

Minutes of May 27, 2025

San Joaquin Health Centers Board of Directors

Board Members Present: Stacy Ferreira (Interim CEO); Brian Heck (Board Chair); Rick Ledo; Samantha Monks (Treasurer); Jodie Moreno; Kristin Shinn

Excused Absent: James Myers

Unexcused Absent: None

SJHC Staff: Michael Allen (Board Clerk); Kim Cuellar; Mary-Lou Milabu; Cynthia Rios; Rachna Sharma

Guests: Kendra Fenner; Brandi Hopkins; Sandy Regalo

AGENDA ITEM	ATTACHMENTS	ACTION
I. Commencement/Call to Order (Brian Heck) 1. The meeting was called to order at 5:30 p.m. A quorum was established for today's meeting. 2. SJ Health Board of Directors' Attendance Record was made available.	2025 Board Member Attendance	No action required
II. Public Comment No public comment.	No attachment	No action required
III. Consent Calendar (Brian Heck) 1. The consent calendar for May 27, 2025 was presented.	SJ Health Board Minutes 2025-04-29	1. Samantha motioned to accept the consent calendar, and Rick seconded; the motion was approved unanimously
IV. Regular Calendar (Brian Heck) 1. Kim presented the Credentialing & Privileging Report. Initial appointments are: Roger Castillo, PA; Lukas Warren, CNM; Anna Bristow, CNM; and Jahnvi Kurupati, DO. Reappointments are: Ramandeep Sandhu, NP. Resignations are: Sun Yong Lee, MD (departing 6/10/25). 2. Year-to-date (YTD) billable visits as of April are unfavorable to budget by 31,003 visits mainly related to 32,680 billable visits included in the FY25 budget pertaining to vacant positions not filled yet. Recruitment efforts are ongoing for additional providers to fill the vacant positions. Net Patient Service Revenues for April are unfavorable to budget by \$1,160,230 primarily due to lower billable visits. YTD financials reflect an estimated YTD PPS liability accrual of \$250,000. YTD financials include \$596,285 related to the settlement payment received from Department of Health Care Services for FY2020 recorded in July 2024. In November, SJ Health Centers received the HEDIS incentive payment for \$1,212,593 for Year 2023 which has been reported on the FY25 balance sheet, and the related incentive revenue has been accrued in FY24. Also, additional patient service revenue has been accrued for \$29,473 in FY2025 based on the FY24 Medicare Cost Report submitted to CMS. April financials include \$743,043 related to FY2023 Medi-Cal PPS reconciliations for	1. Credentialing & Privileging Report – April 2025 2. CFO Presentation – 2025-04; Finance Narrative – 2025-04 3. QI Quarterly Report_May 2025 4. QIQA Policy_Rev.2025; Peer Review Policy_rev.2025 5. No attachments 6. No attachments 7. BeWell SJCC Overview 05-27-2025 V2	1. Kristin motioned to approve the Credentialing & Privileging list and Rick seconded; the motion was approved unanimously 2. Samantha motioned to accept the Finance Report and Rick seconded; motion was approved unanimously 3. Kristin motioned to accept the QI/QA Report and Samantha seconded; motion was approved unanimously 4. Kristin motioned to accept the updated Quality Improvement and Peer Review policies and Rick seconded; motion was approved

