



# MORONGO BASIN HEALTHCARE DISTRICT

## AGENDA

HI-DESERT MEMORIAL HEALTH CARE DISTRICT dba MORONGO BASIN HEALTHCARE DISTRICT  
**BOARD OF DIRECTORS REGULAR BUSINESS MEETING**

April 3, 2025 at **6:15** p.m.

*District Offices | 760.820.9229*

*6530 La Contenta Road, Suite 400, Yucca Valley, CA 92284*

### **INSTRUCTIONS FOR JOINING THIS MEETING REMOTELY**

This public meeting may be accessed through the Microsoft Teams platform. Join the meeting by visiting the District’s website at [MBHDistrict.org](http://MBHDistrict.org) and then selecting at the top of the page the purple tab “Board Meeting Agendas.” Click on the URL link presented under the agenda buttons and enter the meeting using the ID and Passcode listed below. Access to the meeting will require the download of the Microsoft Teams application on the device being used (presented as an option upon accessing the meeting site) if not already done so. Meeting ID: 222 209 726 500 Passcode: 5Cdq34

### **CALL TO ORDER**

### **ROLL CALL**

### **OBSERVATION OF CEREMONY**

The reading of District statements and the pledge of allegiance were observed in the meeting immediately preceding this regular business meeting of the Board of Directors. These observances are waived for this agenda.

### **PUBLIC COMMENTS**

The public comment portion of this agenda provides an opportunity for the public to address the Board of Directors on items not listed on the agenda that *are of interest to the public at large* and are within the subject matter jurisdiction of this Board. The Board of Directors is prohibited by law from taking action on matters that are not on the agenda. No adverse conclusions should be drawn if the Board does not respond to public comments at this time. In all such instances we will be unable to respond publicly because of California Brown Act and/or due to patient confidentiality obligations. In all cases, your concerns will be referred to the Chief Executive Officer for review and a timely response. Comments are to be limited to three minutes per speaker and shall not exceed an accumulated total of 20 minutes for all comments. Comments are to be directed to the Board of Directors and shall not consist of any personal attacks. Members of the public are expected to maintain a professional, courteous decorum during their comments. Public input may be offered on an agenda item when the item comes up for discussion and/or action. Members of the public who wish to speak should notify the meeting chairperson in person or through the application’s “Chat” option if attending by remote platform.

### **APPROVAL OF MEETING AGENDA**

- **Motion 25-29** to approve the meeting agenda as presented.

### **APPROVAL OF CONSENT AGENDA** ----- Tab 1

Minutes of the regular business meeting of the Board of Directors, March 6, 2025

Minutes of the emergency meeting of the Board of Directors, March 12, 2025

- **Motion 25-30** to approve the consent agenda as presented.

### **PRESENTATION**

**RBC INVESTMENT UPDATE** – *Robert McCarthy, RBC Wealth Management*

**ACTION ITEMS**

**RESOLUTION: BANK SIGNATURES** – *Cindy Schmall, CEO*----- Tab 2

- **Motion 25-31** to approve Resolution #25-01 to add employee Janeen Duff as authorized signature on District accounts.

**POLICY IM-238 AI USE** – *Cindy Schmall, CEO*----- Tab 3

Two policies are presented for review: IM-238 AI Use, and HR-213 Travel Reimbursement.

- **Motion 25-32** to approve policies IM-238 and HR-213 as presented.

**DISCUSSION – FEDERAL LEGISLATIVE CHANGES** – *Cindy Schmall, CEO*

As requested at the February regular business meeting, this discussion is for updates on new information resulting from federal legislative changes.

**REPORTS**

**HUMAN RESOURCE QUARTERLY REPORT** – *Cindy Schmall, CEO*

**FINANCIAL REPORT** – *Debbie Anderson, CFO*----- Tab 4

- **Motion 25-33** to accept monthly financial report(s)

**CPE & CO REPORT** – *Tricia Gehrlein, CPE & CO*----- Tab 5

Annual Quality Program Report

**CEO REPORT** – *Cindy Schmall, CEO* ----- Tab 6

**CALENDAR REVIEW** ----- Tab 7

- April 13: CHC Governing Board meeting
- April 17: Chamber Mixer hosted by the District
- May 3: Community Health & Resource Fair, YV

**DIRECTOR COMMENTS**

**ADJOURN MEETING TO CLOSED SESSION**

- Pursuant to Government Code 54956.9(b)(1) potential litigation (1 case).

**RECONVENE TO OPEN SESSION AND ADJOURN MEETING**

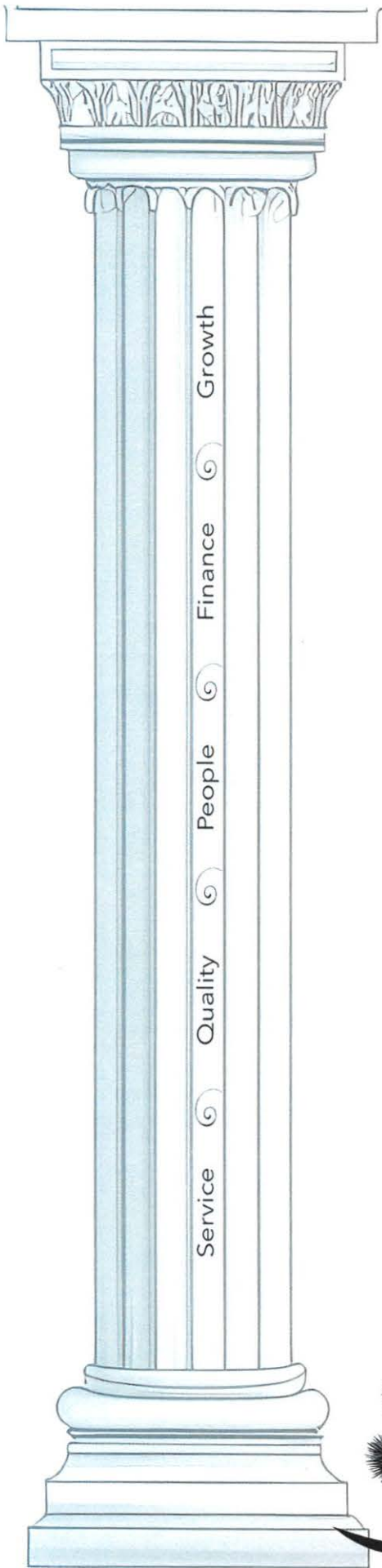
I CERTIFY THAT A COPY OF THIS AGENDA WAS POSTED PER SECTION 54954.2 OF THE CALIFORNIA GOVERNMENT CODE.

  
\_\_\_\_\_  
*Karen Graley, Board Clerk*

*Posted: March 31, 2024*

The Morongo Basin Healthcare District Board of Directors' meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed to participate in the public meeting, requests should be made through the Staff Aide at least three (3) business days prior to the meeting. The Board Clerk's telephone number is 760.820-9229 and the office is located at 6530 La Contenta Rd, #100, Yucca Valley, CA. California Relay Service is 711.

In conformity with Government Code Section 54957.5, any writing that is a public record, that relates to an item listed on this agenda, and that will be distributed to all or a majority of Morongo Basin Healthcare District Board of Directors less than twenty-four (24) hours prior to the meeting for which this agenda relates, will be available for public inspection at the time the writing is distributed. This inspection may be made during the meeting at the address/meeting room(s) listed above or an electronic copy may be requested in advance of the meeting via email message to [kgraley@MBHDistrict.org](mailto:kgraley@MBHDistrict.org).



**TAB #1**  
**CONSENT AGENDA**

MINUTES FOR  
LAST MONTH'S MEETINGS



**MORONGO BASIN**  
**HEALTHCARE DISTRICT**  
MorongoBasinHealth.org





Hi-Desert Memorial Health Care District dba  
**Morongo Basin Healthcare District**  
**BOARD OF DIRECTORS REGULAR MEETING MINUTES**  
March 6, 2025 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

Administrative Staff:

- CEO Cindy Schmall
- Debbie Anderson, CFO
- Tricia Gehrlein, Chief Patient Experience & Compliance Officer (*remote*)
- Karen Graley, Board Clerk (*remote*)
- Janeen Duff, Director Strategic Initiatives (*remote*)
- Beverly Krushat, Administrative Services Manager
- Geoffrey Baker, Facilities Manager

Guests

- Marc Greenhouse, CHC board member
- Erin Flanagan, community member
- Garrett Gfeller and Tyler Anderson, DZA Accountants (*remote*)
- Linda Evans, Chief Strategy Officer, Desert Care Network (*remote*)
- Eric Menendez, CHC board member
- Rue, community member (*remote*)

**CALL TO ORDER**

Director Stiemsma 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 Cooper read the mission and vision statements. Director Stiemsma led the assembly in the pledge of allegiance.

**PUBLIC COMMENT**

No public comment was presented.

APPROVAL OF THE MEETING AGENDA

- **Motion 25-22:** Director Greenhouse motioned to approve the meeting agenda; second by Director Evans, motion passed by unanimous vote.

APPROVAL OF THE CONSENT AGENDA

- **Motion 25-23:** Director Greenhouse motioned to approve the minutes of the regular meeting of the Board of Directors on February 6, 2025 as presented, second by Director Evans motion passed by unanimous vote.





## PRESENTATION: DESERT CARE NETWORK UPDATE

Ms. Linda Evans, Chief Strategy Officer, Desert Care Network, provided the quarterly update.

Surveys: Hi-Desert Medical Center (HDMC) received The Joint Commission Sepsis Certification in February.

### People:

- Currently recruiting for Chief Administrative Officer, Chief Nursing Officer and a permanent Labor & Delivery Director

### Local Event Participation:

- Measure AA Thank You & Appreciation Events hosted at all hospitals. Events included a special meal and gift to celebrate the successful passing of Measure AA, stabilizing our network for decades to follow.
- Stop the Bleed – Education sessions, valley & basin wide. Held in various senior centers, HOAs, Hi-Desert Rod & Gun Club.
- National Wear Red Day – February 7 – Bringing awareness about women and heart disease and health and well-being
- HDMC continues to hold blood drives with LifeStream as do the other Desert Care Network hospitals. The need for blood remains critical.

