



COMMUNITY HEALTH CENTER (CHC) GOVERNING BOARD MEETING

MEETING AGENDA

Thursday, May 7, 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.



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APPROVAL OF MEETING AGENDA

Pages 1-2

- *Motion 26-161: Motion to approve the meeting Agenda as published.*

APPROVAL OF CHC CONSENT AGENDA

Pages 3-7

- *Motion 26-162: Motion to approve the minutes of April 2, 2026.*

ACTION ITEMS

Q1 2026 QUALITY REPORT: Patient Satisfaction & UDS – Tricia Gehrlein, CAO

Pages 8-9

- *Motion 26-163: Motion to accept & file the Q1 2026 Quality Report & UDS.*

FY 26-27 BUDGET – Debbie Anderson, CFO

- *Motion 26-164: Motion to instruct staff to proceed with final Operations Budget.*

MARCH 2026 FINANCIAL REPORT – Debbie Anderson, CFO

Pages 10-13

- *Motion 26-165: Motion to accept and file the February 2026 financial report as presented.*

REPORTING

CEO REPORT (YV CLINIC TOUR) Cindy Schmall, CEO

CALENDAR REVIEW – Cindy Schmall, CEO

Pages 14-15

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 May 4, 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 hkrushat@mbhdistrict.org



Morongo Basin Health Care District
Community Health Center
GOVERNING BOARD MEETING

MINUTES of Thursday, April 2, 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 (*absent*)
- Jackie Todd (*present*)
- Marc Greenhouse (*present*)
- Lisa Ryan (*present*)
- Pat Cooper (*present*)
- Sean Loomis (*present*)

STAFF:

- Angie Villaluz, Quality Manager (*remote*)
- Beverly Krushat, Board Clerk (*present*)
- Cindy Schmall, CEO (*present*)
- Debbie Anderson, CFO (*present*)
- Dianna Anderson, *Community Programs Manager* (*present*)
- Fredi Levitt, BH Manager (*present*)
- JJ Greer, SR Site Supervisor (*remote*)
- Janeen Duff, Director Strategic Initiatives (*present*)
- Jill Goodwin, Clinical Services Manager (*absent*)
- Kelly Hedges-Wehner, Patient Care Services Director (*present*)
- Kim Harrison, Business Office Services Director (*present*)
- Mia Fisher, Dental Manager (*absent*)
- Sheri Tinchler, Patient Financial Manager (*present*)
- Tina Huff, Integrated Health Services Director (*absent*)
- 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 Cody Briggs read the Mission & Vision Statements.

PUBLIC COMMENTS – There were no public comments.

APPROVAL OF MEETING AGENDA -

Motion 26-155: MSC (Greenhouse/Watson) 7/0/1 motion carried to approve April 2, 2026, agenda.

APPROVAL OF CHC CONSENT AGENDA –

Motion 26-156: MSC (Greenhouse/Todd) 7/0/1 motion carried to approve consent agenda.

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

CEO Schmall asked CAO Gehrlein to put together a more in depth education presentation on what the UDS actually is, where it comes from, and how we use it to improve quality of care. Because this is one of your key responsibilities with HRSA, it's important that you understand what we are doing. We are going to try and do more board education to help build your knowledge and get you more familiar with the terms.

CAO Gehrlein continued with the presentation, reviewing the importance of the evidenced based UDS measures, including the three areas of focus and how these measures are used within the clinics, as well as how to interpret the results for the board.

ACTION ITEMS

REVIEW BOARD MEMBER ATTENDANCE – *Cindy Schmall, CEO*

CEO Schmall stated that the CHC board has attendance requirements in the By-Laws for this meeting to ensure that board members are staying active and meeting their requirements. Hermione Gutierrez Rios has not been attending for some time. We have attempted to reach out to her with no response. We knew that she was planning to move out of the area but we have not heard if it has happened or not. However, at this point, she is not meeting the compliance requirements and hasn't attended a meeting since October. The By-Laws state that you have to make 75% of the meetings, which means you can only miss three (3). At this time, I have to ask for your approval to remove Hermoine from the board and we will start a search for another patient board member.

Motion 26-157: MSC (Briggs/Ryan) 7/0/1 motion carried to remove Hermoine Gutierrez Rios from the CHC board as it pertains to attendance.

