

Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES
July 18, 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-site 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

Guests:

- Linda Evans, Chief Strategy Officer, Desert Care Network (*remote*)

Administrative Staff:

- Cindy Schmall, CEO
- Deborah Anderson, CFO
- Karen Graley, Board Clerk (*remote*)
- Beverly Krushat, Executive Assistant
- Tricia Gehrlein, Chief Patient Experience & Compliance Officer (*remote*)
- Janeen Duff, Grants & Special Programs Manager
- Kathy Alkire, Education Nurse (*remote*)

CALL TO ORDER

Director Evans called the meeting to order at 6:00 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 Todd read the mission and vision statements. Director Cooper led the assembly in the flag salute.

PUBLIC COMMENT

No public comments were presented.

APPROVAL OF MEETING AGENDA

Motion 24-44: Director Cooper motioned to approve the meeting agenda as presented; second by Director Stiemsma and passed by unanimous vote.

APPROVAL OF THE CONSENT AGENDA

- **Motion 24-45:** Director Stiemsma motioned to approve the Consent Agenda as presented; second by Director Greenhouse and passed by unanimous vote.
 - Minutes: Regular Meeting of the Board of Directors, June 6, 2024
 - Minutes: Special Meeting of the Board of Directors, June 15, 2024



ACTION ITEMS

HUMAN RESOURCE POLICIES

Cindy Schmall, CEO, introduced five Human Resource policies for approval.

- **HR-203 Repayment of Employee Financial**: The redlined copy was presented in the agenda packet showing the proposed revisions to the policy. Ms. Schmall explained this policy allows the employee to borrow the health insurance premium from the next payroll period to avoid interruptions of benefits.
- **HR-224 Performance Evaluations**: The policy was last reviewed April 2017. It has been revised to reflect current practices. With the implementation of SB-525, automatic cost of living increases are mandated beginning in 2025. This changes the evaluation process. The evaluation tool will now rate staff performance as exceeding, meeting or not meeting expectations.
- **HR-248 Nondiscrimination / Anti-Harassment and Complaint Procedure**: This policy was last reviewed May 2016. This is a complete revision because the old policy was outdated. This revision meets all compliance requirements.
- **HR-261 Continuing Education**: The existing policy for provider education reimbursement did not provide enough detail. It has now been revised and is user friendly for our licensed providers.
- **HR-281 Time Keeping**: This policy was updated to meet California standards.
 - **Motion 24-46**: Motion by Director Greenhouse to approve Human Resource policies HR-203, 224, 248, 261 and 281 as presented; second by Director Todd; motion passed by unanimous vote.

REAPPOINTMENT OF CHC GOVERNING BOARD REPRESENTATIVES

Ms. Schmall explained that the co-application agreement between District and CHC Boards allows for two members of the Board of Directors to be seated on the CHC Governing Board to represent the Board of Directors. With Jackie Todd's appointment to the vacant Board of Directors' seat, there are now three District representatives seated on the Governing Board. This action item calls for discussion and appointment of two board members to sit on the CHC Governing Board.

She explained that Director Todd wishes to continue serving on the CHC Board and volunteered to temporarily fill the Board of Directors' vacancy on this board but wishes to remain on the CHC Board. Discussion followed.

- **Motion 24-47**: Motion by Director Stiemsma to appoint Director Cooper and Director Todd to represent the Board of Directors on the CHC Governing Board; second by Director Greenhouse; motion passed by unanimous vote.



APPROVE DISTRICT OPERATIONS & CAPITAL BUDGETS

CFO Deborah Anderson presented the revised budget 2024-25 as directed by the Board at the June regular monthly business meeting. This new budget presents no reduction in staff, eliminates unfilled staff positions, projects patient visit volume at 38,369, and adds two million in QAF monies, resulting in a projected positive bottom line of one million.

- **Motion 24-48:** Motion by Director Stiemsma to approve the operations and capital budgets for FY2024-25; second by Director Cooper; motion passed by unanimous vote.

