



COMMUNITY HEALTH CENTER (CHC) GOVERNING BOARD MEETING

MEETING AGENDA

Thursday, April 2, 2026, at 4:45 p.m.

District Administrative Offices: 6530 La Contenta Road, Suite 400, Yucca Valley CA 92284

The public may also attend the meeting via the electronic link provided below:

INSTRUCTIONS FOR JOINING THIS MEETING BY REMOTE LINK

This public meeting may be accessed through the Microsoft Teams platform. Join the meeting by (1) visiting the District website at MBHDistrict.org and (2) selecting the purple tab “Board Meeting Agendas” at the top of the home page. (3) Click on the URL link presented under the agenda buttons and (4) enter the meeting using the ID and Passcode listed below. Access to the meeting may require the download of the Microsoft Teams application on the device being used.

☐ Meeting ID: 279 840 463 67454

☐ Passcode: Gt2h3f27

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE – *Please stand as able.*

READING OF MISSION AND VISION STATEMENTS

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*

PUBLIC COMMENTS

The public comment portion of this agenda provides an opportunity for the public to address the Governing Board on items not listed on the agenda and that are of interest to the public at large and are within the subject matter jurisdiction of this Board. The Governing Board is prohibited by law from taking action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the Board does not respond to public comments at this time. Comments that concern individual incidences of patient care are welcome, however, we encourage doing so only after other administrative avenues for redress have been fully exhausted. In all such instances we will be unable to ever respond publicly due to patient confidentiality obligations. In all cases, your concerns will be referred to the Administrator for review and a timely response. Comments are limited to three (3) minutes per speaker. All comments are to be directed to the Governing Board 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 and will be limited to 90 seconds per speaker. Members of the public who wish to speak shall proceed when called by the Chairperson of the Board. Please state your name and community of residence for the record.

APPROVAL OF MEETING AGENDA

Pages 1-2

- *Motion 26-155: Motion to approve the meeting Agenda as published.*

APPROVAL OF CHC CONSENT AGENDA

Pages 3-13

- *Motion 26-156: Motion to approve the minutes of March 5, 2026.*

BOARD EDUCATION –UDS-CLINICAL QUALITY MEASURES - Tricia Gehrlein, CAO

ACTION ITEMS

REVIEW BOARD MEMBER ATTENDANCE – Cindy Schmall, CEO

Page 14

– Cindy Schmall, CEO

- Hermoine Guttierrez Rios
- *Motion 26-157: Motion to approve the removal of Hermoine Guttierrez Rios from the CHC Board as it pertains to attendance.*

POLICY NO. CHC-PC-125 – INTERPRETIVE SERVICES – Tricia Gehrlein, CAO

Pages 15-17

- *Motion 26-158: Motion to approve Policy No. CHC-PC-125 – Interpretive Services.*

POLICY NO. CHC-PC-20 – 340B DRUG PROGRAM, POLICY, & PROCEDURE – Tricia Gehrlein, CAO

Pages 18-29

- *Motion 26-159: Motion to approve Policy No. CHC-PC-200 – 340B Drug Program, Policy and Procedure.*

FEBRUARY 2026 FINANCIAL REPORT – Cindy Schmall, CEO

Pages 30-33

- *Motion 26-160: Motion to accept and file the February 2026 financial report as presented.*

REPORTING

CEO REPORT - Cindy Schmall, CEO

Page 34

CALENDAR REVIEW – Cindy Schmall, CEO

Pages 35-36

BOARD MEMBERS COMMENTS

ADJOURN MEETING

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

Beverly Krushat Posted March 30, 2026 at 4:00 p.m.
Beverly Krushat, CHC Board Clerk

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 Executive Assistant at least three (3) business days prior to the meeting. The Executive Assistant's telephone number is 760.820-9229 and the office is located at 6530 La Contenta Rd, #100, Yucca Valley, CA. The 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 bkrushat@mbhdistrict.org.



Morongo Basin Health Care District
Community Health Center
GOVERNING BOARD MEETING

MINUTES of Thursday, March 5, 2026, at 4:45 p.m.

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

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

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

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

PRESENT:

- Cody Briggs (*present*)
- Esther Watson (*present*)
- Gloria Cabrera (*present*)
- Hermoine Gutierrez Rios (*absent*)
- Jackie Todd (*present*)
- Marc Greenhouse (*present*)
- Lisa Ryan (*absent*)
- Pat Cooper (*present*)
- Sean Loomis (*present*)

GUEST: Todd Brown (guest of Dianne Markle-Greenhouse)

STAFF:

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

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

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

OBSERVANCES – Sean Loomis led the Pledge of Allegiance and read the Core Values.

PUBLIC COMMENTS – There were no public comments.

APPROVAL OF MEETING AGENDA -

Motion 26-146: MSC (Greenhouse/Markle-Greenhouse) 7/0/2 motion carried to approve March 5, 2026, agenda.

APPROVAL OF CHC CONSENT AGENDA –

Motion 26-147: MSC (Greenhouse/Markle-Greenhouse) 7/0/2 motion carried to approve consent agenda.

Q4 & YEAR END QUALITY REPORT – *Tricia Gehrlein, CPE/CO*

The Q4 and Year End Quality report were presented at the February 5, 2026 CHC board meeting but were not agendaized with a motion.

Motion 26-148: MSC (Greenhouse/Todd) 6/1/2 motion carried to accept and file the Q4 and Year End Quality Report. Cody Briggs abstained from voting.

NEEDS ASSESSMENT PRESENTATION – *Tricia Gehrlein, CPE/CO*

The Needs Assessment Presentation was presented at the February 5, 2026 CHC board meeting but was not agendaized with a motion. CPE/CO Gehrlein explained that if there was anyone that did not see the presentation at the February board meeting, she would be happy to review it with them.

Motion 26-149: MSC (Greenhouse/Todd) 5/2/2 motion carried to accept and file the Needs Assessment presentation. Cody Briggs and Esther Watson abstained from voting.

CARE TEAM PRESENTATION – *Jill Goodwin, Care Team Manager*

The Care Team assists patients by navigating the healthcare system, providing community resources, processing referrals and medication prior authorizations, ER/hospital follow-up, phone triage & urgent appointment needs, interdisciplinary team meetings, patient education, follow-up for chronic diagnosis, and additional needs as they arise.

The Care Team communicates directly with the providers as needed, while also working with medical, dental, and behavioral health internally. They continue to work in conjunction with outside care providers. The Team meets monthly with external care management and complex care management teams along with participating in community based initiatives to assist with care and resources for our patient population.

The referral process will come from a primary care provider after a visit and can also come from an internal specialist, behavioral health provider, or a dental provider. A referral can also be created after “pre-screening” for a new patient or an annual visit or from an incoming call to licensed staff (RN or LVN) indicating a higher need for continued assistance.

EVALUATE EFFECTIVENESS & NOMINAL CHARGES OF THE SLIDING FEE DISCOUNT PROGRAM – *Debbie Anderson, CFO*

- Flat rates were set in place back on 4/1/2021, which switched the sliding fee discounts from a percentage to a flat rate. This was done because it was easier on patients and staff to understand and calculate amounts due at each visit. No adjustments have been made since that time except to the amount charged for medical Slide A (the nominal amount) which went from \$10 to \$15 on 8/1/2022.
- CFO Anderson reviewed the HRSA rules, which state that the setting of a flat nominal charge would be nominal from the perspective of the patient and would not reflect the actual cost of the service being provided. With regards to services provided, it usually means a very small charge that is significantly lower than the actual value or cost of the service. The nominal charges can't recoup the actual cost of the service being provided and should be reviewed in conjunction with the type of service being provided. For example, \$200 being considered 'nominal' should be compared against the normal charges of the services being provided. \$200 for a normal bill of \$200 would not be considered nominal. However, \$200 against a normal charge of \$3,000 could be considered nominal. Context does matter.

- ONLY the Slide A gets set with a nominal charge. The other levels, Slide B-D, are at the discretion of the board. HRSA rules state that partial discounts are to be provided to individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the current FPG and no discounts are to be provided to individuals and families with annual incomes greater than 200 percent of the FPG.

The discussion needed from the CHC board is whether the nominal fees (if raised for Slide A) would be considered nominal and if Slide B-D fees were raised, would the new fees be appropriate for slides B-D. No fees have been raised (except Slide A medical) since April 2021; however costs have gone up significantly in that time.

Board Comments

Esther Watson asked what is the current federal poverty level?

Manager Sheri Tincher responded \$15,000 but it goes up depending on the amount of people in your household.

CFO Anderson directed the Board to page 44 in the board packet where it shows the federal poverty guidelines for 2026.

CEO Schmall informed the board that we also have payment plans in which the billing department can assist with setting up.

Cody Briggs stated that the increase is highly appropriate and because we haven't had an increase in 5 years he approves.

Jackie Todd commented that we have to stay solvent to hire doctors.

Gloria Cabrera asked if this included children also.

CFO Anderson stated that it does include children; the federal poverty level and sliding fee policy are based on the very distinct definitions of what constitutes a household.

MEDICAL

Medical billing varies significantly, and patients are used to a “co-pay” structure. The medical sliding fee incorporates that. Since the nominal fee was raised back on 8/1/22, staff is recommending increasing the other sliding fee levels by \$5. See Table 1.

