

SJCC Annual Report FY19-20

Report to SJCC Board

Farhan Fadoo, MD

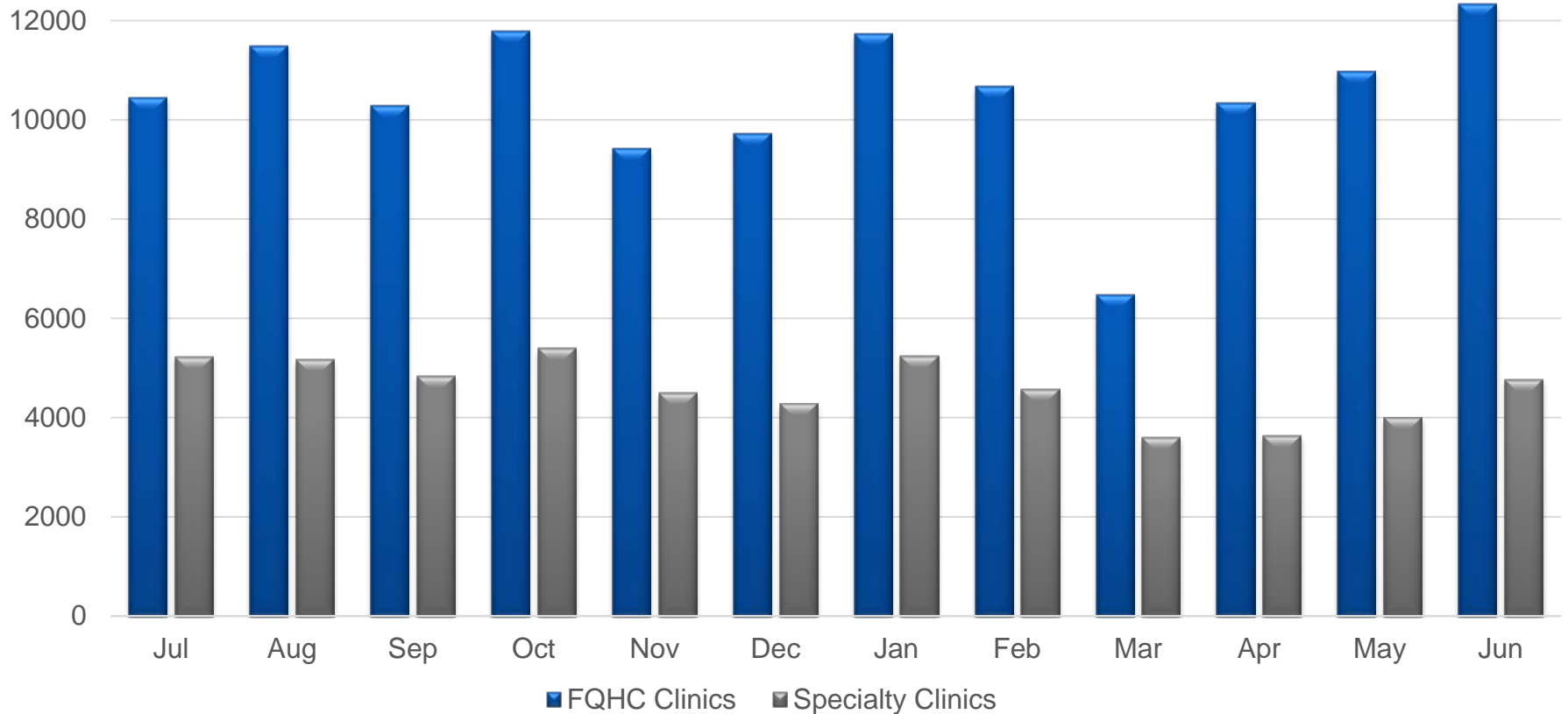
August 25, 2020

SJCC operates 8 sites as FQHC-Look-alikes

- ▶ SJCC Primary Medicine Clinic – French Camp
- ▶ SJCC Family Medicine Clinic – French Camp
- ▶ SJCC Healthy Beginnings Clinic – French Camp
- ▶ SJCC Family Practice California Clinic – Stockton
- ▶ SJCC Children's Health Services – Stockton
- ▶ SJCC Healthy Beginnings Clinic – Stockton
- ▶ **SJCC Manteca Clinic – Manteca**
- ▶ **SJCC Hazelton Clinic – Stockton**