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

CAO Gehrlein stated that the board currently has in front of them is an updated version to the original policy and what we have added and changed. for the previous version did not directly address an employee who wished to translate or what happens when a family member comes in with the patient. The law is very strict, if you are going to be interpreting medical information, you must have certification to do so. If our providers happen to speak Spanish, they cannot interpret for themselves. They must our approved language service contractors to do the translation for them. If a family member comes in with a patient, they can translate information such as your name, date of birth, address, or anything non-medical.

Employees or anybody can only do the interpretation if they have the proper certification.

Motion 26-158: MSC (Briggs/Greenhouse) 7/0/1 motion carried to approve Policy No. CHC-PC-125 – Interpretive Services.

POLICY NO. CHC-PC-200 – 340B DRUG PROGRAM, POLICY, & PROCEDURE

CAO Gehrlein informed the board that the 340B program is quite extensive and means that our patients can access medication at a lower cost than if they were to go to private insurance. We do not have a pharmacy in-house; however, some federally qualified health centers do have their own pharmacy. What this means for our patients is that we have agreements with local pharmacies that allow them to access medications. We have an intermediary who helps us manage this.

By accessing the drugs at a lower cost, the pharmaceutical companies are required to take some of the cost savings and give it to the federally qualified health centers. There is a stream of income that comes from this, it's not very big but there is a stream of revenue. This is very tightly regulated by the federal government because they are ensuring that our patients have access to medication that they normally couldn't afford.

Our intermediary helped us write these policies that are in line with HRSA's requirements that formalize and structure how we implement the program, how we audit the program, and how we ensure that only patients of ours receive the medications that are prescribed. As an example, if a patient presents and their name is John Doe and they present to Vons to fill their medication, we may have five (5) patients named John Doe, we then get this record and ensure that the patient who presented is our John Doe patient,

which we then ensure that it is true and correct. If it's not our patient and they received the discount, this is illegal.

The policy outlines the program, the legalities of how we implement the program, and what we have to audit and then present to our compliance committee.

Esther Watson asked how do you audit the various pharmacies to ensure they are giving the discount to the right person?

CAO Gehrlein stated that our intermediary receives a report from the pharmacies and the report has all of the patient identifiers in it. We do random audits, sometimes a full audit of patients. Our intermediary has our patient provider NPI numbers, which is their provider number that is registered with the government. First they check and match "did the prescription come from that provider"? This is the first screening then it cascades down from there.

Motion 26-159: MSC (Greenhouse/Watson) 8/0/0 motion carried to approve Policy No. CHC-PC-200-340B Drug Program. (This was inadvertently listed on the agenda as Policy No. CHC-PC-20 by clerical error).

FEBRUARY 2026 FINANCIAL REPORT – *Cindy Schmall, CEO*

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 & TRJ/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	2,552	2,595
Dec	2,853	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

Motion 26-160: MSC (Greenhouse/Briggs) 7/0/1 motion carried to approve the February 2026 financial report.

CEO REPORT – *Cindy Schmall, CEO*

- 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 ongoing 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.

Next month the meeting will be short as we are taking you on a tour of the clinics. Kelly and his team will be on site to walk you around and show you what’s going on.

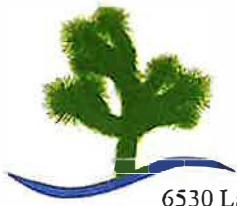
CALENDAR REVIEW – *Cindy Schmall, CEO*

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

BOARD MEMBER COMMENTS – None

ADJOURN MEETING – Meeting adjourned at 6:01 p.m.

Lisa Ryan, Secretary



MORONGO BASIN HEALTHCARE DISTRICT

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

TO: Cindy Schmall, CEO
FROM: Tricia Gehrlein, CAO
DATE: May 07, 2026
SUBJECT: MBCHC BOARD OF DIRECTORS QUALITY REPORT, Q1 2026

2026 UDS Measures Q1

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

Of note:

1. UDS is presented as a whole,
2. Providers receive their individual scores
3. Q1 scores:
 - a. Scores are similar to Q1 2025
 - b. Q1 scores are specifically impacted by:
 - i. UDS scores are rated based upon a *qualifying visit*. The patient must have been seen in a department that qualifies for having a reason to evaluate a measure.
 - ii. Behavioral Health, Chiropractic, and Telehealth visits are qualifying visits.
 - iii. Patients may not yet have seen their primary care provider this year, so the measure needed is not yet captured as this usually occurs in the primary care office.
 - iv. If the measure has not yet been captured, the resulting score will be low.
 - v. Scores increase over the course of the year as patients are seen in primary care.

