

## Minutes of December 28, 2022 San Joaquin Health Centers Board of Directors

**Board Members Present:** Dr. Farhan Fadoo (CEO); Brian Heck (Vice Chair); **Jessica Hernandez\***; **Cynthia King\***; **Karen Lee\***; Samantha Monks; **Jodie Moreno\***; **Bernadette Pua\***; Rod Place (Board Chair); Kristin Shinn

**Excused Absent:** Monica Fuentes

**Unexcused Absent:** Esgardo Medina; Tarsha Taylor-Godfrey

**SJHC Staff:** Michael Allen; Mary-Lou Milabu; Barbara Kissinger-Santos; Rajat Simhan; Jeff Slater; Alice Soulligne; Kris Zuniga  
**Guests:**

AGENDA ITEM	ATTACHMENTS	ACTION
<b>1. Call to Order (Rod Place)</b> The meeting was called to order at 5:06 p.m. A quorum was established for today's meeting.	2022 Board Member Attendance	No action required
<b>2. Approval of Consent Agenda (Rod Place)</b> The following items were approved under the consent agenda for November 2022: a. Board Minutes from 11/29/22	Board Minutes 2022-11-29	Jodie motioned to approve the minutes and Brian seconded; including roll call votes for remote members, motion was approved unanimously
<b>3. Public Comment</b> none	No attachment	No action required
<b>4. Credentialing &amp; Privileging Report (Angela Ayala)</b> Initial appointments were Jerry Fessler, MD and David Birdsall, MD.  Reappointments were Robert Assibey, MD; Sabhrup Biring, MD; Ala Elayyan, MD, Meena Srani, MD; Maureen Abaray, NP; and Serri Helsby, LCSW.  Resignation was Jun Paz, NP.	2022-December-Credentialing-Packet	Cynthia motioned to approve initial appointments and Kristin seconded; including roll call votes for remote members, motion to approve initial appointments was approved unanimously  Jessica motioned to approve reappointments and Cynthia seconded; including roll call votes for remote members, motion to approve reappointments was approved unanimously
<b>5. Presentation of Financials (Kris Zuniga)</b> Billable visits for November are favorable to budget by 671. Net Patient Service Revenues for November are favorable to budget by \$118,426.  YTD Supplemental Revenue includes the recognition of estimated Quality Incentive Program revenue for \$5,747,541. Based on the most recent information received on the QIP distribution, YTD financials include adjustments for \$182,089 for July through September 2022 and \$352,120 for January through June 2021 respectively. Combined Grants Revenue includes revenues for Behavioral Health Integration, Discovery Challenge Academy, SOR2, Enhanced Care Management and American Rescue Plan (ARP) grants for \$2,655,250. Also, YTD grant revenues are higher than budget due to the recognition of American Rescue Plan (ARP) grant revenue for	CFO Presentation – 2022-11; Finance Narrative – 2022-11	Cynthia motioned to approve the financial report and Jessica seconded; including roll call votes for remote members, motion to approve financial minutes was approved unanimously

<p>\$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 \$106,610. YTD Other Revenue includes revenues accrued for \$283,276 related to Purchased Services provided to SJGH by SJCC per the MOU and Interest Income of \$25,306. Also, MOU and other income include YTD rent revenue from SJGH for \$59,044 related to the Manteca clinic respectively offset by rent expense as recommended by the auditors. Total YTD Operating Revenue is favorable to budget by \$1,050,536.</p> <p>YTD Salaries and benefits expenses exhibit a favorable variance to budget by \$2,783,975 mostly due to lower than budgeted salaries and benefits for SJGH providers and employees providing services for the clinics. Also, Salaries and Benefits expenses are low due to YTD adjustment recorded in November to true up the payroll liabilities. Other operating expenses exhibit an unfavorable variance of \$2,890,956 largely due to Purchased Services with a favorable variance of 337,341 mainly offset by unfavorable variance in Professional Fees, Supplies, Interest, Depreciation, and Other Expenses for \$3,228,297. An estimated expense for the Purchased Services is recorded from July through November based on the MOU. Total YTD expenditures are unfavorable to budget by \$106,981. Unaudited, as presented, Net Income of \$1,067,937 on a year-to-date basis is favorable compared to budget by \$943,555.</p> <p>PFS payment issues update: EMMI now has access to the payment information needed to post the payments to patients' accounts, which has resulted in the decline in AR days.</p> <p>Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at 5% against a goal of &gt;3%, Bottom Line Margin at 5% against a goal of &gt;3%, Days Cash on Hand at 58 against a goal of &gt;45 days, Days in Net Patient Receivables at 37 against a goal of &lt;60 days, and Personnel-Related Expenses at 64% against a goal of &lt;70%.</p>		
<p><b>6. <u>Legislative Update &amp; Grant Proposal Approvals (Jeff Slater)</u></b> Retroactive approval requested for grant funding awards from the month of December 2022, including \$319,378 from HRSA (12/1/22-5/31/23), \$2,600 from the Library and Literacy Foundation of San Joaquin (LLFSJ), and \$175,000 from Sunlight Giving, for a total of \$496,978.</p>	<p>Grants Update – December 28</p>	<p>Jodie motioned for retroactive approval of the HRSA grant and Brian seconded; including roll call votes for remote members, the motion was approved unanimously</p> <p>Samantha motioned for retroactive approval of the LLFSJ grant and Jessica seconded; including roll call votes for remote members, the motion was approved unanimously</p>

		Cynthia motioned for retroactive approval of the Sunlight Giving grant and Kristin seconded; including roll call votes for remote members, the motion was approved unanimously
<p><b>7. Board Training (Susan Thorner)</b> Training this month focused on Board Authority. Topics included requirements regarding the co-applicant agreement, bylaws, multi-agency compliance, monthly meetings, CEO status, policies, and planning.</p> <p>Also discussed were ways to ensure we are demonstrating compliance, such as holding monthly meetings, approval of CEO/budget/services/sites/performance. The Sliding Fee Discount Program, QI/QA efforts, and billing/collections/finance management policies are to be evaluated at least once every 3 years or as needed.</p>	Board Training on Board Authority	No action required
<p><b>8. CEO Report (Farhan Fadoo)</b> Connect2Care still gaining momentum and we are seeing increased uptake, especially for acute pediatrics.</p> <p>Manteca clinic to be opened once we have worked out staffing issues with SJ County HR. This will determine how we are able to close current staffing gaps.</p> <p>Work to open the Lodi clinic continues. Need to open by October 2023. Staffing for this clinic will be determined by results of Manteca staffing decision.</p> <p>QIP PY6 begins 1/1/23; waiting to hear determination of concessions proposal.</p> <p>We received notice of a successful appeal to HRSA regarding the enrollment of our mobile clinic.</p> <p>38 of 74 strategic plan projects now complete.</p>	CEO Report 12292022	No action required
<p><b>9. Adjournment (Brian Heck)</b> There being no further topics of discussion, Brian Heck adjourned the meeting at 6:15 p.m.</p>	No attachments	No action required

**\*NOTE: Board Members in red joined remotely**