<p>payments received from DHCS in March and April.</p> <p>YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of \$12,649,893. Also, YTD financials include Capitation Revenue for \$4,932,995 and 340B Pharmacy program revenue for \$2,307,759. Combined Grants Revenue includes revenues for Binational Health, ARPA, KP Health Connect, Bridge Access Program, Accelerating Readiness For An Aging Population, ECM, and HHIP Street Medicine grants for \$1,577,471. YTD financials include Hedis Gap Closure incentive revenues recognized for \$696,000 for August 2024 to April 2025 health care services.</p> <p>YTD Other Revenue includes revenues accrued for \$560,272 related to Purchased Services provided to SJGH by SJHC per the MOU. Also, YTD financials include revenue recognized for \$398,235 related to California Opioid Settlement payment received in April.</p> <p>YTD Interest income for \$870,806 has been reflected on the financials, which is favorable compared to budget by \$410,389 mainly due to higher cash balance contained within the County Treasury.</p> <p>Total YTD Operating Revenue is unfavorable to budget by \$5,769,953 primarily due to lower billable visits in FY25.</p> <p>Salaries and Benefits expenses exhibit a favorable variance to budget by \$12,870,341 which is mainly related to vacant positions that have not filled yet along with the lower benefits expense. For purposes of annual budgeting, per SJ County direction, county employees purchased by SJHC were budgeted at 65% benefits cost to salaries. Year-to-date actual benefits cost as a percentage of salaries, as of April 2025 is 49%.</p> <p>Other operating expenses exhibit an unfavorable variance of \$2,911,701 largely due to an unfavorable variance for \$3,125,623 for Professional Fees, Purchased Services, Supplies, Dues, Repairs, Telephone, Travel, Insurance, Rent and Miscellaneous expenses offset by a favorable variance of \$213,922 reflected in the Depreciation, Interest, Office, Advertising, and Utilities expense categories. An estimated accrual for the Purchased Services is recorded for July through April is based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by \$9,958,641.</p> <p>Unaudited, as presented, Net Income of \$4,209,129 on year-to-date represents a favorable variance of \$4,188,688 as compared to budgeted Net Income of \$20,441. YTD Net Income is favorable mainly due to the actual salaries and benefits expenses lower than budget along with the recognition of higher than budgeted revenues recorded related to interest income, managed care incentives, MOU chargeback revenue, California Opioid Settlement payment, and 340B pharmacy program.</p>	<p>8. CMO Update May 2025</p> <p>9. Board Operations Report 5-27-2025</p> <p>10. Interim CEO Board Report May 27</p> <p>11. No attachments</p>	<p>unanimously</p> <p>5. No action required</p> <p>6. No action required</p> <p>7. No action required</p> <p>8. No action required</p> <p>9. No action required</p> <p>10. No action required</p> <p>11. No action required</p>
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<p>Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at 9.8% against a goal of >3%, Bottom Line Margin at 9.8% against a goal of >3%, Days Cash on Hand at 198 against a goal of >45 days, Days in Net Patient Receivables at 35 against a goal of <60 days, and Personnel-Related Expenses at 72% against a goal of <70%.</p> <p>3. Mary-Lou Milabu presented the Quality Report for 2025 Q1 (January – March). Performance measures were reviewed. Three HEDIS measures have already been met for this year and three more are within 2% of the 50th percentile.</p> <p>Cervical Cancer Screening measure needs to achieve 57.18%; between pap clinics and mobile screening, we are currently at 45.32%, even with a roughly 50% no-show rate. We are also working on self-scheduling capabilities so patients are better able to find appointments that work for them.</p> <p>We are working with Cerner to integrate the childhood developmental screenings into the EHR.</p> <p>Data from our survey vendor Press Ganey was reviewed, along with a clinic-by-clinic breakdown of comment distributions. Some recurrent negative themes are wait times, difficulty with scheduling appointments, feeling rushed with doctors, rudeness of front desk staff, nurse not introducing themselves, and dirty bathrooms. Positive feedback included gentleness of nurses, ease of rescheduling, doctors explaining things well, friendliness of clinical staff, and cleanliness of environment.</p> <p>4. The Quality Improvement/Quality Assurance Policy & Procedure was reviewed. This update replaces the previous policy which was effective April 2023. There were some changes reflecting our current credentialing and peer review processes.</p> <p>The Provider Peer Review Policy & Procedure was also reviewed. This one also replaces the previous version which was effective April 2023. The only significant change was that locums are now included in the peer review process to further ensure quality care.</p> <p>5. The budget was not yet ready to present and the board was asked to hold an ad hoc meeting in early June for presentation and approval. Tentative date of 6/6/2025 was set and Michael will follow up with all board members to finalize.</p> <p>6. Paper copies of the CEO evaluation form were distributed to board members. Michael will also email digital versions to all</p>		
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<p>members.</p> <p>7. The Be Well Campus overview was presented. Strategic priorities include supporting a healthy community, prioritizing wrap-around service delivery, incentivizing public/private partnerships, and maintaining fiscal responsibility while fostering internal and external collaboration.</p> <p>This will be the only SUD Medi-Cal residential facility for minors in Northern California; currently all patients are being diverted to Southern California, creating a hardship for families.</p> <p>There will be a total of 4 buildings as part of Phase 1 including community & outpatient services (70k sq ft), urgent care services (28k sq ft), and two residential treatment facilities (86k sq ft). Phase 2 will focus on housing programs of 252 beds (150k sq ft). Campus maps and concept designs were also shown.</p> <p>Phase 1 funding plan was reviewed, with a total estimated project cost of \$261.8 million. \$66.29 million in funds have been secured to date.</p> <p>8. The CMO Report was reviewed. One new locum PA started in May, 6 new permanent SJ Health providers incoming, 2 SJGH hybrid providers incoming, and several other job offers have been issued.</p> <p>Continued collaboration with SJGH and BHS on addiction and mental health follow-up coordination. Coumadin clinic patients continue to be absorbed by primary care clinics. Continuing coordination with SJGH Lab for Quest orders. Women's health gap clinics continue and metrics are making progress toward QIP goals. Street Medicine has partnered with HPSJ to hold a "Sunday in the Park" event focused on Latino health awareness.</p> <p>9. The Operations Report was presented by Cynthia. Suggestion boxes have been deployed to French Camp and will be rolled out in Stockton & Manteca clinics, as well. Efforts are underway to create more patient-friendly access to provider bios & pictures, including ensuring accurate provider rosters.</p> <p>Staff training calendar has been added to SJ Health intranet. Developing a Day 4 Orientation for new hires, focusing on clinic-specific topics. Visual management boards have been set up at all clinics. PMC-focused lean training to be conducted on 6/2/25. All vacant nurse positions have now been filled. Full-time MA recruitment continues.</p>		
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<p>National Nurses Week celebrations were well received. A staff appreciation calendar has been created to recognize employees in various departments and roles throughout the organization.</p> <p>10. Stacy gave the monthly CEO Report. Lean planning and training continues. Staffing budget is nearing completion. Lodi Access Center and BeWell Campus projects are both continuing. Review and updating of contracted staff is underway for the 2025-26 fiscal year. Updating of HRSA Form 5A is in progress, based on the board's approved changes in scope. No current funding for NAP grants, but these may still become available in 2026.</p> <p>11. No board chair updates.</p>		
<p>V. <u>Closed Session (Brandi Hopkins)</u></p> <p>1. Brandi Hopkins discussed the process for selecting a permanent Project Director.</p>	No attachments	No action required
<p>VI. <u>Adjournment (Brian Heck)</u></p> <p>There being no further topics of discussion, Brian Heck adjourned the meeting at 7:29 p.m.</p>	No attachments	No action required