### Trauma Update:

- 2024 - Treated 352 patients. This was a 31 percent increase from 2023 at 268 patients.
- Majority of cases continue to be traffic collisions and geriatric falls

### Capital Project Update - Acute Hospital:

- Acute hospital emergency generator project in process. Anticipated completion July 2025.
- Approved for all new cardiac defibrillators.
- Approved for completion of patient cardiac monitoring system replacement for remaining areas of ED, ICU and Periop / Recovery.
- Approved purchase of all new beds at CCC.
- Bulk 02 replacement at CCC to be completed in May.

## **BUSINESS ITEMS REQUIRING BOARD ACTION**

### ACCEPT ANNUAL FINANCIAL AUDIT REPORT

Mr. Garrett Gfeller, CPA, DZA Accountants, presented the annual financial audit for fiscal year 2023-24. He stated that the information presented is fairly stated and that the report is reliable for making management and strategic decision for the organization.

**BALANCE SHEET:** The balance sheet is very strong showing a significant increase in cash and investments. He pointed out that cash-on-hand is close to 1,100 days, enough reserve to pay current operating expenses for three years, which is an incredibly strong metric.

- The audit shows patient accounts receivables at roughly 30 net days, another strong metric. This means billing, coding and collection is clean and paid at a rapid pace.
- Capital assets didn't shift much from last year's audit. Overall, assets look very, very healthy.
- Third party payer settlements, primarily Medi-Cal, are quite sizable as part of the state's reconciliation process. Approximately \$1.4 million was paid back to Medi-Cal for the 2024 period.
- The organization has very little debt on the books.



#### INCOME STATEMENT:

- Net patient revenue is decent overall, up to \$1.7 million year over year. Again, overall volumes were good based on payments, collection and revenues earned.
- Grant income was down compared to previous years. Historically consistent grant revenue was \$2 million in federal grant money for the health center.
- It's difficult to project Quality Assurance Fees (as stated in the lease agreement with Tenet Health). The organization received just over \$2 million in Quality Assurance Fees in the audit period.
- Operating expenses includes salaries and benefits which increased in aggregate about five percent in total. Everything else was consistent with last year. Overall, salaries and benefits have increased 62 percent, in line with most healthcare organizations.
- Operating income, overall, is again in the positive this year. Non-operating revenue includes property tax levy paid to the healthcare district, investment income, fuel from various donors and Hi-Desert Memorial Health Care District Foundation support. Very healthy.
- Change in net position increased \$5.6 million overall, a 50 percent year over year increase compared to 2023. Again, very healthy and strong metric. He stated, "I'm not used to seeing these types of numbers in the presentations I give. So, I think that shows that the district's management is doing a very good job in managing the assets and items of the district. Good oversight with regard to those amounts, so, well done on those accounts."

INVESTMENT PORTFOLIO: Transfer of cash during the audit period was \$5 million.

CAPITAL ASSETS: The organization had sizeable additions, including the 29 Palms health center construction project.

NET PATIENT REVENUE: Mr. Gfeller reviewed the revenue payer classes (Medicare, Medi-Cal, other commercial payers, self-pay patients, and 34B contract pharmacy). He noted the increase in Medi-Cal revenue because of the shift from managed care to the capitation-based model. 83 percent of total revenues is from the Medi-Cal program.

SINGLE AUDIT: Because the organization received federal funds and paid out over \$750,000, it is required to undergo a single audit of federal funds. The audit found no significant deficiencies or material weaknesses within the financial reporting process. This means the organization's processes are clean and adequate to ensure that the financial information presented to the Directors is accurate.

PROGRAM COMPLIANCE: The major program selected for this component of the audit was the health center's cluster of awards as a federally qualified health center. The process was tested, such as management of cash and draws from the payment management system, the sliding fee program, applications of the sliding fee discount program. We're pleased to report that there were no findings as part of the single audit, again, clean as a whistle.

#### FINANCIAL INDICATORS:

- ★ Total Margin: Very strong metric, almost 29 percent for a total margin. We usually recommend 3-6 percent as the goal.





- ★ Cash On Hand: currently cash on hand stands at three years of operating funds should revenue sources fail. Typical recommendation is 90 days minimum cash on hand with a goal of 180 days.
- ★ Current Ratio: This measures the liquidity of the organization, its value of current assets over current liabilities. Because of the Medi-Cal managed care settlements of \$2 million to be paid out, the liability was increased and halved the ratio from 24 to 11. A score of ten is considered very good so this is not a bad metric. We typically recommend 2-to-1 as the target goal.
- ★ Long Term Debt to Net Position: This measures debt against total equity of the organization. With the minimal debt, the organization can easily cover its debt obligations.
- ★ Days and Net Patient Accounts Receivable: This indicator measures how quickly patient accounts are collected. This is determined by correct coding, the generation of the invoice and the timely collection of the billed services. Our firm recommends within 40 to 50 days as a reasonable goal. Your billing department is doing an excellent job as collections are less than 40 days.
- ★ Contractual Adjustments percentage: Contracted adjustments in 2022 are reflected in 2023 financials. There is no target goal. It is something to be monitored. There was a significant increase because of the Medi-Cal shift in program management.
- ★ Bad Debt and Sliding Fee percentage: This represents what percentage of the revenue is provided to patients who are unable to pay or have restricted resources and apply to the sliding fee program. The number of applicants has decreased and is likely related to patients being forced into the Medi-Cal expansion (IEHP). Less people need to qualify for the program.

He closed the presentation with a review of the auditor's letter, a summary of findings.

- ★ No new notes, no new accounting policies or procedures, no new standards implemented this year.
- ★ All transactions were reviewed, no additional guidance required.
- ★ No significant difficulties were encountered during the audit. The District was responsive to all inquiries.
- ★ There were no material audit adjustments posted as part of the audit. This means that the financial information prepared for the board is accurate and clean, and can be relied upon when making decisions.

Director Cooper expressed her appreciation of the report. Director Evans expressed appreciation for a clean audit with no deficiencies and the cash on hand metric. Director Greenhouse said the annual audit is like a wellness report for the District.

**Motion 25-24:** Motion by Director Evans to accept the annual financial report for FY2023-24; second by Director Greenhouse, motion passed by unanimous vote.

#### REQUEST FOR CAPITAL EXPENSE FOR SPLIT ROCK PROJECT

Mr. Geoffrey Baker, Facilities Manager, referred the Directors to the itemized list of expenditures in the agenda packet. The request of \$320,490.54 covers costs for Internet/phone installation, data



drops, plumbing to septic system, fencing, mandated masonry around the trash enclosure, ironworks for trash enclosure, building skirting, HVAC, and security system.

Cindy Schmall, CEO, noted that the project is now two-years in process and initial quotes are outdated, and new requirements were imposed by the City (i.e. masonry wall surrounding the trash enclosure) that was not in the original calculations.

- **Motion 25-25:** Motion by Director Evans to approve the capital expense request for the Split Rock project for \$320,490.54; second by Director Greenhouse, motion passed by unanimous vote.

#### APPROVAL OF POLICIES

The following human resource and IT policies were presented for review. Ms. Schmall noted that the policies were reviewed by legal for compliant language. There were no questions.

- HR-217 Sick Leave (revised)
- HR-249 Absence and Tardiness (revised)
- HR-279 Holiday Recognition (no changes)
- HR-295 Telecommuting Requirements (revised)
- IM-225 Acceptable Use (revised)

- **Motion 25-26:** Motion by Director Greenhouse to approve HR policies 217, 249, 279, 295 and IT policy 225 as presented; second by Director Evans. The motion passed by unanimous vote.

#### DISCUSSION: BOARD OF DIRECTORS VACANT SEAT

CEO Cindy Schmall reviewed the history of recruiting community members to the vacant seat. She commended Director Greenhouse for presenting two candidates, but unfortunately, they did not qualify.

Director Evans asked if the District could revert to no voting-zones. Ms. Schmall noted that all local districts are struggling with vacant seats and compliance with the voting zone, stating that Copper Mountain College had a board vacancy for a year before they were able to appoint the seat. Discussion continued. Director Stiemsma requested a flyer to post on the college campus. Conclusion: we continue to recruit from zone #3.

#### DISCUSSION – FEDERAL LEGISLATIVE CHANGES

Cindy Schmall stated that there is no new information to present to the board that is related to the operation of the District. Director Evans asked about creating a policy on how to respond to ICE should they come to our health center. Ms. Schmall said staff consulted with legal on how to respond and were advised to inform staff to comply. Director Evans asked if patients expressed concern. Cindy Schmall stated that we have a very small immigrant population, and no one has voiced concern.

Director Evans expressed concern for the tone projected by the federal administration against transgender and LGBTQ populations. She suggested that staff reach out to other organizations to ascertain how they are preparing and responding.

Cindy Schmall reminded the Directors that, as board members of a healthcare district, they are agents of a public, government agency. We do not have the right to prohibit anyone from accessing our property. And we receive federal monies and are mandated to comply with federal orders, even if it countermands California law.

Per the audit information, over 80 percent of our receipts come from Medi-Cal. There is a proposed state budget cut of \$800 billion for Medi-Cal and other social programs. Nothing has





been approved yet, but there is a potential threat to our health center operations. At some point in the future, this board will face difficult questions and financial challenges about how we proceed with our organization, such as should we convert to a RHC (rural health center scenario) which has the same status as a federally qualified health center but is restricted from receiving federal funds. That would mean a financial hit of \$2 million. These are things we must begin considering as an organization if we hope to continue caring for our patients in every possible way. The staff leadership team is already discussing and projecting possible scenarios and solutions.

When we have budget preparation with managers, we will have recommendations for your consideration. Tricia Gehrlein, Chief Patient Experience and Compliance Officer spoke to the pros and cons of converting to RHC status.

## **STAFF REPORTS**

### GRANTS UPDATE

Janeen Duff, Director Strategic Initiatives, referred the Directors to the written report in the agenda packet. She reviewed the data and answered questions.

### FINANCIAL REPORT

Ms. Anderson reported that the consolidated financials for the month of January 2025 show income of \$183,805 and year to date income of \$2,627,101. Non-clinic financials for January show income of \$183,672 and a year-to-date income of \$2,770,718. The clinic financials for the month of January show income of \$133 and year to date loss of \$(143,617).

The audited financial statements have been completed, which means we now have final numbers for Year End June 30, 2024.

