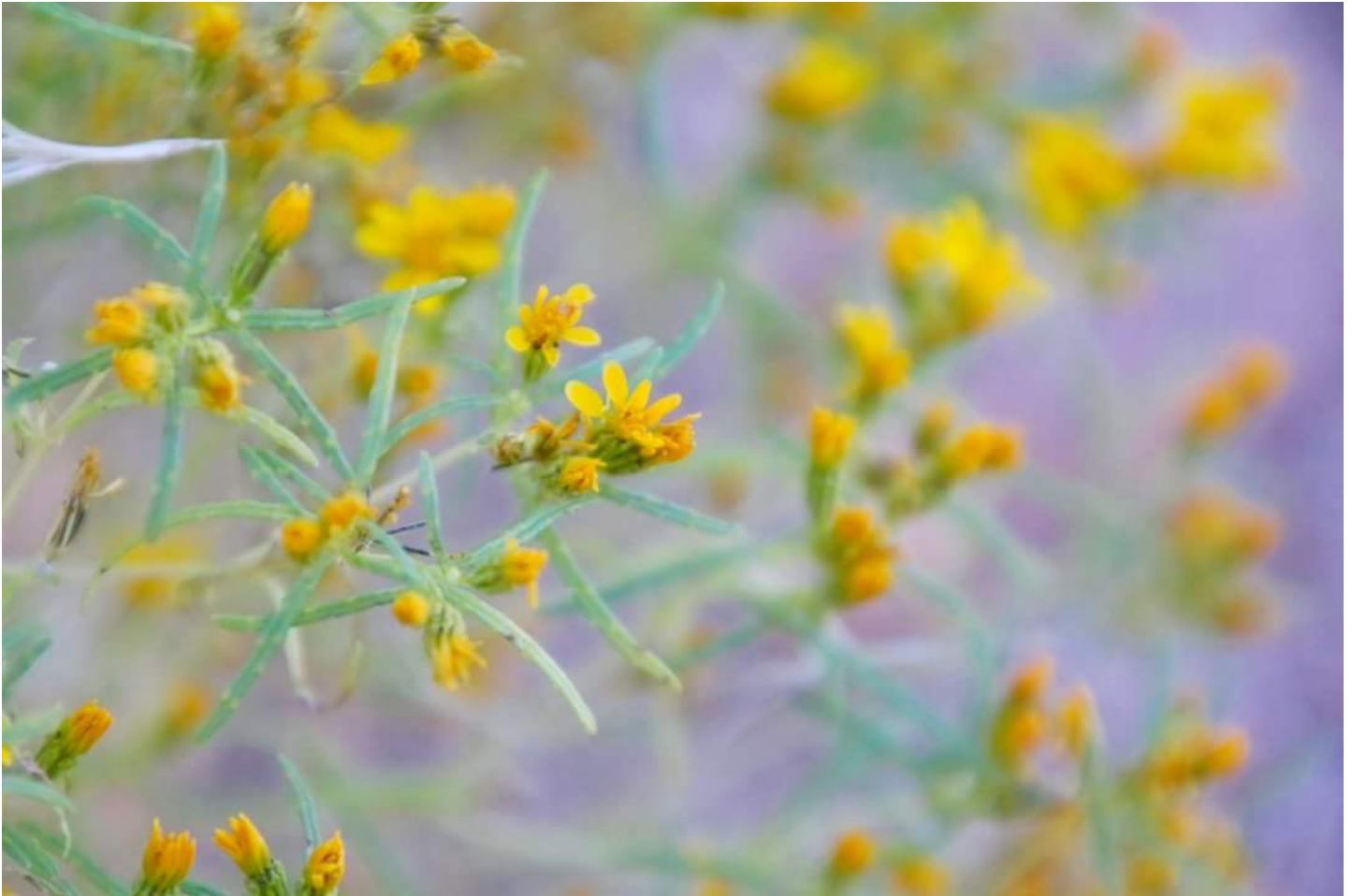




MORONGO BASIN
HEALTHCARE DISTRICT

ANNUAL REPORT 2019



Photographer: Deborah Anderson, Controller, Morongo Basin Healthcare District

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HEALTHCARE RESPONSE TO COVID-19



Mid March 2020, the Corona virus, now known as COVID-19, debuted and redefined “normal” throughout the world. Early on in the pandemic, the information about the virus changed daily as health experts learned more about the new disease and tried to keep the public informed. National assumptions for the infection rate projected health systems being overwhelmed with infected patients and concern grew that many would be unable to access needed healthcare.

