



**San Joaquin County Clinics
Board Meeting Agenda
Wednesday February 23, 2022, 5:00 p.m.**

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Conference ID: 421 643 065#

- | | | |
|-----------------------------------------------------------|---|------------------------------|
| 1. Call to Order & Establish Quorum | | Rod Place |
| a. Call to Order & Establish Quorum | | |
| b. SJCC Board of Director's Attendance Record (Jan 2021) | | |
| 2. Approval of Minutes SJCC Board Meeting from 1/25/2022 | * | Rod Place |
| 3. Public Comment (3 minutes/speaker) | | General Public |
| 4. Form 700 Filing (Due April 1, 2022) | | Michael Allen |
| 5. Review and Approve Sliding Fee Scale for 2022 | * | Angela Ayala |
| 6. Board Training (Prep for Orientation Session #2) | | Susan Thorner |
| 7. Credentialing & Privileging Report – February 2022 | * | Angela Ayala |
| 8. Quality Committee Report – February 2022 | * | Padma Magadala/Charson Chang |
| 9. Finance Committee Report – February 2022 | * | Kris Zuniga |
| 10. Legislative Update & Grants Approvals – February 2022 | * | Jeff Slater/Rajat Simhan |
| a. Board Resolution for USDA Grant | * | Jeff Slater |
| b. Tobacco Cessation Application Approval | * | Jeff Slater |
| 11. CEO Report | | Dr. Farhan Fadoo |
| 12. Adjournment of Board Meeting | | Rod Place |

***Action Item**

**Next Meeting Date: March 29, 2022 @ 5:00 P.M.
 Microsoft Teams Meeting**

Note: If you need disability-related modification or accommodation to participate in this meeting, please contact San Joaquin County Clinics (SJCC) at (209) 468-7837 at least 48 hours prior to the start of the meeting. Government Code Section 54954.2(a). Materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection by contacting the SJCC Clerk of the Board at 500 W. Hospital Road, French Camp, CA during normal business hours.

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, 2022 (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>

Sliding Fee Scale for San Joaquin County Clinics

2022 Federal Poverty Level Based on Monthly Income by Family Size

Office Visit	\$30 Nominal Fee	\$40 Minimum Fee	\$50 Minimum Fee	\$60 Minimum Fee	\$185 FULL FEE
Nurse Visit	\$5 Nominal Fee	\$10 Minimum Fee	\$15 Minimum Fee	\$20 Minimum Fee	\$40 Full Fee
Family Size	0-100%	101 - 133%	134 - 150%	151 - 200%	Over 200%
1	\$1,132.50	\$1,506.23	\$1,698.75	\$2,265.00	\$2,265.01 and over
2	\$1,525.83	\$2,029.35	\$2,288.75	\$3,051.66	\$3,051.67 and over
3	\$1,919.17	\$2,552.50	\$2,878.76	\$3,838.34	\$3,838.35 and over
4	\$2,312.50	\$3,075.63	\$3,468.75	\$4,625.00	\$4,625.01 and over
5	\$2,705.83	\$3,598.75	\$4,058.75	\$5,411.66	\$5,411.67 and over
6	\$3,099.17	\$4,121.90	\$4,648.76	\$6,198.34	\$6,198.35 and over
7	\$3,492.50	\$4,645.03	\$5,238.75	\$6,985.00	\$6,985.01 and over
8	\$3,885.83	\$5,168.15	\$5,828.75	\$7,771.66	\$7,771.67 and over
Each additional person +8	\$393.33	\$523.13	\$590.00	\$786.66	\$786.66

**FULL FEE \$185 per visit
(\$40 for Nurse Visit)**

**All above Services- Income Above 200% of Federal
Poverty Guidelines or No Proof of Income**

<https://www.federalregister.gov/documents/2022/01/21/2022-01166/annual-update-of-the-hhs-poverty-guidelines>

Effective 01/26/2022

**REAPPOINTMENTS
FEBRUARY 2022**

The following practitioners have applied for reappointment to the Medical Staff of San Joaquin County Clinics. This summary includes factors that determine membership: licensure, DEA, professional liability insurance, hospital affiliations, etc. Qualitative/quantitative factors include ongoing performance evaluation which includes data from peer review, quality performance, clinical activity, privileges, competence, technical skill, behavior, health status, medical records, blood review, medication usage, litigation history, utilization and continuity of care. Affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. All the applicants privilege request commensurate with training, experience and current competence unless noted below.