- \$1,594,654.14 previously reported for June 30, 2024
- ✓ 742,855.82 PPS Adjustments for Behavioral Health
- ✓ (89,380.98) Final Revenue & Contractuals adjustments made in September
- ✓ 3,357,159.03 QAF Monies received after June for FY 23-24
- ✓ 37,236.16 Additional grant income, ARP, HIV, American Heart received after June for FY 23-24
- ✓ 19,934.67 CAL AIM & Covered CA received after June for FY 23-24
- ✓ 13,722.21 Tax Payments made in July
- ✓ 343,144.80 Donated Vaccines entry
- ✓ (45,201.30) Late bills - Additional SUTA, bill for board districting, & PTO adjustments received after June
- ✓ (29,899.55) Late grant expenses backdated to June 2024
- ✓ (358,812.57) Donated Vaccines & 340B expenses entry
- ✓ 3,990,758.29
- ✓ \$ 5,585,412.43 Final Net Surplus

Patient Services revenue includes PPS adjustments. The pending allocation adjustments will be made once documentation is received.

Grant revenue shows a variance due to bookings for the ARP equipment grant and the continuation of the HIV grant.

Capitation fees are higher from absorbing patients from a local doctor's office that no longer services IEHP patients.



- The salaries and fringe variance is due to positions budgeted but not filled, so savings took place.
  - **Motion 25-27:** Director Greenhouse motioned to accept the financial report as presented, second by Director Evans; motion passed by unanimous vote.

CEO REPORT – *Cindy Schmall, CEO*

CEO Cindy Schmall reported:

- Tenet has vacated the suites at Airway as of last week. We will review the space and see how we can use it. Some thoughts include:
  1. Temporary space while clinics are renovated
  2. Future urgent care space
  3. Sell the space if we have no use for it.
- An update on the 2023 anti-vaping campaign was requested. We have been advised by Morongo Unified School District Assistant Superintendent of Secondary Instruction, Ms. Amy Woods, that they have had staff transitions and therefore are not providing education on anti-vaping at this time. We will follow up with them once the new Director of Equity and Access is in place.
- Clinic leadership and senior management have completed 95 percent review and revision of all policies and procedures. This is done at least every three (3) years. We are implementing a review schedule that will allow us to pace future reviews and revisions in a manner that does not overwhelm the board.
- The Facilities Department has vacated the 6650 building on the La Contenta campus and moved to the 6540 building, suite 300. This gives the current tenant the requested additional space and gives Facilities a much bigger space for its operations. Suite 300 was vacated by FIND Food several months ago.
- March 20 is our quarterly employee forum. This is a time when we provide staff education and comradery for staff.
- Human Resources has presented the Employee Satisfaction Survey. Press Ganey will compile the survey data and forward it to us. Admin will evaluate the findings and coordinate with managers to respond appropriately to employee concerns.
- On January 23, the Outreach Team participated in the Point-In-Time-Count event for quantifying the homeless population within the Basin. Our Outreach Team was assigned to two teams for contact with homeless people in the Joshua Tree area. They had minimal contact with homeless persons in the area but identified additional businesses that would benefit from outreach efforts. A decrease in the number of homeless contacts was noted when compared to last year.
- The new billing company Medusind will begin providing services April 1. We are refining contract details.
- Our next IEHP audit is scheduled for the week of March 20. Jill Goodwin, Clinic Manager is working on preparations.
- The Uniform Data Systems (UDS) reports were successfully filed to HRSA on February 11 by Tricia Gehrlein. UDS is due annually by February 15. The total number of individual patients seen in the clinics in 2024 was 8,800, which was up from the 8,472 in 2023.
- The projected completion date for the Split Rock project is now August 2025.





- As we are preparing the newly acquired Yucca Valley space at 58295 29 Palms Hwy, our plan is to move as many staff as possible into the new space so that support staff can be closer to the Yucca Valley health center for operational purposes. Having administrative services just down the street from the Yucca Valley campus is practical and makes it easier to communicate and be on site quickly. Staff will work with HRSA to add the new building as an additional administrative site.

### **CALENDAR REVIEW AND COORDINATION**

- March 8 and 9: Flying Doctors event
- April 6: regular business meeting followed by a Foundation board meeting at 7:15 p.m.
- April 17: Yucca Valley Chamber Mixer hosted by the District.

### **DIRECTOR COMMENTS**

DIRECTOR COOPER: “She thanked staff for the reports. It was nice to get compliments from the auditor.”

DIRECTOR GREENHOUSE: “Debbie Anderson deserves a round of applause for an excellent audit.” She thanked staff for their efforts on behalf of the District.

DIRECTOR EVANS: She thanked the guests that attended tonight’s meeting. “It was nice to see that the auditors were impressed with the District’s financial performance.”

### **ADJOURN MEETING TO CLOSED SESSION**

At 7:42 p.m. the open session was dismissed. The Directors convened to closed session, pursuant to Government Code 54956.9(b)(1) for potential litigation (1 case) at 7:50 p.m.

### **RECONVENE TO OPEN SESSION AND ADJOURN MEETING**

The Directors reconvened to open session and adjourned the meeting at 8:17 p.m. Director Stiemsma stated that the CEO should proceed as directed.

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Patricia Cooper, Secretary of the Board

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



Hi-Desert Memorial Health Care District dba  
**Morongo Basin Healthcare District**  
**BOARD OF DIRECTORS EMERGENCY MEETING MINUTES**  
March 12, 2025 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

Administrative Staff:

- CEO Cindy Schmall

**CALL TO ORDER**

Director Stiemsma 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**

CEO Cindy Schmall conducted roll call and declared a quorum.

**OBSERVANCES**

Director Cooper read the mission and vision statements. Director Stiemsma led the assembly in the pledge of allegiance.

**PUBLIC COMMENT**

No public comment was presented.

APPROVAL OF THE MEETING AGENDA

- **Motion 25-28:** Director Greenhouse motioned to approve the meeting agenda; second by Director Evans, motion passed by unanimous vote.

**ADJOURN MEETING TO CLOSED SESSION**

At 6:03 p.m. the open session convened to closed session, pursuant to Government Code 54956.9(b)(1) for potential litigation (1 case)

**RECONVENE TO OPEN SESSION AND ADJOURN MEETING**

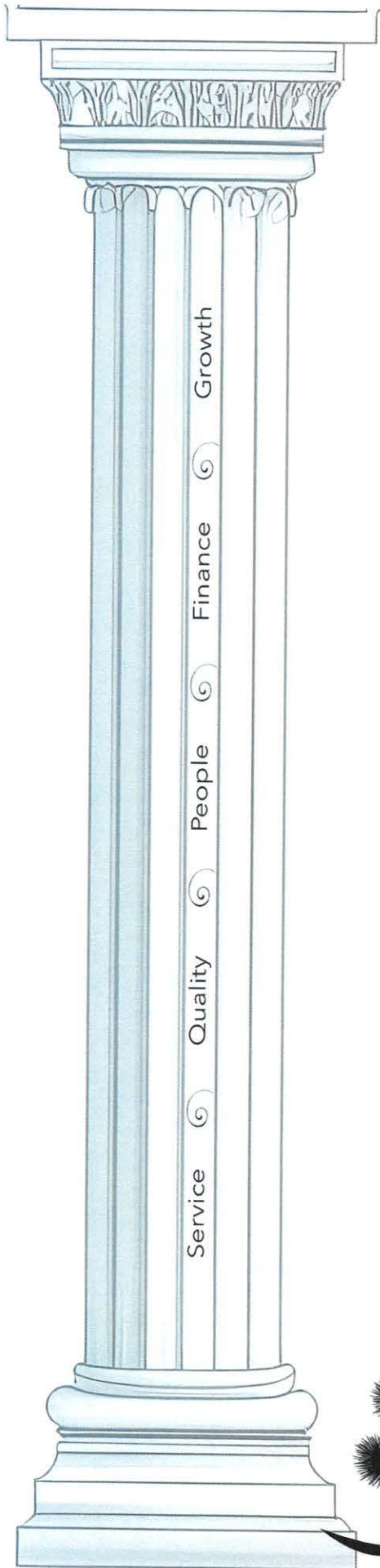
The Directors reconvened to open session at 6:39 p.m. and reported that the Board authorized the CEO to work with attorneys.

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Patricia Cooper, Secretary of the Board

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





**TAB #2**  
**ACTION ITEM**

**RESOLUTION #25-01**  
**AUTHORIZED BANK SIGNATURE**



**MORONGO BASIN**  
**HEALTHCARE DISTRICT**  
MorongoBasinHealth.org



**RESOLUTION NO. 25-01**  
**RESOLUTION OF THE BOARD OF DIRECTORS**  
**HI-DESERT MEMORIAL HEALTHCARE DISTRICT**  
Morongo Basin Healthcare District

**AUTHORIZED SIGNATURES FOR DISTRICT BANK AND  
INVESTMENT ACCOUNTS**

WHEREAS, Hi-Desert Memorial Health Care District, a public agency duly organized and existing under and by virtue of the laws of the State of California, does hereby resolve and establish bank accounts with Pacific Western Bank, and have designated certain individuals to sign those instruments as per Article III, Section 4.f of the District bylaws:

WHEREAS: Additional authorized signatures are needed from time-to-time by District staff;

BE IT RESOLVED: That employee JANEEN DUFF is hereby added as an authorized signature for District accounts:

BE IT FURTHER RESOLVED: That the following persons are of this District and are hereby authorized to draw checks on accounts of this healthcare District, signed as provided herein, with duly certified to said bank by the Secretary of this District; and said bank is hereby authorized to honor and pay all checks so signed.

