



Morongo Basin Health Care District
Community Health Center
GOVERNING BOARD MEETING
MINUTES of Thursday, May 9, 2024, 6:00 p.m.

This meeting convened on the District's campus at 6530 La Contenta Road, Suite 400, Yucca Valley, CA 92284. The meeting was also accessible by Microsoft Teams remote platform.

***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, and Equity*

PRESENT:

- Cody Briggs (*present*)
- Patricia "Pat" Cooper (*present*)
- Bryan Goldfarb (*remote*)
- Nicola Keller (*present*)
- Jennifer Rendon (*present*)
- Heidi Stiemsma (*present*)
- Jackie Todd (*present*)

STAFF:

- Cindy Schmall, CEO (*present*)
- Debbie Anderson, CFO (*present*)
- Joe Ruddon, Chief Community Officer (*present*)
- Angie Villaluz, Sr. Manager Quality (*remote*)
- Tina Huff, Chief Clinical Operations Officer (*present*)
- Beverly Krushat, CHC Board Clerk (*present*)
- Kathy Alkire, Patient Educator (*remote*)
- Janeen Duff, Program Dev. Liaison (*remote*)
- Tricia Gehrling, Patient Experience Manager (*remote*)

CALL TO ORDER – Board meeting was called to order by Nikola Keller at 6:00 p.m.

ROLL CALL - Beverly Krushat conducted roll call and confirmed that there is a quorum.

OBSERVANCES -

Pledge of Allegiance – Cody Briggs led the pledge.

Mission, Vision, and Core Statements – Pat Cooper read the Mission, Vision, and Core statements.

PUBLIC COMMENTS - None

APPROVAL OF MEETING AGENDA -

Motion 24-22: MSC (Stiemsma/Briggs) 6/0/0 motion carried to approve the agenda.

APPROVAL OF CHC CONSENT AGENDA –

- March 7, 2024, meeting minutes.

Motion 24-23: MSC (Briggs/Stiemsma) 6/0/0 motion carried to approve the Consent Agenda

PRESENTATIONS

PRESS GANEY: PATIENT SATISFACTION – Joe Rudson, CCPO explained which areas of improvement were in need of improvement; lack of communication, provider updating the patient on what they are doing, and waiting to get an appointment were the main areas. Percentages presented proved that all other areas had improved greatly.

PRELIMINARY BUDGET DISCUSSION – Debbie Anderson, CFO

CFO Anderson guided the Board through the upcoming budget process. She explained the challenges that MBHD is up against and what we need to move forward, especially in the clinic areas. “Our challenge is visits history.” Visits are going down, costs are going up, and the revenue is down. The whole reason for the presentation is when we get to the budget next month, we will probably be presenting some various scenarios because of choices that need to be made ahead of within the clinics.

FINANCIAL REPORTS – Debbie Anderson, CFO, presented the February 2024 and March 2024 Financial Reports.

FEBRUARY 2024 FINANCIAL REPORT

OVERVIEW

The clinic financials for the month of February show a loss of \$(143,073) and year to date shows a loss of \$(656,085). (See Table 1 & 2)

Clinics still struggle with visits, and despite expenses being controlled, without higher visits, the clinics continue to lose money.

CLINIC CHANGE IN NET POSITION

Table 1 Clinics February 2024

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	574,739	656,734	(81,994)	-12.49%
Grant Revenue	150,535	156,197	(5,662)	-3.62%
340B Revenue	12,678	35,802	(23,124)	-64.59%
Capitation Fees	151,229	147,809	3,420	2.31%
Records & Interest	64	128	(64)	-49.77%
Cost Report Adjustments	(116,667)	(116,667)	(0)	-0.00%
Quality	48,664	34,783	13,881	39.91%
	821,243	914,786	(93,543)	-10.23%
Salaries - Clinic	445,620	486,446	40,826	8.39%
Fringe - Clinic	123,458	104,714	(18,744)	-17.90%
Phys Fees - Clinic	92,775	76,232	(16,543)	-21.70%
Purchases Services - Clinic	54,614	64,504	9,890	15.33%
IT, Network & Phones - Clinic	19,436	20,703	1,268	6.12%
Supplies - Clinic	17,944	36,739	18,795	51.16%
Supplies - 340B	23,352	19,936	(3,417)	-17.14%
R&M - Clinic	4,009	5,585	1,576	28.21%
Leases/Rentals - Clinic	365	1,681	1,316	78.29%
Utilities - Clinic	4,877	4,776	(101)	-2.11%
Ins - Clinic	144	295	152	51.36%
Other - Clinic	10,833	13,082	2,249	17.19%
Depreciation	15,026	14,825	(201)	-1.36%
	812,452	849,518	37,066	4.36%
Operating Income/(Loss) before Allocation	8,791	65,269	(56,477)	-86.53%
Allocation of Overhead for Health Centers	(151,864)	(152,228)	364	0.24%
Change in Net Position	(143,073)	(86,960)	(56,113)	-64.53%

Patient services variance due to less visits than budgeted. 340B variance due to changes to distribution of the 340B program. Salaries variance due to less staff employed than budgeted. Physician fees variance due to new contractor for BH.

