



MORONGO BASIN HEALTHCARE DISTRICT

Morongo Basin Health Care District
Community Health Center
GOVERNING BOARD MEETING
MINUTES of Thursday, October 3, 2024, at 4:45 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 (*remote*)
- Patricia "Pat" Cooper (*present*)
- Mary Dunn (*present*)
- Marc Greenhouse (*present*)
- Bryan Goldfarb (*remote*)
- Nicola Keller (*present*)
- Eric Menendez (*present*) (*appointed at 4:52 pm*)
- Jackie Todd (*present*)

STAFF:

- Cindy Schmall, CEO (*present*)
- Tina Huff, Chief Clinical Operations Officer (*present*)
- Beverly Krushat, CHC Board Clerk (*present*)
- Janeen Duff, Program Dev. Liaison (*present*)
- Tricia Gehrling, Chief Patient Experience/ Compliance Officer (*remote*)

CALL TO ORDER – Board meeting was called to order by Nicola Keller at 4:45 p.m.

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

OBSERVANCES –

Nicola Keller led the pledge.

Marc Greenhouse read the Mission and Vision statements.

PUBLIC COMMENTS – None

APPROVAL OF MEETING AGENDA -

Motion 24-44: MSC (Cooper/Greenhouse) 5/0/0 motion carried to approve the Agenda as published.

APPROVAL OF CHC CONSENT AGENDA –

- September 12, 2024, Meeting Minutes

Motion 24-45: MSC (Dunn/Todd) 5/0/0 motion carried to approve the Consent Agenda.

DISCUSSION AND APPOINTMENT OF POTENTIAL BOARD MEMBER – Cindy Schmall, CEO

CEO Schmall introduced Mr. Eric Menendez as a potential Board member and read his list of achievements to the Board members. She informed Mr. Menendez that this is a “patient representative” position and therefore Mr. Menendez must be seen at least once in a two-year period at one of our clinics. Mr. Menendez agreed to be a patient and to attend Board meetings on the first Thursday of the month at 4:45 p.m.

Motion 24-41: MSC (Greenhouse/Todd) 5/0/0 motion carried to appoint Mr. Eric Menendez to the CHC Board.

FINANCIAL REPORT – Debbie Anderson, CFO

OVERVIEW

The clinic financials for the month of August show a loss of \$(85,632) and year to date shows a loss of \$(238,726). (See Table 1 & 2)

We continue to have staff turnover, which means budgeted positions are not fully filled, which is why there are positive variances in salaries and wages. Also, 340B drug restrictions continue to take a toll on our 340B revenue. Finally, the 3rd year of the HIV grant ended August 31st, 2024.

CLINIC CHANGE IN NET POSITION

Table 1 Clinics August 2024

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	693,887	662,398	31,489	4.75%
Grant Revenue	145,239	155,958	(10,719)	-6.87%
340B Revenue	19,974	31,924	(11,950)	-37.43%
Capitation Fees	172,278	166,695	5,583	3.35%
Records & Interest	176	140	36	25.87%
Cost Report Adjustments	(141,667)	(141,667)	(0)	-0.00%
Quality	31,670	43,217	(11,547)	-26.72%
	921,556	918,664	2,891	0.31%
Salaries - Clinic	429,791	528,194	98,403	18.63%
Fringe - Clinic	107,450	120,795	13,345	11.05%
Phys Fees - Clinic	122,655	109,898	(12,757)	-11.61%
Purchases Services - Clinic	51,248	65,901	14,653	22.24%
IT, Network & Phones - Clinic	18,516	17,393	(1,123)	-6.46%
Supplies - Clinic	47,639	31,428	(16,211)	-51.58%
Supplies - 340B	19,718	21,180	1,462	6.90%
R&M - Clinic	2,609	4,698	2,089	44.47%
Leases/Rentals - Clinic	100	377	277	73.49%
Utilities - Clinic	10,009	8,521	(1,488)	-17.47%
Ins - Clinic	144	152	9	5.66%
Other - Clinic	22,980	7,329	(15,651)	-213.56%
Depreciation	16,439	14,590	(1,850)	-12.68%
	849,298	930,455	81,157	8.72%
Operating Income/(Loss) before Allocation	72,258	(11,791)	84,049	712.82%
Allocation of Overhead for Health Centers	(157,890)	(198,323)	40,433	20.39%
Change in Net Position	(85,632)	(210,114)	124,482	59.24%

Quality payments are not as high due to complexities of timing, bundled scores, improvement from the previous year, and other factors. The physician fees are over due to an unexpected necessary contract hire for dental, supplies for the clinic is over due to equipment being bought for the ARP capital grant. This was not budgeted since we were unsure if HRSA was going to approve the change from the modular building to equipment. The other variance has to do with recruitment fees paid for doctor recruitment.

