



*San Joaquin County Clinics (SJCC)*

**Minutes of April 8, 2020  
Emergency Board Meeting, SJCC Board Executive Committee**

**San Joaquin General Hospital  
Web Conference Meeting**

**ATTENDEES:** Rod Place (Chairman); Luz Maria Sandoval (Treasurer); Ismael Cortez (Secretary); Brian Heck (Board Member); Dr. Farhan Fadoo (SJCC Executive Director); Alice Souligne (SJCC COO); Kristopher Zuniga (SJCC Interim CFO); Adèle Gribble (ACS OTC)

**ABSENT:** Alicia Yonemoto (Vice-Chair)

AGENDA ITEM	ATTACHMENTS	ACTION
<p><b>1. <u>Introduction &amp; Establish Quorum (Rod Place, Board Chair)</u></b></p> <p>a. Call to Order &amp; Establish Quorum Rod Place called the meeting to order at 4:33 p.m.</p> <p>b. SJCC Executive Board Members accounted for and a quorum was established for today's meeting.</p> <p>c. Introductions Due to this being a web conference, each attendee identified themselves over the phone.</p>		
<p><b>2. <u>Memorandum of Understanding between SJCC and Fire Districts/Municipalities (Kris Zuniga)</u></b></p> <p>The purpose of this MOU is to define the roles and responsibilities of San Joaquin County Clinics (SJCC) who will provide basic COVID-19 physician screening and as medically indicated, order and perform laboratory testing for COVID-19 and Influenza for employees of FIRE DISTRICT/MUNICIPALITY who are referred to SJCC and who meet clinical guidelines and who sign a release of information permitting SJCC to share their protected health information with their employer.</p> <p>Kris Zuniga advised this is a potential Memorandum of Understanding. We will send this out to the municipalities and first responder agencies, but they are under no obligation to accept it as is. They might consider this a negation point. We are hoping to get roughly thirty to thirty-five percent margin. This is merely a hope, we will have to see where we end up agreeing with the individual municipalities and how much labor this is going to account for. The second month (monthly fee, or subscription fee) will be much more profitable than the first because we assume once these municipalities sign up, they are going to send all their employees. Most of the employees won't be back in the second month for testing but they will still have that as a service. A lot of the expenses will be realized up front but in the second month, third month, we will see a much bigger margin because of employees already having been tested.</p> <p>Kris stated the first month will not show as a profitable month because of the labor charged to this program.</p>	<p>Memorandum of Understanding between SJCC and Fire District/Municipality</p>	<p>Luz Maria Sandoval made a motion to approve the MOU between SJCC and Fire Districts, Ismael Cortez seconded the motion and the Executive Committee unanimously approved.</p>