**BOARD OF DIRECTORS:**

- Patricia Cooper
- Misty Evans-Sharma
- Dianne Markle-Greenhouse
- Heidi Stiemsma

**ADMINISTRATIVE STAFF:**

- Cynthia Schmall
- Janeen Duff

CERTIFICATION: This Resolution was passed and adopted at the regular meeting of the Board of Directors of the Hi-Desert Memorial Health Care District on the third day of April 2025 by the following roll call vote:

Director Cooper:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent
Director Evans:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent
Director Markle-Greenhouse:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent
Director Stiemsma	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Abstain	<input type="checkbox"/> Absent

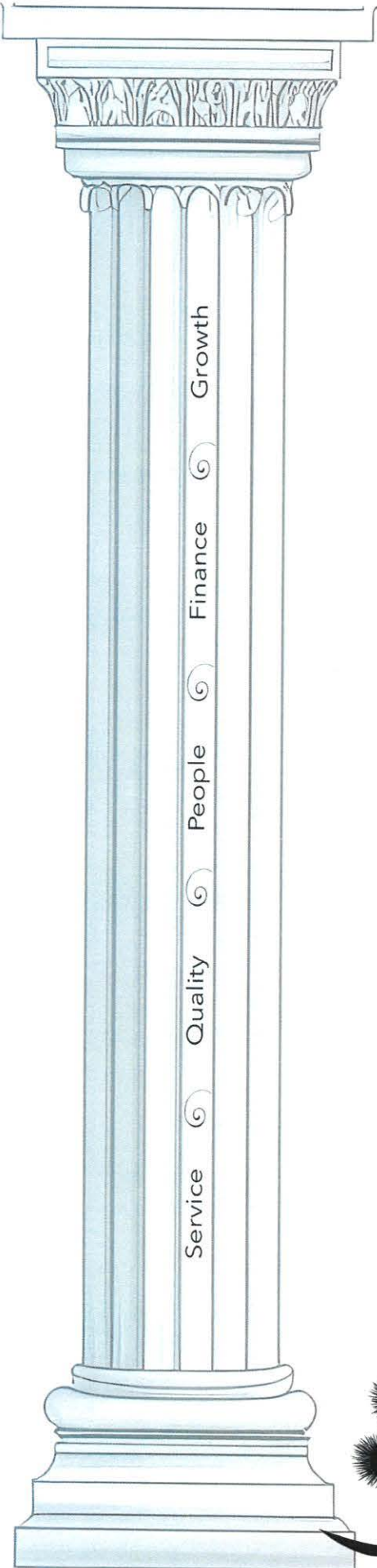
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Heidi Stiemsma, President

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Patricia Cooper, Secretary






**TAB #3**  
**ACTION ITEM**

**POLICIES**



**MORONGO BASIN**  
**HEALTHCARE DISTRICT**  
MorongoBasinHealth.org

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p><b>DEPARTMENT / MANUAL: ADMINISTRATION</b></p>
<p>ORIGINAL DATE: <b>SEPTEMBER 2024</b></p>	<p>REVIEW &amp; REVISION DATES: <u>4/25</u></p>
<p>TITLE:  <b>AI POLICY</b></p>	<p><b>APPROVED BY:</b></p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

**PURPOSE**

To establish guidelines for Morongo Basin Community Health Center (MBCHC) utilizing AI to comply with meeting legal requirements in protecting the privacy of patients and any other information which relates to their confidentiality.

**POLICY**

Morongo Basin Community Health Center (MBCHC) Behavioral Health intends to incorporate AI into its operations in a safe, ethical, and legally compliant manner. This AI policy outlines the principles and guidelines governing the development, and utilization of AI within MBCHC. It applies to all providers involved in AI transcription and recording activities.

**PROCEDURE**

**Permitted Use of AI by Users:**

Morongo Basin Healthcare District allows the use of AI within the workplace. IT must approve a particular AI and corresponding uses that the users may utilize. When used in accordance with this policy, the AI tool and its uses are considered safe and legally compliant for use within the department.

**How AI Tool Should Be Used:**

Whenever providers utilize AI, he/she must be aware that any output generated by AI transcription and recording may be inaccurate. AI generated output should never be taken to be true, or accurate and the provider should always check the accuracy of any presumed statements, facts, or representations before using these to inform or contribute to their work in any way.

Whenever the providers utilize AI, they must do so in accordance with all laws relevant to the specific use. These may include but are not limited to: Advertising marketing laws and regulations, laws dealing with defamation, libel, and slander, copyright laws, privacy, and data protection laws, and laws restricting the disclosure of confidential information. At any point if, while utilizing AI, the provider is uncertain as to how to do so in a risk-averse manner and in compliance with this policy and with the law, they should not hesitate to contact IT to discuss their questions or concerns.

**Providers' Obligations:**

The providers must use AI transcription and recording within our company in accordance with this policy. They must comply with all provisions and must seek assistance via the identified contacts if uncertain on any point or, if identified contacts are unavailable, via another appropriate party. The relevant use of AI transcription and recording should be paused until only such uncertainties are resolved.



Providers should actively participate in all training provided or organized by the agency that is relevant to AI and the use of the AI tools. If any aspects of the training are unclear to the provider, it is their responsibility to raise these concerns with their manager.

Prior to the use of AI technology for the medical record, providers will ensure that patient consent to utilize such technology is on file. If consent is not on file, the patient must consent (in writing) utilizing the approved consent form. If a patient declines the use of AI technology, it is not to be used.

Providers will further document in the patient progress note that AI technology was utilized to create the note. The documentation will use the approved verbiage as provided in the electronic health record.

### **Organization Obligations:**

The organization is committed to implementing and facilitating the productive, ethical, and compliant use of AI within Morongo Basin Community Health Center. As such, the organization is committed to upholding this policy and to supporting providers to ensure that they can adhere to its provisions. The organization will monitor and regularly evaluate AI used within the organization.

### **Data Protection and Privacy:**

No personal data (i.e., information about an individual from which they may be identified) belonging to patients should be input into AI unless express approval to do so in the manner and for the purpose in question has been obtained beforehand. The approval must be in writing (see consent form). If the patient refuses to sign the consent form, then the provider will not utilize AI transcription and recording. The patient can also withdraw their consent at any point in time.


The patient information is protected by law under HIPAA (Health Insurance Portability and Accountability Act) and secured using encryption technology. When inputting data, the provider should use the patient's account number to protect the client's anonymity. The recordings are automatically deleted after processing and the transcription and summaries are deleted when the chart is completed. The provider is responsible for reviewing the content for accuracy and completeness when entering the information into the Electronic Medical Record.

### **REFERENCES**

N/A

### **ATTACHMENTS**

AI Consent

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p><b>DEPARTMENT / MANUAL: ADMINISTRATIVE</b></p>
<p>ORIGINAL DATE: February 2000</p>	<p>REVIEW &amp; REVISION DATES: (supersedes 288) 9/00, 12/01, 12/04, 10/07, 7/11, 6/13, 4/17, 10/22, 4/25</p>
<p>TITLE: <b>Travel Reimbursement</b></p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

**PURPOSE**

To establish policy for Reimbursement of authorized business travel expenses incurred while on Morongo Basin Healthcare District (MBHD) business.

**POLICY**

MBHD will reimburse employees and members of the Board of Directors the cost of attending required business functions, training, and educational meetings provided that a properly completed Expense Report is submitted with appropriate receipts. It is the responsibility of the department director and the Chief Executive Officer (CEO) to ensure that sufficient funds are in the budget for all travel expenses.

**PROCEDURE**

1. Travel: The District requires that all employee education, training and business-related travel expenses be pre-approved.
2. Advance: A travel expense advance may be requested to pay for expected travel expense **in certain circumstances**. Unused portions of travel advances are to be returned to the District via a check accompanying the completed Expense Report.
3. Pre-paid Expenses: All pre-travel expenses should be pre-paid. Supporting documents (i.e., registration forms, conference forms, etc.) must be attached to a check request and submitted to accounts payable at least two weeks before the required mailing date.
4. Air Travel Restrictions: All commercial air travel is to be Coach Class or other special low-cost fares. Ticket upgrades to business class or first class will not be reimbursed and will be at the employee's expense. Arrangements can be made either through the Chief Executive Offices or by the employee using their personal funds or credit card. Employees are expected to identify the cheapest reasonable options for all travel.
5. Ground Transportation: When employees use their personal vehicles for company business, they will be reimbursed at the current IRS rate for miles traveled. This rate is subject to change.
  - A. Rental cars should not be used unless the cost of other available transportation, such as airport/hotel limousine, shuttle or taxi, will exceed \$35.00 per day. If a car rental is necessary, the expense of an economy class automobile will be reimbursed. Personal accident, liability insurance, collision damage waiver, and personal property insurance are the responsibility of the employee. The employee should verify rental vehicle insurance with his or her personal insurance agents.



- B. In the event of an accident, the employee's automobile insurance is the primary. The employee must notify the Human Resources of any accidents during company business.
  - C. A receipt for gas or refueling charges on a rental car must be attached to the expense report. Rental cars should be refueled before returning to the rental agency whenever possible.
  - D. Taxi's, buses, shuttles and all forms of ground transportation fares will be reimbursed upon submission of the expense report with supporting receipts attached.
  - E. Items such as turnpike and bridge tolls and parking fees are not included in the mileage reimbursement and must be listed separately on the expense summary. Receipts are not required.
6. Meal Allowance: Meals, snacks, etc., including tips, will be reimbursed up to a maximum of \$65.00 per day with the appropriate receipts. Employees are responsible for all amounts over \$65.00. No cost for alcoholic beverages will be reimbursed.

When business meals/entertainment expenses are incurred, the name of the individuals involved, plus their company and title will be needed. The meeting place must be conducive to the business at hand, and a detailed explanation of the purpose of the meeting with a summary of the discussions will be required.

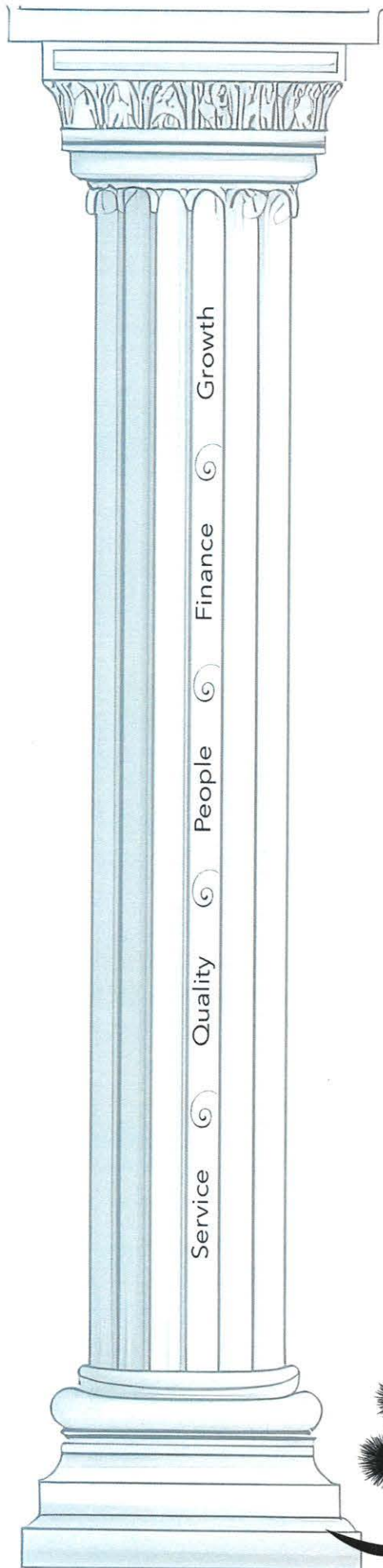
Itemized receipts for meals must be submitted. Receipts showing only the amount charged and not itemized will not be accepted for reimbursement.