Table 1

Medical Sliding Fee	Current	Increase	New
Slide A (0%-100% FPL)	15.00	-	15.00
Slide B (101%-150% FPL)	25.00	5.00	30.00
Slide C (151%-175% FPL)	50.00	5.00	55.00
Slide D (176%-200% FPL)	75.00	5.00	80.00

** All Imaging/Labs/Vaccines/ are included in the Office Visit Copay**

DENTAL

Dental is bit more complex. We currently have 3 sliding fees for dental because the charges for services vary quite a bit depending upon the type of service being done. Table 2 shows the current charges & table 3 shows the proposed charges.

Table 2 Current schedule of charges for dental

	Diagnostic and Preventative exams, cleanings, x-rays, sealants, SRP	Basic Restorative Services fillings, extractions, RCT	Major Services crowns, partials, dentures + lab fees**
Slide A	\$20	\$40	\$80
Slide B	\$40	\$60	\$100
Slide C	\$60	\$80	\$120
Slide D	\$80	\$100	\$140
Slide E/Full Fee	100%	100%	100%

** Lab fees are the responsibility of the patient. Lab fees are passed on to the patient at MBCHC's cost.

Table 3 proposed dental fees

	Diagnostic and Preventative exams, cleanings, x-rays, sealants, SRP	Basic Restorative Services fillings, extractions, adjustments, etc.	Major Services crowns, partials, dentures + lab fees**
Slide A	\$25	\$40	\$80
Slide B	\$50	\$70	\$135
Slide C	\$80	\$100	\$195
Slide D	\$105	\$140	\$265
Slide E/Full Fee	100%	100%	100%

** Lab fees are the responsibility of the patient. Lab fees are passed on to the patient at MBCHC's cost.

To help with this discussion, the average dental claim (by type) is presented below in Table 4, along with the current slide, the proposed increase to the slide amount, and the slide percentages of the average bill, both current and proposed.

Table 4 Slide A

Description	Avg Claim	Slide A Now	Proposed \$	Slide A New	Slide A % Now	Slide A % New
Diag/Prevent	261.54	20.00	5.00	25.00	7.65%	9.6%
Basic Restorative	343.05	40.00	-	40.00	11.66%	11.7%
Major Services	658.86	80.00	-	80.00	12.14%	12.1%

Table 4 Slide B

Description	Avg Claim	Slide B Now	Proposed \$	Slide B New	Slide B % Now	Slide B % New
Diag/Prevent	261.54	40.00	10.00	50.00	15.29%	19.1%
Basic Restorative	343.05	60.00	10.00	70.00	17.49%	20.4%
Major Services	658.86	100.00	35.00	135.00	15.18%	20.5%

Table 4 Slide C

Description	Avg Claim	Slide C Now	Proposed \$	Slide C New	Slide C % Now	Slide C % New
Diag/Prevent	261.54	60.00	20.00	80.00	22.94%	30.6%
Basic Restorative	343.05	80.00	20.00	100.00	23.32%	29.2%
Major Services	658.86	120.00	75.00	195.00	18.21%	29.6%

Table 4 Slide D

Description	Avg Claim	Slide D Now	Proposed \$	Slide D New	Slide D % Now	Slide D % New
Diag/Prevent	261.54	80.00	25.00	105.00	30.59%	40.1%
Basic Restorative	343.05	100.00	40.00	140.00	29.15%	40.8%
Major Services	658.86	140.00	125.00	265.00	21.25%	40.2%

Slide A is structured so the patient pays around 10%-12%. Slide B is structured so the patient pays around 20%. Slide C is structured so the patient pays around 30%. And Slide D is structured so the patient pays around 40%.

CFO Anderson is requesting that the board determines if the staff recommendation for increasing Slide Fee A – D is to be implemented and if Slide A fee amounts are considered nominal in relation to the service being provided and the normal fees that would be charged.

EVALUATE EFFECTIVENESS OF THE SLIDING FEE DISCOUNT PROGRAM – UTILIZATION OF THE PROGRAM

It is the Board’s authority to determine if the SFDP is effective in eliminating barriers to care for our population. Table 5 shows various metrics about the uninsured population and the utilization of the Sliding Fee program by the uninsured population from calendar year 2022 – calendar year 2025.

Table 5

Description	2025 UDS	Uninsured	SSF	No Slide	% SSF to Uninsured
1. 100% AND BELOW	2,957.00	60.00	47.00	13.00	78.3%
2. 101% - 150%	1,453.00	47.00	39.00	8.00	83.0%
3. 151% - 200%	988.00	24.00	24.00	-	100.0%
4. Over 200%	1,664.00	23.00	-	23.00	
5. Unknown	2,159.00	16.00	-	16.00	
	9,221.00	170.00	110.00	60.00	84.0%
\$ of SF writeoffs for 2025			176,552.89		
Average SSF per patient			1,605.03		
Uninsured % to Total Population		1.84%			

Description	2024 UDS	Uninsured	SSF	No Slide	% SSF to Uninsured
1. 100% AND BELOW	3,445.00	81.00	50.00	31.00	61.7%
2. 101% - 150%	930.00	50.00	37.00	13.00	74.0%
3. 151% - 200%	640.00	37.00	27.00	10.00	73.0%
4. Over 200%	1,105.00	25.00	-	25.00	
5. Unknown	2,680.00	38.00	-	38.00	
	8,800.00	231.00	114.00	117.00	67.9%
\$ of SF writeoffs for 2025			142,115.03		
Average SSF per patient			1,246.62		
Uninsured % to Total Population		2.63%			

4/1/23 meet with reg specialist	2023 UDS	Uninsured	SSF	No Slide	% SSF to Uninsured
1. 100% AND BELOW	4,851.00	130.00	86.00	44.00	66.2%
2. 101% - 150%	780.00	53.00	50.00	3.00	94.3%
3. 151% - 200%	509.00	46.00	40.00	6.00	87.0%
4. Over 200%	775.00	26.00		26.00	
5. Unknown	1,557.00	25.00		25.00	
	8,472.00	280.00	176.00	104.00	76.9%

\$ of SF writeoffs for 2025 218,845.36
Average SSF per patient 1,243.44
Uninsured % to Total Population 3.31%

4/1/22 started backup for income	2022 UDS	Uninsured	SSF	No Slide	% SSF to Uninsured
1. 100% AND BELOW	5,096.00	217.00	177.00	40.00	81.6%
2. 101% - 150%	778.00	113.00	112.00	1.00	99.1%
3. 151% - 200%	509.00	69.00	64.00	5.00	92.8%
4. Over 200%	663.00	58.00		58.00	
5. Unknown	1,672.00	46.00		46.00	
	8,718.00	503.00	353.00	150.00	88.5%

\$ of SF writeoffs for 2025 441,516.57
Average SSF per patient 1,250.76
Uninsured % to Total Population 5.77%

Every year the percentage of uninsured patients to total insured patients has decreased. The average sliding fee discount per patient has generally remained the same for 2022-2024 and then it jumped in 2025. It appears that patients are increasing the utilization of the sliding fee program with repeat visits (visit are usually between \$200-\$400).

The percentage of uninsured patients utilizing the sliding fee program has trended downward as we updated the sliding fee program in 2022 & 2023, however, now it appears to be rebounding and the numbers are increasing again.

We are doing well at identifying those patients that are uninsured and then working with them to get them on Medi-Cal.

In conclusion, staff has determined that the SSF program is helping to reduce the barriers to care, both in being utilized and by the uninsured population and in identifying those patients not on insurance.

Board Comments

Cody Briggs asked to explain the ratio on how we are getting at 84% utilization.

CFO Anderson replied that we have 170 uninsured of the 170, a 110 are on the sliding fee and you take the 110 and divide by 170, this is the 84%.

Esther Watson asked what happened in 2022 where the sliding fee was used so often.

CFO Anderson explained that there were a couple of changes made to the program, including requiring verification of income .

Esther Watson commented that with the changes occurring the Care Team that a lot more people will know about the program. She feels people are doing a good job and the numbers are up.

Marc Greenhouse commented that with the changes to the federal programs there will be a lot more uninsured.

CFO Anderson replied that it is definitely a consideration. These numbers will probably go up this next year because HRSA gives us \$1.5 million, and this amount has not increased for many years despite growing costs. We have brought the uninsured population numbers down, and we do have room in the system to absorb legitimate people who need to go onto the sliding fee program.

Marc Greenhouse stated that both Medicare and Medical is going to be affected as well.

CFO Anderson responded that anyone who comes off of insurance can go on the sliding fee program.

Motion 26-150: MSC (Briggs/Greenhouse) 7/0/2 motion to approve the updated Sliding Fee Discount Program Evaluation as presented.

POLICY NO. CHC-FS-213 – SLIDING FEE DISCOUNT PROGRAM –
Debbie Anderson, CFO

CFO Anderson began with a summary of the changes proposed to the Sliding Fee Discount Program as a new sliding fee year begins on 4/1/2026:

- **Those who attest to living off savings will need to redo their SSF application after 3 months. The thought process is most folks don't have more than that in savings. And if they do, it's likely they don't need SSF. So this will ensure that we are re-evaluating patient income as it changes, which keeps us aligned with HRSA requirements.**
- **Household member is being expanded to include someone who supports the household at 50% or more, but may not live in the household. For example, if a child lives in a second residence owned by the parent, and the adult child states he/she doesn't work, it's likely the parent is supporting that adult child (even though the child doesn't live with said parent). The new definition would require the parent's income to be included in the household income calculation. This helps keep the integrity of the program intact by excluding those "households" that are being supported by someone not included in the calculation and thus inadvertently lowering the household income.**
- **The roommate agreement needs to be legally enforceable. A written or scrawled note will not suffice as a roommate agreement. A legal agreement delineates such things as lease amounts, lease terms, what is being rented, renewals, Occupancy rules, late charge rules, holdovers, sub-leasing, security deposits, improvements to property, condition upon surrender, inspection by landlord, and a multitude of other items.**
- **Language has been added for when we can deny sliding fee. In particular, if a person is on a Medi-Cal managed plan, Medi-Cal state requirement mandate that patient go to their Primary Care Physician (PC) and/or Dentist. Because this is a legal requirement, a person cannot use the SSF program to get around going to their PCP.**
- **SSF Fees are being recommended to be raised. Now please understand this is a recommendation but it is up to this board as to whether these fees are approved or not. This is to be discussed in the evaluating the effectiveness of the sliding fee program, but the policy has been updated for the recommendation. If the board changes the recommendation, this of course will be reflected.**

CFO Anderson informed the board that technically we only look at income, not assets for the sliding fee. If a person is living off of their savings, we would look at the interest earned off of the savings not the savings itself. Several discussions followed pertaining to the "50% support or more".