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<p>Rod Place asked if the levels are not reduced in the second and third month, is it a break-even cost? Kris advised we have built in good revenues, but we are speaking conservatively. It would not make sense for the utilization of this program to be so high that we end up losing money on this.</p> <p>Dr. Fadoo stated this will be a dramatically profitable line of business based on a fee for service model, assuming that everybody will come in and be tested. We know that is probably not going to happen; a small fraction of these workforces will come in for testing. For example, if there are 100 police officers enrolled in the program, we don't think all 100 will come in because they were exposed to COVID-19 and are going to utilize our services. We think perhaps 10-15% might have this occur and will need to bring our services to bare. We have priced this in such a way that all 100 would come in and what our PPS rate might be on those 100 visits. This is a starting assumption for us. Dr. Fadoo stated he expects the municipalities to look at our pricing and see this as still being too expensive. This is not a losing proposition, we are not at any risk of losing money on this. The proposed MOU was provided to the Executive Committee to review during this conference call meeting.</p> <p>Dr. Fadoo advised there are seven agencies that have expressed an interest in the program thus far. These are the numbers of employees each of them advised said they need to enroll. This would be the monthly revenue for each of these agencies.</p> <table border="1" data-bbox="1129 673 1402 950"> <thead> <tr> <th>Employees</th> <th>Monthly Fee</th> </tr> </thead> <tbody> <tr> <td>15</td> <td>10000</td> </tr> <tr> <td>20</td> <td>10000</td> </tr> <tr> <td>55</td> <td>12500</td> </tr> <tr> <td>85</td> <td>15500</td> </tr> <tr> <td>129</td> <td>19900</td> </tr> <tr> <td>166</td> <td>23600</td> </tr> <tr> <td>300</td> <td>40000</td> </tr> </tbody> </table> <p>Dr. Fadoo advised we have been providing screening services for our own employees (SJGH and SJCC) for the last several weeks since the pandemic hit. What we have heard there are bunch of fire districts and police departments and city agencies that don't have a solution for their first responders. They are exposing themselves to this virus in the course of their work but they do not have an occupational medicine service that is able to screen those employees, test them and provide recommendations whether or not they should continue working, quarantine or whether or not they are safe to return to work. They approached us to see if we would be willing to service all of these employees throughout these various agencies.</p> <p>Our Family Medicine physicians are capable of doing this. If we are going to step up and provide this service, we wanted to make sure we monetize this appropriately and we are able to capture some new revenue for this type of service.</p> <p>Luz Maria Sandoval made a motion to approve the MOU between SJCC and Fire Districts, Ismael Cortez seconded the motion and the Executive Committee unanimously approved.</p>	Employees	Monthly Fee	15	10000	20	10000	55	12500	85	15500	129	19900	166	23600	300	40000		
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<p><b>3. <u>Additional 340B Agreements (Kris Zuniga)</u></b></p> <p>Kris Zuniga advised within the last hour we have received four 340B Pharmacy Contracts. They are for Rite-Aid, Walmart, Safeway and a fourth contract with what is called a third-party administrator that Walmart works with. Since we just received these, we have not vetted them out with County Legal yet, but we will be doing so. Kris emailed the agreement to all the board members and stated they wanted to put these agreements before the board so that we could have a motion to pursue these agreements, but the final version is not yet set.</p> <p>We have a window of about a week that we need to have the contract finalized, executed and registered with HRSA so that we are eligible to begin receiving revenues at the beginning of our fiscal year (July 1<sup>st</sup>). Dr. Fadoo stated this is exactly the</p>	<p>Safeway PSA 340B Agreement; WalMart PSA 340B Agreement, Walmart Third Party Administrator Agreement and Rite-Aid 340B Agreement</p>	<p>Ismael Cortez made a motion to move forward with 340B Agreements, Luz Maria Sandoval seconded the motion and the Executive Committee unanimously approved</p>																

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<p>same thing the board voted on and approved last week for the Walgreens agreement. Dr. Fadoo added this is the exact same program, just with a number of other retail pharmacies, the same rationale. The fee structure is similar but not exactly the same. We will be vetting this with the legal teams. Because of the deadline of the 15<sup>th</sup>, we wanted to get authorization from the board to move forward. If we miss the deadline we potentially missing about three months of potential revenue.</p> <p>Adelé Gribble asked for verification that we have a quorum to vote on this agenda item. Dr. Fadoo advised the Executive Committee can always take action on behalf of the entire board.</p> <p>Ismael Cortez made a motion to allow management to move forward with the four new pharmacy services on the 340B agreements. Luz Maria Sandoval seconded the motion and the Executive Committee unanimously approved the motion.</p>		
<p><b>4. <u>Adjournment</u></b></p> <p>There being no further topics to discuss, Rod Place adjourned the meeting at 4:30 p.m.</p>		

Signed by:

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RESPECTFULLY SUBMITTED ON BEHALF OF SJCC BOARD BY:  
ADELÉ R. GRIBBLE, OFFICE TECHNICIAN COORDINATOR  
ACS ADMINISTRATION, SAN JOAQUIN COUNTY CLINICS

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Date