Table 2 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	4,721,162	5,483,728	(762,565)	-13.91%
Grant Revenue	1,183,671	1,267,074	(83,403)	-6.58%
340B Revenue	257,631	298,943	(41,312)	-13.82%
Capitation Fees	1,309,980	1,182,473	127,507	10.78%
Records & Interest	1,053	1,068	(15)	-1.40%
Cost Report Adjustments	(933,335)	(933,333)	(1)	-0.00%
Quality	370,131	278,267	91,864	33.01%
	6,910,294	7,578,220	(667,926)	-8.81%
Salaries - Clinic	3,604,397	4,030,551	426,154	10.57%
Fringe - Clinic	755,814	860,510	104,696	12.17%
Phys Fees - Clinic	650,505	636,538	(13,967)	-2.19%
Purchases Services - Clinic	455,227	522,743	67,515	12.92%
IT, Network & Phones - Clinic	167,467	165,626	(1,842)	-1.11%
Supplies - Clinic	212,049	306,769	94,721	30.88%
Supplies - 340B	159,128	163,396	4,268	2.61%
R&M - Clinic	30,093	45,246	15,153	33.49%
Leases/Rentals - Clinic	2,984	13,450	10,466	77.81%
Utilities - Clinic	47,519	42,675	(4,844)	-11.35%
Ins - Clinic	1,149	2,362	1,213	51.36%
Other - Clinic	89,057	107,174	18,117	16.90%
Depreciation	123,384	118,596	(4,788)	-4.04%
	6,298,774	7,015,836	716,863	10.22%
Operating Income/(Loss) before Allocation	611,520	562,583	48,937	8.70%
Allocation of Overhead for Health Centers	(1,269,277)	(1,271,105)	1,828	0.14%
Operating Income/(Loss) after Allocation	(657,757)	(708,522)	50,765	7.16%
Non-Operating	1,672	-	1,672	-100.00%
	1,672	-	1,672	-100.00%
Change in Net Position	(656,085)	(708,522)	52,437	7.40%

Quality variance is due to concerted effort to increase quality scores with various capitated contracts. Salaries & fringe variances due to continued staffing shortages & turnover of staff. Purchased services variance is due to not having to pay as much to contacted billing company since visits are down. Supplies variance is due less ordering of clinic supplies than budgeted. R&M variance is due to delays in getting Split Rock up and running. Other variance is due to recruiting costs.

MARCH 2024 FINANCIAL REPORT

OVERVIEW

The clinic financials for the month of March show a loss of \$ (139,971) and year-to-date shows a loss of \$ (796,056). (See Tables 1 & 2).

Sliding fee updates went into effect on April 1st with the updated poverty guideline levels for 2024. The final PPS rate audit for Behavioral Health has been extended until June 30, 2024, and continues to be ongoing. Budget prep for FY 24-5 in underway.

CLINIC CHANGE IN NET POSITION**Table 1 Clinics March 2024**

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	573,511	689,571	(116,059)	-16.83%
Grant Revenue	155,889	156,197	(308)	-0.20%
340B Revenue	14,636	37,592	(22,956)	-61.07%
Capitation Fees	166,926	147,809	19,117	12.93%
Records & Interest	130	134	(4)	-3.21%
Cost Report Adjustments	(116,286)	(116,667)	381	0.33%
Quality	46,299	34,783	11,516	33.11%
	841,106	949,419	(108,314)	-11.41%
Salaries - Clinic	402,585	486,446	83,861	17.24%
Fringe - Clinic	117,157	106,197	(10,960)	-10.32%
Phys Fees - Clinic	107,360	80,044	(27,316)	-34.13%
Purchases Services - Clinic	67,484	65,285	(2,179)	-3.34%
IT, Network & Phones - Clinic	22,098	20,703	(1,394)	-6.73%
Supplies - Clinic	28,576	38,576	10,000	25.92%
Supplies - 340B	38,524	20,494	(18,029)	-87.97%
R&M - Clinic	3,665	5,666	2,001	35.31%
Leases/Rentals - Clinic	365	1,681	1,316	78.29%
Utilities - Clinic	4,647	4,743	97	2.04%
Ins - Clinic	144	295	152	51.36%
Other - Clinic	8,654	13,442	4,787	35.62%
Depreciation	15,114	14,825	(289)	-1.95%
	816,352	858,397	42,045	4.90%
Operating Income/(Loss) before Allocation	24,754	91,022	(66,268)	-72.80%
Allocation of Overhead for Health Centers	(164,725)	(159,640)	(4,886)	-3.06%
Change in Net Position	(139,971)	(68,818)	(71,154)	-103.39%

Patient services variance due to less visits than budgeted. 340B variance due to changes to distribution of the 340B program. Salaries variance due to less staff employed than budgeted. Physician fees variance due to new contractor for BH.