7. Hotel Accommodations: Hotel room rates are to be reasonable and customary for the location, using a governmental or other available discount. Miscellaneous items charged to the room, such as movies, will be the traveler's responsibility. Beverages, supplies from the honor bar, and room service must be included in the daily meal maximum of \$65.00 per day.
- A. Expense Reports: Expense reports must have receipts attached and be accompanied by a check request and signed by the employee incurring the expense and approved by the Director. The Director's expense must be approved by the CEO.
  - B. Expense reports should be completed and submitted to Accounts Payable within ten (10) working days after the completion of travel.
  - C. Falsification of an expense report will result in disciplinary action, up to and including termination.
8. Non-Reimbursable Expenses:
- A. Personal items (haircuts, shoeshines, gifts, souvenirs, etc.) and expenses not specifically related to the purpose of the trip.
  - B. Alcoholic beverages
  - C. Tours, theater, shows, movies, sporting events
  - D. Parking or traffic tickets
  - E. Meal expenses when provided as part of a seminar event or presentation
9. Miscellaneous
- A. Consistent with Assembly Bill # 1234, all members of the Board of Directors who receive reimbursement for expenses must receive ethics training as required by law for elected officials.
  - B. All expenses identified above or otherwise submitted for reimbursement will be governed by a reasonableness standard at the sole discretion of the CFO.

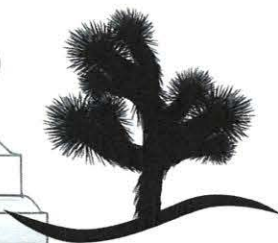
## 10. Remote/Hybrid Workers

- A. Remote workers that live within 150 miles of the main district location may only claim mileage and will not be allowed to extend travel after the initial orientation period for training purposes.
- B. Any travel by a remote employee must be pre-approved by the employee's manager if it is expected to be more than \$750.00 for a single event. Travel requests should be submitted at least 5 days in advance for approval. Remote employees are responsible for booking their own travel arrangements and should use good judgement in booking the most cost effective options.
- C. Duration of travel should be minimized to keep costs at a minimum and to ensure the employees work is not disrupted. Extended travel for personal reasons is discouraged during business trips.
- D. MBHD will determine what dates are necessary for the remote employee to be on site and if these dates are for the convenience of the district:
  1. MBHD will ensure that the remote work agreement required the remote employee to be on -site.
  2. When a remote employee is mandated to be on on-site, MBHD will reimburse travel expenses that are reasonable, necessary and directly related to business purposes as stated in this policy.
  3. If an employee is greater than 150 miles from the district location , a comparison of driving versus flying must be made to determine which is more economical to the District and expenses will only be reimbursed for the most economical alternative. (i.e., if flying is more economical and the remote employee drives, milage will only be reimbursed for what the amount a flight would have cost or vice versa.





## TAB #4 FINANCIAL REPORT



MORONGO BASIN  
HEALTHCARE DISTRICT  
[MorongoBasinHealth.org](http://MorongoBasinHealth.org)



# MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley California 92284 | 760.820.9229

March 27, 2025

To: MBHD Board of Directors

From: Deborah Anderson, CFO

Re: CFO's Report for February 2024

## OVERVIEW

The consolidated financials for the month of February show income of \$553,368 and year to date shows income of \$3,180,468. (See Table 1 & 2)

The non-clinic financials for the month of February show income of \$429,797 and year to date shows income of \$3,200,515. (See Table 3 & 4)

The clinic financials for the month of February show income of \$123,571 and year to date shows a loss of \$(20,047). (See Table 5 & 6)

Income for the clinics has been reviewed. Our clinics don't normally show a profit, and so we did some digging to understand why the clinics have been doing so much better. Three factors have played into the increase in the bottom line.

First, the PPS adjustments. Behavioral health is now being reimbursed for costs. Our PPS rate went from \$163.49 (interim rate) to \$289.10 per service. So our current services are getting reimbursed at a much higher rate than previously.

Secondly, the ARP Capital grant is having an impact on the change in net position. Normally, when we incur expenses, they go onto the Statement of Change in Net Position (P&L) and then we get the reimbursement income, and the two lines have a zero net effect. However, a lot of the equipment we are buying is capital (IE: over \$5,000). Therefore, we don't get to expense it, but instead have to capitalize it over a number of years, and we only take a portion (via depreciation) on the P&L. The equipment we have purchased via this grant that has been capitalized comes to approximately \$200,000. Depreciation on new items is about \$17,000 over budget, so there is a net effect on the P&L of about \$183,000.

Finally, we are improving our visits, which brings in more revenue. Year to date we have 25,342 visits. If we project this out, we are on track for 38,013 visits for the year. We haven't done that many visits for several years.

FY 18-19	40,867	FY 19-20	38,673
FY 20-21	37,288	FY 21-22	37,415
FY 22-23	36,425	FY 23-24	35,106
FY 24-25 (projected)		38,013	

In conclusion, all 3 of these factors are helping the P&L do much better than previous expectations.



## CONSOLIDATED CHANGE IN NET POSITION

Table 1 Consolidated February 2025

Consolidated	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Income	1,327,898	998,950	328,948	32.93%
Expense	(1,148,870)	(1,180,990)	32,120	2.72%
Operating Income/(Loss) before Allocation	<b>179,028</b>	<b>(182,040)</b>	<b>361,068</b>	<b>198.35%</b>
Non-Operating	374,340	48,015	326,325	679.63%
<b>Change in Net Position</b>	<b>553,368</b>	<b>(134,025)</b>	<b>687,393</b>	<b>512.88%</b>

Table 2 Consolidate Year to Date

Consolidated	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Income	9,729,680	8,611,842	1,117,838	12.98%
Expense	(9,372,299)	(10,063,740)	691,441	6.87%
Operating Income/(Loss) before Allocation	<b>357,381</b>	<b>(1,451,898)</b>	<b>1,809,279</b>	<b>124.61%</b>
Non-Operating	2,823,065	712,011	2,111,053	296.49%
<b>Change in Net Position</b>	<b>3,180,468</b>	<b>(739,887)</b>	<b>3,920,355</b>	<b>529.86%</b>

## NON-CLINICS CHANGE IN NET POSITION

Table 3 Non-Clinics February 2025

Non Clinic	Actual Mth	Budget Mth	Over/(Under)	% of Budget
GRANT REVENUE	-	-	-	0.00%
TENET LEASE -Amort of \$2M lease	200,482	203,054	(2,572)	-1.27%
INTEREST INCOME (TENET LEASE)	959	21	938	4503.70%
OTHER OPERATING REVENUE	-	125	(125)	-100.00%
	<b>201,441</b>	<b>203,200</b>	<b>(1,759)</b>	<b>-0.87%</b>
Salaries	124,274	148,483	24,209	16.30%
Fringe	32,021	31,873	(148)	-0.47%
Purchased Services	12,605	7,501	(5,104)	-68.05%
IT, Network & Phones	23,674	19,216	(4,458)	-23.20%
Supplies	6,552	4,274	(2,278)	-53.30%
R&M	3,184	4,281	1,096	25.61%
Leases/Rentals	-	26	26	100.00%
Utilities	3,017	5,325	2,307	43.33%
Insurance	30,758	36,800	6,043	16.42%
Other	13,858	18,863	5,005	26.53%
Depreciation	60,717	60,172	(546)	-0.91%
	<b>310,661</b>	<b>336,813</b>	<b>26,152</b>	<b>7.76%</b>
Operating Income/(Loss) before Allocation	(109,220)	(133,613)	24,393	18.26%
Allocation of Overhead for Health Centers	164,677	171,279	(6,602)	-3.85%
Operating Income/(Loss) after Allocation	55,457	37,666	17,791	47.23%
Non-Operating Tax Revenue	34,994	27,324	7,670	28.07%
Non-Operating Investment Income	332,623	13,968	318,655	2281.31%
Non-Operating Rental Income	6,723	6,723	-	0.00%
	<b>374,340</b>	<b>48,015</b>	<b>326,325</b>	<b>679.63%</b>
<b>Change in Net Position</b>	<b>429,797</b>	<b>85,681</b>	<b>344,116</b>	<b>401.62%</b>

- Investment income variance is due to market factors including interest/dividend rates and realized/unrealized losses on investments.

