

Minutes of June 27, 2023

San Joaquin Health Centers Board of Directors

Board Members Present: Farhan Fadoo (CEO); Monica Fuentes*; Brian Heck (Vice Chair); Cynthia King; Karen Lee*; Jodie Moreno; Rod Place (Board Chair); Kristin Shinn

Excused Absent: Samantha Monks; Tarsha Taylor-Godfrey

Unexcused Absent: Esgardo Medina; Bernadette Pua

SJHC Staff: Ahdel Ahmed; Michael Allen; Jonathon Diulio; Mary-Lou Milabu; Barbara Kissinger-Santos; Jeff Slater; Alice Souligne; Susan Thorner; Kris Zuniga

Guests: Jennifer Scott (KMTG)

AGENDA ITEM	ATTACHMENTS	ACTION
<p>I. Commencement/Call to Order (Rod Place)</p> <ol style="list-style-type: none"> Rod announced the resignation of Jessica Hernandez on 5/30/23, due to personal commitments. The meeting was called to order at 5:33 p.m. A quorum was established for today's meeting. The agenda for today's meeting was approved unanimously. SJ Health Board of Directors' Attendance Record was made available. 	2022 Board Member Attendance	<ol style="list-style-type: none"> Cynthia motioned to approve the agenda and Jodie seconded; motion was approved unanimously
<p>II. Public Comment</p> <p>None</p>	No attachment	No action required
<p>III. Consent Calendar (Rod Place)</p> <ol style="list-style-type: none"> The minutes from May's Board meeting on 5/30/23 were approved by the board. 	Board Minutes 2023-05-30	<ol style="list-style-type: none"> Jodie motioned to approve the minutes from May and Cynthia seconded; motion was approved unanimously
<p>IV. Regular Calendar (Rod Place)</p> <ol style="list-style-type: none"> Credentialing & Privileging Report was presented. Initial appointments are: Jinnie Chang, MD; Martha Quesada-Beckner, NP; Anushri Oza, MD. Reappointments are: Patara Rojanavongse, MD; Shabneet Hira-Brar, MD; Kamaljit Bajwa, NP. Resignations are: Michelle Rowe, MD (June 2023); Toni Moody, MD (July 2023); Victoria Hill, CNM (Sept 2023). A proposal for the retroactive approval of the Kaiser Food Therapy grant was presented for consideration. Provides food and cooking guidance for patients who have food insecurity and/or physician-prescribed diet support. Forms 5A & 5B were not presented for review this month, as no changes have been made at this time. Community updates were presented by Ahdel. The Manteca Clinic ribbon cutting was a success and well attended. We also hosted Congressman Josh Harder at our Stockton Clinic 		<ol style="list-style-type: none"> Cynthia motioned to approve the credentialing report and Kristin seconded; motion was approved unanimously Brian motioned to retroactively approve the Kaiser grant and Monica seconded; motion was approved unanimously No action required No action required Monica motioned to approve the finance report and Jodie seconded; motion was approved unanimously No action required

<p>to show off our services. Joan and Ahdel met with SUSD trustees to discuss school-based services to utilize left-over COVID funds. Lobbying efforts continue.</p> <p>5. Billable visits for May are unfavorable to budget by 1,632, which is mainly related to the Manteca Clinic visits. Since Manteca Clinic just begun its operations in April, therefore, the actual visits for the Manteca Clinic were lower than the budgeted visits. Net Patient Service Revenues for May are favorable to budget by \$2,140,689, which is mainly related to a favorable adjustment recorded for \$2,034,837 to true up FY2019 PPS reconciliation liability based on the updated information received from DHCS.</p> <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$11,187,201. Based on the most recent information received on the QIP distribution, QIP Revenue Receivable includes QIP Program Revenue related favorable adjustments for \$849,355 from January through December 2021 for PY4 and unfavorable adjustments for \$2,580,904 from January through June 2022 for PY5 respectively. Also, YTD financials include the reversal of estimated QIP reserves for \$2,425,128 for prior years. Combined Grants Revenue includes revenues for Behavioral Health Integration, Discovery Challenge Academy, SOR2, Connect2Care, HEDIS, Enhanced Care Management, ARPA, and American Rescue Plan (ARP) grants for \$5,049,352. Also, YTD grant revenues are higher than budget due to the recognition of American Rescue Plan (ARP) grant revenue for \$765,299 for activity related to January 2021 through June 2021 period in July. Capitation and Managed Care Incentives are trending higher than budget with a favorable variance of \$1,998,560 mainly related to Cal Aim payments received for Year 1 and Year 2 for \$1,326,911 and \$357,537 respectively. YTD financials include revenues for \$623,909 related to supplemental payments received for the 340B Pharmacy program. YTD Other Revenue includes revenues accrued for \$584,602 related to Purchased Services provided to SJGH by SJHC per the MOU and Interest Income of \$89,173. Total YTD Operating Revenue is favorable to budget by \$3,138,614.</p> <p>YTD Salaries and Benefits expenses exhibit a favorable variance to budget by \$5,008,133 mostly due to lower than budgeted salaries and benefits for SJGH providers and employees providing services for the clinics. Other operating expenses exhibit an unfavorable variance of \$4,414,156 largely due to Purchased Services with a favorable variance of 4,194,111 mainly offset by unfavorable variance in Professional Fees, Supplies, Interest, Depreciation, and Other Expenses for \$8,608,267. YTD financials reflect the Purchased Services expense trued up from July through April based on the actual expense information provided by SJGH, which resulted in the reclassification of various expenses such as rents, repairs, professional fees, utilities, supplies, labor and other expenses from Purchased Services to their respective expense categories. An estimated expense for the Purchased</p>		<p>7. No action required</p>
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<p>Services is recorded for May based on the MOU. YTD expenditures are favorable to budget by \$593,976.</p> <p>Unaudited, as presented, Net Income of \$5,431,164 on a year-to-date basis is favorable compared to budget by \$3,732,591.</p> <p>Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at 10% against a goal of >3%, Bottom Line Margin at 11% against a goal of >3%, Days Cash on Hand at 201 against a goal of >45 days, Days in Net Patient Receivables at 27 against a goal of <60 days, and Personnel-Related Expenses at 67% against a goal of <70%.</p> <p>6. Board Self-Evaluations were explained by Michael and distributed to all members in attendance. Those not in attendance will receive the form via email.</p> <p>7. The CEO Report was presented by Dr. Fadoo. QIP PY5 data was submitted with an 81% capture of funds; the remaining 19% will roll over to be available during PY6. The Board of Supervisors approved our budget on 6/20/23. SUSD partnership concept paper has been completed and submitted to SUSD trustees. Manteca ribbon cutting on 6/6/23 was attended by around 75 people, including various community representatives. No risks on Strategic Plan projects.</p>		
<p>V. <u>CLOSED SESSION</u></p> <p>a. CEO Evaluation was finalized and approved for presentation to Dr. Fadoo.</p> <p>b. The board was updated on the legal proceedings by Jennifer Scott from KMTG legal counsel.</p>		<p>a. Jodie motioned to approve the CEO Evaluation and Cynthia seconded; motion was approved unanimously</p> <p>b. No items to report out of this portion of the closed session</p>
<p>VI. <u>Adjournment (Rod Place)</u> There being no further topics of discussion, Rod Place adjourned the meeting at 6:53 p.m.</p>	No attachments	No action required

***NOTE: Board Member joined remotely**