Membership Request	Name	Specialty/Assigned Div/Dept	Quantitative/Qualitative Factors Request for Privileges and/or Privilege Change	Action Taken/Rec. Exceptions for Cause	Rec. Staff Category/Reappoint Period	Recommend	Credentialing Dept
Reappointment	Farhan Fadoo, MD	Primary Medicine	Requirements for Active Staff Met *STAFF CATEGORY CHANGE	None	Active 03/22 to 03/24	CRED: 02/01/2022 Mec: 02/15/2022 Board: 03/22/2022	SJGH Med Staff
Reappointment	Farhan Fadoo, MD	Primary Medicine	Requirements for Active Staff Met	None	Active 02/22 to 02/24	CRED: 02/15/2022 Mec: 02/18/2022 Board: 02/23/2022	CVO
Reappointment	Tonja Harris-Stansil, MD	OB/GYN	Requirements for Active Staff Met *RED FLAG NOTED*	None	Active 03/22 to 03/24	CRED: 02/01/2022 Mec: 02/15/2022 Board: 03/22/2022	SJGH Med Staff

San Joaquin County Clinics



FARHAN FADOO, MD (PRIMARY MEDICINE) is being considered for reappointment as follows:

- Licensed Independent Practitioner (LIP)
- Reappointment
- Privileges as outlined in the privileges request form.

CREDENTIALS VERIFICATION ORGANIZATION: The practitioner's application, supporting documentation, department chairperson's report and other information available has been reviewed by the Credentials Verification Organization (CVO) and it is our recommendation that the practitioner be granted appointment and clinical privileges. Documentation supporting this recommendation is stored and found in the CVO's centralized compliance platform (www.hippawatchdog.com) as of:

02/15/2022

CREDENTIALING SPECIALIST RECOMMENDATION: I have reviewed the application and supporting documents including, but not limited to: license, health status, clinical privileges and scope of service requested by this practitioner and based on medical/clinical knowledge, technical and clinical skills, clinical judgment, interpersonal skills, communication skills and professionalism, current competency as evidenced by results of quality assessment, training, experience, peer references, character, and/or my personal knowledge. The Quality Performance file and attached summaries of the practitioner listed have been reviewed and an evaluation completed as applicable. Any decision made was not based on race, ethnic/national identity, gender, age, or sexual orientation.

RECOMMEND appointment/reappointment/additional privilege(s) for this practitioner and if applicable, appointment to the category requested unless otherwise indicated.

am **UNABLE TO RECOMMEND** as set forth in the attached document (i.e. letter, outline etc).

Tanya Ramirez

Signature, Credentialing Specialist

02/15/2022

Date

CREDENTIALING COMMITTEE RECOMMENDATION: The Chief Medical Officer and Credentialing Committee have reviewed the reports, supporting documentation and recommendations of the CVO/Credentialing Specialist regarding this practitioner and makes the following recommendation to the Governing Board.

RECOMMENDED as forwarded

RECOMMENDED with modification: _____

RECOMMEND DENYING request for the following reason(s): _____

This action was taken by the Credentialing Committee and is documented in the minutes of: _____

GOVERNING BOARD ACTION: The findings and recommendations of the Department Chairperson and Medical Executive Committee have been reviewed by the Governing Board with the following action:

APPROVED appointment/reappointment to the requested staff category and clinical privileges or additional privilege (s) as recommended.

APPROVED appointment/reappointment/additional privilege(s) with modification as indicated in the attached:

DENIED appointment/reappointment and/or clinical privileges for the reasons set forth in the attached.

This action was taken by the Governing Board and is documented in the minutes of: _____

Reappointment Expiration Date: _____



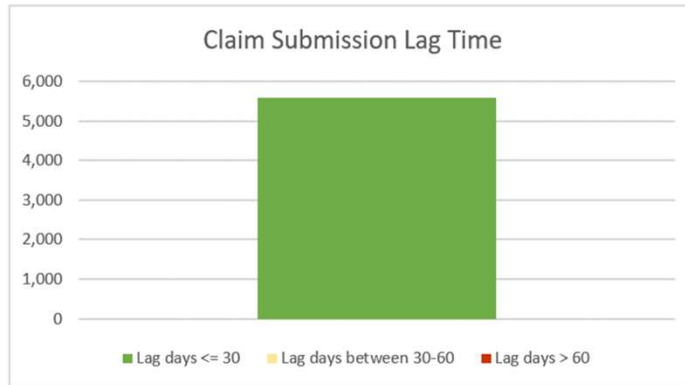
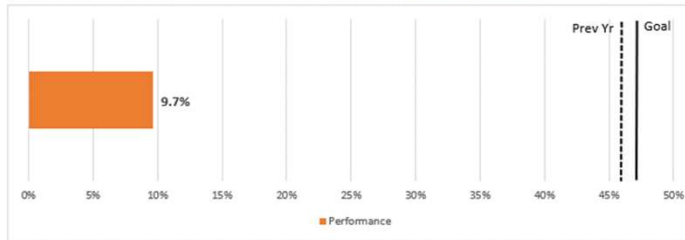
SAN JOAQUIN COUNTY CLINICS