Table 2 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	5,294,674	6,173,298	(878,625)	-14.23%
Grant Revenue	1,339,561	1,423,271	(83,710)	-5.88%
340B Revenue	272,267	336,535	(64,268)	-19.10%
Capitation Fees	1,476,906	1,330,282	146,624	11.02%
Records & Interest	1,183	1,202	(19)	-1.60%
Cost Report Adjustments	(1,049,621)	(1,050,000)	379	0.04%
Quality	416,430	313,050	103,380	33.02%
	7,751,399	8,527,639	(776,239)	-9.10%
Salaries - Clinic	4,006,982	4,516,997	510,015	11.29%
Fringe - Clinic	872,971	966,707	93,736	9.70%
Phys Fees - Clinic	757,865	716,582	(41,283)	-5.76%
Purchases Services - Clinic	522,691	588,027	65,336	11.11%
IT, Network & Phones - Clinic	189,565	186,329	(3,236)	-1.74%
Supplies - Clinic	240,625	345,345	104,720	30.32%
Supplies - 340B	197,652	183,891	(13,761)	-7.48%
R&M - Clinic	33,758	50,912	17,154	33.69%
Leases/Rentals - Clinic	3,349	15,131	11,782	77.86%
Utilities - Clinic	52,165	47,418	(4,747)	-10.01%
Ins - Clinic	1,293	2,658	1,365	51.36%
Other - Clinic	97,712	120,616	22,904	18.99%
Depreciation	138,497	133,420	(5,077)	-3.81%
	7,115,125	7,874,034	758,908	9.64%
Operating Income/(Loss) before Allocation	636,274	653,605	(17,331)	-2.65%
Allocation of Overhead for Health Centers	(1,434,003)	(1,430,945)	(3,058)	-0.21%
Operating Income/(Loss) after Allocation	(797,728)	(777,340)	(20,389)	-2.62%
Non-Operating	1,672	-	1,672	-100.00%
	1,672	-	1,672	-100.00%
Change in Net Position	(796,056)	(777,340)	(18,717)	-2.41%

Quality variance is due to concerted effort to increase quality scores with various capitated contracts. Salaries & fringe variances due to continued staffing shortages & turnover of staff. Purchased services variance is due to not having to pay as much to contacted billing company since visits are down. Supplies variance is due less ordering of clinic supplies than budgeted, and equipment budgeted but not bought yet. R&M variance is due to delays in getting Split Rock up and running. Other variance is due to recruiting costs.

Motion 24-23: MSC (Stiemsma/Todd) 6/0/0 motion carried to accept February and March 2024 Financial reports.

STAFF REPORTS

QUALITY ASSURANCE REPORT – Angie Villaluz, Sr. Mgr. of Quality Program

Patient Grievances – 22 grievances were received from January to March. Six (6) grievances were received directly from patients and 16 through the formal IEP reporting process. The categories of complaints include Quality of Care (4), Phone System (1), Scheduling/Communication/Access (2), Provider communication (3), and Referral Process (8), Long wait time (1), and Others (3). Full investigation and remediation have occurred.

Incident Reports (Unusual Events) – Two (2) incident reports were reported January to March. The incident types include Fall of Patient (1), Harmful Action towards a Provider (1), and Employee Accident Investigation Report (AIR) (1).

Life Safety Rounds – Were completed from January to March in all 10 buildings/locations of the organization.

Clinics – Three (3) reportable conditions/disease, reported per San Bernardino Public Health Guidelines. Medication/vaccine storage temperature, (1) power outage in August with no loss of vaccine. Expired medications and vaccines were wasted and reported per protocol and per Vaccine for Children (VFC) Guidelines.

CEO REPORT – Cindy Schmall, CEO presented the “Mission Impact Video” to the Board members and staff. This was met with congratulatory comments on how great the video turned out and it will be used in multiple areas including as a recruitment tool. CEO Schmall informed the Board that there were 600 people that came out for the Health Fair but probably more between the “Teen Zone” and 38 vendors. We did 64 screenings, which doubled the amount that we have done in the past. 180 Covid tests were given out and Life Stream was there collecting blood. She also thanked the Town of Yucca Valley for all of their support.

CALENDAR REVIEW – CEO Schmall reviewed the June and July calendars with the Board.

BOARD MEMBER COMMENTS – All Board members thanked Joe Ruddon for his years of service and for his outstanding service to the Morongo Basin Healthcare District. Everyone expressed how much Joe Ruddon will be missed and wished him good luck on his future endeavors.

MEETING ADJOURNMENT - Meeting was adjourned at 7:07 p.m.



Heidi Stiemsma, Secretary of the Board

Minutes recorded by Beverly Krushat, CHC Board Clerk and Executive Assistant