REPORTS

GRANTS UPDATE

Janeen Duff, Grants & Special Programs Manager, referred the Directors to Tab 3 in the agenda packet. She reviewed the report line by line, explaining the purpose of each grant and answering questions.

FINANCIAL REPORT – Debbie Anderson, CFO

Ms. Anderson reported that the consolidated financials for the month of May show income of \$196,446 and year to date of \$2,183,047. The non-clinic financials for the month of May show income of \$367,378 and year to date income of \$3,197,999. The clinic financials for the month of May show a loss of \$(96,368) and year to date loss of \$(1,014,953).

The Department of Healthcare Services PPS audit has been extended to July 12. This is proving to be a tough audit, and we anticipate it will be extended yet again. Once completed, we will have the final PPS rate for the Behavioral Health department. We will then be able to work through any additional amounts that would be paid through the PPS process.

Grants revenue shows variance due to an unexpected grant received; a purchased services variance is related to savings in legal fees; an IT variance is due to additional IT needs and support. The utilities variance is the result of higher electricity and water costs. The tax revenue variance is due to higher amounts assessed on Morongo Basin properties. Rental income shows a variance because a tenant is staying longer in the building than budgeted.

A patient services variance is due to providers that were budgeted but did not fulfill corresponding visits as expected. A capitation fees variance is due to higher patient volume on the rosters than anticipated. The salaries variance is due to staff shortages and turnover resulting in less staff employed than budgeted, including those that produce patient visits. Physician fees show a variance due to a new contractor for Behavioral Health that was not budgeted. Other variances are due to heavy recruiting efforts. The 340B variance is due to drug manufacturer blocks being implemented by the pharmaceutical companies. The quality variance is because of concerted efforts to increase patient quality. The purchased services variance is due lower patient volumes and not having to pay as much to the contracted billing company. The supplies variance is because fewer clinic supplies being purchased than budgeted. Equipment budgeted but not yet purchased is because of the delayed Split Rock project.

- **Motion 24-47:** Director Stiemsma motioned to accept the financial report as presented, second by Director Cooper; motion passed by unanimous vote.



CEO REPORT – *Cindy Schmall, CEO*

Ms. Schmall referred the Board of Directors to her written report in the agenda packet.

- She distributed a copy of the annual report. The report can be found at MorongoBasinHealth.org website.
- She presented the requested letter by the board to advise legislators and healthcare programs of the financial challenges facing healthcare districts.
- Split Rock project: the vendor to place the special foundation for the building has been contracted. No local contractors were qualified to take the job.
- Tomorrow is the Mission Vision event at 5:30 p.m.
- She was invited to sit on the San Bernardino County Vital Signs Steering Committee. The group was initiated by the SBCounty Public Health Office. The sole purpose of the committee is to improve health within SBCounty. Their strategic plan aligns with our new strategic plan
- Two District board members have submitted documents to file candidacy for election. We still need a candidate for voting division 3.

CALENDAR REVIEW AND COORDINATION

- July 19 District Mission event, 5:30 – 7:30 p.m.
- August 4-9: CHC Week, board members are welcome to join staff for lunch on Friday, August 9 at noon.

DIRECTOR COMMENTS

DIRECTOR COOPER: “Good information tonight. Thank you for the reports.”

DIRECTOR GREENHOUSE: “Thank you to our staff. Great meeting.”

DIRECTOR TODD: “It was an interesting meeting.”

DIRECTOR STIEMSMA: “I like the annual report format, short and sweet.”

DIRECTOR EVANS: Director Evans thanked Janeen Duff, Tricia Gehrlein, Kathy Alkire, and Linda Evans for joining tonight’s meeting.

ADJOURN MEETING

The meeting adjourned at 7:30 pm.

A handwritten signature in blue ink, appearing to read "Heidi Stiemsma".

Heidi Stiemsma, Secretary of the Board

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