CFO PRESENTATION

Kris Zuniga
Chief Financial Officer
Presentation Date: 2/22/2022

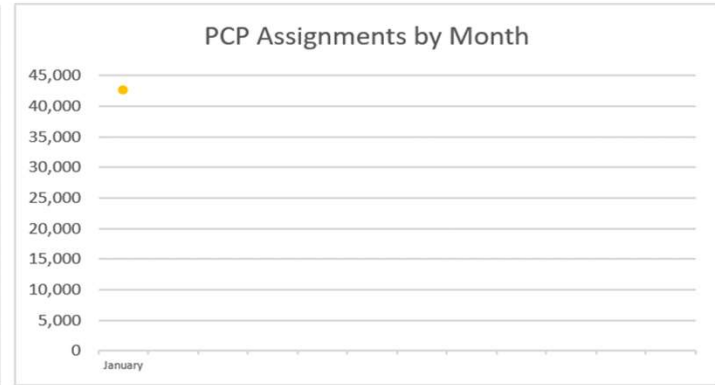
HEALTH PLAN OF SAN JOAQUIN MEMBERSHIP ASSIGNMENTS CALENDAR YTD AS OF JANUARY 2022

San Joaquin County Clinics					
Year	Panel Size	Panel Seen	Goal	% Goal	Performance
2021	40,852	18,141	19,227	47.07%	44.41%
2022	42,656	4,117	18,342	43.00%	9.7%



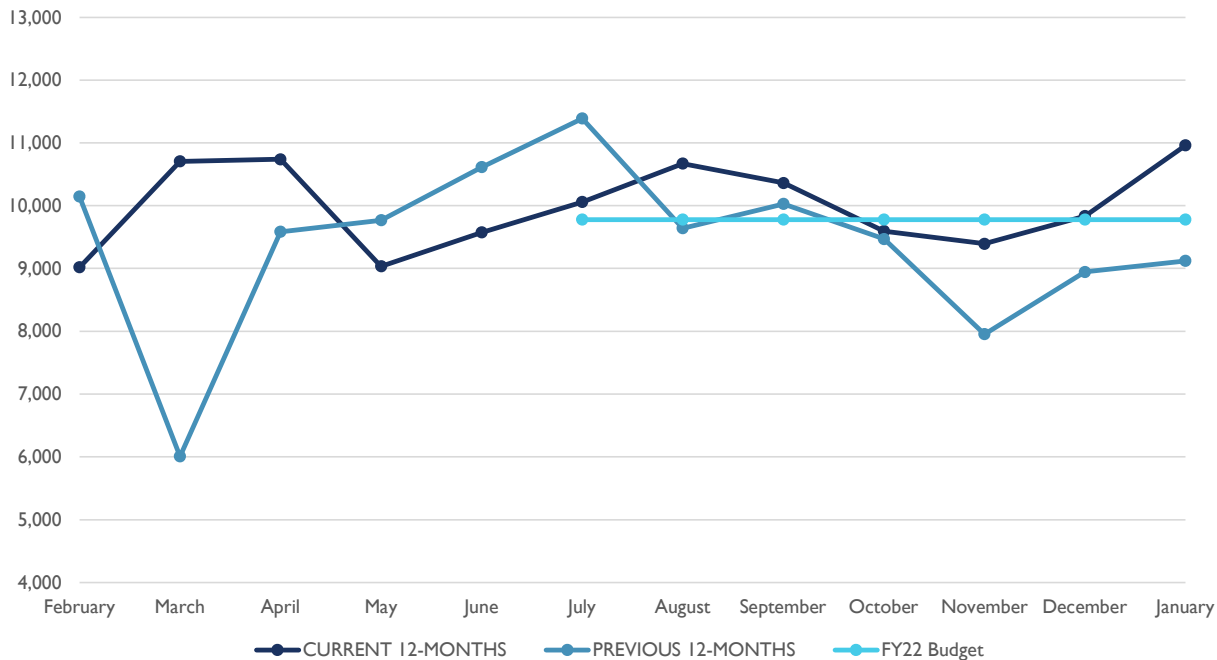
Average Submission Lag: 7.9 Days

Panel Metrics for San Joaquin County Clinics	
Average Panel Size	42,656
Current Month Panel Size	42,656
Calendar YTD Panel Seen Count	4,117
Calendar YTD % Panel Seen	9.7%
Goal to Panel Seen Count	18,342
PCP Claim Count	5,577



JANUARY 2022 BILLABLE VISITS – 10,959

ROLLING 12-MONTH BILLABLE VISIT TRENDS



Visits By Financial Class	%
Medi-Cal Managed Care	75.61%
Medicare	10.88%
Medi-Cal	9.12%
Self-Pay	2.58%
Commerical	1.81%
Total	100.00%

FY22 Month	Actual	Budget	Variance
Jul-21	10,059	9,778	281
Aug-21	10,670	9,778	892
Sep-21	10,361	9,778	583
Oct-21	9,594	9,778	(184)
Nov-21	9,393	9,778	(385)
Dec-21	9,834	9,778	56
Jan-22	10,959	9,778	1,181
Total	70,870	68,446	1,187

