



**San Joaquin County Clinics (SJCC) Finance Committee  
Minutes of October 26, 2020 Meeting**

**San Joaquin General Hospital (SJGH)  
Web Conference Meeting  
French Camp, CA**

**Present**

Rod Place (SJCC Board Chair); Alicia Yonemoto (SJCC Board Vice-Chair); Brian Heck (SJCC Board Member); David Culberson (SJGH CEO); Dr. Farhan Fadoo (SJCC CEO); Monica Nino (SJ County Administrator); Chris Roberts (SJGH CFO); Kris Zuniga (SJCC CFO); Adelé Gribble (SJCC ACS OTC)

**Excused**

Alice Souligne (SJCC COO);

**Absent**

Esgardo Medina (SJCC Board Member); Luz Maria Sandoval (SJCC Board Treasurer); Greg Diederich (HCS Director)

**I. Call to Order**

The meeting was called to order by Rod Place at 4:02 p.m.

**II. Approval of Minutes from September 28, 2020 (Rod Place, SJCC Board Chair)**

A quorum was established for today's Finance Committee. The minutes were reviewed by present board members. Alicia Yonemoto made a motion to approve the minutes from 09/28/2020. Brian Heck seconded the motion and all board members present unanimously approved the minutes.

**III. Introductions (Rod Place, SJCC Board Chair)**

There were no introductions for this meeting.