Services provided: adult primary care, pediatrics, prenatal care and women's health, integrated behavioral health, chronic disease management

Ambulatory Visits - FY 19/20



Total SJCC Visits: 125,743 (115,912 Billable)
Total SJGH Specialty Clinic Visits: 55,255

* 2019 UDS Unique Users: 32,954

■ Special Programs

- ▶ CHF Clinic (Recipient of CAPH Quality Leaders Award for 2019)
- ▶ DM Titration Clinic
- ▶ MAT Clinic for patients with OUD
- ▶ eConsult platform live across 13 specialties and supported by HPSJ
- ▶ Centralized Scheduling/Referral Center – abandonment rate drop from 13% to 2%
- ▶ Monthly SJCC Board Development/Training – Fiscal Solutions

■ COVID19 response

- ▶ 15 MOUs with third-parties for occupational testing (1st responders, city/county agencies, private ag companies)
- ▶ Verily Project Baseline – ~17000 tests since 4/8/20 go-live
- ▶ Field Testing: homeless shelters and encampments / migrant workers
- ▶ Pivot to virtual care due to easing of 4-wall restrictions, reimbursement flexibilities
- ▶ HRSA ECT grant - \$608k

FY19/20 Highlights

■ Expense reduction

- ▶ \$1.5MM savings Manteca/Hazleton closures (17 deletions)
- ▶ \$5.84MM savings from non-Manteca/Hazleton layoffs (59 deletions)
- ▶ Repurpose Manteca space – SJGH HIM

■ Revenues

- ▶ Revenue cycle firm outsource – January 2020
- ▶ Finalized PPS rates – highly favorable outcome

	Effective Date	Family Medicine Clinic	Children's Health Services	Primary Medicine Clinic	Healthy Beginnings California St.	Healthy Beginnings French Camp	Effective Date	Family Practice Clinic California St.***
Interim PPS Rate	7/1/2014	129.02	129.02	129.02	129.02	129.02	7/1/2015	158.85
Base Year PPS Rate	7/1/2014	172.37	208.46	142.30	217.36	268.47	7/1/2015	242.41
Today's PPS Rate	10/1/2019	182.96	221.27	151.04	230.72	284.97	10/1/2019	255.26