SJCC INCOME STATEMENT – JANUARY 2022

	Current Period Actual	Current Period Budget - Original	Current Period Budget Variance - Original	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenue						
Net Patient Service Revenue	1,561,105	1,275,357	285,748	10,641,512	8,927,500	1,714,013
Supplemental Revenue	997,165	967,837	29,328	6,980,155	6,774,856	205,299
Capitation & Managed Care Incentives	498,899	553,833	(54,934)	3,391,767	3,876,833	(485,067)
Grant Revenue	228,436	270,278	(41,843)	1,145,831	1,891,948	(746,117)
340B Pharmacy Program	106,661	60,000	46,661	849,921	420,000	429,921
MOU & Other Income	64,590	63,518	1,073	412,498	444,623	(32,125)
Total Operating Revenue	<u>3,456,856</u>	<u>3,190,823</u>	<u>266,033</u>	<u>23,421,683</u>	<u>22,335,761</u>	<u>1,085,922</u>
Expenditures						
Salaries & Wages	1,325,047	1,282,091	(42,956)	9,664,480	8,974,639	(689,841)
Employee Benefits	898,776	819,409	(79,367)	5,344,055	5,735,864	391,808
Professional Fees	192,890	212,324	19,434	1,467,674	1,486,265	18,591
Purchased Services	458,863	578,464	119,602	3,266,917	4,049,251	782,334
Supplies	41,646	39,431	(2,216)	525,639	276,014	(249,624)
Depreciation	25,156	20,509	(4,647)	164,764	143,563	(21,201)
Interest	21,565	4,298	(17,267)	148,006	30,084	(117,923)
Other Expenses	149,502	87,461	(62,041)	1,705,387	612,225	(1,093,162)
Total Expenditures	<u>3,113,444</u>	<u>3,043,986</u>	<u>(69,458)</u>	<u>22,286,922</u>	<u>21,307,904</u>	<u>(979,018)</u>
Net Income(Loss)	<u>343,412</u>	<u>146,837</u>	<u>196,575</u>	<u>1,134,761</u>	<u>1,027,857</u>	<u>106,904</u>

SJCC BALANCE SHEET JANUARY 2022

	<u>PERIOD 0</u>	<u>JULY 2021</u>	<u>AUGUST 2021</u>	<u>SEPTEMBER 2021</u>	<u>OCTOBER 2021</u>	<u>NOVEMBER 2021</u>	<u>DECEMBER 2021</u>	<u>January 2022</u>
Assets								
Cash & Cash Equivalents	2,266,991	2,274,759	10,274,204	11,439,672	11,987,361	17,506,250	11,884,586	11,403,076
Accounts Receivable	1,786,574	1,567,532	1,544,418	1,652,978	1,574,805	1,383,482	1,270,381	1,421,291
Inventory	11,250	(36,414)	(60,467)	0	0	0	11,458	11,458
Property & Equipment	1,411,298	1,391,984	1,373,582	1,354,724	1,335,866	1,317,536	1,426,517	1,462,268
Other Assets	<u>19,828,212</u>	<u>23,025,945</u>	<u>17,992,367</u>	<u>19,543,137</u>	<u>13,163,166</u>	<u>8,243,877</u>	<u>8,990,719</u>	<u>10,293,157</u>
Total Assets	<u>25,304,325</u>	<u>28,223,807</u>	<u>31,124,104</u>	<u>33,990,511</u>	<u>28,061,198</u>	<u>28,451,145</u>	<u>23,583,659</u>	<u>24,591,250</u>
Liabilities								
Accounts Payable	396,672	610,273	721,439	923,594	989,410	975,540	1,136,364	876,325
Other Liabilities	15,087,742	17,626,124	19,616,244	21,834,230	15,576,439	16,751,439	11,097,659	12,021,876
Deferred Revenue	<u>0</u>	<u>0</u>	<u>600,000</u>	<u>1,000,000</u>	<u>1,200,000</u>	<u>538,376</u>	<u>738,376</u>	<u>738,376</u>
Total Liabilities	<u>15,484,414</u>	<u>18,236,396</u>	<u>20,937,683</u>	<u>23,757,824</u>	<u>17,765,848</u>	<u>18,265,355</u>	<u>12,972,399</u>	<u>13,636,577</u>
Net Assets								
Beginning Net Assets	9,819,912	9,819,912	9,819,912	9,819,912	9,819,912	9,819,912	9,819,912	9,819,912
Current YTD Net Income	<u>0</u>	<u>167,499</u>	<u>366,510</u>	<u>412,775</u>	<u>475,437</u>	<u>365,878</u>	<u>791,349</u>	<u>1,134,761</u>
Total Net Assets	<u>9,819,912</u>	<u>9,987,411</u>	<u>10,186,421</u>	<u>10,232,687</u>	<u>10,295,349</u>	<u>10,185,790</u>	<u>10,611,261</u>	<u>10,954,672</u>
Total Liabilities and Net Assets	<u>25,304,325</u>	<u>28,223,807</u>	<u>31,124,104</u>	<u>33,990,511</u>	<u>28,061,198</u>	<u>28,451,145</u>	<u>23,583,659</u>	<u>24,591,250</u>

