

Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES
September 5, 2024, at 6:00 p.m.

Convened on the La Contenta campus; the public was invited to attend the meeting on campus or via Microsoft Teams, an electronic, remote platform.

- **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, Equity.*

Board of Directors:

- Director Cooper
- Director Evans
- Director Markle-Greenhouse
- Director Stiemsma
- Jacquelin Todd

- Karen Faulis, CEO, HDMC
- Jason Rueben, CFO, HDMC
- Linda Evans, Chief Strategy Officer, Desert Care Network

Administrative Staff:

- Cindy Schmall, CEO (*remote*)
- Karen Graley, Board Clerk (*remote*)
- Beverly Krushat, Executive Assistant
- Janeen Duff, Grants & Special Programs Manager

- Mark Greenhouse, CHC board member
- Eric Menendez, guest

CALL TO ORDER

Director Evans called the meeting to order at 6:01 p.m. The meeting was convened on the La Contenta campus and by electronic platform using Microsoft Teams platform.

ROLL CALL

Karen Graley, Board Clerk, conducted roll call and declared a quorum.

OBSERVANCES

Director Greenhouse read the mission and vision statements. Director Cooper led the assembly in the flag salute.

PUBLIC COMMENT

Mr. Eric Menendez, guest, made public comment regarding the HDMC Holdings, LLC lease. He's been a nurse for 25 years. He promoted his personal property management business and a community-tourism online event calendar. Director Evans thanked Mr. Menendez for his comments and asked staff to explore accommodating his request to post board meetings to his community calendar.

APPROVAL OF MEETING AGENDA

Motion 24-55: Director Cooper motioned to approve the meeting agenda as presented; second by Director Todd and passed by unanimous vote.

APPROVAL OF THE CONSENT AGENDA

- **Motion 24-56:** Director Greenhouse motioned to approve the Consent Agenda as presented; second by Director Stiemsma and passed by unanimous vote.
 - Minutes: Regular Meeting of the Board of Directors, August 1, 2024



ACTION ITEMS

ANNUAL UPDATE HDMC HOLDINGS, LLC

Karen Faulis, CEO and Jason Reuben, CFO of Hi-Desert Medical Center presented the update of HDMC Holdings, LLC to the Board of Directors. Ms. Faulis thanked the board for their support of Tenet Health to encourage the Desert Healthcare District to renew their lease with Tenet Health.

Mr. Reuben spoke to the annual capital equipment commitment by HDMC Holdings, LLC. The PPT slide included a list of equipment and projects within the projected timeline. The CCC roof project is complete, and they are now targeting other buildings on the property.

It was noted that there is no capital equipment commitment for the electric vehicle charging stations. The project installation is stalled while they are looking for funding for a power station. It is necessary so the building's power is not compromised by the electrical draw of the recharging vehicles.

Ms. Schmall stated she has spoken with Mr. Rueben about additional information that the lease requires be provided to the District. Mr. Reuben noted that the update should include monies spent on capital, but also what capital has been retired and the dollar value attached.

Director Evans clarified that the board cannot accept the incomplete update as presented. Ms. Schmall recommended that the acceptance be deferred to whenever Mr. Reuben is ready to provide the information.

- **Motion 24-57:** The original motion by Director Greenhouse to defer approval of the annual update for HDMC Holding, LLC was seconded by Director Cooper; motion passed by unanimous vote.

Director Evans asked Ms. Schmall to prepare a list of lease requirements for board reference, citing years and amounts. Ms. Schmall said she would ask Legal to create the list as they are more informed about the lease with HDMC Holding, LLC.

DISTRICT POLICIES

Ms. Schmall presented two policies for review.

- ❑ Policy EC-202 Safety Management (*revised*). This is a review and update from 2017. The Safety Committee has reviewed the policy before presentation to ensure accuracy for their duties.
- ❑ Policy IM-236 AI (Artificial Intelligence) (*new*). The policy defines how we use AI in our organization. There are new programs that record and transcribe patient visits. This policy defines how these new technologies are processed, such as, collected data will be used to transcribe into the patient record and then is deleted, not stored in the AI program. Additional adjustments will be made to the policy as we incorporate new information and security. Director Stiemsma suggested that the policy be edited to include Risk Management as part of the process.
- **Motion 24-58:** Motion by Director Stiemsma to approve the policies EC-202 as presented, and IM-238 be edited to include involving Risk Management as part of the process; second by Director Greenhouse; motion passed by unanimous vote.