Preventing transmission of the virus became a national and state focal point in order to delay a surge of patients

into the healthcare system. Businesses and services were categorized as “essential” and “non-essential” with non-essential businesses mandated to be closed. Overnight, residents were unemployed as businesses closed; schools and day care centers could no longer provide child care; and residents self-isolated in their homes.

Masks were required in public spaces. The most vulnerable populations were defined by health issues and age as the virus seemed to target the sick and aged.

In the Morongo Basin, the community began to ask questions as to how local health leaders were preparing for the assumed influx of infected patients. The District orchestrated communication

between the county, local medical center and healthcare District and published letters in the local newspaper to inform the public of preparation efforts. Hi-Desert Publishing Company partnered with the District and shared the cost of the two-page advertorial.

Dawn Rowe, San Bernardino County Third District Supervisor reported in her community letter that:

- The county board of supervisors had approved a moratorium on residential and commercial evictions and foreclosures for properties located in unincorporated areas of the county;
- The the county Tax Collector pledged to waive penalties for property owners who were unable to pay their property taxes.
- The Office of Emergency Management was activated to the highest

level and was coordinating activities among the various county departments and 24 cities within the county.

- The Joshua Tree National Park and local vacation rentals were closed so as not to attract visitors to the community while residents were in self-isolation.
- The county Department

of Public Health would be conducting drive-through test sites for COVID-19 virus.

commitment of local physicians and staff members as they implemented swift changes to ensure public health measures as defined by the Center for Disease Control and Prevention and the California Department of Public Health.

She acknowledged that the medical center routinely treats infectious diseases and

place and ready to implement if needed.

Jackie Combs, CEO for Morongo Basin Healthcare District stated that the District operates two health centers that will remain open in Yucca Valley and 29 Palms to provide non-urgent care to the community. She encouraged residents to help “flatten the infection curve” by observing precautions in order to prevent a surge of patients.

The healthcare District launched an education campaign in print, radio and Facebook posts to help residents understand those precautions. This campaign included publishing an 8-page quick reference magazine that was direct-mailed to 20,000 homes in the Basin. It explained “social distancing,” a new concept in April 2020, who was most at risk for exposure to the virus, how to protect yourself against transmission, symptoms of the virus and pointers on coping with the stress from the new environment of self-isolation and adapting to new social dynamics and economic stressors.

The District continued its education campaign in print and social media throughout the pandemic with reminders for observing transmission precautions.



of Public Health would be conducting drive-through test sites for COVID-19 virus.

- Supervisor Rowe implemented a weekly conference call with community leaders to keep them informed as the pandemic unfolded.

Karen Faulis, CEO of Hi-Desert Medical Center spoke to the

they have strong infection control policies, procedures and systems already in place. Staff will continue to provide uninterrupted care for chronic medical conditions, urgent surgical needs, maternal care and other medical issues that require inpatient care. A surge plan, including the expansion of intensive care for the influx of COVID-19 patients, is in

THE HEALTHCARE DISTRICT'S RESPONSE TO COVID-19

C COVID-19 redefined operations for the District and presented challenges.

- Employee work stations needed to accommodate the six-foot social distancing and other precautions. Many employees who did not provide direct patient care were relocated from clinic locations to the La Contenta campus to accommodate the required distance between work stations.
- Plexiglass screens were installed at clinic front desk patient windows and counters.
- Dental suites were remodeled to accommodate the new protocols implemented by the American Dental Association. New equipment was purchased to capture contaminated aerosol spray from dental procedures and treatments.