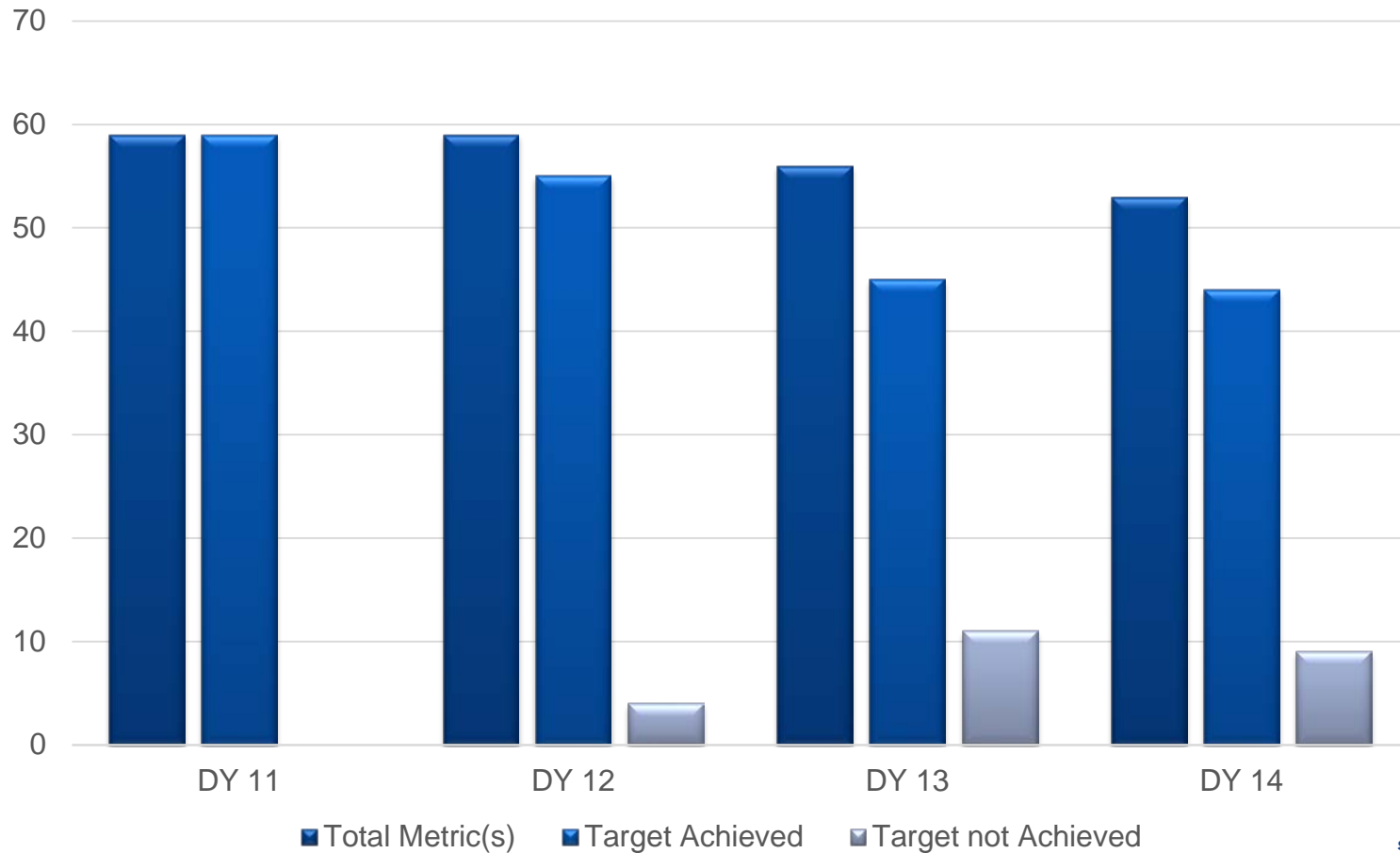
***FPCC is an estimate as of 8-10-20

- ▶ Grant funding in excess of \$1MM secured
 - MAT, patient engagement, telehealth/virtual care, family planning, COVID response
- ▶ Waiver funding – captured 94% of available dollars (~\$17MM in DY14), CMS approved PRIME spillover to DY15

PRIME funding

	DY 11	DY 12	DY 13	DY 14	DY 15
% P4R Metrics	100%	40%	21%	2%	2%
% P4P Metrics	0%	60%	79%	98%	98%

PRIME YOY Performance



Overperformance Areas

O/P Primary Care

Diabetes poor control (HbA1c>9.0%)

Depression Screening and Follow Up

Substance abuse screening (SBIRT)

Tobacco Cessation & Counselling

O/P Specialty Care

Influenza immunization

Tobacco Cessation & Counselling

Perinatal Care

C-Section

Exclusive Breast Milk Feeding

Complex Care: High Risk/High Cost Population

Medication Reconciliation

Transitions of care (Acute, Inpatient to Ambulatory/Outpatient)

- Stabilize post-COVID operations
- Expand service to special populations (homeless, migrant) via mobile clinics (HRSA ECT and CARES Act funding)
- Partner with new HPSJ leadership to drive additional member assignments to SJCC sites
- Enact more stringent financial controls around physician hiring/onboarding, payer credentialing, billing/collections
- 340b program (4 pharmacies contracted retro to 6/2020)
- Rebuild Population Health Management and Transitions of Care Teams to support WPC (and eventually, CalAIM)
 - ▶ Deploy HealtheCare platform for care management

- Focus on the challenging work of improving productivity and quality simultaneously
- Shift physician to NP/PA ratio
- Build upon QI capabilities using new tools (HealtheRegistries) to drive success in QIP 3.0
- Evaluate proposed consolidation strategy to reduce operational complexity at French Camp and CA street locations (3→1 site)
- Anticipate 330 funding opportunities to move from LAL status to full 330 grantee (contingent on federal budgets)
- Anticipate HRSA OSV in CY2021 (current LAL designation period ends 12/2021)

QUESTIONS?



