

**Minutes of December 28, 2021**  
**San Joaquin County Clinics Board of Directors**

**Board Members Present:**

Rod Place (SJCC Board Chair); Paul Antigua (SJCC Board Treasurer); Charson Chang (SJCC Board Member); Dr. Farhan Fadoo (SJCC CEO); Monica Fuentes (SJCC Board Member); Brian Heck (SJCC Vice Chair); Karen Lee (SJCC Board Member); Esgardo Medina (SJCC Board Member); Bernadette Pua (SJCC Board Member)

**Excused Absent:**

Jessica Hernandez (SJCC Board Member)

**Unexcused Absent:**

Cynthia King (SJCC Board Member)

**SJCC Staff:**

Alice Souligne (SJCC COO); Kris Zuniga (SJCC CFO); Rajat Simhan (SJCC Consultant); Padmaja Magadala (SJCC Staff); Angela Ayala (SJCC Staff); Jeff Slater (SJCC Consultant); Susan Thorner (SJCC Consultant); Michael Allen (SJCC Clerk of the Board)

**Guests:**

None

AGENDA ITEM	ATTACHMENTS	ACTION
<p><b>1. <u>Call to Order (Rod Place)</u></b> The meeting was called to order at 5:04 p.m. A quorum was established for today's meeting.</p>	No attachment	No action required
<p><b>2. <u>Approval of Minutes from 11/30/21 (Rod Place)</u></b> Meeting minutes from 11/30/21 were approved.</p>	Board Minutes 2021-11-30	Paul motioned to approve the minutes and Brian seconded; motion was approved unanimously
<p><b>3. <u>Public Comment</u></b> Discussed length time allowed for public comment. All attendees noted that 3 minutes per speaker was the common limit at other Board meetings.</p>	No attachment	Karen motioned to approve a 3 minute/speaker limit for public comment and Paul seconded; motion was approved unanimously
<p><b>4. <u>Subcommittee Date Changes for 2022 (Michael Allen)</u></b> Proposed date changes to various meetings were discussed, including January Finance &amp; Quality meetings change to 1/24/22; February Finance &amp; Quality meetings change to 2/22/22; full Board meeting change to 2/23/22; May Finance &amp; Quality meetings change to 5/23/22; October Finance &amp; Quality meetings change to 10/24/22; December Finance &amp; Quality meetings change to 12/27/22; and full Board meeting change to 12/28/22.</p>	No attachment	Charson motioned to approve the proposed meeting date changes and Brian seconded; motion was approved unanimously
<p><b>5. <u>Review Applicant/Co-Applicant Agreement (Farhan Fadoo)</u></b> Dr. Fadoo explained the purpose and scope of the Co-Applicant Agreement. It was noted that all previous changes were ratified on 1/5/21 and no recommended changes at this time. Dr. Fadoo requested a motion from the Board to acknowledge review of this document and accepted that no changes are recommended at this time.</p>	SJCC FQHC Co-Applicant Agreement A-21-4	Karen motioned to acknowledge that the Board reviewed the Co-Applicant Agreement with no changes and Paul seconded; motion was approved unanimously
<p><b>6. <u>Quality Committee Report (Padma Magadala/Charson Chang)</u></b> Padma noted that, due to the short amount of time since the last Quality meeting, there are not many quality measures to review.  HEDIS measures dashboard was reviewed.  QIP PY4 COVID-related modifications were reviewed. 50% of measures will be COVID-related pay for reporting, 40%</p>	Board QA-QI Committee Meeting 12.28.21	Brian motioned to accept the Quality Committee Report and Bernadette seconded; motion was approved unanimously

