

**SAN JOAQUIN COUNTY CLINICS PUBLIC BENEFIT CORPORATION BOARD MEETING AGENDA**

**10100 Trinity Parkway, Suite 100, Stockton, CA 95219**

**December 16, 2025, 5:30 P.M.**

**Board Members:** Nora Hana, Brian Heck, Jayvin Herrejon, Cassandra Lacondeguy, Rick Ledo, Samantha Monks, Jodie Moreno, James Myers, Mark Myles, David Ziolkowski

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*Note: Livestreaming for the public is listening and monitoring only. Remote presenters will only be granted access during their presentation time to the Board. \*Full link available by accessing the agenda at [www.sjhealth.org](http://www.sjhealth.org)*

Persons who require disability-related accommodation to participate in this meeting, please contact San Joaquin Health Centers at (209) 953-3711 prior to the scheduled meeting time.

**1. COMMENCEMENT OF MEETING/ROLL CALL**

**2. PUBLIC COMMENT**

The public is welcome to address the Board during this time on matters within the Board's jurisdiction. Members of the public are encouraged to complete a Public Comment form, which can be found near the entry of the Board Room. Speakers are limited to three minutes and are expected to be civil and courteous. Public comment on items listed on the agenda may be heard at this time, or when the item is called at the discretion of the Chair.

Except as otherwise permitted by the Ralph M. Brown Act (California Government Code Section 54950 et seq.), no deliberation, discussion or action may be taken by the Board on items not listed on the agenda. Members of the Board may but are not required to: (1) briefly respond to statements made or questions posed by persons addressing the Board; (2) ask a brief question for clarification; or (3) refer the matter to staff for further information.

**3. CONSENT CALENDAR**

- 3.1 Accept Minutes of Finance Meeting October 28, 2025
- 3.2 Approve Minutes of Board Meeting November 18, 2025
- 3.3 Accept Credentialing Report for October, November and December 2025

**4. ACTION ITEMS**

- 4.1 Appoint new Board Candidate – Destiny Easter
- 4.2 Appoint new Board Candidate – Pat Barrett
- 4.3 Finance Report

***Board to consider and take possible action***

**5. DISCUSSION ITEMS**

- 5.1 Chair Report
- 5.2 CMO Report
- 5.3 CEO Report

**6. BOARD COMMENTS**

- 6.1 Comments from Board

**7. CALENDAR**

- 8.1 Board meeting January 27, 2026, at 5:30pm

**8. ADJOURNMENT**

**Minutes of October 28, 2025**  
**San Joaquin Health Centers Board of Directors – Finance Committee**

**Board Members Present:** Rick Ledo (Finance); Samantha Monks (Finance Chair)

**Board Members Excused Absent:** None

**Board Members Unexcused Absent:** None

**SJHC Staff:** Michael Allen (Board Clerk); Rachna Sharma

**Guests:** Brandi Hopkins

| AGENDA ITEM  | ATTACHMENTS   | ACTION   |
|--|---|--|
| <p><b>1. Call to Order (Samantha Monks)</b><br/>           The meeting was called to order at 4:38 p.m. by Samantha Monks. A quorum was established for today's meeting.</p>   | No attachments  | No action required   |
| <p><b>2. Approval of Minutes from 8/26/2025 (Samantha Monks)</b><br/>           The minutes from August 26, 2025 were approved unanimously.</p>  | Finance Committee Minutes 2025-08-26  | Rick motioned to accept the minutes from the Finance meeting on 8/26/2025 and Samantha seconded; motion was approved unanimously |
| <p><b>3. Presentation of Financials (Rachna Sharma)</b><br/>           August financials were presented. Year-to-date (YTD) billable visits as of August are unfavorable to budget by 148 visits mainly related to visits included in the FY26 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 August are favorable to budget by \$164,793 primarily due to higher billable visits along with the favorable YTD revenue true up adjustment recorded based on the actual collections. YTD financials reflect an estimated PPS liability accrual of \$50,000. August 2025 financials include Medi-Cal payment for \$139,334 for FY2023 PPS liabilities due to DHCS.<br/> <br/>           Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of \$4,561,845. Also, YTD financials include Capitation Revenue for \$911,146 and 340B Pharmacy program revenue for \$482,733. Grant Revenues include ARPA grant revenues for \$159,190. YTD financials include estimated Hedis Gap Closure incentive revenues accrued for \$158,000 for July and August health care services.<br/> <br/>           Other Revenue includes revenues accrued for \$106,987 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for \$254,830 has been reflected on the financials, which is favorable compared to budget by \$8,136 mainly due to higher cash balance contained within the County Treasury.<br/> <br/>           Total Operating Revenue is favorable to budget by \$85,432 primarily due to revenues related to grants, 340B pharmacy program and interest income higher than budget.<br/> <br/>           Salaries and Benefits expenses exhibit a favorable variance to budget by \$2,368,269 which is mainly related to vacant positions that have not filled yet. Salaries and Benefits expenses budgeted for FY26 are based on 100% employment.</p> | CFO Presentation – 2025-08; CFO Presentation – 2025-08; CFO Presentation – 2025-09; Finance Narrative – 2025-09 | No motion put forth  |