Motion 26-151: By a show of hands: 5 in favor/2 no/2 absent, motion to approve Policy No. FS-213

as presented passed.

FEE SCHEDULE AND METHODOLOGY – *Debbie Anderson, CFO*

CFO Anderson explained in detail the fee schedule and the methodology behind it to the CHC board. CEO Schmall reiterated that they would be approving two items via vote, the methodology and the actual fee schedule itself.

Motion 26-152: MSC (Briggs/Cabreras) 7/0/2 motion to approve the updated Sliding Fee Discount Program Evaluation as presented.

POLICY NO. CHC-FS-211 – FEE SCHEDULE – *Debbie Anderson, CFO*

CFO Anderson explained that there aren't a lot of changes to the policy. However, on the last page only certain designated individuals can update the Chargemaster. The CFO is the designated individual to update the Chargemaster. If the CFO is absent then the CEO or the Chief Patient Experience Compliance Officer may do so.

Motion 26-153: MSC (Briggs/Watson) 7/0/2 motion to approve the updated Policy No. CHC-FS-211 Fee Schedule as presented.

JANUARY 2026 FINANCIAL REPORT – *Debbie Anderson, CFO*

OVERVIEW

The clinic financials for the month of January show income of \$357,393 and year to date shows income of \$571,953. (See Table 2 & 3)

The fiscal year 24-25 audit has concluded and we have final numbers for the year. Table 1 shows the previously recorded change in net position that was presented to the board last July, along with the additional entries made that bring the net position to what is recorded in the audited financial statements.

Table 1

Description	Clinic
Previously reported change in net position	635,611
New GAAP Pronouncement Accrue Expected Sick Use	(51,144)
New GAAP Pronouncement Accrued Expected taxes on PTO & Sick Leave	(19,854)
Late Accounts Payable Entry that needed to be accrued	(506)
Allocations for the above entries	(45,981)
Adjust Cost Report Liability FY 21-22 NPI 1649708611 Pymt Rec	(14,885)
RVS Estimated contractals June (so we can updated for latest info)	685,915
Enter additional June Revenue & real contractals through June 30th	69,579
Enter Subsequent Patient Activity for June 2025 (Revenue & Contractals)	(576,222)
Enter June 2025 FINAL estimated CA,SSF & Bad Debt	(110,479)
Adjust Cost Report Liability FY 24-25	(227,950)
Adjust Cost Report Liability FY 24-25	(40,327)
	<u>(331,855)</u>
Final Net Position for FY 24-25	<u><u>303,756</u></u>

The biggest adjustments were for the patient revenue activity (which we go back and look at in September) and then the cost report liabilities. Since the cost reports were completed prior to the audit being done, we were able to use real numbers instead of estimates. As a reminder, net position for the Clinics had PPS adjustments recognized for year, which helped give the clinics a positive net position.

CLINIC CHANGE IN NET POSITION

Table 2 Clinics January 2026

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	741,898	634,474	107,425	16.93%
Grant Revenue	454,460	127,742	326,718	255.76%
340B Revenue	38,890	28,521	10,369	36.36%
Capitation Fees	182,650	180,832	1,818	1.01%
Records & Interest	138	146	(8)	-5.73%
Cost Report Adjustments	(136,945)	(137,360)	416	0.30%
Quality	73,286	21,042	52,244	248.29%
Other/Misc	20,000	-	20,000	100.00%
	1,374,377	855,396	518,981	60.67%
Salaries - Clinic	474,314	511,976	37,662	7.36%
Fringe - Clinic	96,318	113,350	17,031	15.03%
Phys Fees - Clinic	89,220	69,765	(19,455)	-27.89%
Purchases Services - Clinic	67,018	62,458	(4,559)	-7.30%
IT, Network & Phones - Clinic	26,789	24,459	(2,330)	-9.52%
Supplies - Clinic	40,746	31,519	(9,227)	-29.27%
Supplies - 340B	30,317	24,155	(6,162)	-25.51%
R&M - Clinic	8,360	6,404	(1,956)	-30.54%
Leases/Rentals - Clinic	200	142	(58)	-41.18%
Utilities - Clinic	6,942	6,254	(688)	-11.00%
Ins - Clinic	287	302	14	4.75%
Other - Clinic	6,634	7,654	1,021	13.34%
Depreciation	16,045	18,792	2,747	14.62%
	863,190	877,230	14,040	1.60%
Operating Income/(Loss) before Allocation	511,188	(21,834)	533,021	2441.26%
Allocation of Overhead for Health Centers	(153,794)	(177,457)	23,662	13.33%
Change in Net Position	357,393	(199,290)	556,684	279.33%

Table 3 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	4,972,456	4,471,529	500,927	11.20%
Grant Revenue	1,533,263	919,723	613,541	66.71%
340B Revenue	306,559	201,006	105,553	52.51%
Capitation Fees	1,288,839	1,265,823	23,016	1.82%
Records & Interest	1,378	1,030	347	33.73%
Cost Report Adjustments	(961,108)	(961,524)	416	0.04%
Quality	539,409	147,292	392,117	266.22%
Other/Misc	45,000	-	45,000	100.00%
	7,725,796	6,044,878	1,680,918	27.81%

Table 3 (continued)

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Salaries - Clinic	3,310,625	3,583,828	273,203	7.62%
Fringe - Clinic	724,212	801,368	77,156	9.63%
Phys Fees - Clinic	601,885	491,676	(110,209)	-22.41%
Purchases Services - Clinic	437,088	432,149	(4,939)	-1.14%
IT, Network & Phones - Clinic	158,311	171,216	12,906	7.54%
Supplies - Clinic	332,564	222,137	(110,427)	-49.71%
Supplies - 340B	212,174	169,929	(42,246)	-24.86%
R&M - Clinic	82,903	44,931	(37,972)	-84.51%
Leases/Rentals - Clinic	800	992	192	19.33%
Utilities - Clinic	55,039	52,591	(2,448)	-4.65%
Ins - Clinic	2,011	2,112	100	4.75%
Other - Clinic	68,511	53,810	(14,701)	-27.32%
Depreciation	124,569	131,540	6,972	5.30%
	6,110,693	6,158,280	47,587	0.77%
Operating Income/(Loss) before Allocation	1,615,103	(113,402)	1,728,505	1524.23%
Allocation of Overhead for Health Centers	(1,043,718)	(1,250,646)	206,928	16.55%
Operating Income/(Loss) after Allocation	571,385	(1,364,048)	1,935,433	141.89%
Non-Operating	568	-	568	-100.00%
	568	-	568	-100.00%
Change in Net Position	571,953	(1,364,048)	1,936,001	141.93%

Grant revenue variance is due to spending for the ARP capital and HIV grant that was not budgeted (the supplies – clinic line is also higher because some of the expenses for this grant spending is in this line). 340B revenue is higher because we anticipated a trend of more restrictions on the program for the budget period. Quality is higher because we anticipated cuts to quality because the cuts will take another year before they are realized. Other/Misc revenue variance is due to grant monies for the MAT program. Physician fees are higher due to increased services being done by all providers. 340B supplies expense is higher due to drug manufacturer restrictions. R&M is higher than budgeted due to clinics replacing some windows at the various buildings, which individually don't meet the criteria for capitalization.

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	FY 25-26
Jul	2,942	3,283	3,091	2,877	2,670	2,758	3,030	3,467
Aug	3,766	3,587	3,015	3,425	3,315	3,195	2,975	3,099
Sep	3,043	3,501	3,065	3,134	3,256	2,593	3,041	3,346
Oct	3,551	3,892	3,264	3,282	3,071	3,027	3,697	3,296
Nov	3,229	3,353	2,527	3,116	2,936	2,928	2,952	2,595
Dec	2,858	3,304	2,976	2,705	2,881	2,556	3,027	3,000
Jan	3,698	4,010	2,921	2,925	3,001	3,225	3,316	3,210
Feb	3,198	3,763	3,190	3,068	2,882	2,980	3,303	-
Mar	3,515	2,927	3,516	3,332	3,33	3,032	3,338	-
Apr	3,660	2,068	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	3,275	-
Total	40,466	38,672	37,250	37,415	36,425	35,106	39,166	22,013
Total YTD	23,087	24,930	20,959	21,464	21,130	20,283	22,038	22,013

Motion 26-154: MSC (Watson/Briggs) 7/0/2 motion to approve the January 2026 Financial report as presented.