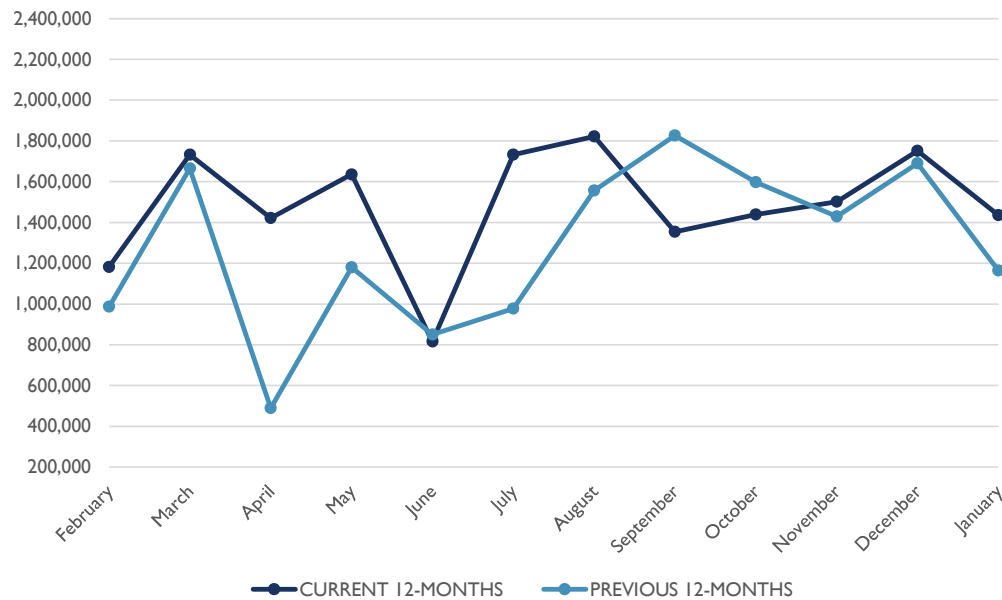
SJCC BILLING & COLLECTIONS

A/R AGING JANUARY 2022

SJCC Accounts Receivable Aging Analysis For the Month of January 2022								
Aging Category	MediCare	MediCal	Commercial	Self Pay	Total Aging This Month	Total Aging Last Month	\$ Increase (Decrease)	% Increase (Decrease)
1-30 Days	180,516	1,567,602	16,612	20,988	1,785,718	1,762,787	22,931	1.30%
31-60 Days	111,778	132,605	25,015	22,385	291,783	283,471	8,312	2.93%
61-90 Days	49,471	102,451	19,287	19,022	190,231	197,572	(7,341)	-3.72%
91-120 Days	36,295	87,493	15,537	14,224	153,549	105,190	48,359	45.97%
121-180 Days	21,229	106,086	18,415	4,021	149,751	101,854	47,897	47.02%
181-240 Days	10,859	49,318	12,882	1,500	74,558	64,275	10,283	16.00%
241-270 Days	4,737	9,878	4,240	695	19,550	22,461	(2,911)	-12.96%
271-365 Days	8,624	14,967	16,863	1,773	42,227	25,462	16,764	65.84%
366 Days & Over	(4,682)	22,292	46,190	(2,486)	61,314	28,255	33,059	117.00%
	15%	76%	6%	3%				
Total FC This Month	418,826	2,092,693	175,041	82,122	2,768,682	2,591,328	177,353	6.84%
Total FC Last Month	355,300	1,978,950	178,132	78,946	2,591,328			
\$ Increase (Decrease)	63,526	113,743	(3,091)	3,176	177,353			
% Increase (Decrease)	17.88%	5.75%	-1.74%	4.02%	6.84%			
Monthly Management Summary								
	Beginning	Charges	Payments	Adjustments	Ending Gross			
January Activity	2,591,328	2,519,519	(1,435,194)	(906,972)	2,768,682			
A/R Days Analysis								
	January	December	November	October	September	August	July	Increase (Decrease)
Gross A/R Days	33	30	33	35	32	28	36	3
Net A/R	1,421,291	1,270,381	1,383,482	1,574,805	1,652,978	1,574,249	1,992,113	150,911
Net A/R Days	28	25	29	31	31	33	44	3