UDS Measures for Q1 are summarized as follows:

- 1 of the 16 measures was *equal to or higher* than target goals: HIV Screening
- 5 of the measures were within 10% of achieving target goals: Controlling High Blood Pressure, IVD Aspirin Use, Statin Therapy, Tobacco Use: Screening and Cessation; and Dental Sealants for Children
- 10 of the measures did not meet target goals: BMI Screening and Follow up (Adult), Breast Cancer Screening, Childhood Immunizations, Weight Assessment and Counseling for Nutrition/Physical Activity for Children and Adolescents (BMI), Colorectal Cancer Screening, Diabetes A1c, and Screening for Depression and Follow up plan/Depression Remission at 12 months.

2026 Patient Satisfaction Q1

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

For Q1, there has been a slight increase in overall satisfaction over 2025. Overall scoring places Medical at 93.09% (was 92.33) satisfaction and Dental at 95.11% (was 92.24%) satisfaction. Behavioral Health did not receive a high enough response to rate this past quarter. We are exploring other ways to reach this patient population.

Patient Satisfaction tracking for 2026 now includes:

- Primary Care Providers overall
 - Individual scores are shared with providers
 - Adult Primary Care Providers = 91.04%
 - Pediatric Providers – 96.86%
 - Dentists = 93.74%
- Medical Assistants = 93.51%
- Dental Team (not Dentists) – 98.21%
- Front Desk – 92.80%

Our key indicators (specific question scores) show a slight increase in each factor. Of note:

- One decrease in Medical – Appointment at time of need – was 88.25% in 2025. Q1 shows a decrease to 84.29%. The decrease was anticipated due to provider shortage; this has been addressed with Dr. Kim back to work full time and the addition of Lorraine Kirkpatrick, NP.
- Ease of contacting improved from 84.01% in 2025 to 88.51% for Q1. We believe this is due to the resolution of the phone system issues.
- Likelihood to Recommend our practice to other significantly increased in the Dental department from 90.90% in 2025 to 97.09% in Q1. We believe this is due to having two full-time dentists, whose practices have been well received.

NOTE: Patient comments are reviewed every two weeks to identify trends or specific concerns. *No trends or specific concerns identified. When negative comments are received, an investigation occurs to the extent possible.*



MORONGO BASIN HEALTHCARE DISTRICT

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

April 29, 2026

To: CHC Board of Directors

From: Deborah Anderson, CFO

Re: CFO's Report for March 2026

OVERVIEW

The clinic financials for the month of March show income of \$16,203 and year to date shows income of \$617,988. (See Table 1 & 2)

The table below shows the breakdown of the clinics by service line.