Table 2 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	1,283,033	1,324,796	(41,763)	-3.15%
Grant Revenue	288,286	311,915	(23,629)	-7.58%
340B Revenue	53,307	63,848	(10,541)	-16.51%
Capitation Fees	342,196	333,390	8,807	2.64%
Records & Interest	282	280	2	0.69%
Cost Report Adjustments	(283,333)	(283,334)	0	0.00%
Quality	67,487	86,433	(18,947)	-21.92%
	1,751,258	1,837,328	(86,071)	-4.68%
Salaries - Clinic	878,413	1,080,397	201,984	18.70%
Fringe - Clinic	177,103	226,864	49,761	21.93%
Phys Fees - Clinic	242,165	219,797	(22,368)	-10.18%
Purchases Services - Clinic	116,321	130,706	14,385	11.01%
IT, Network & Phones - Clinic	34,794	34,785	(9)	-0.03%
Supplies - Clinic	76,142	62,856	(13,286)	-21.14%
Supplies - 340B	30,567	42,360	11,793	27.84%
R&M - Clinic	13,604	9,396	(4,208)	-44.78%
Leases/Rentals - Clinic	512	755	243	32.14%
Utilities - Clinic	21,151	16,709	(4,442)	-26.58%
Ins - Clinic	287	305	17	5.66%
Other - Clinic	63,035	14,657	(48,378)	-330.07%
Depreciation	32,808	29,179	(3,729)	-12.78%
	1,887,003	1,868,786	181,782	9.73%
Operating Income/(Loss) before Allocation	84,255	(31,437)	95,692	304.39%
Allocation of Overhead for Health Centers	(302,981)	(396,647)	93,666	23.61%
Change in Net Position	(218,726)	(428,063)	189,357	44.23%

CFO Anderson explained and expanded on the following points:

- Items costing \$5,000 or more are a capital expense.
- Items costing \$5,000 or below are an expense.
- Physicians fees are over because of an unexpected contract hire for dental.
- American Recovery Act equipment or the capital grant originally slated for the modular at Split Rock, was re-allocated to use for equipment instead.
- Because of drug manufacturers restrictions, 340B revenue is under budget. We brought the numbers down when we budgeted because we were expecting it to trend downward, but then again, we don't really know.
- Visits for August were less than anticipated by 440, however, we had a number of providers that took a week off. If you note in July we were 440 visits up.

CLINICAL OPERATIONS REPORT - Tina Huff, Chief Clinical Operations Officer

- Dr. Kim, MD started in 29 Palms this week.
- Dr. Rao, MD, our new Child Psychiatrist, has begun seeing patients.
- We attended a Job Fair at Copper Mountain College and hired two new Medical Assistants.
- Copper Mountain Nursing Students started their rotation in Pediatrics last week.
- We are currently recruiting for another Physician in Yucca Valley.

CEO REPORT - Cindy Schmall, CEO

Split Rock

- Permanent foundation was completed on September 23, 2024.
- Still waiting for a call back for the septic system to be installed, hopefully next week.
- Cameras have been installed on the outside of each of the Split Rock buildings.
- We are in the process of electrical, plumbing, and concrete.
- We have a little trouble with getting a plumber who wants to do a public works job. As a District, the District has to do every project as a public works project. This means, that contractors have to pay a prevailing wage and meet government requirements.

Yv Campus Remodel

- David Clarke, Architect, secured a company to come in on Sunday, September 29, 2024, to use a laser device to map out the interior of the YV campus buildings.

CEO Schmall informed the Board that cameras are now installed at both clinic locations because of past theft at our Split Rock location and vandalism at our Yucca Valley clinic. She continued with an update on the YV Clinic's space and the remodel. The last of her report was turned over to Tricia Gehrlein, CPE/CO.

Tricia Gehrlein, CPE/CO

Informed the Board members of the name change from LIFT to WELLNESS WHEELS, the name was voted on by the Transportation team. The name change was needed because MBHD Lift and LYFT were getting confused by individuals as being the same company. LYFT is the transportation that IEHP contracted, unfortunately, because of the confusion between the two companies, patients weren't getting picked up, canceled, or taken and not getting picked back up.

CALENDAR REVIEW – Cindy Schmall, CEO

CEO Schmall reminded all Board members that the calendar has now changed to Board meetings on the first Thursday of each month at 4:45 p.m. and the MBHD Board will follow at their regular time of 6:00 p.m. She also reminded everyone of the Health Fair on October 12, 2024, from 9 a.m. to 1 p.m. at Freedom Plaza in 29 Palms.

BOARD MEMBER COMMENTS

Pat Cooper thanks CFO Anderson for her report and welcomed back CEO Schmall.

Nicola Keller welcomed new Board member Eric Mendez.

Eric Menendez informed the Board members on Homeless Outreach meetings he attends with the 29 Palms City Council.

ADJOURNMENT

Meeting adjourned at 5:30 p.m.



Pat Cooper, Secretary of the Board

Minutes recorded by Beverly Krushat, CHC Board Clerk