- Clinical leadership implemented a daily morning tele-conference to facilitate the safe delivery of care at all clinic locations. The call included a daily update of COVID-19 statistics for the Morongo Basin.
- The LIFT Transportation program was suspended and reconfigured to accommodate social distancing precautions for safely transporting patients to appointments.
- The Mobile Medical Unit suspended visiting local community centers.
- Where job duties could accommodate it, employees were equipped to work from home.

Grants were secured to support changes required by the COVID-19 environment, from purchasing tele-medicine equipment to supporting the retention of employees in spite of reduced revenue. Jackie

Combs, CEO, directed that every employee who wished to remain employed during the pandemic would be retained. Employees were reassigned job duties and special projects to accommodate retention.

Throughout the COVID-19 pandemic, Morongo Basin Community Health Center followed guidelines published by the Center for Disease Control and Prevention (CDC), California and San Bernardino County Public Health Departments, and the American Dental Association.

- COVID-19 screenings were immediately implemented for both patients and employees who entered the clinic sites; everyone was required to wear a face mask.
- Physical appointments were scheduled to accommodate social distancing in the lobbies.
- Common hard surfaces were disinfected throughout the day.
- When practical, patient visits were conducted by telephone or other electronic platforms to minimize exposure to virus transmission.
- Dental services were restricted until equipment and systems could be installed to minimize exposure from airborne particles.
- Provider and staff meetings were met via an electronic platform.



At this time, COVID-19 precautions are still in place until CDC advises otherwise.

Additionally, effective in August, 2020, the health center began offering COVID-19 testing for CHC patients with symptoms. Following a tele-visit, testing is provided at both YV and 29 Palms campuses by appointment only. The patient remains in their vehicle and performs their own nasal swab.

As part of the Morongo Basin Healthcare District's mission to improve the health and well-being of Basin residents, the Board of Directors, at a special meeting in May, 2020, approved spending up to \$500,000 from restricted funds for local hunger relief as a result of the COVID-19 pandemic. The "Feeding Morongo Basin" project was implemented in three phases.

FOOD PANTRY FINANCIAL SUPPORT

Local Morongo Basin food pantries and other food distribution organizations were invited to apply for funding assistance of up to \$5,000 to support their food distribution efforts. Applications were received from 18 active, 501-c-3 food distribution agencies and received checks for the requested amount, totaling \$84,000. Participants are required to report



to the healthcare District how the funds are spent until all funds are used. The recipients were:

- 29 Palms Food Food Pantry
- 29 Palms High School Interact Club
- Calvary Christian Fellowship
- Church of the Lighted Cross
- Community Learning & Equipping Project, Inc.
- Copper Mountain College Foundation
- Copper Mountain Mesa Community Assoc.
- Crossview Bible Church
- Desert Hills Presbyterian Church
- Family Services Association
- Friends of Wonder Valley
- Mara's Christmas Wish, Inc.
- Morongo Basin ARCH
- Morongo Basin Unity Home
- Reach Out Morongo Basin
- Waste Not Morongo Basin
- Way Station
- Yucca Valley Church of the Nazarene

FOOD BOX DISTRIBUTION

The Board of Directors wanted to make a direct impact on residents who faced the greatest challenge during COVID-19, those who experienced reduced income and food access.

District leadership was directed to provide for the direct distribution of food boxes to Basin residents. Monthly, "no-contact-drive-through" events began in June and continued through the end of 2020.

Boxes were distributed from the Morongo Basin Community Health Center, Yucca Valley; and Morongo Basin Community Health Center at Split Rock, 29 Palms.

Distribution was designed for residents to drive up, open the trunk and drive away. Distribution was limited to one box per vehicle. The food boxes weigh approximately 30-pounds and contain non-perishable food items and a \$25 gift card for additional food purchases.

The food boxes were assembled on the La Contenta campus by employees and volunteer groups such as MCAGCC Hospital Corpsmen. Additional volunteers assisted during the distribution events and included Joshua Tree and 29 Palms Rotary Clubs, Joshua Tree National Park Rangers, and Yucca Valley Citizens' Patrol.