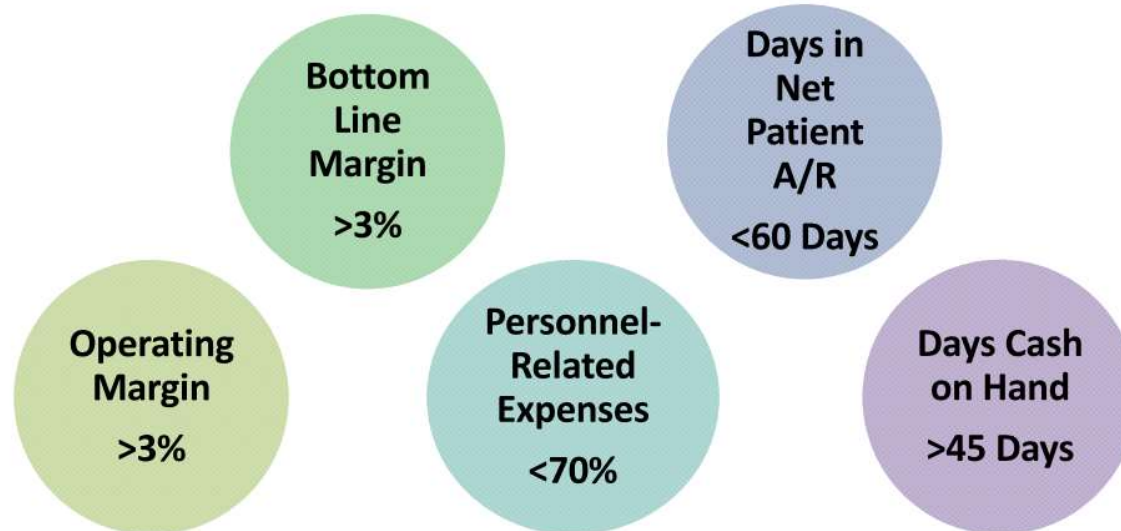
JANUARY 2022 EMMI CASH COLLECTED - \$1,435,194

ROLLING 12-MONTH TRENDS - CASH COLLECTED



FY22 Collections by Financial Class	%
Medi-Cal Managed Care	78.64%
Medi-Cal	16.62%
Medicare	3.74%
Self-Pay	0.50%
Commercial	0.50%
Total	100.00%

Key Financial Metrics: Capital Link Industry Guidelines



CAPITAL LINK FQHC FINANCIAL BENCHMARKS VS SJCC

DATA SUMMARY	Capital Link Target	SJCC FYTD FY22
FINANCIAL HEALTH		
1 Operating Margin As a % of Operating Revenue	>3%	3%
2 Bottom Line Margin As a % of Operating Revenue	>3%	5%
3 Days Cash on Hand	>45 Days	111
4 Days in Net Patient Receivables	<60 Days	28
5 Personnel-Related Expense (PRE) As a % of Operating Revenue	<70	84%

QUESTIONS & ANSWERS





San Joaquin County Clinics
Financial Statement Comments
January 2022

Summary of Clinics Year to Date

Billable visits for January are favorable to budget by 1,181 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 January are \$285,748 greater than budget. YTD financials reflect a PPS reconciliation liability accrual of \$175,000. YTD Medi-Cal payments for \$2,519,165 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 \$125,673 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. YTD financials include funds transferred for \$8,163,604 to San Joaquin County as a payment for payroll and benefits paid by San Joaquin County on behalf of SJCC from July 2021 through December 2021.

YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$6,980,155. 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 \$1,135,831. Capitation and Managed Care Incentives include the YTD Capitation Revenue with an unfavorable variance to budget by \$485,067 mainly due to non-recognition of HEDIS revenue during the year. Also, Other Income includes the 340B Pharmacy Program revenue for \$849,921 and the program related expenses for \$634,436 are included in Supplies & Other Expenses categories on the financials. YTD financials reflect First Responder Program revenue for \$10,000. YTD Other Revenue includes revenues accrued for \$397,800 related to Purchased Services provided to SJGH by SJCC per the MOU and Interest Income of \$14,698. Total Net Operating Revenues are favorable to budget by \$1,085,922.

YTD Salaries and benefits expenses exhibit an unfavorable variance to budget of \$298,033. Other operating expenses exhibit an unfavorable variance of \$680,985 largely due to Professional Fees and Purchased Services favorable variance of \$800,925 mainly offset by unfavorable variance in Supplies, Interest and Miscellaneous Expenses \$1,481,910. An estimated expense for the Purchased Services is recorded from July through January based on the MOU.

Unaudited, as presented, Net Income of \$1,134,761 on a year-to-date basis is favorable compared to budget by \$106,904.

Additional Factors Impacting Clinic Performance Presentation

- Supplemental revenues are estimates based on the Master MOU between SJCC and SJ County. Revenue recognition for QIP Receivable is pending independent auditor's evaluation.

Other Material Notes

- SJGH has submitted to its independent auditor history-to-date financial adjustments which effectively have resulted in SJCC being a breakeven operation as of 6/30/2020.



**San Joaquin Health Centers
Board of Directors Meeting
February 23, 2022**

LEGISLATIVE UPDATE

Legislative Update

State of California

The State legislature returned to session on January 3, 2022. Updates on their activities and proposed legislation will be provided to Board in future meetings

Governor Newsom announced his 2022-23 state budget proposal referred to as the “California Blueprint on January 10, 2022. The Legislature has begun its review and has until June 15 to pass the budget.

A copy of the initial overview of the Governor’s budget prepared by California’s Legislative Analyst is attached for the Board’s information. Pages 19-21 cover the Governor’s budget proposals to address health care access and affordability.