SJCC BOARD OF DIRECTORS ATTENDANCE RECORD 2020

2020 Meeting Dates

Member Name	Patient? Yes / No	Joined Board	1/8/20 Board Training	1/28/20	2/25/20	3/31/20	4/28/20	5/26/20	6/30/20	7/28/20	8/25/20	9/29/20	10/27/20	11/24/20	12/29/20
Baskett, Mike	No	2018	AE	P	P	P	P	P	P	P					
Cortez, Ismael	Yes	2011	P	AE	P	P	P	P	P	AU					
Heck, Brian	No	2019	P	P	P	P	P	P	P	P					
Maldonado, Alvin	Yes	2011	AE	AE	AE	P	P	AU	P	P					
Medina, Esgardo	Yes	2018	P	P	P	AE	P	P	P	P					
Mills, Mary	No	2010	P	P	AE	P	P	AU	AU	P					
Place, Rod	No	2010	AE	P	P	P	P	P	P	P					
Sandoval, Luz Maria	Yes	2013	P	P	P	P	P	AU	AU	AU					
Toutai, Melanie	No	2019	P	P	P	AE	P	P	AE	AE					
Yonemoto, Alicia	Yes	2014	AE	P	AE	P	P	P	P	P					

CODE P = Present

Code AE = Absence Excused

CODE AU = Absence Unexcused

INITIAL APPOINTMENTS
AUGUST 2020

The following practitioners have applied for membership and privileges at San Joaquin General Hospital. The following summary includes factors that determine membership: licensure, DEA, professional liability insurance, required certifications (if applicable), etc. Factors that determine competency include medical/professional education, internship/residencies/fellowships, board certification (if applicable), current and previous hospital and other institutional affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. The applicants meet the requirements for membership unless noted below.

Membership Request	Name	Specialty/ Assigned Div/Dept	Competency / Privilege Review	Proctoring Required	Proctor	Rec Status/Term	Recommend
			No Initial Appointments on this report				

REAPPOINTMENTS

AUGUST 2020

The following practitioners have applied for reappointment to the Medical Staff of San Joaquin General Hospital. 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
			No Reappointments on this report			

ADVANCEMENTS
AUGUST 2020

The following practitioners are being advanced to their requested staff status to the Medical Staff of San Joaquin General Hospital. 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.

Name	Specialty/Assigned Div/Dept	Current Category of Membership	Recommended Category	Reason	Recommend
	No Advancements on this report				

RESIGNATIONS
AUGUST 2020

Name	Reason for Resignation:	Effective Date of Resignation
	There were no resignations on this report	

SAN JOAQUIN COUNTY CLINICS

MEDI-CAL PPS RATES & PPS RECONCILIATIONS

Kris Zuniga
Chief Financial Officer
August 2020

TODAY'S DISCUSSION



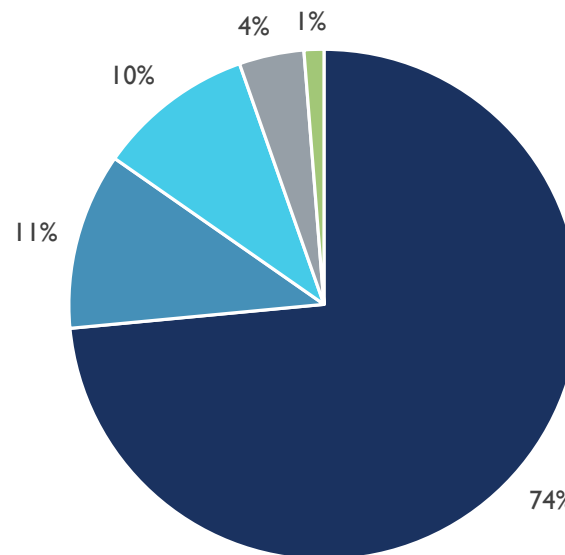
“If you’re not confused, you’re not paying attention.”

-Tom Peters

TODAY'S DISCUSSION

- Medi-Cal PPS Rate Overview & Settlement
- SJCC PPS Rates & Settlement
- Annual Medi-Cal PPS Reconciliation Process
- SJCC PPS Reconciliation Settlements by Fiscal Year

SAN JOAQUIN COUNTY CLINICS PAYER MIX



■ Medi-Cal Managed Care ■ Medicare ■ Medi-Cal ■ Self Pay ■ Commercial

MEDI-CAL PROSPECTIVE PAYMENT SYSTEM OVERVIEW

- Medi-Cal FQHC Reimbursement is based on the Prospective Payment System (PPS Rate)
- FQHC's are paid at a static interim PPS rate until a final PPS rate is determined for each clinic site
- $\text{PPS Rate} = \text{Base-Year Total Allowable Costs} / \text{Base-Year Total Billed Visits}$
 - EXAMPLE FOR ONE CLINIC:
 - $2,000,000 \text{ ALLOWABLE COSTS} / 10,000 \text{ BILLED VISITS} = \200 PPS RATE
- When the PPS rate is set, the state pays a retroactive settlement payment for each traditional Medi-Cal visit since inception
- Annual PPS Rate increases occur each October