**Table 4 Non-Clinics Year to Date**

<b>Non Clinic</b>	<b>Actual YTD</b>	<b>Budget YTD</b>	<b>Over/(Under)</b>	<b>% of Budget</b>
GRANT REVENUE	61,394	58,750	2,644	4.50%
TENET LEASE -Amort of \$2M lease	1,623,592	1,624,434	(842)	-0.05%
INTEREST INCOME (TENET LEASE)	8,981	167	8,815	5288.38%
OTHER OPERATING REVENUE	960	1,000	(40)	-3.95%
	<b>1,694,927</b>	<b>1,684,351</b>	<b>10,577</b>	<b>0.63%</b>
Salaries	1,085,480	1,299,228	213,748	16.45%
Fringe	230,936	278,243	47,307	17.00%
Purchased Services	85,223	61,015	(24,208)	-39.68%
IT, Network & Phones	128,211	153,732	25,521	16.60%
Supplies	26,834	37,787	10,953	28.99%
R&M	45,122	34,763	(10,359)	-29.80%
Leases/Rentals	366	207	(159)	-76.88%
Utilities	38,811	40,909	2,098	5.13%
Insurance	222,876	272,574	49,699	18.23%
Other	139,639	160,538	20,899	13.02%
Depreciation	489,545	481,374	(8,171)	-1.70%
	<b>2,493,043</b>	<b>2,820,370</b>	<b>327,327</b>	<b>11.61%</b>
Operating Income/(Loss) before Allocation	(798,116)	(1,136,019)	337,903	29.74%
Allocation of Overhead for Health Centers	1,201,544	1,514,469	(312,925)	-20.66%
Operating Income/(Loss) after Allocation	403,428	378,450	24,978	6.60%
Non-Operating Tax Revenue	703,597	583,393	120,204	20.60%
Non-Operating Investment Income	2,039,158	74,832	1,964,326	2625%
Non-Operating Rental Income	54,310	53,787	523	0.97%
Discontinued Operations	23	-	23	100.00%
	<b>2,797,087</b>	<b>712,011</b>	<b>2,085,076</b>	<b>292.84%</b>
<b>Change in Net Position</b>	<b>3,200,515</b>	<b>1,090,461</b>	<b>2,110,054</b>	<b>193.50%</b>

- Salaries variance is due to positions budgeted not filled along with staff turnover, so savings took place. Purchased services variance due to an increase in legal fees. Savings are occurring in IT due to software costs going down due to changes in the structuring of Microsoft licenses and applications for staff. Insurance variance due to workers compensation & property insurances not increasing as much as they have in past years (30% increases in PY versus 15% in current year)
- Allocation of overhead variance is due to less overhead being moved to the clinics.
- Tax variance due to higher property values. The investment income variance is due to market factors including interest/dividend rates and realized/unrealized losses on investments.

**CLINIC CHANGE IN NET POSITION**

**Table 5 Clinics February 2025**

<b>Clinics</b>	<b>Actual Mth</b>	<b>Budget Mth</b>	<b>Over/(Under)</b>	<b>% of Budget</b>
Patient services (net)	752,417	572,071	180,346	31.53%
Grant Revenue	250,675	127,742	122,933	96.24%
340B Revenue	37,108	27,571	9,538	34.59%
Capitation Fees	187,036	166,695	20,341	12.20%



Table 5 (continued)

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Records & Interest	274	121	153	125.90%
Cost Report Adjustments	(136,978)	(141,667)	4,689	3.31%
Quality	35,924	43,217	(7,293)	-16.88%
	<b>1,126,457</b>	<b>795,750</b>	<b>330,707</b>	<b>41.56%</b>
Salaries - Clinic	457,066	480,177	23,110	4.81%
Fringe - Clinic	121,691	109,012	(12,679)	-11.63%
Phys Fees - Clinic	81,205	94,912	13,707	14.44%
Purchases Services - Clinic	66,539	63,620	(2,919)	-4.59%
IT, Network & Phones - Clinic	21,634	17,393	(4,241)	-24.38%
Supplies - Clinic	23,888	27,142	3,254	11.99%
Supplies - 340B	34,160	19,225	(14,935)	-77.69%
R&M - Clinic	1,989	4,433	2,444	55.14%
Leases/Rentals - Clinic	1,625	377	(1,248)	-330.75%
Utilities - Clinic	5,115	6,354	1,239	19.50%
Ins - Clinic	486	152	(334)	-219.14%
Other - Clinic	5,843	6,791	948	13.95%
Depreciation	16,969	14,590	(2,379)	-16.31%
	<b>838,209</b>	<b>844,177</b>	<b>5,968</b>	<b>0.71%</b>
Operating Income/(Loss) before Allocation	288,247	(48,427)	336,675	695.22%
Allocation of Overhead for Health Centers	(164,677)	(171,279)	6,602	3.85%
<b>Change in Net Position</b>	<b>123,571</b>	<b>(219,706)</b>	<b>343,277</b>	<b>156.24%</b>

- Patient services variance due higher visits performed than budgeted & an increase in PPS rate.
- Grant revenue variance due to bookings for the ARP equipment grant and the continuation of the HIV grant.
- Capitation fees variance is due to higher capitation due to absorbing patients from a local doctor's office that no longer services IEHP patients.
- Fringe variance is due to less PTO used than anticipated.
- Physician variance is due to an independent contractor coming onto payroll.
- Supplies 340B variance is due to less drug replenishment done at 340B pricing due to drug restrictions

Table 6 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	5,672,112	5,058,313	613,799	12.13%
Grant Revenue	1,480,301	1,078,369	401,932	37.27%
340B Revenue	255,059	243,782	11,277	4.63%
Capitation Fees	1,436,927	1,333,559	103,368	7.75%
Records & Interest	1,421	1,069	352	32.88%
Cost Report Adjustments	(1,063,145)	(1,133,333)	70,189	6.19%
Quality	252,078	345,733	(93,656)	-27.09%
	<b>8,034,753</b>	<b>6,927,492</b>	<b>1,107,261</b>	<b>15.98%</b>
Salaries - Clinic	3,633,061	4,201,546	568,485	13.53%
Fringe - Clinic	792,483	873,563	81,080	9.28%
Phys Fees - Clinic	879,935	839,223	(40,712)	-4.85%

Table 6 (continued)

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Purchases Services - Clinic	497,802	518,050	20,247	3.91%
IT, Network & Phones - Clinic	198,704	139,141	(59,563)	-42.81%
Supplies - Clinic	333,250	239,994	(93,256)	-38.86%
Supplies - 340B	187,869	164,225	(23,645)	-14.40%
R&M - Clinic	45,716	36,877	(8,839)	-23.97%
Leases/Rentals - Clinic	8,935	3,018	(5,917)	-196.04%
Utilities - Clinic	53,504	52,603	(901)	-1.71%
Ins - Clinic	2,518	1,218	(1,300)	-106.74%
Other - Clinic	111,993	57,195	(54,798)	-95.81%
Depreciation	133,485	116,717	(16,768)	-14.37%
	<b>6,879,256</b>	<b>7,243,371</b>	<b>364,114</b>	<b>5.03%</b>
Operating Income/(Loss) before Allocation	1,155,497	(315,879)	1,471,376	465.80%
Allocation of Overhead for Health Centers	(1,201,544)	(1,514,469)	312,925	20.66%
Operating Income/(Loss) after Allocation	(46,047)	(1,830,348)	1,784,301	97.48%
Non-Operating	26,000	-	26,000	-100.00%
	26,000	-	26,000	-100.00%
<b>Change in Net Position</b>	<b>(20,047)</b>	<b>(1,830,348)</b>	<b>1,810,301</b>	<b>98.90%</b>

- Quality payments are not as high due to complexities of timing, bundled scores, improvement from the previous year, and other factors.
- Due to the ARP grant, IT equipment & supplies are bought that were not accounted for in the budget.
- The other variance is due to recruitment fees paid for the new Split Rock doctor.
- Depreciation variance is due to depreciation on new items that were not accounted for in the budget.
- Since there were less expenses than budgeted in district (non-clinics P&L) for the month, the allocation of overhead expenses is not as much as budgeted.
- The non-operating variance is due to a one time donation by the foundation.



## Statement of Net Position

<b>Morongo Basin Healthcare District</b>	<b>Statements of Net Position</b>
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Assets and Deferred Outflow of Resources	June 30, 2024 (Audited)	Feb 28, 2025 (Unaudited)	Difference
<b>Current Assets</b>			
Cash and cash equivalents	2,848,886	3,356,448	507,562
Investments	35,667,736	35,706,894	39,158
Receivables			-
Patients	726,951	272,998	(453,953)
Estimated third-party payer settlements	-	-	-
Accrued Interest	582,899	187,722	(395,178)
Lease	834,202	873,671	39,469
Rentals	81,901	28,745	(53,156)
Grants	273,957	289,102	15,146
Other	248,691	2,257,702	2,009,011
Receivables Sub-Total	2,748,601	3,909,939	1,161,339
Prepaid expenses	180,606	111,884	(68,722)
Total current assets	41,445,828	43,085,165	1,639,337
<b>Noncurrent Assets</b>			
Lease receivable	26,019,890	25,146,219	(873,671)
Capital assets, net	8,195,555	9,738,733	1,543,178
Total Noncurrent Assets	34,215,445	34,884,952	669,507
<b>Deferred Outflow of Resources</b>			
Prepaid water capacity fee	223,831	149,221	(74,610)
<b>Total Assets and Deferred Outflow of Resources</b>	<b>75,885,105</b>	<b>78,119,338</b>	<b>2,234,234</b>
<b>Liabilities, Deferred Inflow of Resources, and Net Position</b>			
<b>Current Liabilities</b>			
Accounts payable	547,811	121,465	(426,346)
Accrued payroll and related liabilities	314,215	177,028	(137,187)
Accrued paid time off	236,880	181,813	(55,067)
Estimated 3rd party payor settlements	2,774,073	3,466,783	692,710
Current portion of long term debt	167,667	121,881	(45,786)
Deferred Revenue	-	-	-
Total Current Liabilities	4,040,647	4,068,971	28,324
<b>Noncurrent Liabilities</b>			
Long-term debt, net of current portion	270,910	203,108	(67,801)
<b>Total Liabilities</b>	<b>4,311,556</b>	<b>4,272,079</b>	<b>(39,477)</b>
<b>Deferred inflow of resources</b>			
Deferred lease revenue for hospital and equipment	27,015,408	26,108,651	(906,758)
<b>Total Deferred Inflow of Resources</b>	<b>27,015,408</b>	<b>26,108,651</b>	<b>(906,758)</b>
<b>Net position</b>			
Net investment in capital assets	26,019,890	25,146,219	(873,671)
Restricted by donors for specific operating purposes	-	-	-
Unrestricted	18,538,250	22,592,389	4,054,139
Total net position	44,558,140	47,738,609	3,180,468
<b>Total Liabilities, Deferred Inflow of Resources, and Net Position</b>	<b>75,885,105</b>	<b>78,119,338</b>	<b>2,234,234</b>

