

Minutes of January 25, 2022
San Joaquin County Clinics Board of Directors

Board Members Present: Rod Place (Board Chair); Charson Chang (Board Member); Dr. Farhan Fadoo (SJCC CEO); Brian Heck (Vice Chair); Jessica Hernandez (Board Member); Cynthia King (Board Member); Karen Lee (Board Member); Esgardo Medina (Board Member)

Excused Absent: Paul Antigua (Board Treasurer)

Unexcused Absent: Monica Fuentes (Board Member); Bernadette Pua (Board Member)

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

Guests: Dr. Lauren Brown-Berchtold

AGENDA ITEM	ATTACHMENTS	ACTION
<p>1. <u>Call to Order (Rod Place)</u> The meeting was called to order at 5:06 p.m. A quorum was established for today's meeting.</p>	No attachment	No action required
<p>2. <u>Approval of Minutes from December 28, 2021 (Rod Place)</u> Meeting minutes from 12/28/21 were approved.</p>	Board Minutes 2021-12-28	Brian motioned to accept the minutes and Esgardo seconded; motion was approved unanimously
<p>3. <u>Public Comment</u> none</p>	No attachment	
<p>4. <u>Authority to Submit UDS Report (Jeff Slater)</u> Approval was requested to submit the UDS report.</p>	No attachment	Cynthia motioned to approve the UDS submission and Karen seconded; motion was approved unanimously
<p>5. <u>Form 700 Filing (Michael Allen)</u> Form 700 was briefly reviewed and the Clerk noted that Board members would receive a link to a 6-minute instructional video and access to the eDisclosure website. The Clerk will provide the default address, phone number, or other contact info, which will be the SJCC Admin site.</p>	Form 700	Board members to file Form 700 via County's eDisclosure program by April 1, 2022
<p>6. <u>Board Training – Board Composition (Susan Thorner)</u> Boards must have between 9 – 25 members, with a majority of members beings served by the health center. Board composition requirements can change as the health center's scope of business changes. Susan noted the importance of attendance and establishment of a quorum. The ideal Board member will be engaged, professional, and collaborative.</p> <p>Discussed pending Board orientation group activities. We will conduct these beginning in February for 2 – 3 sessions on either evenings Monday – Thursday or Saturday afternoon. The Clerk will poll the Board to determine the time that best aligns with their schedules.</p>	Board Training – Board Composition PowerPoint	Michael to poll Board members for orientation session dates.
<p>7. <u>Credentialing & Privileging Report (Angela Ayala)</u> Initial appointments are Ofelia Ortiz, Narinder Singh and Kimberly Yescas. Reappointment was Anh Le. Advancements are Vanessa Kennedy and UC Davis Provider. Resignation was Jerry Fessler, who may return.</p>	Credentialing & Privileging Report – January 2022	Cynthia motioned to approve the credentialing report and Jessica seconded; motion was approved unanimously
<p>8. <u>Quality Committee Report (Padma Magadala/Charson Chang)</u> Detailed quality report measures were not available, due to end-of-year activities. More info will be available at next month's meeting.</p>	Quality Committee Report – January 2022	Briand motioned to approve the report and Cynthia seconded; motion was approved unanimously