CEO REPORT – Cindy Schmall, CEO

- We are still awaiting completion of the Split Rock project by Southern California Edison (SCE). Additionally, we have a Western Joshua Tree on the site and part of the requirements from City of 29 Palms include the installation of a bicycle lane that would run directly to the tree which is now protected.
- Remodeling of the BH department and Yucca Valley Adults has begun. These are capital projects of the District and will result in better patient flow and revitalized space.
- We are still looking for a full time nurse practitioner and a full time MD.
- We have a new HRSA representative and Tricia Gehrlein, Debbie Anderson and myself met with him recently.
- We have filled a full-time LCSW and NP role, both will start next week.

CALENDAR REVIEW – Cindy Schmall, CEO


CEO Schmall reviewed the calendars with the board members, discussing the upcoming events and talks.

BOARD MEMBER COMMENTS – None

ADJOURN MEETING – Meeting adjourned at 6:05 p.m.

Section 1. DUTIES AND RESPONSIBILITIES: The CHC board shall be responsible for the following duties:

- A. Chief Executive Officer Oversight: Approve the selection, annual evaluation, termination / dismissal of the Chief Executive Officer (CEO) of the CHC. If the CEO of the CHC is the CEO of the District, both boards must approve the selection, annual evaluation and termination / dismissal of the CEO.
- B. Hours and Services: Annually review and approve the scope and availability of services, service site locations, and hours of operation of service sites.
- C. CHC Employee Evaluation, Recruitment and Retention: Assure the CEO completes effective, timely, and efficient assessment of the performance of duties of the CHC employees.
- D. Budget Approval: Annually approve the budget for CHC operations and every three years approve the program budget for the annual grant renewal of the Service Area Continuation (SAC) grant
- E. Priorities and Strategic Planning: Provide direction for long-range planning, including but not limited to identifying health center priorities and adopting a three-year plan for financial management and capital expenditures. Approve applications for HRSA SAC and other grant Funding, and change of scope or services.
- F. Program Effectiveness Evaluation: Evaluate, the effectiveness of the CHC by reviewing the following items on a quarterly or annual basis :
 - Uniform Data Systems (UDS)
 - Visit reports for productivity,
 - patient satisfaction,
 - and achievement of program goals and objectives.
- G. Financial Performance: The CFO presents monthly financial statements for board review and approval.
- H. Grievance Resolution: Approve a procedure for resolving patient grievances.
- I. Quality Improvement / Quality Assurance (QA/QI) Plan: The CHC board will review and approve the CHC QI/QA Plan every three years, as required by HRSA. The board will also receive and review quarterly QI/QA reports from the CHC QA committee as well as oversee required elements quality of care.
- J. Regulatory Compliance: Assure that the CHC is operated in compliance with applicable federal, state and local laws, and regulations.
- K. CHC Operational Policies: The Board will review and approve at least every three years, and as needed, policies for Sliding Fee Discount Program, Quality Improvement / Assurance, and Billing and Collections.
- L. Co-Applicant Agreement: For public agencies such as the Morongo Basin Healthcare District, with a co-applicant board, the health center has a co-applicant agreement that delegates the required authorities and functions to the co-applicant board and delineates the roles and responsibilities of the public agency and the co-applicant in carrying out the Health Center Program project. (*Health Center Program Compliance Manual*)
- M. Attendance: Attend a minimum of 75% of Board meetings in any calendar year. Less than 75% attendance will result in removal from the CHC board.
- N. Conflict of Interest: Be subject to the Conflict of Interest Code, Code of Ethics and any other applicable rules to public entity appointees in the State of California.

 <p>MORONGO BASIN COMMUNITY HEALTH CENTER <small>A SERVICE OF MORONGO BASIN HEALTHCARE DISTRICT</small></p>	<p>DEPARTMENT / MANUAL: PATIENT CARE</p>
<p>ORIGINAL DATE: September 2024</p>	<p>REVIEW & REVISION DATES: 9/24, 2/26</p>
<p>TITLE: INTERPRETIVE SERVICES</p>	<p>APPROVED BY:</p> <p>Mgr/Dir: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>Governing Board: _____ Date: _____</p>

PURPOSE

To provide non-English speaking patients with clear and effective communication in a language the patient understands.

PROCEDURE

1. The patient’s medical record will indicate primary language spoken, including sign language
 - a. In eCW: A Global Alert will be created and the language section in the “Information” section of the chart will be populated.
 - b. To be completed by scheduling.
 - c. If not completed by scheduling, then registration will complete.

2. Patient’s medical record will clearly indicate that translation services are needed
 - a. In eCW: A Global Alert will be created by checking “Translation” in the “Information” section of the chart.
 - b. To be completed by scheduling.
 - c. If not completed by scheduling, then registration will complete.

3. If at any time subsequent to scheduling or registration the patient indicates if translation services are required or requested, the staff obtaining this information will be responsible for updating the patient’s medical records.

NON-IEHP PATIENTS WHO REQUIRE TRANSLATION SERVICES FOR A LANGUAGE OTHER THAN ENGLISH:

4. At the time of scheduling, an alert is created in eCW indicating translation services will be required.
 - a. Should translation services be needed to assist in scheduling, the scheduler is to contact Propio for assistance.

5. Patient registration will utilize translation services via Propio to complete the registration process

6. The medical assistant will note the need for translation services during the chart preparation and alert the front desk & provider.

7. Upon patient check-in, the front desk will contact Propio to assist the patient with the check-in process (if necessary). The medical assistant will continue Propio services and immediately bring the patient to an examination room for their appointment. Propio will remain engaged until the appointment is complete, the patient verbalizes an understanding of the treatment plan, and any follow-up actions to be taken are completed.

IEHP PATIENTS WHO REQUIRE TRANSLATION SERVICES FOR A LANGUAGE OTHER THAN ENGLISH:

8. At the time of scheduling, an alert is created in eCW indicating translation services will be required.
 - a. Should translation services be needed to assist in scheduling, the scheduler is to contact IEHP for assistance.
 - b. For the appointment, the patient should be offered translation services in person or via phone. Follow the IEHP procedures for in-person translation services if requested. The scheduler will note in the appointment which form of translation services are to be utilized
9. Patient registration will utilize translation services via IEHP to complete the registration process.
10. The medical assistant will note the need for translation services (and type) during chart preparation and alert the front desk and provider.
11. Upon patient check-in, the front desk staff will contact IEHP to assist the patient with the check-in process (if necessary). IEHP services will be via phone or in-person.
 - a. The medical assistant will continue IEHP services and immediately bring the patient to an examination room for their appointment. IEHP will remain engaged until the appointment is complete, the patient verbalizes and understanding of the treatment plan and any follow-up actions to be taken are completed (such as scheduling a follow-up appointment).

ANY PATIENT WHO REQUIRES SIGN LANGUAGE:

12. At the time of scheduling, an alert is created in eCW indicating translation services will be required.
 - a. Should translation services be needed to assist in scheduling, the scheduler is to contact Deaf Services for assistance.
 - b. Scheduling is to alert the clinic supervisor of the appointment to ensure scheduling with DSU is complete and that an iPad is available at the location on the date/time of the appointment.
13. Patient registration will utilize translation services via Deaf Services to complete the registration process.
14. The medical assistant will note the need for translation services during chart preparation and alert the front desk and the provider.
15. Upon patient check-in, the front desk staff will utilize Deaf Services to assist the patient with the check-in process (if necessary). The medical assistant will continue to utilize Deaf Services and immediately bring the patient to an examination room for their appointment. Deaf Services will remain engaged until the appointment is complete, the patient verbalizes and understanding of the treatment plan, and any

follow-up actions to be taken are completed (such as scheduling a follow-up appointment).

TRANSLATION BY EMPLOYEES

1. Employees may translate non-medical information, such as assist a patient with demographic paperwork, schedule an appointment, social needs assistance, etc.
2. Employees may medically translate a language other than English or ESL only upon successful attainment of a recognized medical translation certification program. The certification must be on file with Human Resources, and, with the exception of emergency situations, the staff member may not be directed away from regular duties to assist without the approval of their supervisor.

TRANSLATION BY FAMILY MEMBERS


1. Family members are not allowed to translate medical information
2. Family members may translate *non-medical* information only.

REFERENCES

- Propio Contract Information: 855-293-8133, select language, enter four (4) digit account number (7077)
- Deaf Services Information: deafservicesunlimited.com ([Link](#))
- IEHP Translation Services (see attached) (866) 440-4374
- CHC-QA-102 Patient's Rights and Responsibilities

ATTACHMENTS

- IEHP Memo dated May 8, 2024 (Interpreter Services)

 <p>MORONGO BASIN COMMUNITY HEALTH CENTER <small>A SERVICE OF MORONGO BASIN HEALTHCARE DISTRICT</small></p>	<p>DEPARTMENT / MANUAL: PATIENT CARE</p>
<p>ORIGINAL DATE: MARCH 2026</p>	<p>REVIEW & REVISION DATES: 3/26</p>
<p>TITLE: 340B DRUG PROGRAM, POLICY, AND PROCEDURE</p>	<p>APPROVED BY:</p> <p>Mgr/Dir: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>Governing Board: _____ Date: _____</p>

PURPOSE

This policy and procedure document is intended to ensure that Hi-Desert Medical Center, which participates in the Health Resources and Services Administration (HRSA) 340B Drug Pricing Program (340B Program), remains compliant with all applicable 340B state and federal laws and regulations. As such, this policy and procedure should not be interpreted or implemented in a manner that would contradict any such law, furthermore, the purpose is to define a systematic approach to protect the integrity of and adherence to the rules and regulations of the HRSA 340B Program.

