

Minutes of July 27, 2021
San Joaquin County Clinics Board of Directors

Board Members Present:

Rod Place (SJCC Board Chair); Brian Heck (SJCC Board Member); Mike Baskett (SJCC Board Member); Esgardo Medina (SJCC Board Member); Chris Scoz (SJCC Board Member); Alicia Yonemoto (SJCC Board Vice-Chair);

Excused Absent:

None

Unexcused Absent:

Luz Maria Sandoval (SJCC Board Member); Ismael Cortez (SJCC Board Member); Mary Mills (SJCC Board Member)

Guests:

Dr. Farhan Fadoo (SJCC CEO); Alice Souligne (SJCC COO); Kris Zuniga (SJCC CFO); Rajat Simhan (SJCC Consultant); Padmaja Magadala (SJCC); Jeff Slater (SJCC Consultant); Susan Thorner (SJCC Consultant); Michael Allen (SJCC Board Clerk)

AGENDA ITEM	ATTACHMENTS	ACTION
<p>1. <u>Call to Order (Rod Place, SJCC Board Chair)</u> The meeting was called to order at 5:07 p.m. A quorum was established for today's meeting.</p>		No action required
<p>2. <u>Approval of Minutes from 6/29/21 (Rod Place, SJCC Board Chair)</u> Meeting Minutes from 6/29/21 were approved.</p>	(Attachment 2)	Chris motioned to accept minutes from 6/29/21 and Escardo seconded; minutes were accepted unanimously
<p>3. <u>Public Comment</u> None</p>		No action required
<p>4. <u>Credentialing & Privileging (C&P) Report (Alice Souligne for Betty Jo Riendel)</u> Initial appointments: Dr. Sun Yong Lee (PMC), Dr. Helen Otteno (HB) Reappointments: Dr. Soujanya Sodavarapu (PMC), Dr. Rachel Ruskin (HB), Mandana Motameni (HB) No advancements or resignations</p>	(Attachment 4)	Escardo motioned to accept report and Chris seconded; C&P Report was approved unanimously
<p>5. <u>Finance Committee Report (Kris Zuniga, SJCC CFO)</u></p> <p>Billable visits through June are favorable to budget by 5,440 visits, or 5.0% greater than budget. YTD Net Patient Revenues are \$6.6M greater than budget mainly due to a favorable Medi-Cal PPS reconciliation liability adjustment of \$5.5M for fiscal years 2015, 2016, and 2017 recorded in the months of January and April. June financials reflect a year-to-date PPS reconciliation liability accrual of \$961K.</p> <p>June results include \$212K in DHCS recoveries for overpaid Code 18 Wrap payments for the period of October 2020 through December 2020.</p> <p>Year-to-date capitation has exhibited an upward trend with a favorable variance of \$193,468 due to membership enrollments increasing each month. Year-to-date 340B Pharmacy Program revenue is recognized for \$1,921,198 and the program related expenses for \$597,608 are included in Supplies & Other Expenses categories on the financials. Also, Other Revenue includes combined Grants Revenue for Essential Access Title X, First5 SJ Teeth, Behavioral Health Integration, SOR2, HRSA LAL, and Sunlight Giving grants and the First Responder program for \$1,402,102 and \$132,400 respectively. Thus, Total Net Revenues are greater than budget by \$10,255,142.</p>	(Attachment 5)	Brian motioned to accept report and Chris seconded; Finance Report was approved unanimously

