



Morongo Basin Health Care District
Community Health Center
GOVERNING BOARD MEETING

MINUTES of Thursday, August 14, 2025, at 5:00 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 (*present*)
- Nicola Keller (*present*)
- Dianne Markle-Greenhouse (*present*)
- Eric Menendez (*present*)
- Gloria Cabrera (*present*)
- Hermoine Gutierrez Rios (*present*)
- Jackie Todd (*absent*)
- Marc Greenhouse (*present*)
- Lisa Ryan (*present*)
- Pat Cooper (*present*)
- Sean Loomis (*present*)

STAFF:

- Beverly Krushat, CHC Board Clerk (*present*)
- Cindy Schmall, CEO (*present*)
- Debbie Anderson, CFO (*present*)
- Fredi Levitt, BH Manager (*present*)
- JJ Greer, SR Site Supervisor (*remote*)
- Janeen Duff, Director Strategic Initiatives (*present*)
- Jill Goodwin, Clinical Services Manager (*present*)
- Kim Harrison, Business Office Services Director (*present*)
- Mia Fisher, Dental Manager (*present*)
- Sheri Tincher, Patient Financial Manager (*absent*)
- Tela Thornett, HR Manager (*present*)
- Tina Huff, Integrated Health Services Director (*present*)
- Tricia Gehrlein, CPE/CO (*remote*)

CALL TO ORDER – Board meeting was called to order by Marc Greenhouse at 5:00 p.m.

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

OBSERVANCES –

Diane Markle-Greenhouse led the pledge of allegiance.

Sean Loomis read the Mission, Vision, and Core statements.

PUBLIC COMMENTS – None

APPROVAL OF MEETING AGENDA -

Motion 25-106: MSC (Keller/Ryan) 11/0/0 motion carried to approve the August 14, 2025, agenda.

Motion 25-108: MSC (Menendez/Markle-Greenhouse 11/0/0 motion carried to accept and file the Q2 Quality Report: UDS/Patient Satisfaction/Safety.

JUNE 2025 FINANCIAL REPORT – Debbie Anderson, CFO

OVERVIEW

The clinic financials for the month of June show a loss of \$(63,408) and year to date shows income of \$635,611. (See Table 1 & 2)

In reviewing the tentative year end close for clinics, we also did much better than budgeted. Actual year to date change in net income comes in at \$635,611 compared to budget of \$(2,716,089). This significant variance is due to: \$2.5 million more in operating revenue, which comes from PPS adjustments received during the year, higher patient services revenue, along with higher capitation, quality, and grant income. Additionally, expenses came in almost 800 K less than anticipated, mostly due to salaries & wages for positions that turned over and less overhead allocations.

Also, please note that June is held open longer due to it being the last month of the fiscal year. This is so that subsequent activity for patient receivables can be captured allowing for a better estimate at June 30th. As such, the numbers for June are not final – they are interim numbers only.

CLINIC CHANGE IN NET POSITION

Table 1 Clinics June 2025

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	714,994	632,289	82,705	13.08%
Grant Revenue	137,856	127,742	10,114	7.92%
340B Revenue	34,049	30,473	3,576	11.74%
Capitation Fees	185,507	166,695	18,812	11.29%
Records & Interest	371	134	237	177.47%
Cost Report Adjustments	(140,281)	(141,667)	1,386	0.98%
Quality	22,109	43,217	(21,108)	-48.84%
	954,604	858,883	95,721	11.14%
Salaries - Clinic	479,177	504,186	25,008	4.96%
Fringe - Clinic	116,246	95,492	(20,755)	-21.73%
Phys Fees - Clinic	74,615	104,903	30,288	28.87%
Purchases Services - Clinic	57,479	64,410	6,932	10.76%
IT, Network & Phones - Clinic	33,509	17,393	(16,117)	-92.66%
Supplies - Clinic	45,071	29,999	(15,071)	-50.24%
Supplies - 340B	32,824	20,528	(12,296)	-59.90%
R&M - Clinic	11,144	4,610	(6,534)	-141.75%
Leases/Rentals - Clinic	100	377	277	73.49%