BACKGROUND

Section 340B of the Public Health Service Act (1992) requires drug manufacturers participating in the Medicaid Drug Rebate Program to sign a pharmaceutical pricing agreement (PPA) with the Secretary of Health and Human Services. This agreement limits the price that manufacturers may charge certain covered entities for covered outpatient drugs. The 340B Program is administered by the Federal Health Resources and Services Administration in the Department of Health and Human Services (DHHS). Upon registration on the HRSA 340B Database/Office of Pharmacy Affairs Information System (OPAIS) as a participant in the 340B Program, 340B covered entities agree to abide by specific statutory requirements and prohibitions to access 340B drugs.

SCOPE

This policy and procedure document is applicable to Hi-Desert Medical Center’s participation in the 340B Program, which provides 340B covered outpatient drugs to its patients. This document includes guidelines for managing 340B drug purchasing and compliance at Hi-Desert Medical Center.

DEFINITIONS

Actual Acquisition Cost (AAC):

Actual prices are paid to acquire marketed drugs, or drugs sold by specific manufacturers, as defined in the [Covered Outpatient Drug Rule](#).

340B Drug Pricing Program (340B Program):

The 340B Program resulted from the enactment of [Public Law 102-585, Section 602](#), the Veterans Health Care Act of 1992, which is codified as Section 340B of the Public Health Service Act. The 340B Program is managed by the HRSA Office of Pharmacy Affairs (OPA). Section 340B limits the cost of covered outpatient drugs to certain federal grantees, federally qualified health center look-alikes, and qualified hospitals. Participation in the 340B Program can result in significant savings on the cost of pharmaceuticals for safety-net providers. The purpose of the 340B Program is to enable these entities to stretch scarce federal resources, reaching more eligible patients, and providing more comprehensive services.

340B Eligible Location:

A clinic location that is an integral part of a 340B HRSA Funded covered entity, is within scope of the grant and actively listed on the Electronic Handbook (EHB). Only associated sites actively registered on the OPAIS that are within the covered entity's scope of grant and actively listed on the EHB are 340B Eligible Locations where 340B drugs can be purchased and/or used. New locations shall be registered as associated sites on OPAIS during the OPA registration window which follows the site becoming active on the EHB.

340B Eligible Patient:

A patient of a covered entity that meets HRSA's definition of a patient. A 340B eligible patient may receive 340B purchased covered outpatient drugs while receiving care as an established patient within the covered entity's scope of services.

- HRSA's definition of a patient requires that (1) The covered entity has established a relationship with the individual, such that the covered entity maintains records of the individual's healthcare; and (2) the individual receives healthcare services from a healthcare professional who is either employed by the covered entity or provides healthcare under contractual or other arrangements (e.g., referral for consultation) such that responsibility for the care provided remains with the health center. (3) The individual receives a health care service or range of services from the covered entity which is consistent with the service or range of services for which grant funding or federally qualified health center look-alike status has been provided to the entity.
- An individual is not considered a patient if the only service received from the covered entity is the dispensing of drug(s) for self-administration in the home setting.

340B Eligible Provider:

A Healthcare Professional who is either employed by the covered entity or provides healthcare under contractual or other arrangement, such as a referral for consultation to a specialty practice.

340B Price:

The maximum price for a covered outpatient drug that manufacturers can charge covered entities participating in the 340B Program.

340B Purchased Drugs:

Covered outpatient drugs purchased by a covered entity under the 340B Program.

Associated Site:

An outpatient clinic that is eligible to participate in the 340B Program because it is an integral part of a covered entity (e.g., health center, etc.) that participates in the 340B Program, as evidenced by the fact that it is within the covered entity's federally approved scope of project in the Electronic Handbook (EHB) (as maintained through HRSA's Bureau of Primary Health Care (BPHC) and actively registered on OPAIS.

Contract Pharmacy:

A pharmacy that is not owned by the covered entity with which the covered entity has a written contract to provide services to the covered entity's patients, including the service of dispensing covered entity-owned 340B drugs.

Contract Pharmacy Arrangement:

An arrangement in which a 340B covered entity signs a contract with a contract pharmacy to provide pharmacy services.

Covered Entity:

A HRSA Funded Health Center or other facility enrolled in the 340B Program and eligible to purchase covered outpatient drugs for 340B eligible patients through the program at 340B prices.

Covered Outpatient Drug:

A drug defined in Section 1927 (k) of the Social Security Act (42 USC § 1396r-8(k)) that may be purchased, with certain possible exceptions, by covered entities under the 340B Program.

Diversion Prohibition:

The prohibition against the resale or transfer of covered outpatient drugs purchased under the 340B Program to anyone other than a 340B Eligible Patient of a covered entity.

Duplicate Discount Prohibition:

The prohibition against subjecting a manufacturer to providing both a drug at a discounted price under the 340B Program and providing a rebate for the drug under Title XIX of the Social Security Act (Medicaid).

Electronic Handbook (EHB):

The grants and program management system used by HRSA and its grant recipients. This database is what HRSA uses to determine eligibility for certain entities.

Group Purchasing Organization (GPO):

An organization that represents and organizes a group of health care facilities to evaluate and select pharmaceuticals using the purchasing power of the entire group. A GPO negotiates contracts that are often more favorable than a single organization could achieve on its own.

Healthcare Professional:

Physician, Physician Assistant, Pharmacist, Nurse Practitioner, Registered Nurse, and other licensed professionals who are trained to provide healthcare to patients.

Health Resources and Services Administration (HRSA):

An agency of the U.S. Department of Health and Human Services that is the primary Federal Agency for improving access to healthcare services for people who are underinsured, isolated, or medically vulnerable.

In-House Entity-Owned Pharmacy:

A pharmacy that is owned by, and a legal part of, the 340B covered entity. Typically, in-house pharmacies are listed as shipping addresses of the entity and the entity owns the license.

Medicaid Exclusion File (MEF):

Covered entities are required to designate in the application process whether 340B drugs will be utilized for Medicaid fee-for-service (FFS) patients. HRSA maintains this information in the MEF which is available to state Medicaid programs to identify all covered entities that have chosen to bill Medicaid for 340B-purchased drugs (carve-in).

Office of Pharmacy Affairs (OPA):

OPA is located within HRSA's Special Programs Bureau and is the component that administers the 340B Program.

Scope of Project:

A HRSA Funded Health Center's scope of project defines the activities that are supported, all or in part, by Section 330 grant funds. Specifically, the scope of project defines the approved service sites, services, providers, service area(s) and target population(s). For each HRSA Funded Health Center the Health Center Program approved scope of project must be consistent with statutory and regulatory requirements and the mission of the health center. Project scope evolves over time and expands each time a health center receives

increased funding through new grant awards. The scope of project is in the EHB (as maintained through HRSA's Bureau of Primary Health Care (BPHC) website).

Visits:

Documented, individual, face-to-face, telemedicine, or virtual contacts between a patient and a licensed or credentialed provider who exercises independent, professional judgment in providing services.

POLICY

1. Morongo Basin Community Health Center participates in the 340B Program as a 340B covered entity and adheres to all applicable 340B state and federal laws and regulations.
2. Morongo Basin Community Health Center is responsible for implementing a procedure to ensure compliance with all applicable state and federal 340B laws and regulations and ensures that the following requirements are met:
 - a. Only 340B Eligible Patients receive 340B purchased drugs to avoid diversion.
 - b. Annual 340B recertification by Morongo Basin Community Health Center is kept current.
 - c. Manufacturers are not subject to duplicate discounts for 340B drugs purchased by Morongo Basin Community Health Center under the 340B Program.
 - d. Morongo Basin Community Health Center uses savings generated from the 340B Program in accordance with 340B Program intent.
 - e. Morongo Basin Community Health Center has systems/mechanisms and internal controls in place to reasonably ensure ongoing compliance with all 340B requirements.
 - i. Morongo Basin Community Health Center conducts a minimum of 30 claims each month across all Third-Party Administrator platforms.
 - f. Morongo Basin Community Health Center maintains auditable records demonstrating compliance with the 340B Program.
 - i. 340B Program related records and transactions are maintained for a period of three years in a readily retrievable and auditable format.
 - ii. These records are reviewed periodically as part of 340B Program oversight and compliance.
 - iii. The Compliance Committee will be responsible for ensuring the implementation of the 340B Program compliance and an audit plan.
 - g. Morongo Basin Community Health Center utilizes a Compliance Committee for oversight and audit response, which will meet quarterly to assess the covered entity's overall compliance, address and resolve any lapses in compliance, discuss 340B Program related business, and otherwise oversee the covered entity's participation in the 340B Program.
 - i. The Compliance Committee will include those staff listed in the procedure below.
 - ii. The team will also include, either as regularly scheduled or ad hoc participants, other employees that are identified as being available to respond to a 340B Program audit notification from HRSA/OPA or a drug manufacturer (e.g., compliance staff, legal staff, information technology staff).

PROCEDURE

340B Eligibility

1. Morongo Basin Community Health Center's basis for 340B eligibility is determined by meeting the definition of "HRSA Funded health center" in section 1905(1)(2)(B) of the Social Security Act. The term "HRSA Funded health center" means the covered entity-
 - a. Morongo Basin Community Health Center is receiving a grant under section 330 of the Public Health Service act.