**IV. Presentation of August Financials (Kris Zuniga, SJCC CFO)**

Kris Zuniga advised SJCC had another good month; billable visits for the month were \$9,681. Net Patient Revenue is at \$1.5M for the month.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Year to Date			
													YTD Actual	YTD Budget	Variance	% Var
<b>Total Visits</b>	13,515	11,195											24,710	19,109	5,601	29.3%
<b>Billable Visits</b>	11,569	9,681											21,250	18,336	2,914	15.9%
<b>Patient Revenue</b>																
Medicare	131,541	27,929											159,470	525,622	(366,152)	-69.7%
Medi-Cal Fee-for-Service	460,856	229,265											690,122	573,406	116,716	20.4%
Medi-Cal Managed Care	2,062,888	1,395,553											3,458,401	3,486,238	(27,837)	-0.8%
Insurance	51,883	56,976											108,859	47,784	61,075	127.8%
Self Pay	(5,622)	63,105											57,483	143,351	(85,868)	-59.9%
Indigent	0	0											0	0	0	#DIV/0!
<b>Gross Patient Revenue</b>	<b>2,701,507</b>	<b>1,733,823</b>	0	0	0	0	0	0	0	0	0	0	<b>4,435,335</b>	<b>4,778,381</b>	<b>(343,046)</b>	<b>-7.2%</b>
Contractual Adjustments	(1,367,126)	(86,489)											(1,475,616)	(2,429,227)	954,111	39.3%
PPS Reconciliation	0	(100,000)											(100,000)	(100,000)	0	0.0%
Other Allowances	(4,083)	4,231											148	(3,932)	4,100	103.8%
<b>Net Patient Revenue</b>	<b>1,310,298</b>	<b>1,549,571</b>	0	0	0	0	0	0	0	0	0	0	<b>2,859,867</b>	<b>2,244,708</b>	<b>615,164</b>	<b>27.4%</b>
<b>Other Revenue</b>																
Incentives & Pay-For-Performance Revenues	0	0											0	0	0	#DIV/0!
Capitation Revenue	444,084	442,220											886,304	902,918	(16,614)	-1.8%
Grant Revenue	0	0											0	0	0	0.0%
First Responder Program	0	0											0	0	0	0.0%
CARES Funding	0	0											0	0	0	0.0%
Meaningful Use	0	0											0	0	0	0.0%
<b>Total Other Revenue</b>	<b>444,084</b>	<b>442,220</b>	0	0	0	0	0	0	0	0	0	0	<b>886,304</b>	<b>902,918</b>	<b>(16,614)</b>	<b>-1.8%</b>
<b>Total Net Revenue</b>	<b>1,754,381</b>	<b>1,991,791</b>	0	0	0	0	0	0	0	0	0	0	<b>3,746,172</b>	<b>3,147,621</b>	<b>598,551</b>	<b>19.0%</b>
<b>Operating Expense</b>																
Salaries	707,163	914,327											1,621,490	1,312,167	(309,322)	-23.6%
Benefits	449,333	425,281											874,616	988,900	(114,284)	-11.6%
<b>Total Salaries &amp; Benefits</b>	<b>1,156,496</b>	<b>1,339,609</b>	0	0	0	0	0	0	0	0	0	0	<b>2,496,106</b>	<b>2,301,067</b>	<b>(195,000)</b>	<b>-8.0%</b>
Professional Fees/Registry	132,092	153,275											285,367	171,594	(113,773)	-66.3%
Supplies	23,268	35,037											58,305	152,921	(94,616)	-61.9%
Purchased Services	65,997	124,024											200,021	226,895	(26,874)	-22.8%
Depreciation	18,745	18,745											37,490	45,383	(7,893)	-17.4%
Other Expense	35,153	20,421											55,576	37,815	(17,761)	-31.9%
<b>Total Direct Expense</b>	<b>1,431,752</b>	<b>1,701,111</b>	0	0	0	0	0	0	0	0	0	0	<b>3,152,864</b>	<b>3,005,676</b>	<b>(147,187)</b>	<b>-4.7%</b>
<b>Net Income (Loss)</b>	<b>322,628</b>	<b>290,680</b>	0	0	0	0	0	0	0	0	0	0	<b>613,308</b>	<b>141,945</b>	<b>471,363</b>	<b>-332.1%</b>
<b>Revenues from Supplemental Sources</b>																
Public Hospital Redesign and Incentives in Medi-Cal (PRIME)	614,083	614,083											0	0	0	0.0%
Quality Incentive Program (QIP)	0	0											1,228,165	1,228,165	0	0.0%
<b>Overhead Allocation</b>	<b>472,478</b>	<b>563,387</b>	0	0	0	0	0	0	0	0	0	0	<b>1,035,865</b>	<b>991,873</b>	<b>(43,992)</b>	<b>-4.3%</b>
<b>Net Income (Loss) w/ OH Allocation</b>	<b>444,223</b>	<b>444,223</b>	0	0	0	0	0	0	0	0	0	0	<b>807,824</b>	<b>379,227</b>	<b>428,597</b>	<b>-113.0%</b>
													0.539390378			
<b>Key Ratios</b>																
Gross Pt Revenue/Billable Visit	\$ 233.51	\$ 179.10											\$ 208.72	\$ 260.60	\$ (51.88)	-19.9%
Net Patient Service Revenue/Billable Visit	\$ 151.64	\$ 205.74											\$ 176.20	\$ 171.66	\$ 4.63	2.7%
Direct Cost/Billable Visit	\$ 133.76	\$ 175.72											\$ 147.43	\$ 163.92	\$ 16.49	10.1%
Indirect Cost/Billable Visit	\$ 40.84	\$ 57.99											\$ 48.65	\$ 54.09	\$ 5.44	10.1%
Total Medical Cost/Billable Visit	\$ 164.60	\$ 233.70											\$ 196.08	\$ 218.00	\$ 21.94	10.1%
Net Income (Loss)/Billable Visit	\$ 40.13	\$ 35.47											\$ 38.01	\$ 20.63	\$ 17.38	84.3%
Total Cost/Patient (1)	\$ 411.49	\$ 584.26											\$ 490.20	\$ 545.04	\$ 54.84	10.1%
Net Pt Rev as % of Gross Rev	48.5%	89.4%											64.5%	47.0%	17.5%	37.3%
Total Net Rev as % of Gross Rev	64.9%	114.9%											94.5%	65.9%	28.6%	28.2%
Benefits as a % of Salaries	63.5%	46.5%											53.9%	75.4%	21.4%	28.4%
Overhead % of Direct Exp	33.0%	33.0%											33.0%	33.0%	0.0%	0.0%

Kris explained all of the Wrap payments associated our MediCal Managed Care business were valued at the new rates and therefore fewer visits meant increased Net Patient Revenues.

Another item of note is the \$100K we have accrued for the Annual PPS Reconciliation. We are accruing about \$50K per month. This accrual shown above in August is for July and August, we expect that number to be \$600K by the end of the year.