HUNGER HELP LINE

The Hunger Helpline was established for those who, because of their circumstances, have difficulty accessing food. Residents who could not attend a monthly food box distribution event could call for a delivery to their front door. Deliveries were made throughout the week by LIFT Transportation drivers.



THE DISTRICT'S HEALTH

The Morongo Basin Healthcare District is designated as a "special district" by the state of California.

Special districts are an agency of the state created for the local provision of public services within limited boundaries. They have four common characteristics:

1. They are a form of government,
2. They have a publically elected board,
3. They provide services and facilities, and
4. They have defined boundaries within which they operate for the good of the residents.

The Morongo Basin Healthcare District is a "special healthcare district" with a five-member, publically-elected Board of Directors who oversee District assets in the delivery of healthcare to the Morongo Basin. Three of those seats have fulfilled their four-year term and are scheduled for election on the November 2020 ballot.

The Board of Directors meet monthly to conduct District business, typically on the first Thursday of the month at 6 p.m. The public is invited to attend, make comment and weigh-in on items of business. Meeting agendas are posted to the District's website 72-hours prior to meeting. Meeting minutes are also posted for public record to the District's website at [MBHDistrict.org / Meetings and Minutes](http://MBHDistrict.org/MeetingsandMinutes).

It should be noted that during the COVID-19 pandemic, the board has opted to meet by virtual electronic platform. That electronic link is provided in the agenda and on the MBHDistrict website.

The purpose of the District's elected board is to provide leadership and oversight for the District's mission, vision and strategic plan. They do not direct



Morongo Basin Healthcare District Board of Directors, shown here from left are Dianne Markle-Greenhouse, Bob Armstrong, Misty Evans, Joe Sullivan and Marge Doyle.

the day-to-day operations of the organization, but work through the Chief Executive Officer to deliver healthcare services to the public and identify opportunities to provide additional healthcare services to residents.

The Morongo Basin Community Health Center (CHC) is owned and operated by the healthcare District. The health center is classified as a "Federally Qualified Health Center (FQHC)," and receives grant funds for operating the clinics per Health Resources

and Services Administration (HRSA) parameters. The terms of the HRSA grant requires a governing board specific to the clinics, comprised of 51% clinic patients, to provide oversight of health center services.

A new CHC board was seated in January 2019. They convene on the second Thursday of the month

at 6 p.m. via physical meeting and virtual platform. The public is invited to attend.

The District and CHC boards also meet quarterly for a joint meeting to receive reports from staff and to discuss issues common to the business of both boards.

TRANSPARENCY & ACCOUNTABILITY

The Morongo Basin Healthcare District Board of Directors recognize the importance of transparency in conducting the business of the healthcare District. Towards that end, the District pursued the Association of California Healthcare Districts

Morongo Basin Healthcare District receives approximately \$700,000 in public monies from property taxes each year. Oversight for compliance is monitored by LAFCO.

The Board of Directors and staff strive to conduct the people's business openly. We recognize that authority has been designated by the people of the Morongo



From left: Jackie Combs, CEO; board members Bob Armstrong, Dianne Greenhouse, Joe Sullivan, Misty Evans; Marina Servantez, ACHD; and board member Marge Doyle.

(ACHD) accreditation program which was designed to help healthcare districts throughout California meet legislative best practices and provide transparency in governance to its constituents. Information about the governance and operations of the Morongo Basin Healthcare District is presented on the District's website: MBHDistrict.org. Specifically, the site includes such information as policies for financial management of public assets, board member compliance, meeting minutes; audited financial statements, the annual operating budget, and more.

Basin to the healthcare District for the benefit of all residents.

The District was recognized for Best Practices in Governance by ACHD at the November 7, 2019 regular meeting of the Board of Directors and was awarded accreditation status.

ACHD represents healthcare districts throughout the state, enhancing public awareness, educating its members, and advocating for legislation and regulatory policies that allow healthcare districts to deliver the best possible health services to Californians. MBHD board members serve on several ACHD committees and boards.