- b. Morongo Basin Community Health Center is a sub-grantee recipient that is receiving funding from a grant that is under contract with a recipient that meets the requirements to receive the 330 grant.
2. Morongo Basin Community Health Center uses 340B drugs only in outpatient clinic locations included in scope of grant. and are registered sites on the OPAIS 340B database.
3. Associated clinic sites and provided services are kept up-to-date, complete, and accurate and included within Morongo Basin Community Health Center's listed scope of project in the (EHB), the grants and program management system used by HRSA and its grant recipients. This database is what HRSA uses to determine eligibility for certain entities.
4. Morongo Basin Community Health Center's scope of project includes service delivery sites, services, providers, service areas, and target population supported under the total budget approved for the center. Morongo Basin Community Health Center's scope of project serves as the basis for its eligibility as a 340B Covered Entity.
5. Changes to the scope of project are approved and added to the EHB with the CEO (authorizing official) updating OPAIS during recertification or via a change request form.
6. Morongo Basin Community Health Center's Authorizing Official and Primary Contact are responsible for completing the OPAIS registration during the open registration periods.

HRSA/OPA DATABASE

1. Morongo Basin Community Health Center's eligibility/registration information on the OPAIS 340B database is kept up-to-date, complete, and accurate. Any change, including Morongo Basin Community Health Center becoming ineligible for participation in the 340B Drug Purchasing Program, is reported immediately to OPA.
 - a. Morongo Basin Community Health Center will ensure annually and with each change, that all Morongo Basin Community Health Center information on the HRSA/OPA database is accurate and up to date, including all contact information for Morongo Basin Community Health Center.
 - b. Morongo Basin Community Health Center immediately notifies OPA of any change to Morongo Basin Community Health Center's eligibility or information:
 - c. When outside of Morongo Basin Community Health Center's annual recertification period: change(s) will be submitted to OPA by the Authorizing Official via OPA's online change/termination request form

ASSOCIATED SITE PARTICIPATION

1. Morongo Basin Community Health Center ensures that each new associated site (i.e., new service delivery site) is assessed/approved internally before beginning participation in the 340B Program:
 - a. Morongo Basin Community Health Center validates that the new service delivery site is added to the EHB prior to being enrolled as a new associated site of Morongo Basin Community Health Center on OPAIS.
 - b. The Authorizing Official enrolls each new associated site approved by Morongo Basin Community Health Center on the HRSA/OPA 340B database during the next available online OPA registration period.

RECERTIFICATION

1. Morongo Basin Community Health Center completes the 340B Program recertification process annually within the HRSA assigned recertification window.
 - a. Morongo Basin Community Health Center's Authorizing Official completes the annual recertification prior to the stated deadline by following the directions as outlined in the email sent from HRSA to the Authorizing Official.
 - b. Morongo Basin Community Health Center submits specific recertification questions to 340b.recertification@hrsa.gov.

PATIENT/PRESCRIBER ELIGIBILITY COMPLIANCE

1. An individual is considered a 340B Eligible Patient of Morongo Basin Community Health Center if:
 - a. Morongo Basin Community Health Center has established a relationship with the individual, which includes maintaining records of the individual's healthcare.
 - i. The individual receives health care services or a range of services from Morongo Basin Community Health Center that are in scope of the grant funding provided to the organization.
 - ii. "Health care services" for the purpose of this policy includes in-person or telehealth visits, such as video or telephone consultations, as well as patient portal communication with health care professionals.
 - iii. "Telehealth" under this policy encompasses medical, behavioral health, clinical pharmacy, dental services, and other services as defined within scope.
 - b. The individual receives healthcare services from a healthcare professional that is either employed by Morongo Basin Community Health Center or provides healthcare services under contractual or other arrangements (e.g., referral for consultation) such that responsibility for the individual's care remains with Morongo Basin Community Health Center.
 - c. An individual is not considered a 340B Eligible Patient of Morongo Basin Community Health Center if the sole healthcare service rendered is the dispensing or prescribing of a drug for self-administration.
 - d. An active patient is one who has had a visit, as defined by HRSA's Uniform Data Systems (UDS) Manual, documented in the electronic health record (EHR) within the last 3 years.
2. Expedited Partner Therapy/Family Therapy. Morongo Basin Community Health Center allows providers to treat the sex partners of patients with sexually transmitted infections (STIs) or family members of patients with highly contagious illnesses (e.g., influenza) or highly spreadable infestations (e.g., lice) without an intervening personal assessment by a health care provider. This practice may be useful to prevent reinfection or re-infestation to the patient and is a recommended practice by the Centers for Disease Control (CDC). Neither expedited partner therapy nor family member therapy should be considered a repeated management strategy for a patient. Under these circumstances, Morongo Basin Community Health Center may fill prescriptions of patients and their sex partners or family members with 340B drugs.

THE COMPLIANCE COMMITTEE

1. The oversight of the 340B Program is the responsibility of the Compliance Committee which is comprised of the following:
 - a. Authorizing Official / Chief Executive Officer
 - b. Primary Contact / Chief Administrator Officer
 - c. Chief Financial Officer
 - d. Chief Medical Officer
 - e. Director of Quality
 - f. Director of Patient Care Services
2. The Compliance Committee has the following responsibilities:
 - a. Setting the general direction and policy for 340B drug purchasing and compliance.

- b. Establishing a 340B Program audit plan to:
- c. Ensures that internal self-audits are conducted on a regular basis in accordance with 340B Program auditing as set forth by Morongo Basin Community Health Center's Compliance Committee
- d. Ensure that internal and external self-audits are conducted on a regular basis in accordance with 340B Program auditing as set forth by Morongo Basin Community Health Center's Compliance Committee
- e. Meetings occur quarterly to review financial and 340B related reports, trends, audit results, and topics.
- f. Staying abreast of information on current best practices by sending key personnel to related conferences and/or training programs (e.g., webinars and/or teleconferences).
- g. Providing compliance and oversight direction.
- h. Determining 340B Program modifications or expansion.
- i. Communicating to Morongo Basin Community Health Center's leadership of potential changes to the 340B Program that could impact the 340B Program.
- j. Assessing discrepancy response, including the determination of an occurrence in which a material breach has been met.

DISCREPANCIES

1. Morongo Basin Community Health Center acknowledges that it may be liable to an individual manufacturer of a covered outpatient drug that is the subject of a discrepancy, and depending upon the circumstances, may be subject to repayment.
2. Material Breach
 - a. Discrepancies that are considered material are self-reported to HRSA as a material breach.
 - i. A material breach is defined as a discrepancy exceeding 10% of the total pharmacy spend in a fiscal year and does not self-correct within six (6) months.
 - ii. Morongo Basin Community Health Center maintains records (including all internal/external communication and corrective action plans) of violations, materiality assessment, and resolution to the manufacturer and/or HRSA.
 - iii. For any instances of material breach requiring self-disclosure will follow the procedure as out line on the HRSA entity self-disclosure page. <https://www.hrsa.gov/opa/self-disclosures>

COMPETENCY

1. Providing appropriate resources for 340B Program oversight*

Pharmacy staff with 340B procurement responsibilities, as well as staff involved with the 340B Program, are provided comprehensive training on the 340B Program and compliance requirements. Training is completed upon hire and competency is verified annually. All internal staff with responsibility for 340B oversight and auditing are provided comprehensive training on the 340B Program and compliance requirements. Training is completed upon hire and competency is verified annually.

***Morongo Basin Community Health Center does not currently dispense or purchase 340B drugs in a PAD setting, but if that operational practice does change, Morongo Basin Community Health Center will adhere to this 340B policy and procedure requirements.**

Provider Administered-Dispensed Drug Universe (Eligible Patient, Medicaid Election, and Inventory)*

***Morongo Basin Community Health Center does not currently dispense or purchase 340B drugs in a PAD setting, but if that operational practice does change, Morongo Basin Community Health Center will adhere to this 340B policy and procedure requirements.**

1. Morongo Basin Community Health Center will utilize 340B purchased drugs in the outpatient location(s) of the clinic.

2. Morongo Basin Community Health Center will remain responsible for all 340B covered outpatient drugs purchased through the clinic purchasing accounts and for adhering to 340B Program requirements.
 - a. Only 340B Eligible Patients of Morongo Basin Community Health Center will receive 340B purchased drugs.
 - b. A 340B Eligible Patient of Morongo Basin Community Health Center is considered qualified for a 340B drug when patient meets all criteria noted in Morongo Basin Community Health Center Patient Eligibility definition.
3. Morongo Basin Community Health Center ensures strategies are in place to prevent manufacturers from being subject to duplicate discounts for 340B purchased drugs.
 - a. Carve-In Medicaid
 - i. Morongo Basin Community Health Center has listed all applicable Medicaid billing numbers and/or National Provider Identifiers (NPI) used to bill FFS Medicaid payers for each of its 340B IDs on the MEF.
 - ii. Provider administered drugs are purchased under 340B pricing and billed to Medicaid payer(s) according to applicable billing requirements.
 - a) Morongo Basin Community Health Center will dispense or administer 340B purchased drugs to Medicaid patients AND subsequently bills Medicaid for those 340B drugs (carve-in) but will follow proper carve in requirements if this operation changes.
 - b) Morongo Basin Community Health Center has answered “yes” to the question “At this site, will the covered entity bill Medicaid fee-for-service for drugs purchased at 340B prices?” on OPAIS
 - c) Morongo Basin Community Health Center adheres to applicable State Medicaid payer billing requirements.
 - d) **Morongo Basin Community Health Center does not currently dispense or purchase 340B drugs in a PAD setting, but if that operational practice does change, Morongo Basin Community Health Center will adhere to this 340B policy and procedure requirements.**
 - e) Morongo Basin Community Health Center adheres to applicable State Medicaid payer billing requirements including Managed Medicaid organizations for the State of California.
 - i) A UD modifier will be added to the MCO or MFFS claim.
 - b. Carve-Out Medicaid
 - i. Morongo Basin Community Health Center does not bill Medicaid payers for 340B purchased drugs in a contract pharmacy setting.
4. Purchasing/Inventory Management
 - a. **Morongo Basin Community Health Center does not currently have 340B inventory for Provider Administered Drugs (PADS) in a PAD setting, but if that operational practice does change, Morongo Basin Community Health Center will adhere to this 340B policy and procedure requirements.**
 - b. Morongo Basin Community Health Center administers 340B drugs to patients meeting all criteria noted in Morongo Basin Community Health Center Procedure [Patient Eligibility/Definition].
 - c. Morongo Basin Community Health Center places 340B orders from the wholesaler through regular inventory reviews and shelf inspections. Morongo Basin Community Health Center conducts monthly inventory reconciliation
 - d. Morongo Basin Community Health Center checks in 340B inventory by examining the wholesaler invoice against the shipment received, and reports inaccuracies to the wholesaler.
 - e. Morongo Basin Community Health Center maintains auditable records of 340B-related transactions.
 - f. 340B inventory is stored in a secure location.
5. Transfer of Medications
 - a. Transfer of 340B inventory only occurs between locations registered under the Covered Entity, not between unrelated Covered Entities (sites that do not share the same 340B ID).
 - b. Transfer of inventory occurs only in rare, emergency situations where patient care may be negatively impacted without the transfer. Replacement would be with an exact 11-digit NDC match.