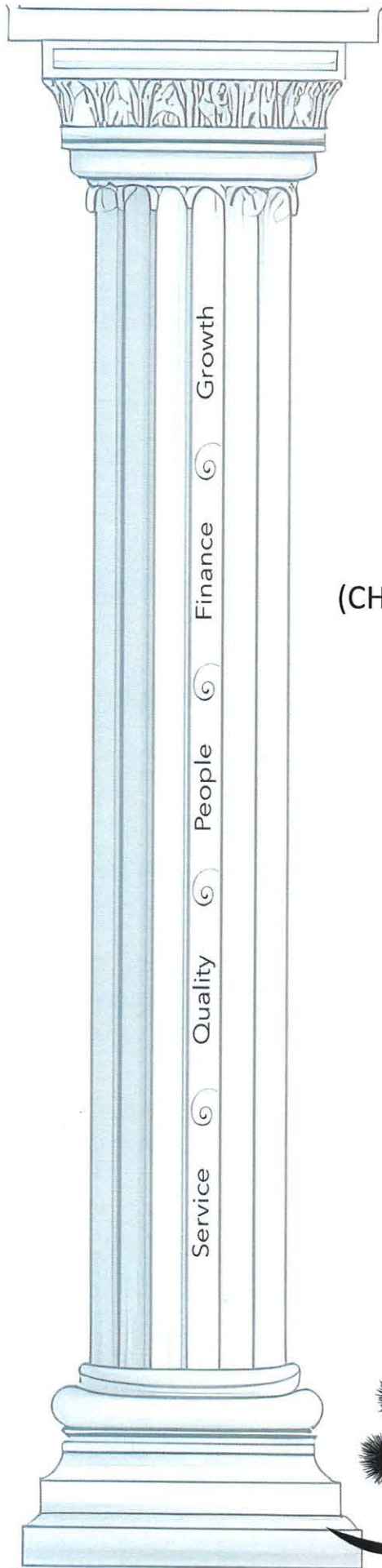
**MORONGO BASIN HEALTHCARE DISTRICT**  
**Schedule of Investments**  
**Feb 28, 2025**

Description	Institution	1/1/2025	2/28/2025	Variance
Public Interest Acct	PWB	3,367,134.11	3,375,397.91	8,263.80
Less O/S checks	PWB	(123,870.28)	(24,150.12)	99,720.16
		<u>3,243,263.83</u>	<u>3,351,247.79</u>	<u>107,983.96</u>
M & O Acct	PWB	1,000.00	1,000.00	-
Revenue Acct	PWB	1,000.00	1,000.00	-
Payroll Acct	PWB	1,000.00	1,000.00	-
FSA Acc't	PWB	1,000.00	1,000.00	-
Sub-Total		<u>3,247,263.83</u>	<u>3,355,247.79</u>	<u>107,983.96</u>
Investment Access**	RBC	33,311,699.23	33,687,558.69	375,859.46
Money Market	RBC	1,711,692.68	1,717,299.94	5,607.26
Total Value of Accts		<u>35,023,391.91</u>	<u>35,404,858.63</u>	<u>381,466.72</u>
Est Accured Bond Int.		350,879.38	302,035.64	(48,843.74)
Total Portfolio Value		<u>35,374,271.29</u>	<u>35,706,894.27</u>	<u>332,622.98</u>
Total Cash		38,270,655.74	38,760,106.42	489,450.68
Total Market Value		38,621,535.12	39,062,142.06	440,606.94



Chart A – Visits History Chart

Month	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Jul	3,055	3,283	3,091	2,877	2,670	2,758	3,030
Aug	3,886	3,587	3,016	3,425	3,315	3,195	2,975
Sep	3,140	3,501	3,069	3,134	3,256	2,593	3,041
Oct	3,562	3,892	3,267	3,282	3,071	3,027	3,697
Nov	3,249	3,353	2,632	3,116	2,936	2,928	2,952
Dec	2,898	3,304	2,984	2,705	2,881	2,556	3,027
Jan	3,698	4,011	2,926	2,925	3,001	3,226	3,317
Feb	3,198	3,763	3,192	3,068	2,882	2,980	3,303
Mar	3,515	2,927	3,521	3,332	3,331	3,032	
Apr	3,660	2,066	3,461	3,094	2,896	3,016	
May	3,662	2,200	3,043	3,239	3,247	3,143	
Jun	3,344	2,786	3,086	3,218	2,939	2,652	
Total	40,867	38,673	37,288	37,415	36,425	35,106	25,342
Total July - Feb	26,686	28,694	24,177	24,532	24,012	23,263	25,342



## **TAB #5 CPC & EO REPORT**

(CHIEF PATIENT EXPERIENCE AND COMPLIANCE OFFICER)



**MORONGO BASIN  
HEALTHCARE DISTRICT**  
MorongoBasinHealth.org





# MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road #100 | Yucca Valley CA 92284 | 760-820-9229 | MorongoBasinHealth.org

TO: CINDY SCHMALL, CEO  
FROM: TRICIA GEHRLEIN, CPE&CO  
DATE: April 03, 2025  
SUBJECT: BOARD OF DIRECTORS QUALITY REPORT for CALENDAR YEAR 2024

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## **2024 UDS Measures Q4 & YTD**

UDS (Uniform Data Submission) Quality Measures are set by HRSA (Health Resources and Services Administration) based on best practice. Each measure targets a specific subset of our patient population, and outcomes in these measures are one indicator of the quality of care received.

It is important to note that HRSA only gives credit when there has been accurate documentation in the medical record of a completed measure. For example, a provider may order a mammogram for a patient but if the patient chooses not to complete the mammogram, or if the patient had a mammogram but we did not receive the report (or accurately document the receipt of the report), the patient is marked “non-compliant” and MBCHC receives a lower quality score for that measure.

UDS Measures for 2024 are summarized as follows:

- 8 of the 16 measures were *equal to or an improvement* over last year: Breast Cancer Screening, Cervical Cancer Screening, Controlling High Blood Pressure, HIV Screening, HIV Linkage to Care, Preventive Care and BMI Screening and Follow Up Plan (Adult), Dental Sealants for Children, and Preventive Care and Screening and Follow Up Plan (Pediatrics).
- 8 of the measures had a *decrease* in performance compared to last year: Childhood Immunizations, Colorectal Cancer Screening, Depression Remission at Twelve Months, Diabetes: Hemoglobin A1c Poor Control (>9 percent), Ischemic Vascular Disease/use of Aspirin or Another Antiplatelet, Tobacco Screening and Intervention, Statin Therapy, and Weight Assessment and Counseling for Nutrition/Physical Activity for Children and Adolescents (BMI)
- 3 of the measures met or exceeded 2024 goals: HIV Screening, HIV Linkage to Care, and Dental Sealants for Children.

The following action is being taken to rectify the decrease in outcomes measures:

1. Increased monitoring
  - a. Identify trends and address rapidly
  - b. Work closely with Providers to address trends and identify process improvements to increase compliance
  - c. Accuracy of documentation
2. Targeted 2025 PDSAs (Plan, Do, Study Act)

### **UDS Reporting to HRSA**

For 2024, MBCHC serviced 8,800 unique individuals. This is an increase from 2023, when MBCHC serviced 8472 unique individuals.

2024 is the final year that HRSA will accept manual reporting. 2025 data will be electronically extracted from our electronic health record directly to HRSA.

### **2024 Patient Satisfaction**

MBCHC contracts with Press-Ganey to conduct patient satisfaction surveys. Press-Ganey is a known leader in patient satisfaction surveys and works with MBCHC to interpret the responses into actionable data. For example, based on data, they have identified that the number one way to improve our key question (Likelihood you recommend MBCHC to others) is in service recovery. If a patient has scored MBCHC low on their ability to contact us for an appointment, a positive experience upon arrival and throughout the appointment can negate the low score.

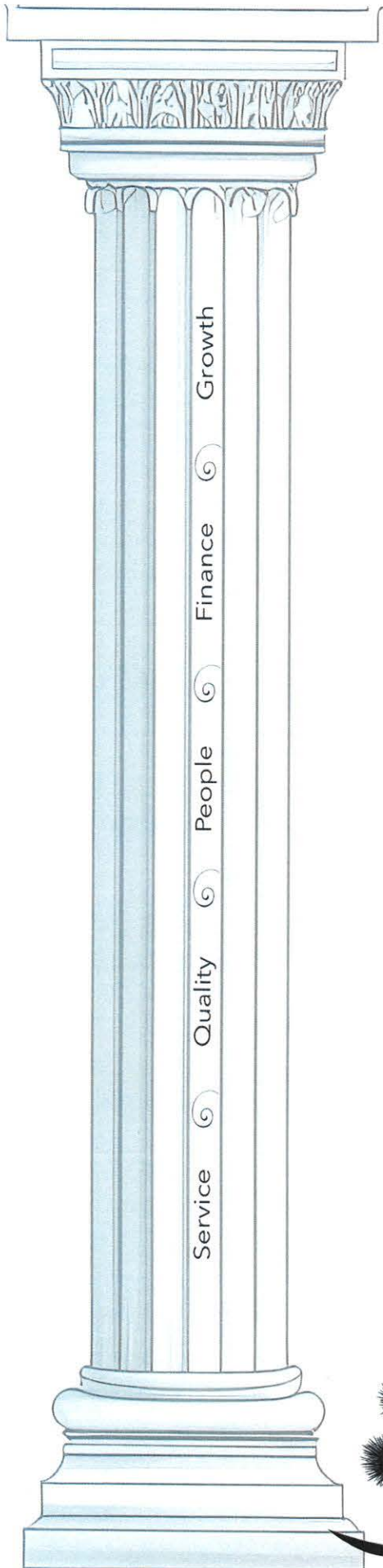
Comparing 2024 to 2023, MBCHC improved overall patient satisfaction in the Adult and Pediatric Clinics, slightly decreased in the Behavioral Health clinic (less than 1%), and decreased in the Dental clinics. The decrease in the Dental clinics was primarily due to provider turnover and the availability of only one provider for over half of the year. Our dentist, Dr. El-Sayed, began working full-time in September, and a second full-time dentist is scheduled to start within the next sixty days. With the addition of a second dentist, it is anticipated that the satisfaction scores will increase.



