



# MORONGO BASIN HEALTHCARE DISTRICT

*Morongo Basin Health Care District*  
**Community Health Center**  
**GOVERNING BOARD MEETING**

**SPECIAL MEETING MINUTES of Thursday, January 23, 2025, at 5:00 p.m.**

**Eric Menendez remote from 220 N. Palm Springs Canyon, Palm Springs, CA 92262**

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

***Mission Statement:** To improve the health and wellness of the communities we serve.*

***Vision Statement:** A healthy Morongo Basin.*

***Core Values:** Commitment, Collaboration, Accountability, Dignity, Integrity, and Equity*

**PRESENT:**

- Cody Briggs (*present*)
- Pat Cooper (*absent*)
- Mary Dunn (*present*)
- Dianne Markle-Greenhouse (*present*)
- Marc Greenhouse (*present*)
- Nicola Keller (*present*)
- Eric Menendez (*remote*)
- Lisa Ryan (*absent*)
- Jackie Todd (*present*)

**STAFF:**

- Cindy Schmall, CEO (*present*)
- Debbie Anderson, CFO (*remote*)
- Tina Huff, Integrated Health Services Director (*present*)
- Tricia Gehrling, Chief Patient Experience/ Compliance Officer (*remote*)
- Janeen Duff, Director Strategic Initiatives (*present*)
- Beverly Krushat, CHC Board Secretary (*present*)

**CALL TO ORDER** – Board meeting was called to order by Marc Greenhouse at 5:02 p.m.

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

**OBSERVANCES** –

Marc Greenhouse led the pledge of allegiance.

Cody Briggs read the Mission and Vision statements.

**PUBLIC COMMENTS** – None

**APPROVAL OF MEETING AGENDA** -

CEO Schmall requested an amendment to the Agenda to add the following item:

25-69 RADIFY DISTRICT BOARD MEMBERS – *CEO Schmall*

Motion 25-65: MSC (Keller/Briggs) 6/0/2 motion carried to approve the amended agenda.

**APPROVAL OF CHC CONSENT AGENDA** –

- January 23, 2025, Special Meeting Minutes

Motion 25-66: MSC (Briggs/Keller) 6/0/2 motion carried to approve the Consent Agenda.

## ACTION ITEMS

### **RE-ASSESS TIME FOR CHC BOARD MEETING – Cindy Schmall, CEO**

CEO Schmall explained that one of our newer Board members asked to change the time to 5:00 p.m. as it is difficult to make the time at 4:45 p.m. from down below and asked if the 5 p.m. change would work for everyone.

After much discussion between the Board members, it was decided to move the Board meetings back to the 2<sup>nd</sup> Thursday of the month at 5:00 p.m. beginning February 2025.

Motion 25-67: MSC (Keller/Briggs) 6/0/2 motion carried to approve the new meeting time of the 2<sup>nd</sup> Thursday of the month at 5:00 p.m.

### **FINANCIAL REPORT – Debbie Anderson, CFO**

#### OVERVIEW

The clinic financials for the month of November show a loss of \$(119,323) and year to date shows a loss of \$(486,134). (See Table 5 & 6)

Visits for November landed at 3,015 in comparison to budgeted visits of 2,902. so for the second month in a row we exceeded budgeted visits. Due to this improvement, the clinics year to date change in net position is quite a bit less than budgeted. Year to date we were expecting to have a loss of over \$1.1 million; instead we have losses of \$(486,000). This may not seem significant, but as we look back on the budget, there were some challenges surrounding it such as:

- HRSA FQHC base grant dollars stay the same at \$1,532,907. Been this amount since 2/1/2019
- Salaries need to be increased to meet SB-525 requirements
- Health benefits have increases year over year much higher than the nominal 3-5%
- IT needs have increased substantially in last few years

So even though the clinics have losses, there is some respite in that losses haven't been as large as expected, despite the challenges above.