Description	Adult	Peds	Dental	Chiro	BH	340B	Grants	Indirect	Total
Operating Income and Expense									
Operating Income									
Patient service revenue	2,008,390	1,601,865	1,165,473	656,072	1,057,216	-	-	-	6,489,116
Grant Revenue	332,489	-	-	-	3,786	-	317,374	1,149,680	1,803,340
Other Operating Revenue 340B	-	-	-	-	-	388,094	-	-	388,094
Other Operating Revenue Cap Fees	1,046,753	599,659	-	-	6,849	-	-	-	1,653,262
Other Operating Revenue Records & Inters	1,228	388	-	63	100	-	-	105	1,886
Other Operating Revenue Cost Report Adj	(494,082)	(432,686)	-	(61,813)	(247,249)	-	-	-	(1,235,829)
Other Operating Revenue Other	37,445	57,605	23,129	-	122,168	-	-	495,770	737,117
Total Operating Income	2,932,235	1,826,933	1,188,602	594,322	942,870	388,094	317,374	1,646,555	9,830,985
Operating Expenses									
Salaries and Wages	1,266,073	609,687	831,963	34,698	386,151	-	38,996	1,088,948	4,258,516
Fringe Benefits and Payroll Taxes	305,526	104,909	180,300	8,055	111,242	-	13,388	268,042	991,462
Physician Fees/Contract Labor	-	258,370	-	197,730	325,225	-	-	-	781,325
Purchased Services	22,069	11,718	61,773	2,437	3,840	-	1,757	451,914	555,508
IT, Network, & Phones	14,688	16,751	10,925	673	3,303	-	-	154,513	200,853
Supplies	22,049	202,901	59,987	148	397	271,960	93,122	7,924	658,489
Repair and Maintenance	45,702	4,497	13,142	2,428	4,940	-	-	29,671	100,380
Rent and Lease	327	16	900	4	18	-	-	6	1,272
Utilities	15,807	11,919	9,494	1,318	6,870	-	-	23,649	69,057
Insurance Expenses	1,293	-	1,293	-	-	-	-	-	2,586
Other Direct Expense	19,283	3,978	4,669	78	876	200	14,855	33,766	77,707
Operating Expense before depreciation	1,714,817	1,224,745	1,174,445	247,570	842,853	272,160	162,118	2,058,434	7,697,154
Depr & Amort	47,940	10,825	84,482	1,621	8,183	-	-	31,572	157,582
Total Depreciation	47,940	10,825	84,482	1,621	8,183	-	-	31,572	157,582
Total Operating Expenses	1,757,757	1,235,570	1,258,927	249,191	849,026	272,160	162,118	2,090,006	7,854,736
Net Operating Income (Loss)	1,174,478	591,363	(70,325)	345,132	93,844	115,934	155,256	(443,450)	1,982,249
Clinic Allocations									
Clinic Allocation Income	705,888	362,857	343,842	47,108	180,608	-	6,821	(1,847,124)	-
Clinic Allocation Expenses	(922,959)	(491,875)	(386,458)	(63,778)	(215,924)	-	(9,014)	2,090,006	-
District Allocation Income	1,508	776	735	100	415	-	3	-	3,537
District Allocation Expenses	(586,634)	(301,516)	(285,740)	(39,159)	(149,278)	-	(6,040)	-	(1,368,365)
Non-Operating Revenues (expenses)	-	-	-	-	-	-	-	568	568
Total Allocations & Non-operating	(802,197)	(429,757)	(327,821)	(55,728)	(184,178)	-	(8,230)	443,450	(1,384,281)
NET SURPLUS/(DEFICIT)	372,281	161,605	(377,926)	289,404	(90,334)	115,934	147,026	-	617,988

Of the \$617,988 income, \$147,026 is attributable to income recognized for a grant, but the corresponding expense isn't included because it was a capital item. Additionally, the 340B service line has only made \$115,934. The drug manufacturer restrictions along with the carve out for Medi-Cal Rx have both cut into the income that this program used to make. Chiro, adults and peds all show income whereas the dental & BH show losses. In FY 24-25, we estimated the cost report payback to be about \$1.7 million and it ended up being closer to about \$2 million. This means as we review the revenue above, it is likely we will need to further adjust the cost payment reconciliation liability by another \$262,500.

The investments for the District showed losses, so this caused the non-clinic financials to show losses for the month. However, year to date, the non-clinic financials continue to do better than budgeted.

CLINIC CHANGE IN NET POSITION

Table 1 Clinics March 2026

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	826,152	664,687	161,465	24.29%
Grant Revenue	135,283	127,742	7,541	5.90%
340B Revenue	47,181	29,879	17,302	57.91%
Capitation Fees	185,631	180,832	4,799	2.65%
Records & Interest	167	153	15	9.54%
Cost Report Adjustments	(137,361)	(137,360)	(0)	-0.00%
Quality & TRI/Prop 56, Misc	90,181	21,042	69,139	328.58%
Mat Grant		-	-	0.00%
	1,147,234	886,974	260,260	29.34%
Salaries - Clinic	515,158	511,976	(3,182)	-0.62%
Fringe - Clinic	151,728	121,377	(30,351)	-25.01%
Phys Fees - Clinic	92,695	73,087	(19,608)	-26.83%
Purchases Services - Clinic	62,442	61,708	(734)	-1.19%
IT, Network & Phones - Clinic	22,693	24,459	1,766	7.22%
Supplies - Clinic	35,345	33,020	(2,324)	-7.04%
Supplies - 340B	27,447	24,999	(2,448)	-9.79%
R&M - Clinic	12,981	6,507	(6,474)	-99.49%
Leases/Rentals - Clinic	200	142	(58)	-41.18%
Utilities - Clinic	7,117	5,595	(1,523)	-27.21%
Ins - Clinic	287	302	14	4.75%
Other - Clinic	4,706	7,886	3,180	40.33%
Depreciation	16,594	18,792	2,197	11.69%
	949,392	889,848	(59,544)	-6.69%
Operating Income/(Loss) before Allocation	197,841	(2,874)	200,716	6983.26%
Allocation of Overhead for Health Centers	(181,638)	(185,907)	4,269	2.30%
Change in Net Position	16,203	(188,781)	204,984	108.58%

