

Minutes of July 25, 2023

San Joaquin Health Centers Board of Directors

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

Excused Absent: Monica Fuentes; Samantha Monks

Unexcused Absent: Esgardo Medina; Bernadette Pua

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

Guests: none

AGENDA ITEM	ATTACHMENTS	ACTION
I. Commencement/Call to Order (Rod Place) <ol style="list-style-type: none"> 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. 	2023 Board Member Attendance	<ol style="list-style-type: none"> Brian motioned to accept the agenda and Cynthia seconded; the agenda was approved unanimously
II. Public Comment None	No attachment	No action required
III. Consent Calendar (Rod Place) <ol style="list-style-type: none"> The consent calendar for July 2023 was approved unanimously, including: <ol style="list-style-type: none"> Minutes of SJ Health Board Meeting 6/27/2023 Mandatory Break Policy Updated Patient Rights & Responsibilities Policy Updated Credentialing & Privileging Policy This policy is not ready yet and consideration of approval will be deferred to next month. 	Board Minutes 2023-06-27; Mandatory Break Policy; Updated Patient Rights & Responsibilities Policy; Updated Credentialing & Privileging Policy	<ol style="list-style-type: none"> Karen motioned to Tarsha seconded; motion was approved unanimously
IV. Regular Calendar (Rod Place) <ol style="list-style-type: none"> Credentialing & Privileging Report was presented by Michael. Initial appointments are: Tamanna Noyon, DO; Rosemary Nunez-Davis, MD. Reappointments are: Joella Brewer, LCSW. Resignations are: Toni Moody, MD; Victoria Hill, CNW; Sunita Verma, MD; Kamaljit Bajwa, MSN-PMHNP; Kendra Ayler, NP. Jeff noted that we received a \$90,000 unrestricted grant from Sunlight Giving. This was not applied for, so this is informational only; no vote required. Forms 5A & 5B were presented for review this month. Noted elements to 5A included contracted services for the diabetic titration clinic. Form 5B was reviewed, including all sites, hours of operation, and zip codes serviced. Community updates were presented by Ahdel. Efforts continue to advocate for FQHC Look-A-Likes. Despite cuts to 		<ol style="list-style-type: none"> Cynthia motioned to approve the credentialing and privileging report and Karen seconded; motion was approved unanimously No action required Brian motioned to approve Forms 5A & 5B and Cynthia seconded; motion was approved unanimously No action required No action required Action deferred to next meeting Karen motioned to accept the June financials and Tarsha seconded; motion

<p>health care proposed by Congress, community health centers are not slated for funding reductions. SJ Health will have a significant presence at the Stockton Ports San Joaquin County night.</p> <ol style="list-style-type: none"> 5. The mid-year Standards & Compliance Report was presented by Cynthia Rios. Incident workflows were reviewed, along with a summary of incident types and volumes. Health plan grievances forwarded to SJ Health were also reviewed, with 35 from HPSJ, 1 from Hill Physicians, and 1 from Brand New Day; there are currently no open grievances. Due to patient behavior, 12 patients have changed PCPs, 4 have been separated from all care, and 1 reminder of patient behavioral expectations. SJ Health will be working with our portal vendor to reduce the amount of incidents categorized as "Other" by adding more types that don't yet exist. 6. The SJ Health Employee Handbook is not ready for presentation to the board – deferred to next month. 7. Billable visits for June are unfavorable to budget by 2,074, which is mainly related to the Manteca Clinic visits. Since Manteca Clinic recently begun its operations in April, therefore, the actual visits for the Manteca Clinic were lower than the budgeted visits. Net Patient Service Revenues for June are unfavorable to budget by \$283,976. YTD Net Patient Service Revenues are favorable to budget by \$1,263,728, 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 in May. <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$12,175,530. 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 \$5,736,964. 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 \$2,038,217 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 \$630,614 related to Purchased Services provided to SJGH by SJHC per the MOU, Workers Retention Program credits for</p>		<p>was approved unanimously</p> <ol style="list-style-type: none"> 8. No action required 9. No action required
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\$183,773 and Interest Income of \$89,173. Total YTD Operating Revenue is favorable to budget by \$3,006,919.

YTD Salaries and Benefits expenses exhibit a favorable variance to budget by \$5,352,952 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 \$4,754,124 largely due to Purchased Services with a favorable variance of 4,632,642 mainly offset by unfavorable variance in Professional Fees, Supplies, Interest, Depreciation, and Other Expenses for \$9,386,766. 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 Services is recorded for May and June based on the MOU. YTD expenditures are favorable to budget by \$598,828.

Unaudited, as presented, Net Income of \$5,728,949 on a year-to-date basis is favorable compared to budget by \$3,605,747.

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 165 against a goal of >45 days, Days in Net Patient Receivables at 37 against a goal of <60 days, and Personnel-Related Expenses at 70% against a goal of <70%.

- 8. Board Self-Evaluation Summary was presented by Michael. Some key takeaways were: encouraging more questions and comments from board members, more discussions of future planning,
- 9. The CEO Report was presented by Dr. Farhan Fadoo.

QIP dashboard logic is being updated.

FY23 audit work will begin first week of September. 230 grants for new access points were recently announced by HRSA, with up to \$150 million in available funds and a \$650k floor. SJ Health has engaged a 3rd party vendor to help craft a solid grant proposal.

Exploring a bi-directional partnership model with SJC BHS that would offer primary care services into the Behavioral Health setting.

We have been experiencing challenges in identifying an ideal site for the Lodi clinic. Ideal site would be around 6,000 sq ft. Supervisor Ding and the Lodi mayor have also been involved.

<p>National Health Center Week will be August 6 – 12.</p> <p>The strategic plan was reviewed and suggestions were solicited.</p>		
<p>V. <u>Adjournment (Rod Place)</u> There being no further topics of discussion, Rod Place adjourned the meeting at 6:48 p.m.</p>	<p>No attachments</p>	<p>No action required</p>

***NOTE: Board Member joined remotely**