6. Management of Wasted Inventory
 - a. Morongo Basin Community Health Center does not currently have 340B inventory for Provider Administered Drugs (PADS) in a PAD setting, but if that operational practice does change, Morongo Basin Community Health Center will adhere to this 340B policy and procedure requirements.
 - b. Expired 340B inventory is sent to a centralized source to be subsequently returned to an authorized reverse distributor or destroyed per company policies and procedures.
 - c. Waste—340B medications are all single dose. Partial vials used will be considered a whole vial for 340B usage purposes, as the remaining will be thrown away. If a patient is charged for waste, the appropriate modifier will be used.
 - d. All returns to the wholesaler will be made on the same account that the drug was originally purchased.

CONTRACT PHARMACY UNIVERSE (ELIGIBLE PATIENT, MEDICAID ELECTION, & INVENTORY)

1. Morongo Basin Community Health Center will establish a contract pharmacy arrangement with each contract pharmacy and will provide comprehensive pharmacy services to 340B Eligible Patients.
 - a. Each contract pharmacy arrangement will include a fully executed written agreement between the covered entity and the one or more applicable contract pharmacies that includes HRSA's suggested contract provisions and that specifies the responsibilities and duties of each party, with respect to the provisions of this procedure and the comprehensive pharmacy services provided by the contract pharmacy.
 - b. Morongo Basin Community Health Center will maintain auditable records demonstrating compliance with the 340B Program.
 - c. Morongo Basin Community Health Center will register each contract pharmacy arrangement on OPAIS during open registration and attest that each arrangement is active during each recertification period.
2. Only 340B Eligible Patients of Morongo Basin Community Health Center will receive 340B purchased drugs from a contracted pharmacy with Morongo Basin Community Health Center.
 - a. Morongo Basin Community Health Center ensures that strategies are in place for each contract pharmacy to confirm that 340B purchased drugs are not provided to patients who are not 340B Eligible Patients (diversion).
 - i. Morongo Basin Community Health Center has systems in place to verify qualifying contract pharmacy prescriptions
 - ii. The contract pharmacy maintains auditable customary business records demonstrating contract pharmacy 340B Program Compliance, including by not limited to prescription files and records of ordering and receipt.
 - iii. A tracking system is in place that may include prescription files, and records of ordering and receipt.
3. Morongo Basin Community Health Center ensures strategies are in place to prevent manufacturers from being subjected to duplicate discounts for 340B purchased drugs.
 - a. Morongo Basin Community Health Center does not bill Medicaid for 340B purchased drugs and therefore carves out Medicaid. The contract pharmacy NPI and/or state Medicaid billing numbers are not listed on the MEF.
4. Morongo Basin Community Health Center will remain responsible for all 340B covered outpatient drugs purchased through a contract pharmacy and for adhering to the 340B Program requirements.
 - a. Only 340B Eligible Patients of Morongo Basin Community Health Center will receive 340B purchased drugs from a contract pharmacy.
 - i. Morongo Basin Community Health Center and the contract pharmacy will establish a verification system for qualifying eligible claims.
 - ii. The contract pharmacy regularly provides Morongo Basin Community Health Center with auditable

- customary business records.
 - iii. Morongo Basin Community Health Center and the contract pharmacy will establish and maintain a tracking system that is suitable for auditing for diversion.
 - b. If a contract pharmacy has more than one covered entity that it has contracted with, appropriate steps will be taken to ensure duplicate 340B processing does not occur.
 - c. Morongo Basin Community Health Center will periodically audit, with the use of the established tracking system, for instances of diversion.
5. Morongo Basin Community Health Center utilizes an 11-digit to 11-digit replenishment model at its contract pharmacy location(s).
 - a. 340B purchases are made on the 340B purchasing account based upon utilization and full package accumulations.
 - b. Morongo Basin Community Health Center utilizes a “ship to, bill to” process.
 - i. Morongo Basin Community Health Center will purchase covered 340B drugs at 340B prices from manufacturers/wholesalers but ship the drugs directly to the contract pharmacy.
 - ii. In accordance with its written contract, the contract pharmacy will compare all shipments of 340B-purchased drugs received to the orders for the drugs and inform Morongo Basin Community Health Center of any discrepancies.
 6. Morongo Basin Community Health Center will remain aware of, and adhere to, anti-kickback provisions of the Medicare and Medicaid Anti-Kickback statute.
 7. Morongo Basin Community Health Center has established processes in place to ensure 340B Program compliance and oversight at the contract pharmacy location(s).

DECLARED STATE OF EMERGENCY

1. In a state of emergency Morongo Basin Community Health Center will continue to ensure it has policies and procedures in place to address the purchasing and dispensing of 340B drugs, and it will continue to keep auditable records.
2. During the state of emergency, patient care may be relocated as required by applicable patient care standards. Patients will still be considered eligible patients if care is moved outside standard care areas or if telehealth practices are utilized if the patient is registered to Morongo Basin Community Health Center.
3. Morongo Basin Community Health Center may utilize volunteer health professionals to provide health care. Documentation will be generated and maintained to make the relationship between the provider and Morongo Basin Community Health Center clear and to confirm the Morongo Basin Community Health Center’s responsibility for providing patient care. This documentation will recognize the emergency nature of the situation, the name and address of the volunteer, and his/her relationship to Morongo Basin Community Health Center, and will be kept on file by the Morongo Basin Community Health Center.
 - a. Health Care Providers may work at Morongo Basin Community Health Center on a short-term or temporary basis. The Healthcare Professional definition will still be in place and all providers including short-term or temporary providers are considered eligible.
4. An abbreviated health record may be adequate for purposes of the 340B Program. The record must identify the patient, record the medical evaluation (including any testing, diagnosis, or clinical impressions) and the treatment provided or prescribed. For purposes of 340B Program eligibility, the record may be a single form or note page. It is the recorded information that creates a record. For example, under these emergency circumstances, the patient may be without insurance cards or identity papers and providers may not have access to documented medical histories.
5. If HRSA opens the window of eligibility where a non-340B covered entity can register as a 340B covered entity or an existing covered entity can register additional child sites and contract pharmacies, Morongo Basin Community Health Center will notify HRSA and/or Apexus of any locations or pharmacies that will

need to be registered.

- a. Any significant expansion of services will be subject to approval of the 340B Program Oversight Team.
- b. If any changes may occur, Apexus Answers shall be contacted to provide guidance and contact information for an appropriate HRSA staff resource.

AUDITING GUIDE/TIMTABLE

Audit Component	Covered Entity Frequency
Eligibility Document Review and Maintenance	
Eligibility Documents	2x/Year: Recertification
EHB Location Crosswalk	Annually at Recertification & as changes occur
Program Narrative	Annually & as needed
HRSA OPAIS	Annually & as needed
Policy and Procedures	Annually
Contract Pharmacy Contracts	At the time of execution and annually
340B Eligibility Utilization Audits: Random & targeted sampling for diversion & duplicate discount	
Contract Pharmacy prescriptions	Monthly
340B Purchasing Audit: 340B purchases & inventory are generally consistent w. utilizations, returns & waste	
Contract Pharmacy prescriptions	Quarterly
Contract Pharmacy TPA Maintenance	
Eligibility/Data Settings	Quarterly
Provider List Review	Quarterly
Medicaid BIN/PCN/GRP Carve-Out List	Annually & as needed
Manufacturer Repayment Reconciliation	Quarterly

***Morongo Basin Community Health Center does not currently dispense or purchase 340B drugs in a PAD setting, but if that operational practice does change, Morongo Basin Community Health Center will adhere to this 340B policy and procedure requirements.**

Audit Component	Covered Entity Frequency
340B Eligibility Utilization Audits: Random & targeted sampling for diversion & duplicate discount	
Provider Administered Drugs	Monthly
In-House Pharmacy Prescriptions	Monthly
340B Purchasing Audit: 340B purchases & inventory are generally consistent w. utilizations, returns & waste	
Clinic Inventory Spot-Checks	Quarterly
In-House Pharmacy Prescriptions	Quarterly
Purchasing Account List Review	Annually