Table 2 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	6,489,116	5,710,263	778,853	13.64%
Grant Revenue	1,803,340	1,175,207	628,132	53.45%
340B Revenue	388,094	256,690	131,404	51.19%
Capitation Fees	1,653,262	1,627,486	25,775	1.58%
Records & Interest	1,886	1,316	570	43.34%
Cost Report Adjustments	(1,235,829)	(1,236,245)	416	0.03%
Quality & TRI/Prop 56, Misc	662,117	189,375	472,742	249.63%
Mat Grant	75,000	-	75,000	100.00%
	9,836,985	7,724,092	2,112,893	27.35%
Salaries - Clinic	4,258,516	4,561,236	302,720	6.64%
Fringe - Clinic	991,462	1,038,076	46,614	4.49%
Phys Fees - Clinic	781,325	627,883	(153,442)	-24.44%
Purchases Services - Clinic	555,508	554,415	(1,093)	-0.20%

Table 2 (continued)

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
IT, Network & Phones - Clinic	200,853	220,135	19,283	8.76%
Supplies - Clinic	386,529	283,675	(102,854)	-36.26%
Supplies - 340B	271,960	217,394	(54,566)	-25.10%
R&M - Clinic	100,380	57,637	(42,743)	-74.16%
Leases/Rentals - Clinic	1,272	1,275	3	0.25%
Utilities - Clinic	69,057	64,211	(4,846)	-7.55%
Ins - Clinic	2,586	2,715	129	4.75%
Other - Clinic	77,707	68,887	(8,820)	-12.80%
Depreciation	157,582	169,123	11,541	6.82%
	7,854,736	7,866,663	11,926	0.15%
Operating Income/(Loss) before Allocation	1,982,249	(142,570)	2,124,819	1490.37%
Allocation of Overhead for Health Centers	(1,364,829)	(1,597,109)	232,280	14.54%
Operating Income/(Loss) after Allocation	617,420	(1,739,679)	2,357,099	135.49%
Non-Operating	568	-	568	-100.00%
	568	-	568	-100.00%
Change in Net Position	617,988	(1,739,679)	2,357,667	135.52%

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). Quality revenue is higher because we anticipated cuts to quality; however, 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. Since the District had savings on expenses, there is not as much movement of costs between the District and the Clinics, which shows as a positive variance above.

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	3,007
Aug	3,766	3,587	3,015	3,022	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	3,507	3,296
Nov	3,229	3,353	2,627	3,116	2,936	2,928	2,952	2,535
Dec	2,858	3,304	2,976	2,705	2,881	2,353	3,027	3,000
Jan	3,698	3,110	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	3,415
Apr	3,660	2,006	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	28,331
Total YTD	29,800	31,620	27,665	27,864	27,343	26,295	28,679	28,331

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 Grubstakes Parade YV
24	25	26	27	28	29	30
						31

BOARD CALENDAR

June 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4 CHC Board 4:45p MBHD Baord 6:15p	5	6
7	8	9	10 Community Resource Event JT Com. Center 1:00-3:00p	11 Morongo Basin Coalition Meeting @ Reach Out YV 12:00-1:30p	12	13
14	15 Men's Health & HIV Prevention JT Com. Center 12:00-1:20p	16	17 Men's Health & HIV Prevention YV Sen. Center 12:00-1:20p	18 Men's Health & HIV Prevention 29 Palms Sen. Ctr. 12:00-1:20p	19	20 Juneteenth Celebration @ 29 (Tentative)
21	22	23	24 National HIV Testing Day Freedom Plaza 29 Palms	25	26	27
28	29	30				