Total Net Revenues for the month is \$1.9M which \$442K in capitation. On a YTD basis we are showing after two months a of \$598K. For the month of August, we had total Salaries and Benefits of \$1.3M. Kris advised the reason for this that Provider Incentives for the month of June 2020 and July 2020, in excess of \$200K are included in this figure. Kris will be reclassifying in the audited financials for June, the portion of that that belongs to June 2020. On a YTD basis, we had an unfavorable variance to budget of \$195K. Total Direct Expenses for the month of August were \$1.7M. Net Income for the month is \$290,680, and when we attach the Supplemental Revenues of \$614K, which is a very conservative accrual for QIP, and also attach the Overhead Allocation for FY20/21, is now valued at 33% of Total Direct Expenses. We arrive at a Net Income for the month of August of \$343,396.

**V. Accounts Receivables Status / KPI (Kris Zuniga, SJCC CFO)**

PFS Accounts Receivable Aging Analysis For SJCC For the Month of August 2020								
Aging Category	MediCare	MediCal	Commercial	Self Pay	Total Aging This Month	Total Aging Last Month	\$ Increase (Decrease)	% Increase (Decrease)
Accrued Receivables					-	0	0	0.00%
1-30 Days	52,826	1,493,629	73,270	176	1,619,901	1,421,720	198,180	13.94%
31-60 Days	55,237	85,114	99,965	1,494	241,810	400,900	(159,090)	-39.68%
61-90 Days	123,650	110,300	118,263	684	352,897	318,462	34,435	10.81%
91-120 Days	113,627	61,812	115,531	112	291,083	228,854	62,229	27.19%
121-180 Days	70,270	225,659	108,278	0	404,207	537,272	(133,065)	-24.77%
181-240 Days	176,439	368,094	79,174	(17,032)	606,675	668,110	(61,434)	-9.20%
241-270 Days	0	0	0	0	0	1,133,487	(1,133,487)	-100.00%
271-365 Days	0	0	0	0	0	423,283	(423,283)	-100.00%
366 Days & Over	0	0	0	0	0	155,780	(155,780)	-100.00%
	26%	64%	8%	2%				
Total FC This Month	592,050	2,344,608	594,481	(14,566)	3,516,573	5,287,868	(1,771,295)	-33.50%
Total FC Last Month	985,749	3,401,587	714,295	186,237	5,287,868			
\$ Increase (Decrease)	(393,699)	(1,056,979)	(119,815)	(200,803)	(1,771,295)			
% Increase (Decrease)	-39.94%	-31.07%	-16.77%	-107.82%	-33.50%			
PFS Key Performance Indicators for SJCC								
	August	July	June	May	April	March	February	Increase (Decrease)
Gross A/R Days	49	41	51	57	76	92	106	8
Net A/R	1,898,949	2,220,764	2,502,157	2,297,224	2,773,469	2,418,439	5,121,559	(321,814)
Net A/R Days	52	48	46	36	40	63	88	4

We have Total Gross A/R of \$3.5M, that nets out to roughly \$1.9M in Net A/R Net Collectable Revenues.

Below is the report for average collection time on paid accounts by date of service.

Row Labels	Average of Service to Claim	Average of Claim to Payment	Average of Collection Time
2020-01	12.71	67.17	79.87
2020-02	7.27	65.97	73.24
2020-03	5.49	47.57	53.06
2020-04	12.32	29.64	41.96
2020-05	7.45	19.08	26.52
2020-06	7.69	19.97	27.65
2020-07	5.85	17.83	23.69
2020-08	7.60	17.32	24.93
<b>Grand Total</b>	<b>8.62</b>	<b>45.21</b>	<b>53.83</b>

Kris advised overall we observe that it is taking EMMI approximately 53 days for paid accounts to be paid. From service date to claim date, it is less than 9 days for that to happen and our HRSA regulations require that to happen within 14 days.

**VI. Adjournment (Rod Place, SJCC Board Chair)**

There being no further discussion, Rod Place adjourned the meeting at 4:40 p.m.

- Attachments:
- Finance Agenda 10.26.20
  - Minutes of September 28, 2020
  - AR Aging Analysis For the Month of August 2020
  - EMMI Collection Time Report 2020-08
  - Finance Narrative – 2020-08
  - Fiscal Year 2020-2021 Budget – EPSI
  - Income Statement 2020-08
  - Income Statement by Cost Center 2020-08