#### CLINIC CHANGE IN NET POSITION

Table 1 Clinics November 2024

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	563,534	572,071	(8,537)	-1.49%
Grant Revenue	166,266	127,742	38,524	30.16%
340B Revenue	39,171	27,571	11,601	42.08%
Capitation Fees	187,025	166,695	20,330	12.20%
Records & Interest	160	121	39	31.87%
Cost Report Adjustments	(141,667)	(141,667)	(0)	-0.00%
Quality	38,154	43,217	(5,062)	-11.71%
	<b>852,644</b>	<b>795,750</b>	<b>56,894</b>	<b>7.15%</b>
Salaries - Clinic	443,479	504,186	60,706	12.04%
Fringe - Clinic	116,538	111,751	(4,787)	-4.28%
Phys Fees - Clinic	108,115	94,912	(13,203)	-13.91%
Purchases Services - Clinic	63,210	63,620	410	0.64%
IT, Network & Phones - Clinic	25,874	17,393	(8,481)	-48.76%

Table 1 (continued)

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Supplies - Clinic	33,619	27,142	(6,477)	-23.86%
Supplies - 340B	21,397	19,225	(2,172)	-11.30%
R&M - Clinic	8,503	4,433	(4,070)	-91.81%
Leases/Rentals - Clinic	100	377	277	73.49%
Utilities - Clinic	4,486	5,365	879	16.38%
Ins - Clinic	486	152	(334)	-219.14%
Other - Clinic	9,694	6,791	(2,903)	-42.75%
Depreciation	16,641	14,590	(2,052)	-14.06%
	852,142	869,935	17,794	2.05%
Operating Income/(Loss) before Allocation	502	(74,185)	74,687	100.68%
Allocation of Overhead for Health Centers	(145,826)	(171,279)	25,453	14.86%
Operating Income/(Loss) after Allocation	(145,323)	(245,464)	100,141	40.80%
Non-Operating	26,000	-	26,000	-100.00%
	26,000	-	26,000	-100.00%
Change in Net Position	(119,323)	(245,464)	126,141	51.39%

Grant revenue variance due to bookings for the ARP equipment grant. The 340B revenue variance is due to pharmaceutical drug restrictions placed on FQHC's by the drug companies. Salaries variance is due to positions budgeted not filled, so savings took place. The physician fees are over due to increases in visits being done by BH, Peds, and Chiro. Due to the ARP grant, supplies & IT continue to be over budget as we purchase items for that grant that was 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.

Table 2 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	3,158,664	3,191,554	(32,890)	-1.03%
Grant Revenue	868,497	695,142	173,355	24.94%
340B Revenue	135,734	153,815	(18,081)	-11.75%
Capitation Fees	876,292	833,475	42,818	5.14%
Records & Interest	711	674	36	5.38%
Cost Report Adjustments	(708,333)	(708,333)	0	0.00%
Quality	175,144	216,083	(40,939)	-18.95%
	4,506,709	4,382,410	124,299	2.84%
Salaries - Clinic	2,202,574	2,640,972	438,398	16.60%
Fringe - Clinic	486,263	560,256	73,993	13.21%
Phys Fees - Clinic	615,415	529,510	(85,905)	-16.22%
Purchases Services - Clinic	309,437	323,543	14,106	4.36%
IT, Network & Phones - Clinic	111,590	86,963	(24,627)	-28.32%
Supplies - Clinic	230,924	151,425	(79,499)	-52.50%
Supplies - 340B	86,898	103,292	16,394	15.87%
R&M - Clinic	37,984	23,137	(14,847)	-64.17%
Leases/Rentals - Clinic	1,081	1,886	805	42.69%
Utilities - Clinic	39,195	35,055	(4,140)	-11.81%
Ins - Clinic	1,060	761	(299)	-39.30%
Other - Clinic	94,058	35,926	(58,132)	-161.81%
Depreciation	82,715	72,948	(9,767)	-13.39%
	4,299,193	4,565,674	266,481	5.84%