2024 UDS Clinical Quality Measures (Tables 6B and 7)							
UDS Quality Measure (Tables 6B and 7)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD (2024)	2023 National Average	2024 Target Goals
<b>Childhood Immunizations</b> <i>Percentage of children 2 years of age who received age appropriate vaccines by their 2nd birthday</i>	22.09%	24.48%	23.36%	19.85%	20.15%	30.23%	35.00%
<b>Cervical Cancer Screening</b> <i>Percentage of women 21-64 years of age who were screened for cervical cancer</i>	43.39%	45.71%	46.71%	49.50%	45.85%	54.96%	55.00%
<b>Breast Cancer Screening</b> <i>Percentage of women 50-74 years of age who had a mammogram to screen for breast cancer</i>	47.00%	50.00%	50.00%	53.00%	50.00%	52.40%	55.00%
<b>Childhood BMI</b> <i>Percentage of patients 3-17 years of age with a BMI percentile and counseling on nutrition and physical activity documented</i>	36.81%	40.27%	49.74%	41.79%	71.94%	71.50%	75.00%
<b>Adult BMI</b> <i>Percentage of patients 18 years of age and older with a BMI documented and had a follow-up plan documented if BMI is outside normal parameters</i>	65.46%	69.47%	69.82%	63.69%	76.75%	67.13%	70.00%
<b>Tobacco Screening</b> <i>Percentage of patients aged 12 years and older who were screened for tobacco use one or more times during the measurement period and who received tobacco cessation intervention during the measurement period or in the 6 months prior to the measurement period if identified as a tobacco user</i>	79.55%	78.45%	81.92%	81.77%	86.38%	84.90%	87.00%
<b>Statin Therapy</b> <i>Percentage of patients 20 years of age and older at high risk of cardiovascular events who were prescribed or were on statin therapy</i>	75.43%	73.37%	74.17%	80.74%	74.66%	77.31%	80.00%
<b>IVD: Use of ASA/Antiplatelet</b> <i>Percentage of patients 18 years of age and older with a diagnosis of IVD or AMI, CABG, or PCI procedure with aspirin or another antiplatelet</i>	35.71%	29.73%	35.90%	41.18%	32.31%	75.78%	80.00%
<b>Colorectal Cancer Screen</b> <i>Percentage of patients 45 through 75 years of age who had appropriate screening for colorectal cancer</i>	39.32%	35.41%	32.73%	35.79%	43.00%	41.10%	45.00%
<b>HIV Linkage to Care</b> <i>Percentage of patients whose first-ever HIV diagnosis was made by health center staff between December 1 of the prior year and November 30 of the measurement year and who were seen for follow-up treatment within 30 days of that first-ever diagnosis</i>	100.00%	100.00%	100.00%	100.00%	100.00%	79.65%	100.00%
<b>HIV Screening</b> <i>Percentage of patients 15 through 65 years of age who were tested for HIV when within age range</i>	77.57%	76.78%	77.16%	79.89%	76.31%	48.45%	52.00%

UDS Quality Measure (Tables 6B and 7)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD (2024)	2023 National Average	2024 Target Goals
<b>Depression Screening</b> Percentage of patients aged 12 years and older screened for depression on the date of the visit or up to 14 days prior to the date of the visit using an age-appropriate standardized depression screening tool and, if positive, a follow-up plan is documented on the date of or up to two days after the date of the qualifying visit	40.25%	41.28%	34.80%	38.37%	66.58%	71.60%	75.00%
<b>Depression Remission</b> Percentage of patients 12 years of age and older with major depression or dysthymia who reached remission 12 months (+/- 60 days) after an index event	9.46%	11.86%	9.38%	10.34%	6.73%	13.60%	18.00%
<b>Dental Sealants</b> Percentage of children 6 through 9 years of age at moderate to high risk of caries who received a sealant on a first permanent molar	65.38%	61.54%	76.00%	76.92%	92.77%	58.80%	85.00%
<b>Controlling High Blood Pressure</b> Percentage of patients 18-85 years of age with hypertension controlled (<139/89)	56.57%	64.74%	68.10%	69.73%	66.92%	65.68%	70.00%
<b>Hemoglobin A1c Poor Control</b> Percentage of patients 18 through 75 years of age with HbA1c > 9% or no test during year (lower is better)	48.85%	47.45%	51.50%	47.53%	26.91%	28.81%	32.00%





## TAB #6 CEO REPORT



MORONGO BASIN  
HEALTHCARE DISTRICT  
[MorongoBasinHealth.org](http://MorongoBasinHealth.org)



# MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley California 92284 | 760.820.9229

April 3, 2025

To: Board of Directors  
From: Cindy Schmall, CEO  
Re: CEO Board Report

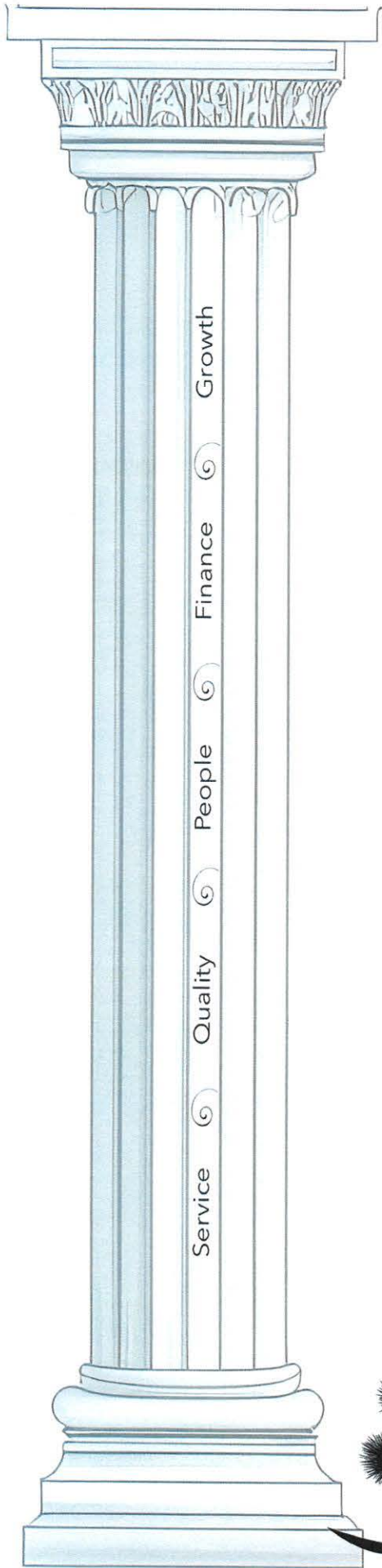
## DISTRICT

- The March 20 Employee Forum was well received. Feedback from the event was very positive and staff were appreciative of information shared with them.
- Janeen Duff, Director of Strategic Initiatives is now overseeing Community Programs. Dianna Anderson reports to Janeen as so much of the work they do in the community is aligned. They are currently working on the Yucca Valley Health Fair scheduled for May 3.
- Janeen Duff was invited to attend the Morongo Unified School District's Community Schools Guiding Coalition on March 18. The purpose of the coalition is to inform, advise and support the planning and implementation of the community schools.
- I received an email from our representative at IEHP that stated "IEHP Leadership has identified Morongo Basin Healthcare District as a Key Group in the Yucca Valley area. We are requesting your knowledge of the area to help launch our Yucca Valley RASC initiative. The purpose of this initiative is to positively impact our rural areas by collaborating with local providers and resources to address needs specific to 1) health, 2) wellness and 3) community. This was a direct result of the July community event and is scheduled for April 21.
- In response to anticipated cuts to Medi-Cal funding, the District has implemented a hiring freeze except for essential positions. As we prepare for the anticipated state funding cuts, we are assessing and consolidating positions within the organization to reduce expenses, and reassigning employees to cover open positions. Our hope is to limit costs wherever possible to prepare for the reduced revenue flow.
- Debbie Anderson, CFO and I have been working on budget development and will be provide a draft budget to the Board of Directors at the May meeting.
- I participated on a panel for the Inland Empire Together Forum on March 26. This meeting was attended by regional nonprofits, government agencies and other stakeholders that are interested in policy changes that affect our region.

## HEALTH CENTER

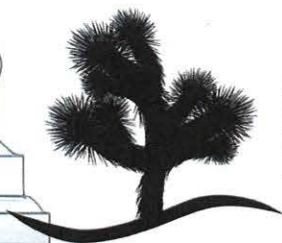
- The new billing company Medusind is ready to start April 1. We have been working on getting them set up with access and are working with Debbie Anderson and Kim Harrison to go live as quickly as possible.
- Our last IEHP audit was a success with a score of 84 percent. Congratulations to Jill Goodwin, Clinic Manager for her successful preparations!
- HRSA has confirmed the new site visit for April 22-24, 2025. We will be in prep mode for the next few weeks. We had already started much of this work in preparation for the previous scheduled visit, so we feel somewhat prepared.
- Split Rock is now scheduled to be completed in August 2025 due to contractor, costs and shipping delays. HRSA did accept our latest change to extend the capital grant so we will have time to purchase additional equipment. We are currently targeting a generator for the new building to help prevent downtime when there are power outages.
- Dr. Aseel has begun seeing patients in Yucca Valley and Split Rock dental offices and is doing great. We will soon be able to start taking new patients again.





**TAB #7**  
**CALENDAR REVIEW**

**BOARD MEETING**  
**MONTHLY CALENDARS**



**MORONGO BASIN**  
**HEALTHCARE DISTRICT**  
MorongoBasinHealth.org

MARCH 2025

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

# CALENDAR OF BOARD MEETINGS

# APRIL 2025

MAY 2025

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	31	1	2	3 6:00p Foundation 6:15p District Board of Directors	4	5
6	7	8	9	10 5:00p CHC Governing Board	11	12 Passover begins
13	14	15	16	17 5-7p Chamber Mixer, La Contenta campus	18 Good Friday	19
20 Easter	21	22	23	24	25	26
27	28	29	30	1	2	3

APRIL 2025

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

CALENDAR OF BOARD MEETINGS

# MAY 2025

JUNE 2025

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
27	28	29	30	1  6:00p District Board of Directors	2	3  YV HEALTH FAIR
4	5	6	7	8  5:00p CHC Governing Board	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25  Memorial Day	26	27	28	29	30	31



# CALENDAR OF BOARD MEETINGS

# JUNE 2025

MAY 2025

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

JULY 2025

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5 6:00p District Board of Directors	6	7
8	9	10	11	12 5:00p CHC Governing Board	13	14
15	16	17	18	19 Juneteenth	20	21
22	23	24	25	26	27	28
29	30	1	2	3	4 Independence Day	5

JUNE 2025

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

CALENDAR OF BOARD MEETINGS

# JULY 2025

AUGUST 2025

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	1	2	3 Board meeting reschedule for holiday observance	4 Independence Day	5
6	7	8	9	10 6:00p District Board of Directors	11	12
13	14	15	16	17 5:00p CHC Governing Board	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2