SAN JOAQUIN TRADITIONAL MEDI-CAL PPS RATES

GREEN IS FINAL....YELLOW IS NOT

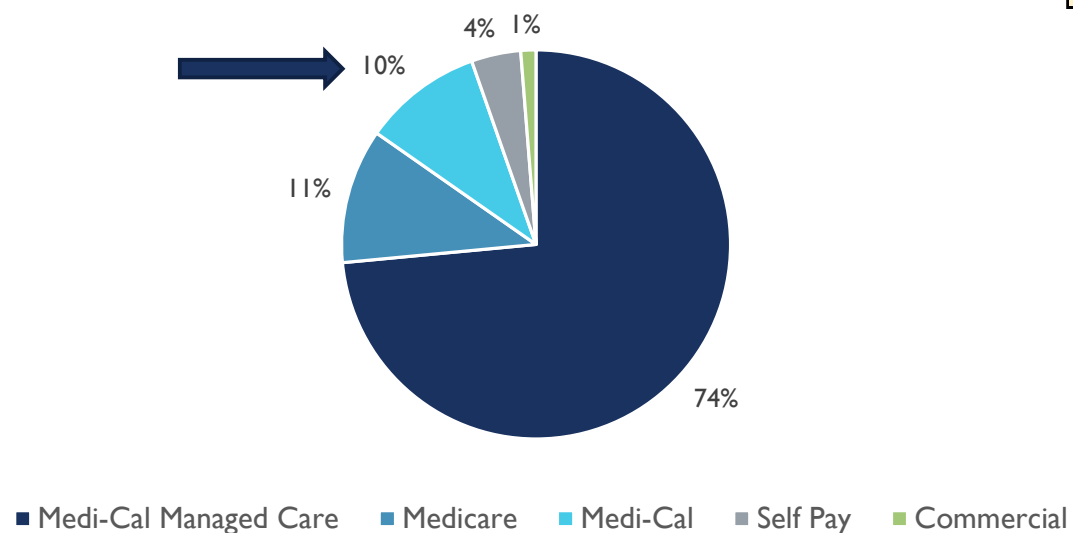
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SAN JOAQUIN COUNTY CLINICS – THE 10%

	Effective Date	Family Medicine Clinic	Children's Health Services	Primary Medicine Clinic	Healthy Beginnings California St.	Healthy Beginnings French Camp	Effective Date	Family Practice Clinic California St.***
Today's PPS Rate	10/1/2019	182.96	221.27	151.04	230.72	284.97	10/1/2019	255.26

***FPCC is an estimate as of 8-10-20



TRADITIONAL MEDI-CAL VISIT SETTLEMENT – THE 10%

When the PPS rate is set, the state pays a retroactive settlement payment for each traditional Medi-Cal visit **since inception**

Annual PPS Rate increases occur **each October**

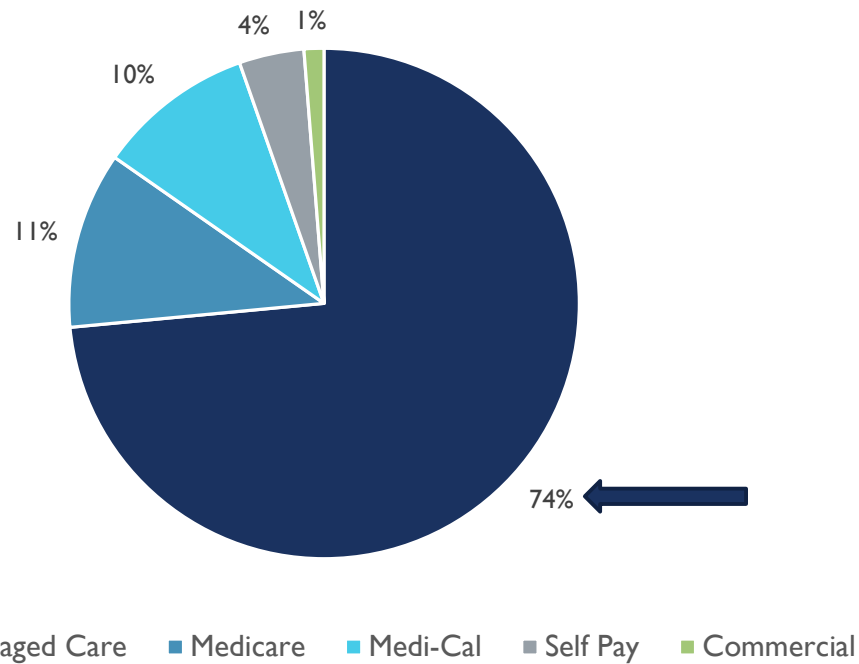
The State will determine the final retroactive settlement payment amounts