FINANCIAL REPORT

The financial records of the healthcare District are audited annually by a CPA firm. The auditor's report for fiscal year ended June 30, 2019 is posted on the District's website at [MBHDistrict.org / Meetings and Minutes / 2019](http://MBHDistrict.org/Meetings%20and%20Minutes/2019). The audit was administered in accordance with Government Auditing Standards, and Uniform Guidance. Highlights of the auditor's 2019 fiscal year report included:

- No material weaknesses or deficiencies were found. This means that the internal financial controls are appropriate and financial reports are dependable for making financial decisions.
- Long-term debt to net position is at two percent. The District's only long-term debt is specific to the water treatment plant on the hospital property. Large, long-term financial obligations such as loans or leases, can restrict growth in an organization.
- Cash-on-hand for Morongo Basin Healthcare District is 566 days. Cash-on-hand is used as an indicator of an organization's financial health should revenue not be available to support operations. The common level of cash-on-hand in the healthcare industry is 180 days.

The District is in a stable financial position due to minimal long-term debt and a robust level of cash on hand.

ASSETS AND DEFERRED OUTFLOW OF RESOURCES		
CURRENT ASSETS	2019	2018
Cash and cash equivalents	\$ 786,025	\$ 786,663
Investments	14,721,330	14,614,826
Receivables		
Patients	581,785	972,141
Promise to give	35,000	
Grants	7,406	579,142
Other	123,454	16,816
Prepaid expenses	160,146	147,479
TOTAL CURRENT ASSETS	16,415,146	17,114,067
NONE CURRENT ASSETS		
Promise to give	105,000	
Capital assets, net	10,804,784	8,896,335
Total noncurrent assets	10,909,784	8,896,335
TOTAL ASSETS	27,324,930	26,010,402
DEFERRED OUTFLOW OF RESOURCES		
Prepaid water treatment capacity fee	596,883	671,494
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$27,921,813	\$26,681,896

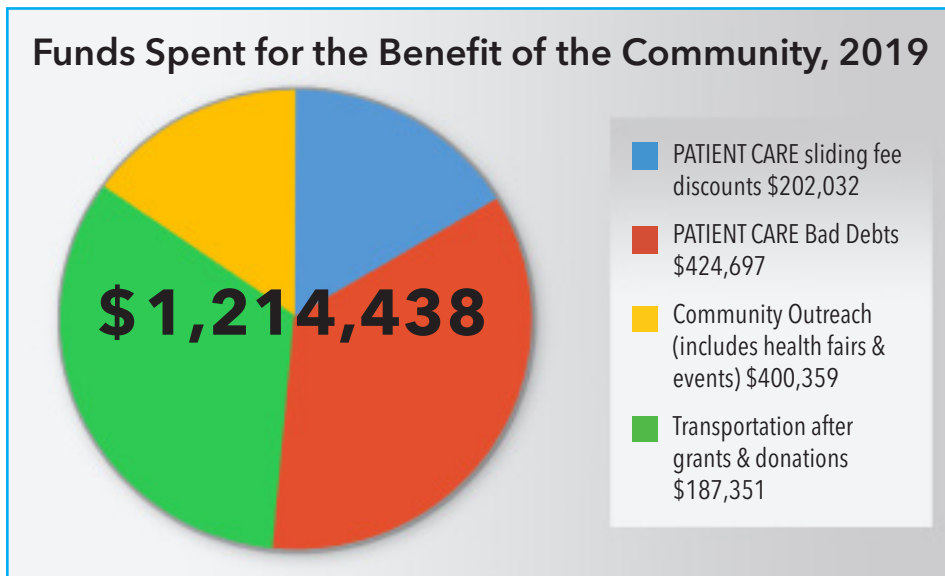
PATIENT SERVICE REVENUE 2019

(net of contracted adjustments and discounts)