Federal

H.R. 5376 – 117th Congress: Build Back Better Act (BBBA)

Introduced September 27, 2021, H.R. 5376 was a 2,465-page, \$3.5 trillion bill (over ten years) that “provides funding, establishes programs, and otherwise modifies provisions relating to a broad array of areas, including education, labor, childcare, health care, taxes, immigration, and the environment.”

Over time it became a \$1.75 trillion package is still subject to change that includes \$2 billion for community health center capital projects, including for Look-Alikes.

Current Status: There is consensus that the bill as-is will not pass. The Biden Administration has not yet fully given up on getting various components of the bill passed. Health Center stakeholders, including SJ Health continue to advocate for the \$2 billion for capital projects included in the BBBA.

February 23, 2022

Board of Directors
San Joaquin County Clinics

Dear Board Members:

**Approval of Board Resolution Related to Application to the United States
Department of Agriculture (USDA) for an Emergency Rural Health Care Grant**

RECOMMENDATION

It is recommended that the Board of Directors:

Approve the resolution authorizing 1) acceptance of an allocation of funds from, and 2) execution of grant agreement with the United States Department of Agriculture (USDA), for an Emergency Rural Health Care Grant, and 3) certifying the availability of San Joaquin Health Centers' share of matching funds.

REASON FOR RECOMMENDATION

At its October 26, 2021 meeting, the SJCC Board retroactively approved the submission of an application to USDA for funding through its Emergency Rural Health Care Grant program that SJCC submitted on October 12. As noted at the time, SJCC's application was for \$631,800.00 over three years to:

- 1) Enhance access to COVID-19 testing/vaccines in French Camp and other rural areas of San Joaquin County; and
- 2) Improve access to health care through enhanced telehealth services including remote patient monitoring for patients with heart disease and/or diabetes.

Funds were originally budgeted for the following uses though these may be adjusted by SJCC executive management (subject to USDA approval) as the grant program is implemented:

- 1) Purchase of a cargo van to transport staff, supplies, equipment, and patients for testing and vaccine activities in rural parts of the County;
- 2) Purchase software licenses for SJCC's preferred telehealth platform that supports both audio and video modalities; and contract with a vendor to launch a chronic disease management program using 24/7 remote patient monitoring for 200 patients, personalized coaching, and emergency outreach as needed. Connected glucometers, scales and blood pressure monitors will provide real-time feedback, personalized calls to action when patients are most receptive, and connect patients to emergency support if appropriate. This technology has already been purchased using other funding sources but USDA funds may be

used to increase the number of patients being served using this software platform.

USDA is reviewing applications received from across the country and has been requesting additional information from SJCC. Based on USDA's analysis of the impact of SJCC's proposed project on rural communities and populations, SJCC's application for funding has been decreased to \$524,277. This is to be matched by \$428,955 in cash from SJCC.

USDA has requested a resolution from the SJCC Board of Directors to move the grant application forward. The resolution being brought to the Board is based on a sample received from USDA.

FISCAL IMPACT

If funded, the total amount of this award will be up to \$524,277 over a three-year period. This is 55% of the \$953,232 total project cost. SJCC will be required to cover the additional 45% (\$428,955) in project costs on its own. SJCC is not allowed to use its HRSA ARP-LAL funding to match USDA grant funding so will be using funds from operations to meet the matching requirement.

ACTIONS TO BE TAKEN FOLLOWING APPROVAL

Upon approval of the Board Resolution by the Board of Directors, SJCC's CEO will sign the resolution and return it to USDA. SJCC will continue its grant application-related follow-up with USDA and notify the Board of Directors if the application is funded. If funded, SJCC will then manage this grant to ensure all grant requirements are fulfilled including using the grant funds on allowable expenses.

Sincerely,



Farhan Fadoo, MD
Chief Executive Officer
San Joaquin County Clinics

February 23, 2022

Board of Directors
San Joaquin Health Centers

Dear Board Members:

Approval to Submit Grant Application to the California Department of Public Health, California Tobacco Control Program, Advancing Tobacco Cessation in Community Clinics Project in the Amount of up to \$80,000 for the Period September 1, 2022 through February 29, 2024.

RECOMMENDATION

It is recommended that the Board of Directors approve the submission of a grant application to the California Department of Public Health, California Tobacco Control Program, Advancing Tobacco Cessation in Community Clinics Project in the Amount of up to \$80,000 for the Period September 1, 2022 through February 29, 2024.

REASON FOR RECOMMENDATION

According to its most recently submitted UDS report, approximately 2,000 of SJ Health's patients have been diagnosed with tobacco abuse disorder.

On January 10, 2022, the California Department of Public Health, California Tobacco Control Program released a request for application seeking grant applications from Federally Qualified Health Centers (FQHCs), including Look-Alikes for funding through its Advancing Tobacco Cessation in Community Clinics Project (ATCP). The goal of the ATCP is to measurably reduce tobacco use within funding clinic populations. By achieving this, the California Department of Public Health seeks to decrease tobacco use disparities and reduce the burden of tobacco-related diseases.