REFERENCES

- Apexus: <https://www.apexus.com/home/>
- Section 340B of the Public Health Service Act ("PHSA"), Section 602 of the Veterans Health Care Act of 1992
- Federal Register, Vol. 75, No. 43, Friday, March 5, 2010
- Federal Register, Vol. 76, No. 98, Friday, May 20, 2011
- Medicare and Medicaid Anti-Kickback Statute, 42 U.S.C. 1320a-7b(b)
- Health Resources and Services Administration (HRSA) Bureau of Primary Health Care, Office of

Pharmacy Affairs (OPA): https://bphcdata.net/docs/uds_virtual_visits.pdf

SECONDARY MATERIALS

- Auditing Guide for each universe



MORONGO BASIN HEALTHCARE DISTRICT

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

April 2, 2026

To: CHC Board of Directors

From: Deborah Anderson, CFO

Re: CFO's Report for February 2026

OVERVIEW

The clinic financials for the month of February show income of \$29,831 and year to date shows income of \$601,785. (See Table 1 & 2)

Visits performed for the month of February came down compared to other months in the fiscal year, but were still over budgeted visits (2,903 actual vs 2,737 budget). This has contributed to the clinics being over budget by 862 visits to date, which is reflected in the financial statements patient services revenue. Capitation revenue seems to have finally leveled out from IEHP. Previous to this year, we were continually receiving increased capitation amounts, which has added more variables to trying to estimate the year end payback to Medi-Cal. Now that this has leveled out, we are hoping we can fine tune our estimates for the paybacks owed that come about from the Medi-Cal payment reconciliation process. Clinic operating expenses continue to be with 1%-2% of budget, excluding allocations.

CLINIC CHANGE IN NET POSITION

Table 1 Clinics February 2026

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	690,508	574,048	116,461	20.29%
Grant Revenue	134,793	127,742	7,051	5.52%
340B Revenue	34,354	25,805	8,549	33.13%
Capitation Fees	178,792	180,832	(2,040)	-1.13%
Records & Interest	341	133	208	156.87%
Cost Report Adjustments	(137,361)	(137,360)	(0)	-0.00%
Quality & TRI/Prop 56, Misc	62,528	21,042	41,486	197.16%
Mat Grant		-	-	0.00%
	963,956	792,240	171,715	21.67%
Salaries - Clinic	432,733	465,432	32,699	7.03%
Fringe - Clinic	115,522	115,330	(192)	-0.17%
Phys Fees - Clinic	86,745	63,121	(23,624)	-37.43%
Purchases Services - Clinic	55,979	60,559	4,580	7.56%
IT, Network & Phones - Clinic	19,849	24,459	4,611	18.85%
Supplies - Clinic	18,620	28,518	9,897	34.71%
Supplies - 340B	32,339	22,467	(9,873)	-43.94%
R&M - Clinic	4,496	6,199	1,703	27.47%

Table 6 (continued)

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Leases/Rentals - Clinic	272	142	(130)	-91.85%
Utilities - Clinic	6,900	6,025	(875)	-14.53%
Ins - Clinic	287	302	14	4.75%
Other - Clinic	4,490	7,191	2,701	37.56%
Depreciation	16,419	18,792	2,372	12.62%
	794,651	818,535	23,883	2.92%
Operating Income/(Loss) before Allocation	169,305	(26,294)	195,599	743.89%
Allocation of Overhead for Health Centers	(139,473)	(160,556)	21,083	13.13%
Change in Net Position	29,831	(186,850)	216,681	115.97%

Table 2 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	5,662,964	5,045,576	617,388	12.24%
Grant Revenue	1,668,057	1,047,465	620,592	59.25%
340B Revenue	340,913	226,810	114,103	50.31%
Capitation Fees	1,467,631	1,446,655	20,976	1.45%
Records & Interest	1,719	1,163	556	47.79%
Cost Report Adjustments	(1,098,468)	(1,098,884)	416	0.04%
Quality & TRI/Prop 56, Misc	571,936	168,333	403,603	239.76%
Mat Grant	75,000	-	75,000	100.00%
	8,689,752	6,837,118	1,852,633	27.10%
Salaries - Clinic	3,743,359	4,049,261	305,902	7.55%
Fringe - Clinic	839,734	916,699	76,965	8.40%
Phys Fees - Clinic	688,630	554,796	(133,834)	-24.12%
Purchases Services - Clinic	493,066	492,707	(359)	-0.07%
IT, Network & Phones - Clinic	178,159	195,676	17,516	8.95%
Supplies - Clinic	351,184	250,655	(100,530)	-40.11%
Supplies - 340B	244,514	192,395	(52,119)	-27.09%
R&M - Clinic	87,399	51,130	(36,269)	-70.93%
Leases/Rentals - Clinic	1,072	1,133	62	5.43%
Utilities - Clinic	61,939	58,616	(3,323)	-5.67%
Ins - Clinic	2,299	2,413	115	4.75%
Other - Clinic	73,001	61,001	(12,000)	-19.67%
Depreciation	140,988	150,332	9,344	6.22%
	6,905,344	6,976,814	71,470	1.02%
Operating Income/(Loss) before Allocation	1,784,408	(139,696)	1,924,104	1377.35%
Allocation of Overhead for Health Centers	(1,183,191)	(1,411,202)	228,011	16.16%
Operating Income/(Loss) after Allocation	601,216	(1,550,898)	2,152,115	138.77%
Non-Operating	568	-	568	-100.00%
	568	-	568	-100.00%
Change in Net Position	601,785	(1,550,898)	2,152,683	138.80%

Grant revenue variance is due to spending for the ARP capital and HIV grant that was not budgeted (the supplies – clinic line is also higher because some of the expenses for this grant spending is in this line). 340B revenue is higher because we anticipated a trend of more restrictions on the program for the budget period. Quality is higher because we anticipated cuts to quality because the cuts will take another year before they are realized. Other/Misc revenue variance is due to grant monies for the MAT program. Physician fees are higher due to increased services being done by all providers. 340B supplies expense is higher due to drug manufacturer restrictions. R&M is higher than budgeted due to clinics replacing some windows at the various buildings, which individually don't meet the criteria for capitalization.

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	FY 25-26
Jul	2,942	3,283	3,091	2,877	2,670	2,758	3,030	3,467
Aug	3,766	3,587	3,015	3,425	3,315	3,195	2,975	3,099
Sep	3,043	3,501	3,065	3,134	3,256	2,593	3,041	3,346
Oct	3,551	3,892	3,264	3,282	3,071	3,027	3,697	3,296
Nov	3,229	3,353	2,627	3,116	2,936	2,928	2,952	2,595
Dec	2,858	3,304	2,976	2,705	2,881	2,556	3,027	3,000
Jan	3,698	4,010	2,921	2,925	3,001	3,226	3,316	3,210
Feb	3,198	3,763	3,190	3,068	2,882	2,980	3,303	2,903
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	3,275	-
Total	40,466	38,672	37,250	37,415	36,425	35,106	39,166	24,916
Total YTD	26,285	28,693	24,149	24,532	24,012	23,263	25,341	24,916



MORONGO BASIN HEALTHCARE DISTRICT

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

April 2, 2026

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

HEALTH CENTER

- I am pleased to announce that Lorraine Kirkpatrick, NP and Daniela Attia, LCSW have started orientation and are doing well. Our search for an additional provider is still on-going to help us meet the needs of the patient volume.
- Dr. Kim will be back to full time in April and is doing well.
- Kelly Hedges Wehner and JJ Greer, participated in an IEHP audit of patients screened for lead testing and we scored a 95% which is excellent.
- Work on the Yucca Valley clinic and Behavioral Health office has begun. The goal is to do some minor updates and remodeling to accommodate growth and space needs to get all the supporting services on clinic sites.
- The Yucca Valley Clinic has been experiencing plumbing malfunctions due largely to the old cast iron pipes. This is being addressed but will require some major updating to the plumbing lines.

BOARD CALENDAR

April 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2 CHC Board 4:45p MBHD Board 6:15p	3	4
5	6	7 Adhoc Committee For CEO Evaluation 6:15p (District Boardroom)	8 Joshua Tree Community Resource Fair 12:30p – 3:30p	9 Morongo Basin Coalition 12:00p-1:00p Reachout YV	10	11 Help Yourself Help Your Neighbor Emergency Fair Walmart Parking Lot 9:00a -1:00p
12	13	14	15	16 Health Talks 29P Senior Center 10:30a -12:00p ***** Bingo for Books w/ Palm Vista Elementary 5:00p – 7:00p	17	18 City Youth Olympics Luckie Park 29 Palms 9:00a-12:00p
19	20 Joshua Tree Community Health Talk 10:45a	21 YV Senior Center Health Talk 11:30a	22	23	24	25
26	27	28	29	30		

BOARD CALENDAR

May 2026

	Mon	Tue	Wed	Thu	Fri	Sat
					1	2 MBHD HEALTH FAIR!!! YV COMMUNITY CENTER 10a-2p
3	4	5	6	7 Employee Forum 11:30a CHC Board 4:45p MBHD Board 6:15p	8	9 Family Fun Day Palm Vista Elementary 10:30a-2:30p
10	11	12	13 Joshua Tree Community Center Resource Fair 12:30p-3:30p	14 Morongo Basin Coalition Reachout YV 12:00p-1:30p	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30 31