DESERT HEALTHCARE DISTRICT UPDATE

Director Evans attended the Desert Healthcare District special meeting on August 1 with CEO Cindy Schmall. She noted that Desert Healthcare District's (DHD) decision regarding their lease with Tenet Healthcare impacts the Morongo Basin and the operation of Hi-Desert Medical Center (HDMC). Currently, Morongo Basin Healthcare District is not prepared to receive back the operations of HDMC. Considering that, Director Evans proposes for the board to authorize Ms. Schmall to be the agent of the board to further support the agenda to maintain the working relationship between the District and HDMC Holdings, LLC.

Director Stiemsma stated she supports the proposal to authorize the CEO as presented but asked for clarification of "to take any actions." Director Evans explained that it would be a communication issue, that she would be the conduit of communication to protect the District's assets and as well as influence a best outcome for the District. Authorizing her as the Board's agent will avoid multiple special meetings.

- **Motion 24-59:** Motion by Director Stiemsma to authorize the CEO to take any actions deemed appropriate in support of Morongo Basin Healthcare District's interests in a continued lease agreement with HDMC Holdings, LLC; second by Director Todd; motion passed by unanimous vote.

REPORTS

FINANCIAL REPORT – Cindy Schmall, CEO

Ms. Schmall reported on behalf of Ms. Anderson that the consolidated financials for the month of July show income of \$1,014,848 and year to date income of \$1,014,848 (new fiscal year). The non-clinic financials for the month of July show a loss of income of \$1,167,941 and year to date income of \$1,167,941. The clinic financials for the month of July show a loss of \$(153,094) and year to date loss of \$(153,094).

The written report presented a table showing interest received on investments. QAF funds were received for a third year. The report also notes that patient visits have increased. Staff is working diligently with providers to fill vacant appointments.

Salaries & fringe variance is due positions budgeted not filled, so savings took place. R&M variance is due to Suite 500 renovations at La Contenta as well as non-capital items bought for the new peds site.

- **Motion 24-60:** Director Greenhouse motioned to accept the financial report as presented, second by Director Stiemsma; motion passed by unanimous vote.

CEO REPORT – Cindy Schmall, CEO

CEO Cindy Schmall referred Directors to her written report under Tab 4 in the agenda packet. She highlighted:

- We are in process for final interviews for an HR Director.
- LIFT Transportation is being confused in the community with LYFT transportation services. Staff has voted to change the name of our LIFT program to Wellness Wheels. The marketing department is preparing to launch a rebranding campaign. Board members were receptive to the name change.
- Today, Geoff Baker, facilities manager, received delivery of the modular building for the Split Rock project.



- The CHC governing board will vote at next week’s regular business meeting to move its monthly meetings to 5:00 p.m. on the first Thursday of the month, meeting before the District’s Board of Directors.

Director Evans asked about the status of the letter to legislators and insurance programs defining the challenges faced by the healthcare District. She asked that the letter be forwarded to the Directors.

CALENDAR REVIEW AND COORDINATION

- September 30 deadline for completing the CEO performance evaluation form.
- October 12 annual health fair event, 29 Palms Freedom Plaza, 9 a.m. to 1 p.m.

DIRECTOR COMMENTS

DIRECTOR COOPER: “I was pleased we had guests from the hospital. Thank you to all of you who attended tonight’s meeting via remote.”

DIRECTOR GREENHOUSE: “A lot of information tonight. I’m so excited about the Split Rock project.”

DIRECTOR TODD: No comments.

DIRECTOR STIEMSMA: “I’m very happy that the recruitment for an HR Director is moving along. That will be a great asset to Cindy and the organization.”

DIRECTOR EVANS: She reviewed the boundaries imposed by the Brown Act around communication between board members, noting that there haven’t been any violations by board members, but stated she was being proactive in reminding the Directors. She thanked Mark Greenhouse and Eric Menendez for attending tonight’s meeting. She thanked Cindy for managing the HR department and said she hopes the interviews for a director go well. She noted that board members and staff come prepared for these meetings and appreciates the time and energy invested in supporting these public meetings.

ADJOURN MEETING

The meeting adjourned at 7:08 pm.



Heidi Stiemsma, Secretary of the Board

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