Table 2 (continued)

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Operating Income/(Loss) before Allocation	207,515	(183,264)	390,779	213.23%
Allocation of Overhead for Health Centers	(719,649)	(955,558)	235,908	24.69%
Operating Income/(Loss) after Allocation	(512,134)	(1,138,822)	626,688	55.03%
Non-Operating	26,000	-	26,000	-100.00%
	26,000	-	26,000	-100.00%
Change in Net Position	(486,134)	(1,138,822)	652,688	57.31%

Quality payments are not as high due to complexities of timing, bundled scores, improvement from the previous year, and other factors. The R&M variance is due to higher supply costs for the peds & adult renovations. The other variance is due to recruitment fees paid for the new Split Rock doctor.

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	3,055
Aug	3,886	3,587	3,016	3,425	3,315	3,195	2,992
Sep	3,140	3,501	3,069	3,134	3,256	2,593	3,047
Oct	3,562	3,892	3,267	3,282	3,071	3,026	3,748
Nov	3,249	3,353	2,632	3,116	2,936	2,974	3,015
Dec	2,898	3,304	2,984	2,705	2,881	2,613	
Jan	3,698	4,011	2,926	2,925	3,001	3,258	
Feb	3,198	3,763	3,192	3,068	2,882	2,998	
Mar	3,515	2,927	3,521	3,332	3,331	3,057	
Apr	3,660	2,066	3,461	3,094	2,896	3,026	
May	3,662	2,200	3,043	3,239	3,247	3,160	
Jun	3,344	2,786	3,086	3,218	2,939	2,679	
Total	40,867	38,673	37,288	37,415	36,425	35,337	15,857
Total July - Nov	16,892	17,616	15,075	15,834	15,248	14,546	15,857

Motion 25-68: MSC (Briggs/Todd) 6/0/2 motion carried to accept and file the November 2024 financial report.

**HRSA VISIT REVIEW EDUCATION – Tricia Gehrlein, CPE/CO**

CPE/CO Gehrlein educated the Board members on the HRSA visit that will be coming up in March. Nicola Keller asked if we could have a special meeting before the HRSA visit to review lessons learned. Board members unanimously agreed to March 5<sup>th</sup> at 5:00 p.m. for the special meeting.

**CEO REPORT – Cindy Schmall, CEO**

- Tina Huff, Director of Integrated Services, Fredi Levitt, Manager of BH and I met with Diana Fox from Reach Out to discuss collaboration on a substance use disorder grant they have in the Morongo Basin. We will meet again in a few weeks with a plan on how we may participate.
- The District is in process of converting our phone system to a new system that will have better clarity and less degradation.
- Management is continuing to prepare for the HRSA On-site visit. We are revising all policies and ensuring that we are in compliance.
- Split Rock is still progressing, we have the septic and electrical in process. Flooring that was chosen two years ago is no longer available so new flooring options have been made.
- We have expanded into the old pediatric space to give adults more room now that we have more providers there.
- We have conducted three physician interviews and have at least one viable candidate that we will be bringing out to do an on-site tour.

- CHC needs at least two more board members. Please talk to your friends and community members to see if we can get some members.

**CALENDAR REVIEW – *Cindy Schmall, CEO***

CEO Schmall reviewed January and February 2025 calendars with the Board members and also mentioned the April 17, 2025, YV Chamber Mixer that MBHD is hosting.


**BOARD MEMBER COMMENTS -**

Eric Menendez stated that he is happy to be here and reiterated how important what we do is for the community and requested a meeting with the CEO to go over the Treasurer's role.

Dianne Markle-Greenhouse mentioned that Flying Doctors is returning and will be at YV High School on March 8<sup>th</sup> and 9<sup>th</sup>, and they still have room for more volunteers.

**ADJOURNMENT**

Meeting adjourned at 5:58 p.m.

  
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Cody Briggs, Secretary of the Board

*Minutes recorded by Beverly Krushat, CHC Board Clerk*