<p>will be pay for performance measures, and 10% will be pay for reporting measures. Reporting is due by 6/15/22.</p> <p>Charson noted that Press Ganey satisfaction reporting will be presented on a quarterly basis, due to low volume of returned surveys.</p>		
<p><b>7. Credentialing &amp; Privileging Report (Angela Ayala)</b>  Reappointments are Jason Bass and Ramiro Zuniga; Allied Health Professional reappointment is Rebecca Morris.</p>	<p>Credentialing &amp; Privileging Report – December 2021</p>	<p>Brian motioned to accept the Credentialing &amp; Privileging Report and Paul seconded; motion was approved unanimously</p>
<p><b>8. Finance Committee Report (Kris Zuniga, SJCC CFO)</b>  Billable visits for November are unfavorable to budget by 736 visits. Net Patient Revenues are \$10,104 greater than budget. YTD financials reflect a PPS reconciliation liability accrual of \$125,000. YTD Medi-Cal payments for \$1,771,824 have been reflected on the Balance Sheet for FY2015, FY2016, and FY2017 according to the payment plan with DHCS. YTD Income Statement includes interest expense of \$89,766 for PPS liability payments made to DHCS for FY2015, FY2016, and FY2017. YTD financials includes \$8.1M payment from SJGH related to the finalization of FY2020 financial statement audit and according to the separation agreement between SJGH and SJCC. Also, November financials include a \$4.6 million cash receipt from SJGH related to unaudited Due To/Due From estimations in accordance with the separation agreement between SJGH and SJCC.</p> <p>YTD results include \$37,473 in DHCS recoveries for overpaid Code 18 Wrap payments for the period of October 2020 through December 2020.</p> <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$4,985,825. Combined Grants Revenue includes revenues for Essential Access Title X, SOR2, Health Net and American Rescue Plan (ARP) grants for \$325,716. Capitation and Managed Care Incentives include the YTD Capitation Revenue with an unfavorable variance to budget by \$365,445 due to pending manage care incentive revenue recognition associated with our HEDIS performance. Also, Other Income includes the 340B Pharmacy Program revenue for \$658,820 and the program related expenses for \$289,215 are included in Supplies &amp; Other Expenses categories on the financials. YTD financials reflect First Responder Program revenue for \$12,600. YTD Other Revenue includes revenues accrued for \$282,313 related to Purchased Services provided to SJGH by SJCC per the MOU. Total Net Operating Revenues are favorable to budget by \$174,624.</p> <p>YTD Salaries and benefits expenses exhibit a favorable variance to budget of \$97,505. Non-labor operating expenses exhibit an unfavorable variance of \$640,434 largely due to Professional Fees and Other Expenses favorable variance of \$533,951 mainly offset by unfavorable variance in Purchased Services, Supplies, Interest and Miscellaneous Expenses \$1,174,385. An expense accrual for the Purchased Services is recorded from July through November based on the MOU expense estimations.</p>	<p>Finance Committee Report – December 2021</p>	<p>Charson motioned to accept the Finance Report and Paul seconded; motion was approved unanimously</p>

<p>Unaudited, as presented, Net Income of \$365,878 on a year-to-date basis is unfavorable compared to budget by \$368,306.</p> <p>December represents the first month with a net loss (unfavorable variance of \$109,560).</p> <p>Gross A/R Days are at 33 days for November, with Net A/R at 29 days. Medi-Cal Managed Care and Medi-Cal remain our largest income sources, followed by Medicare.</p> <p>Kris gave an update on our FY22-23 budgeting process, with key milestones and timeline shown. Budget assumptions and methodology from FY21-22 were also reviewed, with possible changes for the current year noted.</p>		
<p><b>9. <u>Legislative Updates &amp; Grants (Jeff Slater/Rajat Simhan)</u></b>          Build Back Better Act was reviewed, with a note that it is currently unlikely to pass as written, although portions of it may be broken out and voted on separately.</p> <p>Jeff reviewed the HealthNet grant of \$17,257.98 for HEDIS gap closure, with a grant period of 10/1/21 – 12/31/21. This grant was not applied for by SJCC, but was funded by HealthNet and we are therefore seeking retroactive approval to accept these funds.</p> <p>The full annual Look-Alike (LAL) application was reviewed by Jeff. This was approved at the full Board meeting in September and was information to see if any Board members needed clarification. No questions were raised.</p>	<p>Legislative Update &amp; Grants Approvals – December 2021;          Annual LAL Certification</p>	<p>Charson motioned to accept the funds from this grant and Monica seconded; motion was approved unanimously</p> <p>Charson motioned to accept the full Annual LAL Certification and Brian seconded; motion was approved unanimously</p>
<p><b>10. <u>CEO Report (Dr. Farhan Fadoo)</u></b>          COVID testing and vaccination efforts continue, along with field events and monoclonal antibody therapies. Roughly 1/3 of visits are virtual (telehealth).</p> <p>Selected services purchased from SJGH/County sources require a 180-day notice of cancellation; options are being evaluated. FY23 budget planning was begun in December. The new Admin HQ readiness anticipated for February. Rebranding efforts for “SJ Health” continue, along with a new logo and a virtual launch.</p> <p>Board recruitment efforts continue, with a goal of 13 Board members. The 3-year strategic plan was presented to SJC BoS on 12/15/21 and was well-received. UDS submission is due 2/15/22.</p> <p>APM planned replacement has been pushed back from 2023 to 2024. New monthly SJCC committee begins meeting this week to address patient &amp; staff experience.</p>	<p>CEO Report – December 2021</p>	<p>No action required</p>
<p><b>11. <u>Adjournment</u></b>          There being no further topics of discussion, Rod Place adjourned the meeting at 6:41 p.m.</p>	<p>No attachments</p>	<p>No action required</p>