<p>Patient & employee satisfaction committee has begun meeting and is working on enhancing patient experience and addressing employee burnout.</p>		
<p>9. Finance Committee Report (Kris Zuniga, SJCC CFO) Billable visits for December are favorable to budget by 56 visits. YTD visits have been updated on the December financials due to an updated report received for the additional visits (1,602 visits) that were not captured in the previous months. Additional Patient Revenues have been recorded accordingly. This new methodology has no impact on patient collections. Net Patient Revenues for December are \$338,195 greater than budget. YTD financials reflect a PPS reconciliation liability accrual of \$150,000. YTD Medi-Cal payments for \$2,033,085 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 \$107,720 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, YTD financials include \$4.1 payment from SJGH related to unaudited FY2021 financial statement and according to the separation agreement between SJGH and SJCC. December financials include funds transferred for \$6,892,501 to San Joaquin County as a payment for payroll and benefits paid by San Joaquin County on behalf of SJCC from July 2021 through November 2021.</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 \$5,982,990. Combined Grants Revenue includes revenues for Essential Access Title X, SOR2, Whole Person Care, Behavioral Health Integration, Health Net and American Rescue Plan (ARP) grants for \$904,195. Capitation and Managed Care Incentives include the YTD Capitation Revenue with an unfavorable variance to budget by \$430,133 due to a slight decline in capitation payment rate per member and non-recognition of HEDIS revenue during the year. Also, Other Income includes the 340B Pharmacy Program revenue for \$743,259 and the program related expenses for \$568,269 are included in Supplies & Other Expenses categories on the financials. YTD financials reflect First Responder Program revenue for \$13,200. YTD Other Revenue includes revenues accrued for \$342,420 related to Purchased Services provided to SJGH by SJCC per the MOU and Interest Income of \$5,488. Total Net Operating Revenues are favorable to budget by \$819,889.</p> <p>YTD Salaries and benefits expenses exhibit an unfavorable variance to budget of \$175,710. Other operating expenses exhibit an unfavorable variance of \$733,850 largely due to Professional Fees and Other Expenses favorable variance of \$662,732 mainly offset by unfavorable variance in Purchased Services, Supplies, Interest and Miscellaneous Expenses \$1,396,582. An estimated expense for the Purchased Services is recorded from July through November based on the MOU.</p>	<p>Finance Committee Report – January 2022</p>	<p>Jessica motioned to accept the report and Cynthia seconded; motion was approved unanimously</p>

<p>Unaudited, as presented, Net Income of \$791,349 on a year-to-date basis is unfavorable compared to budget by \$89,671.</p> <p>Operating Margin is 2% against a Capital Link target of >3%. Bottom Line Margin is 4% against a Capital Link target of >3%. Days Cash on Hand is 115 days against a Capital Link target of >30-45 days. Days in Net Patient Receivables is 25 days against a Capital Link target of <60 days. Personnel-Related Expenses is 84% against a Capital Link target of <70%.</p>		
<p>10. <u>Legislative Updates & Grants (Jeff Slater/Rajat Simhan)</u> Legislative updates were reviewed for California, including the 2022-23 budget proposals and the Governor’s California Blueprint. In the Federal sphere, the Build Back Better Act (BBBA) is unlikely to pass, but the bill is being broken up into smaller more focused bills. SJCC leadership will be meeting this week with Representative Jerry McNerney, who sits on the committee working on this action.</p> <p>Heluna Health grant to reduce the spread of congenital syphilis in the community was presented for a total amount of \$22,900, with a potential amendment of approximately \$40,000 to cover physician costs. Retroactive approval to apply for this grant is being requested of the Board.</p> <p>CalVaxGrant grant to reimburse medical practices for COVID-related expenses was presented for a total amount of \$44,000, with the possibility of an additional \$11,000 if another clinic is approved. Retroactive approval to apply for this grant is being requested of the Board.</p>	<p>Legislative Update & Grants Approvals – January 2022</p>	<p>Cynthia motioned to approve retroactive approval of the Heluna Health grant application and Esgardo seconded; motion was approved unanimously</p> <p>Karen motioned to retroactively approve the CalVaxGrant application and Cynthia seconded; motion was approved unanimously</p>
<p>11. <u>CEO Report (Dr. Farhan Fadoo)</u> COVID-19 update was given, including the opening of a mass vaccination site at the County Ag Center.</p> <p>SJCC FY23 budget planning has begun. Admin HQ occupation expected for late February. Branding efforts include a name change of the health center to San Joaquin Health Center (SJ Health). Approval of name change is being requested of the Board.</p> <p>Billing vendor EMMI has signed an updated contract with terms more favorable to SJCC (approximately 40% less cost to SJCC).</p> <p>Strategic plan has been translated into 67 separate projects to achieve stated goals.</p> <p>Quality report will no longer be included in the CEO report, as the Quality committee now meets monthly and will report accordingly.</p>	<p>CEO Report – January 2022</p>	<p>Cynthia motioned to approve the name change to San Joaquin Health Centers and Karen seconded; motion was approved unanimously</p>
<p>12. <u>Adjournment</u> There being no further topics of discussion, Rod Place adjourned the meeting at 6:26 p.m.</p>	<p>No attachments</p>	<p>No action required</p>