- Grant revenue variance due to bookings for the ARP equipment grant and the continuation of the HIV grant.
- Cost report adjustments variance due to revisions in estimates that concern the payment reconciliations & cost reports.
- Quality variance due to unexpected retro quality payments received in the current fiscal year for previous fiscal years.
- Salaries variance is due to positions budgeted not filled along with staff turnover, so savings took place.
- Due to the ARP grant, IT equipment & supplies are bought that were not accounted for in the budget.
- Supplies 340B variance is due to less drug replenishment done at 340B pricing due to drug restrictions
- Repair & Maintenance variance due to higher expenses for the peds & old peds space renovations.
- The other variance is due to recruitment fees paid for the new Split Rock doctor, and more providers taking advantage of training monies allowable under their contracts.
- Depreciation variance is due to depreciation on new items that were not accounted for in the original 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.

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	2,942	3,283	3,091	2,877	2,670	2,758	3,030
Aug	3,766	3,587	3,015	3,425	3,315	3,195	2,975
Sep	3,043	3,501	3,065	3,134	3,256	2,593	3,041
Oct	3,551	3,892	3,264	3,282	3,071	3,027	3,697
Nov	3,229	3,353	2,627	3,116	2,936	2,928	2,952
Dec	2,858	3,304	2,976	2,705	2,881	2,556	3,027
Jan	3,698	4,010	2,921	2,925	3,001	3,226	3,316
Feb	3,198	3,763	3,190	3,068	2,882	2,980	3,303
Mar	3,515	2,927	3,516	3,332	3,331	3,032	3,338
Apr	3,660	2,066	3,460	3,094	2,896	3,016	3,648
May	3,662	2,200	3,043	3,239	3,247	3,143	3,564
Jun	3,344	2,786	3,082	3,218	2,939	2,652	3,326
Total	40,466	38,672	37,250	37,415	36,425	35,106	39,217
Total July - June	40,466	38,672	37,250	37,415	36,425	35,106	39,217

Motion 25-109: MSC (Ryan/Markle-Greenhouse) 11/0/0 motion carried to accept and file the June 2025 financial report.

BOARD EDUCATION – LEGISLATIVE UPDATE – *Cindy Schmall, CEO*

CEO Schmall began with a small introduction on how the big, beautiful bill was passed and what it will lead to:

The Congressional Budget Office (CBO) estimates the bill’s health provisions will result in 11.8 million people losing health coverage by 2034, while reducing federal spending on healthcare by \$1.15 trillion over that same period. The CBO also estimates that an additional 5.1 million people would lose health coverage due to two policy changes outside the bill including: 1) the final 2025 CMS marketplace implementing eligibility changes and 2) the expiration of the ACA expanded premium tax credits. In total, CBO estimates 16.9 million people could lose coverage.

- January 1, 2026, California will also freeze new enrollments in full scope Medi-Cal for undocumented adults age 19 and older.
- California minimum wage issues which will increase wages for all FQHC's again in June 2026.

This was followed by a brief Q&A period. No action was taken, received for information only.

REPORTING

CEO REPORT – *Cindy Schmall, CEO*

- Grant Update – The HIV Grant is expiring on 8/31/2025 and we were recently notified that HRSA has rolled funds totaling more than \$300,000 into the base 330 funding. We are working on getting more information about those funds and what we will be doing with them.
- Split Rock – The Capital Grant is still moving along. Electrical and plumbing items have been resolved and SCE is trying to expedite their part. Flooring is going into the building so that we can begin to build out the space. At the moment all systems are go, however, the city requirement to install a bicycle lane at the street has hit a snag due to a Joshua Tree that is on the property and within the boundaries of protection. We are working with local officials to find solutions.
- HRSA has signed off on all the items from the survey, and we received the new Notice of Award that now gives us until next year when they will survey us again.

CALENDAR REVIEW – *Cindy Schmall, CEO*

CEO Schmall reviewed the calendars for the upcoming events, talks, etc. with the board members.

BOARD MEMBER COMMENTS –

Nikola Keller thanked the new board members for joining the board.

ADJOURNMENT – Meeting adjourned at 6:00 p.m.



Cody Briggs, Secretary of the Board