

**Minutes of August 31, 2021**  
**San Joaquin County Clinics Board of Directors**

**Board Members Present:**

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

**Excused Absent:**

Chris Scoz (SJCC Board Member)

**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); Paul Antigua (Prospective SJCC Board Member); Dr. Charson Chang (Prospective SJCC Board Member)

AGENDA ITEM	ATTACHMENTS	ACTION
<p><b>1. <u>Call to Order (Rod Place, SJCC Board Chair)</u></b> The meeting was called to order at 5:02 p.m. A quorum was established for today's meeting.</p>		No action required
<p><b>2. <u>Approval of Minutes from 6/29/21 (Rod Place, SJCC Board Chair)</u></b> Meeting Minutes from 7/27/21 were approved.</p>	(Attachment 2)	Alicia motioned to approve minutes and Escardo seconded; motion was approved unanimously
<p><b>3. <u>Public Comment</u></b> None</p>		No action required
<p><b>4. <u>Credentialing &amp; Privileging (C&amp;P) Report (Alice Souligne for Betty Jo Riendel)</u></b> Initial appointment: Shani Truong (OB Fellowship) Reappointments: Imad Kafilmout, Satinder Singh</p>		Brian motioned to approve credentialing report and Escardo seconded; motion was approved unanimously
<p><b>5. <u>Presentation of Financials (Kris Zuniga, SJCC CFO)</u></b> Rolling 12-month billable visits report presented. Both current 12-month period and matching period from previous year were shown.</p> <p>HPSJ membership assignment volumes were reviewed. 2021 goal is to see 47% of our assigned lives; currently at 33%. Average SJCC panel size has been steadily increasing and is 40,402 lives (current actual count is 41,309). Nearly all claims submitted within 30 days, with average lag only 8 days.</p> <p>Billable visits for July are favorable to budget by 81 visits. Net Patient Revenues are \$215,951 greater than budget. July financials reflect a PPS reconciliation liability accrual of \$25,000.</p> <p>July results include \$37,473 in DHCS recoveries for overpaid Code 18 Wrap payments for the period of October 2020 through December 2020.</p> <p>Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$967,837 in July. There was no activity for the Grant Revenue for July which accounts for the majority of the Total Revenue variance. Other Income includes the Capitation Revenue with a favorable variance to budget by \$1,230 due to a slight increase in capitation payment rate per member in July. Also, Other Income includes the 340B Pharmacy Program revenue for \$126,368 and the program related expenses for \$41,261 are included in Supplies &amp; Other</p>	(Attachment 5)	<p>Alicia motioned to approve finance committee report and Escardo seconded; motion was approved unanimously</p> <p>Alicia motioned to approve issuance of an SJCC credit card in Dr. Fadoo's name with a \$20,000 limit for SJCC incidental expenses and Brian seconded; motion was approved unanimously</p>

<p>Expenses categories on the financials. Total Net Operating Revenues are unfavorable to budget by \$119,877.</p> <p>Salaries and benefits expenses exhibit an unfavorable variance to budget of \$116,847. Other operating expenses exhibit a favorable variance of \$257,386 largely due to Professional Fees and Other Expenses favorable variance of \$463,195 mainly offset by unfavorable variance in Supplies and Purchased Services \$205,809. An estimated expense for the Purchased Services is recorded for July based on the MOU.</p> <p>Unaudited, as presented, Net Income of \$167,499 for July is greater than budget by \$20,662.</p> <p>Reviewed SJCC Balance Sheet and Statement of Cash Flows for July 2021; ending cash balance was \$2,274,759.</p> <p>Reviewed A/R Aging Analysis for July 2021. Ending gross balance was \$3,434,603. Net A/R days are currently at 44, with an average collection time under 37 days.</p> <p>Rolling 12-month Cash Collected report reviewed. It was noted that the State usually holds payments every June for 2-4 weeks, resulting in lower cash flow on financials.</p> <p>Reviewed Capital Link key financial metrics industry guidelines. Average financially successful FQHC has an operating margin &gt;3% (SJCC = 6%), bottom line margin &gt;3% (SJCC = 6%), personnel-related expenses &lt;70% (SJCC = 87%), days in net patient receivables &lt;60 days (SJCC = 44) and days cash on hand &gt;30-45 days (SJCC = 24). Cash payment from SJGH of \$8 million has now been received, which will increase our days cash on hand significantly.</p> <p>Kris asked for Board approval to issue a credit card for SJCC in Dr. Farhan Fadoo's name for incidental expenses such as luncheons, trainings, travel expenses, etc. Credit limit requested to Bank of the West was \$20,000.</p>		
<p><b>6. <u>Governance Committee Report (Rod Place, SJCC Board Member)</u></b>  Reviewed SJCC Board recruitment goals. Membership can be a minimum of 9 and a maximum of 27. SJCC goal is for 12-15 members, with no more than 50% of non-patient members; non-patient Board members can receive no more than 10% of their income from the health care industry.</p> <p>Paul Antigua and Dr. Charson Chang were presented to the Board for a membership vote. Patient-to-non-patient member ratio was reviewed, and concern was noted regarding a current deficiency in ratio. Several of the current non-patient members have plans to seek care at SJCC to fulfill this requirement.</p>	<p>(Attachment 6)</p>	<p>Alicia motioned to approve Board membership for Paul Antigua and Brian seconded; motion was approved unanimously</p> <p>Alicia motioned to approve Board membership for Dr. Charson Chang and Escardo seconded; motion was approved unanimously</p>
<p><b>7. <u>Quality Committee Report (Padmaja Magadala, SJCC Staff)</u></b>  HEDIS performance for Q1 &amp; Q2 reviewed, including Women's Health, Acute and Chronic Care, Pediatrics, and Behavioral Health. All metrics showed improvement, with the two exceptions of Asthma Medication Ratio (down 9.04 points) and ADD – Initiation Phase (down 6.59 points).</p>	<p>(Attachment 7)</p>	<p>Brian motioned to approve the HEDIS report and Escardo seconded; motion was approved unanimously</p>