<p>Salaries and benefits expenses exhibit an unfavorable variance to budget of \$1,18,1413, or 8.6%. This unfavorable variance can be attributed to the greater than expected patient volumes and to meet the staffing needs.</p> <p>Other operating expenses exhibit a year-to-date unfavorable variance of \$461,645 largely due to Professional Fees and Other Expenses unfavorable variance of \$800,680 mainly offset by favorable variance in Supplies and Purchased Services \$339,035.</p> <p>Supplemental revenues reflected below Net Income are an estimation and are pending the final determination associated with the SJCC/SJGH separation.</p> <p>Unaudited, as presented, Net Income inclusive of the estimated overhead allocation and estimated supplemental revenues is \$10,415,759 on a year-to-date basis which is greater than budget by \$8,069,874. We expect these results of operation to change materially with the finalization of a pending SJCC/SJGH MOU associated with the SJCC/SJGH separation retroactively effective 7/1/20.</p> <p>Gross accounts receivable (AR) for June totaled \$3 million, with unfavorable adjustment due to overpayment recovery.</p> <p>AR days increased to 54, due to overpayment recovery affecting the calculations, but this is not indicative of actual AR days for June.</p>		
<p>5a. Charge Master Discussion Charge master increased by 6% to an average cost per visit of \$201.40 in 2019, per Wipfli's recommendation. Discussed whether to leave cost as-is or increase as a maintenance value of 1 or 2%, which should not appreciably affect income or patient cost. Alicia noted that, since it wouldn't drastically affect income, it would be better at this time to leave the rate unchanged. Other Board Members were in agreement and motion to retain current rate was carried.</p>		<p>Alicia motioned to maintain current charge master rate and Brian seconded; motion to maintain current rate approved unanimously</p>
<p>6. Review and Approve Bylaws (Susan Thorner, SJCC Consultant) Noted significant changes to Bylaws: -Added SJCC's mission -Substituted Board Secretary role with Clerk of the Board and defined Clerk's general duties -Finetuned alignment with SJCC's mission & BPHC Compliance Manual (CM) -Strengthened language that no other entity, committee or individual has authority over Board's functions -Finetuned language to better align with CM -Added provision to stagger Board terms -Clarified provision for removal of Board members -Redefined attendance requirements -Added provision regarding reimbursement of lost wages for low income Board members, as permitted by HRSA -Clarified a quorum to be a "simple majority"</p>	<p>(Attachment 6)</p>	<p>Chris motioned to approve Bylaws and Brian seconded; new Bylaws were approved unanimously</p>
<p>7. Governance Committee Report (Rod Place, SJCC Board Member) Brief review of Bylaws changes as noted in Item #6 (Review and Approve Bylaws)</p>	<p>(Attachment 7)</p>	<p>No action required</p>

<p>8. <u>Board Self-Assessment Review (Rod Place, SJCC Board Chair)</u> As only 4 of 8 self-assessments were received, this item will be tabled until next session for review.</p>	(Attachment 8)	No action required
<p>9. <u>Board Member Orientation/Training (Susan Thorner, SJCC Consultant)</u> Discussed setting up a mentoring program for new Board members. Several members noted that a more “intentional” orientation would be helpful. Due to current COVID protocols, in-person meetings may be difficult, but value was still recognized to build interpersonal relationships. Brian offered to help Rod orient/mentor the new Board members.</p>		No action required
<p>10. <u>Strategic Plan Update (Jeff Slater & Rajat Simhan, SJCC Consultants)</u> First draft of strategic plan is under review. Finalized plan anticipated to be brought to the Board by September 2021.</p>		No action required
<p>11. <u>Legislative Updates & Grants (Jeff Slater/Rajat Simhan)</u> HRSA American Rescue Plan funding of \$5.1 million for grant period 7/1/21 – 6/30/23. Funds intended for staff and facilities development and maintenance, included a new mobile clinic.</p> <p>Sunlight Giving grant of \$40k in unrestricted funds to supplement COVID efforts.</p>	(Attachment 11)	Escardo motioned to accept both grants and seconded by Brian; motion to accept grants accepted unanimously
<p>12. <u>CEO Report (Dr. Farhan Fadoo, SJCC CEO)</u> SJCC has contracted with a new marketing group, who will be working on a memorial for SJCC founding Board member Alvin Maldonado who passed away this year.</p> <p>Conducting daily pop-up vaccination events throughout County, although demand has drastically decrease. Mobile clinic preparations are under way.</p> <p>Telehealth reimbursement flexibility continues. Audio-only PPS reimbursements will continue until at least December 2022.</p> <p>SJCC FY22 budget was approved by San Joaquin County (SJC) Board of Supervisors (BOS) on 7/13/21. MOU with San Joaquin General Hospital (SJGH) reviewed and being finalized. New Payroll/HR/Financial processes in effect.</p> <p>PerfectServe after-hours call service active as of 7/5/21. Board development will continue with consultant Susan Thorner. Strategic plan is being finalized by Port City Marketing/Substratum.</p> <p>New QI lead now firmly established and implementing greater in-clinic support.</p> <p>IBH program lead position filled and starting in August 2021.</p>	(Attachment 12)	No action required
<p>13. <u>Adjournment</u> There being no further topics of discussion, Rod Place adjourned the meeting at 6:15 p.m.</p>		No action required