Estimated receivables below do not include the Family Practice Clinic

	Family Medicine Clinic	Children's Health Services	Primary Medicine Clinic	Healthy Beginnings California St.	Healthy Beginnings French Camp
Interim Rate	129.02	129.02	129.02	129.02	129.02
7/1/2014	172.37	208.46	142.30	217.36	268.47
10/1/2015	173.75	210.13	143.44	219.10	270.62
10/1/2016	175.66	212.44	145.02	221.51	273.60
10/1/2017	177.77	214.99	146.79	224.17	276.88
10/1/2018	180.26	218.00	148.81	227.31	280.76
10/1/2019	182.96	221.27	151.04	230.72	284.97

<u>Estimated Receivables</u>	
Fiscal Year 15	\$ 622,109
Fiscal Year 16	\$ 583,253
Fiscal Year 17	\$ 590,865
Fiscal Year 18	\$ 688,190
Fiscal Year 19	\$ 719,915
Fiscal Year 20	\$ 742,311
Estimated Total	\$ 3,946,643

SAN JOAQUIN COUNTY CLINICS – THE 74%



MEDI-CAL MANAGED CARE – THE 74%

- More complicated than traditional Medi-Cal FQHC reimbursement
- Reimbursement comes in three forms:
 1. Capitation payments – monthly payments per Managed Care member for a bundle of services
 - No billing required
 - Paid by Health Plan San Joaquin (HPSJ)
 - EXAMPLE: 1,000 enrolled members x \$10 per member = \$10,000 per month
 2. Wrap payments (formerly known as Code 18 payments) – payments per visit
 - Wrap rate is issued to each clinic
 - Billed by EMMI
 - Paid by the State
 3. Managed Care Fee-For-Service payments – payments per visit for services not covered under capitation
 - Billed by EMMI
 - Paid by HPSJ

SJCC ANNUAL PPS RECONCILIATION OVERVIEW – THE 74%

- At the conclusion of each fiscal year, all California FQHC's are required to file a **per-site** PPS reconciliation report with the Department of Health Care Services (DHCS)
- The reconciliation compares FQHC payments received (3 components) versus a calculation of what the FQHC is “entitled” to receive
- Entitlement per site is equal to the total Managed Care billed visits multiplied by the individual site's PPS rate
 - EXAMPLE FOR ONE CLINIC: 5,000 managed care visits x \$250 PPS rate = \$1,250,000 entitled reimbursement
 - CONCLUSION: **VISITS DICTATE ENTITLEMENT**
- If the payments received are greater than the entitlement amount, then the FQHC owes monies back to the State
- If the payments received are less than the entitlement amount, then the FQHC is owed monies from the State
- The final PPS reconciliation settlement amount is determined by DHCS, not the FQHC

SJCC ESTIMATED PPS RECONCILIATION SETTLEMENT – THE 74%

- The schedule below estimates annual PPS reconciliation liabilities inclusive of the Family Practice Clinic but calculated at the **interim PPS rate**
- The State is usually about three years behind on finalizing PPS reconciliations
- All fiscal years have been submitted to DHCS except for fiscal year 2020