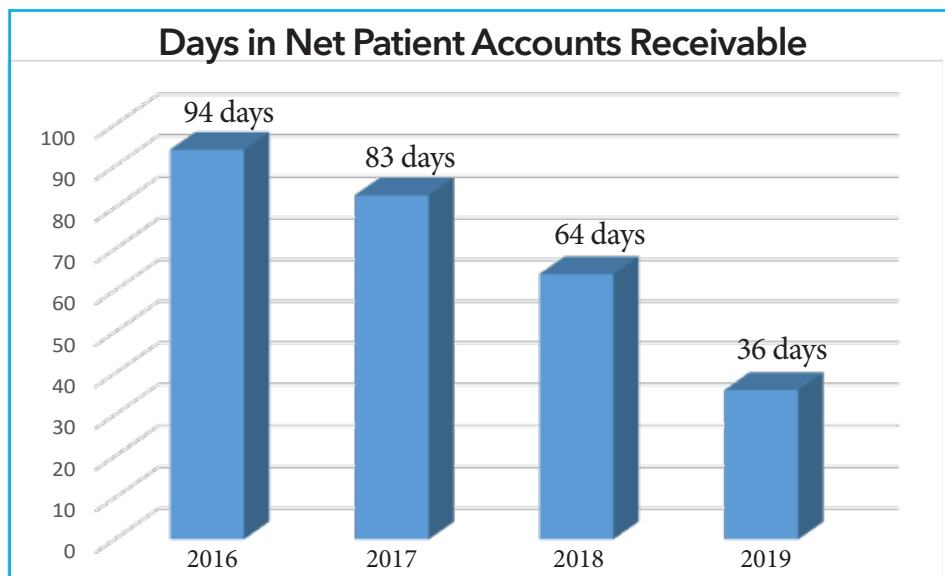
Medicare	\$ 566,757
Medi-Cal	5,072,955
Other third-party payors	346,387
340b contract pharmacies	409,782
Patients	327,778
	\$ 6,723,659
Less:	
Sliding fee discounts	(202,032)
Provision for bad debts	(424,697)
NET PATIENT SERVICE REVENUE	\$ 6,096,930

The District collects revenue for patient services from health insurance providers with whom it has contracted for services.

For uninsured patients who do not qualify for charity care, the District collects revenue on the basis of its standard rates for services. On the basis of historical experience, a significant portion of the District's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the District records a significant amount for bad debt related to uninsured patients in the period the services are provided.



The District provides charity care to patients who are financially unable to pay for the healthcare services they receive. The District's policy is not to pursue collection of amounts determined to qualify as charity care.



Days in Net Patient Accounts Receivable is the average time that uncollected money is outstanding, or the average collection period. Higher collection times lead to greater short-term financing requirements and will often force a reduced short-term cash or increase short-term debt. Less days to collect money owed is better.

MAKING HEALTHCARE ACCESSIBLE

DISTRICT SERVICES AND PROGRAMS

COMMUNITY DEMOGRAPHICS

The healthcare District strives to improve access to healthcare for Morongo Basin residents. It does this through its programs and services.

The Morongo Basin is an 1,800 square mile rural portion of San Bernardino County. The vast desert region spans 47 linear miles from the westernmost boundary of Morongo Valley to the easternmost boundary of Wonder Valley.

The Basin's population of 70,709 residents is widely dispersed throughout this rural region with approximately 66% of the population residing in small, unincorporated communities that are geographically isolated with unpaved and unmaintained roads.

The median household income in Morongo Basin is \$38,640 and the per-capita income is \$19,597; both well below the state and national averages. 19.5% of residents live at or below 100% of the federal poverty level and 48.8% live below 200% of the federal poverty level.

With the onset of the COVID-19 pandemic, many of the Basin's residents have been further impacted due to job losses and shuttered businesses, all exacerbated by geographic isolation.

LIFT TRANSPORTATION SERVICES

LIFT Transportation Program provides free, non-emergency transportation for residents to and from medical appointments, both within and outside the Basin to a higher level of care.