The California Department of Public Health is making available \$800,000 to fund up to 10 FQHCs over an 18-month period. Each community clinic will implement a Work Plan prescribed by the California Department of Public Health, which includes activities to:

- Implement an evidence-based, quality improvement project (QIP) to increase the effectiveness of tobacco cessation efforts;
- Optimize use of the clinic's data systems to enable ready assessment of tobacco quality improvement metrics including tobacco use prevalence in the clinic patient population, referral rates to Kick It California, counseling utilization rates, and quit rates;

- Provide tobacco-using patients with evidence-based guidance related to diet, physical activity, and stress management to: (a) prevent or minimize weight gain frequently associated with smoking cessation, and (b) optimize the health promoting and disease preventing impact of tobacco cessation; and,
- Adopt and implement recommended tobacco-free clinic policies.

With more than 2,500 clinic sites in California eligible for funding through this program and only 10 grants to be awarded, this funding program is going to be extremely competitive. However, given the opportunity that this program offers to help SJ Health improve its tobacco cessation efforts, SJ Health is considering applying for funding and seeking approval from the Board of Directors to do so. Funding applications are due March 4.

FISCAL IMPACT

The total amount of the award would be \$80,000 over 18 months at one SJ Health clinic site. These funds will be paid on a cost-reimbursement basis for implementing and satisfactorily completing the California Department of Public Health's prescribed Work Plan. Grant funds may be used on personnel costs, including the required project coordinator, as well as other costs of implementing the prescribed workplan. There are no matching requirements for these grant funds.

ACTIONS TO BE TAKEN FOLLOWING APPROVAL

Upon approval of the submission of grant proposal by the Board of Directors, SJ Health staff will complete its evaluation of the benefit of the funding and technical assistance to SJ Health and its patients, its likely success in a grant competition based on an objective self-assessment of performance on the detailed application selection criteria rubric provided by the funder, and its capacity to successfully implement the prescribed workplan. It will then prepare and submit a proposal as appropriate.

If SJ Health should apply and be funded, SJ Health will implement the grant in accordance with the requirements of California Department of Public Health.

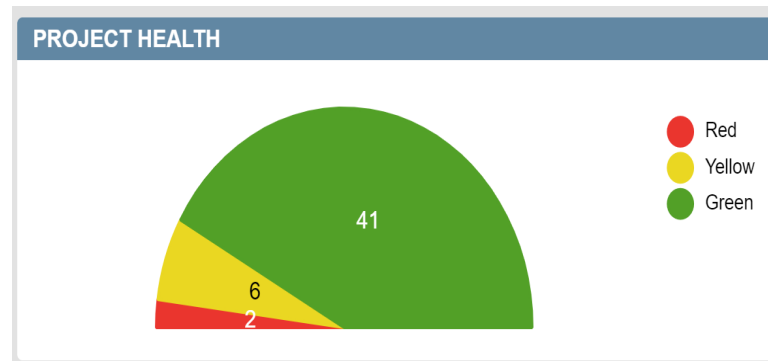
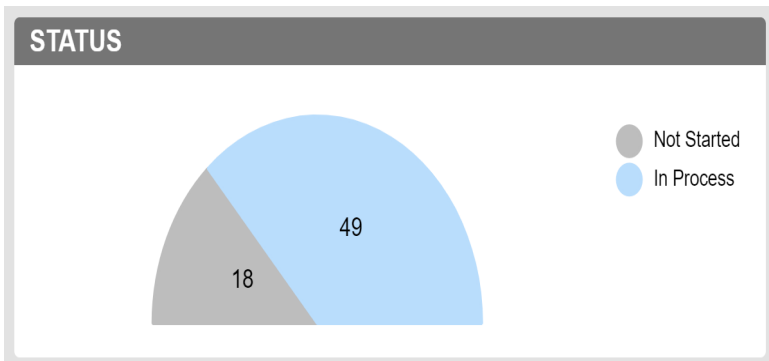
Sincerely,



Farhan Fadoo, MD
Chief Executive Officer
San Joaquin County Clinics

CEO Report – Previous 30 Days

- COVID19 Updates
 - Omicron wave declines but clinics still using 1/3 telehealth (Feb MTD encounters are beating budget)
 - Field events continue for vax and testing
- Structural Independence
 - FY23 prelim staffing budget draft to CAO by 3/11
 - Administrative HQ: rent commencement 3/1, furniture install 2/21, IT install will determine actual occupancy
 - Rebrand – BOS approved name on 2/1: San Joaquin Health Centers (SJ Health); cementing brand launch plan
- HRSA Compliance
 - UDS submitted 2/11/22; details of submission will be presented at March board meeting
- Strategic plan implementation
 - Total effort: 67 projects with 13 project owners



Projects By Strategic Plan Pillar	
Healthier Community	16
Build Identity	18
Sustainability	33
Projects By Functional Domain	
Administrative	16
Finance	13
HR	7
Marketing	6
Operations	16
Population Health/Community Engagement	4
QI	5