Fiscal Year	2015	2016	2017	2018	2019	2020	Aggregate
Managed Care Wrap Around Visits	50,078	48,746	57,735	70,557	74,880	91,939	393,935
Total Entitlement	8,708,282	8,975,699	10,659,487	12,980,066	13,716,166	16,360,268	71,399,968
Average Entitlement Amount Per Visit	173.89	184.13	184.63	183.97	183.18	177.95	181.25
Less:							
Medi-Cal Wrap Around Payments	5,669,267	5,828,797	6,752,064	7,903,747	8,429,004	9,722,084	44,304,963
Managed Care FFS Payments	5,642,254	682,830	803,790	1,537,250	3,106,507	1,964,943	13,737,574
Managed Care Capitation Payments	-	5,945,541	5,974,366	5,657,849	5,538,716	5,275,425	28,391,897
Total Payments Received	11,311,521	12,457,168	13,530,220	15,098,846	17,074,227	16,962,452	86,434,434
Average Payment Received Per Visit	225.88	255.55	234.35	214.00	228.02	184.50	219.41
Estimated Settlement	(2,603,239)	(3,481,469)	(2,870,733)	(2,118,780)	(3,358,061)	(602,185)	(15,034,467)

PUTTING ALL TOGETHER

- We have excellent PPS rates – 4 of 6 are greater than \$200
- Nothing begins to be final until we have a PPS rate for the Family Practice Clinic
- All settlement amounts will be finalized by the State
- SJCC may pursue changing the Wrap rates to mitigate annual accrued payables
 - General best practices dictate that an FQHC is a net borrower from the State because of the lag in adjudication
- The estimated receivables and payables are as follows:

<u>Estimated Receivables</u>	
Fiscal Year 15	\$ 622,109
Fiscal Year 16	\$ 583,253
Fiscal Year 17	\$ 590,865
Fiscal Year 18	\$ 688,190
Fiscal Year 19	\$ 719,915
Fiscal Year 20	\$ 742,311
Estimated Total	\$ 3,946,643

<u>Estimated Payables</u>	
Fiscal Year 15	\$ (2,603,239)
Fiscal Year 16	\$ (3,481,469)
Fiscal Year 17	\$ (2,870,733)
Fiscal Year 18	\$ (2,118,780)
Fiscal Year 19	\$ (3,358,061)
Fiscal Year 20	\$ (602,185)
Estimated Total	\$ (15,034,467)

EFFECTS ON FISCAL YEAR 2020 SJCC FINANCIALS

ANNUAL PPS RECONCILIATION ACCRUED LIABILITIES

GL ACCOUNT CODE	ACCOUNT DESCRIPTION FQ	5/31/20 BALANCE	RECOMMENDED 6/30/20 BALANCES	RECOMMENDED ADJUSTMENTS	
2062015	DUE TO MCMC CD 18 FY15 FQ	(4,254,789)	(2,603,239)	1,651,550	
2062016	DUE TO MCMC CD 18 FY16 FQ	(5,108,533)	(3,481,469)	1,627,064	
2062017	DUE TO MCMC CD 18 FY17 FQ	(4,912,655)	(2,870,733)	2,041,922	
2062018	DUE TO MCMC CD 18 FY18 FQ	(3,591,068)	(2,118,780)	1,472,288	
2062019	DUE TO MCMC CD 18 FY19 FQ	-	(3,358,061)	(3,358,061)	
2062020	DUE TO MCMC CD 18 FY20	(550,000)	(602,185)	(52,185)	
TOTAL ACCRUED		(18,417,045)	(15,034,467)	3,382,578	REDUCTION IN ACCRUED LIABILITY

TRADITIONAL MEDI-CAL DIFFERENTIAL RECEIVABLE RESULTING FROM FINAL PPS RATE SETTING

GL ACCOUNT CODE	ACCOUNT DESCRIPTION	5/31/20 BALANCE	RECOMMENDED 6/30/20 BALANCES	RECOMMENDED ADJUSTMENTS	
1052015	DUE FROM MCAL	193,460	622,109	428,649	
1052016	DUE FROM MCAL	170,204	583,253	413,049	
1052017	DUE FROM MCAL	185,747	590,865	405,118	
1052018	DUE FROM MCAL	473,969	688,190	214,221	
1052019	DUE FROM MCAL	-	719,915	719,915	
1052020	DUE FROM MCAL	-	742,311	742,311	
TOTAL ACCRUED		1,023,380	3,946,643	2,923,263	INCREASE IN ACCRUED RECEIVABLE
TOTAL BALANCE SHEET ADJUSTMENT				6,305,841	
ADDITIONAL FY20 FQHC REVENUES				6,305,841	

QUESTIONS & ANSWERS