Currently, the program has 1,500 unique clients who have used the service in the last year. In 2019, the LIFT program provided 9,193 one-way trips to medical services.

Drivers provide "door-to-door" assistance for wheelchair-bound clients and those needing special assistance. The program includes service to anyone living in more remote areas of our Basin where public transportation may be limited.

The program was redesigned in June to accommodate COVID-19 precautions, transporting fewer clients in each vehicle and disinfecting the interior after each transport.

COMMUNITY HEALTH CENTER

Morongo Basin Community Health Center (CHC) provides primary healthcare at multiple facilities across the Basin to adults and children, including medical specialties, behavioral health and dental services.

One in every fifteen people living in the United States depends on health care services for quality and cost effective care. Born out of President Lyndon Johnson's War on Poverty in the '60s, health centers have become integral to the health of underserved populations and remote areas.

Health centers are regulated by HRSA, the Health Resource Services Administration. Federally qualified health centers are community-based and patient directed organizations that serve population with limited access



to healthcare. The centers must be governed by a community board comprised of a majority (51 percent or more) of health center patients who represent the population being served. Community members not associated with the health center complete the board composition.

CHC's governing board seats 10 board members who meet monthly to receive reports from staff and to conduct health center business.

As a federally qualified health center, CHC offers a sliding fee discount program designed to ensure that patients have access to all services in the health center's scope of project, regardless of their ability to pay. The program applies uniformly to all patients and is based on income and family size. In some cases, patients can see a medical provider for a nominal charge of \$10 per visit.

Most insurances are accepted, including PPO, Medicare, Medi-Cal / IEHP and Tricare.

CHC provides services from multiple facilities in 29 Palms and Yucca Valley. Services include:

- Adult medicine
- Chiropractic care
- Chronic wound care
- Vision care
- Pediatric medicine
- Prenatal program / CPSP
- Behavioral health services
- Dental care
- Mobile dental program (dental care to students at their school site)
- Patient education
- An outreach specialist to assist with enrollment in Covered California or Medi-Cal beneficiary programs



The Mobile Dental Program began in 2018 with a three-year grant from First5. The purpose of the grant was to provide primary dental care to students on their respective campuses. The District partnered with Morongo Unified School District to provide onsite dental care to students who did not already have a dentist.

With the arrival of the COVID-19 virus, the program was suspended until schools reconvened onsite.

In the interim, the mobile dental team has been working with health center pediatricians to provide onsite dental care at clinic locations. The mobile medical unit (MMU) is equipped to provide dental care.

Staff meets with the parent and patient following their medical appointment, and provides oral health education and immediate dental intervention on the MMU.

The program has been effective and averages about 40 patients each month.



MORONGO BASIN COMMUNITY HEALTH CENTER
PRENATAL PROGRAM

The Comprehensive Perinatal Services Program (CPSP) provides a wide range of culturally competent services to Medi-Cal pregnant women, from

conception through 60 days postpartum. In addition to standard obstetric services, women receive enhanced services in areas of nutrition, psychosocial and health education.

The program goal is to decrease the incidence of low birth weight in infants and improve the outcome for every pregnancy through enhanced perinatal care, thus giving every baby a health start.

Medi-Cal eligible women who receive CPSP services are provided care that goes beyond routine obstetric services and includes case coordination.



District senior staff from left: Deborah Anderson, CFO; Joe Ruddon, Director Community Programming; Jackie Combs, CEO; Cindy Schmall, COO; and Karen Graley, Director Marketing

LOCATIONS

District offices: 6530 La Contenta Rd, #100, Yucca Valley 760-820-9229

Morongo Basin Community Health Center locations: 760-365-9305

- 72724 Twentynine Palms Hwy, 29 Palms (adult clinic)
- 6380 Split Rock Avenue, 29 Palms (pediatric clinic)
- 58375 Twentynine Palms Hwy, Yucca Valley (adult & pediatric)
- 58383 Twentynine Palms Hwy, Yucca Valley (behavioral health)
- 57019 Yucca Trail, #C, Yucca Valley (dental only)