<p>Asthma Med Ratio is now a priority for Quality department, in light of poor air quality due to California fires. High blood pressure measures continue to improve with a 50% compliance during July 2021. CipherHealth outreach efforts have helped with diabetes care management.</p> <p>QI department continues to provide in-services, workflow drafts, monitoring of Medical Assistant (MA) progress and further provider training.</p>		
<p><b>8. <u>Board Self-Assessment Review (Rod Place, SJCC Board Chair)</u></b>  Only 5 of 8 self-assessments were received (Ismael, Mary, Rod still needed). Rod will re-send his to Michael and Michael will follow up with Ismael &amp; Mary to get theirs.</p>		<p>No action required</p>
<p><b>9. <u>Strategic Plan Update (Jeff Slater &amp; Rajat Simhan, SJCC Consultants)</u></b>  Still a work in progress and will likely be ready for September or October meeting, pending completion of needs assessment by third party vendor.</p>		<p>No action required</p>
<p><b>10. <u>Legislative Updates &amp; Grants (Jeff Slater/Rajat Simhan)</u></b>  CDPH grant for \$11,000 to participate in the “myCAvax” program for vaccine administration was presented by Jeff. Funds may be spent on staffing, training, technology, infrastructure, supplies, equipment and administrative overhead associated with COVID vaccination.</p> <p>Kaiser grant for \$25,000 to support SJCC outreach activities including COVID testing and vaccinations was presented by Jeff. Funds will be used for supplies, operations and outreach.</p>	<p>(Attachment 10)</p>	<p>Brian motioned to approve CDPH grant and Escardo seconded; motion was approved unanimously</p> <p>Alicia motioned to approved Kaiser grant and Brian seconded; motion was approved unanimously</p>
<p><b>11. <u>Form 5B Change in Scope – Mobile Clinic (Jeff Slater)</u></b>  Discussed need for change in scope to add SJCC mobile clinic as a new service site. HRSA grants will cover implementation and operation costs of approximately \$300,000.</p> <p>Change in scope will encompass:</p> <ol style="list-style-type: none"> <li>1. The mobile clinic’s service area will cover every zip code in San Joaquin County.</li> <li>2. There is a documented unmet need for primary care, including behavioral health services in San Joaquin County.</li> <li>3. The mobile clinic will target underserved and unserved communities/populations. No specific locations for clinic have yet been agreed upon.</li> <li>4. It is anticipated that the vast majority of the patients seen by the clinic will have incomes at or below 200% of the Federal Poverty Level.</li> <li>5. The clinic will operate 40 hours per week on a year-round basis.</li> <li>6. Staffing plan is not yet finalized but depending on location and use, may include a physician, mid-level, nurse, behavioral health worker, medical assistant, and/or community outreach worker</li> <li>7. Services to be provided will include primary/preventive care, behavioral health services, health screenings, COVID testing, and COVID and other vaccines.</li> <li>8. SJCC currently projects that the mobile clinic will provide primary care to more than 1,080 patients annually and behavioral health visits to more than 800 patients.</li> </ol>	<p>(Attachment 11)</p>	<p>Escardo motioned to approve change in scope for mobile clinic and Alicia seconded; motion was approved unanimously</p>

<p>9. As needed, patients will be referred to SJCC brick-and-mortar sites for follow-up.</p> <p>10. SJCC will be including letters of collaboration from Community Medical Centers, San Joaquin General Hospital, San Joaquin County Public Health Services and perhaps others with the application.</p>		
<p><b>12. <u>CEO Report (Dr. Farhan Fadoo, SJCC CEO)</u></b></p> <p><b>COVID19 Updates</b>          Dynamic balance between vaccination and testing          Field teams performing rapid antigen testing, PCR testing, and vaccinations          3rddoses/boosters on the horizon          Telehealth audio &gt;&gt; video visits augment face-to-face care</p> <p><b>SJCC/SJGH Separation</b>          MOU reviewed by all County agencies; meeting to finalize 8/27          Administrative consolidation underway: office space, hiring (IT/finance/pharmacy/HR/credentialing)          Port City marketing team engaged as of August</p> <p><b>HRSA Compliance</b>          Governance committee convened 8/23 –board composition evolving          Vendor engaged for credentialing/privileging (e2o health)          Strategic plan being finalized by Port City/Substratum</p> <p><b>Quality Update</b> –focus on QIP PY4, UDS, HEDIS          HPSJ to make heavy push on collaboration to improve HEDIS performance for assigned lives          PPS APM methodology planned to replace FFS in 2023, will have heavy implications for quality          IBH program lead position –search continues          Chronic disease management programming –clinical pharmacist recruitment, Teladoc/LivongoRPM, obesity clinic</p>	<p>(Attachment 12)</p>	<p>No action required</p>
<p><b>13. <u>Adjournment</u></b>          There being no further topics of discussion, Rod Place adjourned the meeting at 7:03 p.m.</p>		<p>No action required</p>