Other operating expenses exhibit an unfavorable variance of \$108,309 largely due to an unfavorable variance for \$208,928 for Professional Fees, Supplies, Interest, Dues, Repairs, Travel, and Insurance expenses offset by a favorable variance of \$100,619 reflected in the Purchased Services, Office, Telephone, Advertising, Utilities, Rent, and Miscellaneous expense categories. An estimated accrual for the Purchased Services is recorded for July and August based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by \$2,259,960.

Unaudited, as presented, YTD Net Income of \$2,225,446 represents a favorable variance of \$2,345,392 as compared to budgeted Net Loss of \$119,945. Net Income is favorable mainly due to the actual salaries and benefits expenses related to vacant positions that have not been filled yet and are included in FY26 budgeted expenses.

September financials were presented. Year-to-date (YTD) billable visits as of September are favorable to budget by 455 visits. Net Patient Service Revenues for September are favorable to budget by \$252,133 which is in line with the higher billable visits. YTD financials reflect an estimated PPS liability accrual of \$75,000. YTD financials include Medi-Cal payment for \$139,334 for FY2023 PPS liabilities due to DHCS.

Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of \$6,842,767. Also, YTD financials include Capitation Revenue for \$1,359,378 and 340B Pharmacy program revenue for \$678,030. Grant Revenues include ARPA grant revenues for \$234,089. YTD financials include estimated Hedis Gap Closure incentive revenues accrued for \$237,000 for July through September health care services.

Other Revenue includes revenues accrued for \$164,289 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for \$254,894 has been reflected on the financials, which is unfavorable compared to budget by \$6,356.

Total Operating Revenue is favorable to budget by \$315,516 primarily due to revenues related to patient services, SJGH Chargebacks per MOU, and grants higher than budget.

Salaries and Benefits expenses exhibit a favorable variance to budget by \$3,688,959 which is mainly related to vacant positions that have not filled yet. Salaries and Benefits expenses budgeted for FY26 are based on 100% employment. Recruitment efforts are ongoing to fill the vacant positions.

Other operating expenses exhibit an unfavorable variance of \$285,378 largely due to an unfavorable variance for \$399,304 for Professional Fees, Supplies, Interest, Dues, Repairs, Travel, Insurance and Miscellaneous expenses offset by a favorable variance of \$113,926 reflected in the Purchased Services, Office, Telephone, Advertising, Utilities, and Rent expense categories. An estimated accrual for the Purchased Services is recorded from July through September based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating

|   |                       |                                  |
|---|-----------------------|----------------------------------|
| <p>Expenditures are favorable to budget by \$3,403,582.</p> <p>Unaudited, as presented, YTD Net Income of \$3,384,015 represents a favorable variance of \$3,719,098 as compared to budgeted Net Loss of \$335,083. Net Income is favorable mainly due to the actual salaries and benefits expenses related to vacant positions that have not been filled yet and are included in FY26 budgeted expenses.</p> <p>Capital Link fiscal year benchmarks were reviewed, showing Operating Margin at 20.9% against a goal of &gt;3%, Bottom Line Margin at 20.9% against a goal of &gt;3%, Days Cash on Hand at 236 against a goal of &gt;45 days, Days in Net Patient Receivables at 35 against a goal of &lt;60 days, and Personnel-Related Expenses at 63% against a goal of &lt;70%.</p> |                       |                                  |
| <p><b>4. <u>Adjournment (Samantha Monks)</u></b><br/>     There being no further topics for discussion, Samantha adjourned the meeting at 5:15 p.m.</p>   | <p>No attachments</p> | <p><b>No action required</b></p> |

**Minutes of November 18, 2025**  
**San Joaquin Health Centers Board of Directors**

**Board Members Present:** Brian Heck (Board Chair); Rick Ledo; James Myers; Cassandra Lacondeguy; Jayvin Herrejon; Samantha Monks (Treasurer); Jodie Moreno (virtual); Mark Myles, David Ziolkowski

**Excused Absent:** Nora Hana

**Unexcused Absent:** None

**SJHC Staff:** Matt Garber (Interim CEO); Jonathon Diulio, Ahad Yousuf

**Guests:** Sandy Regalo, Adam Brucker, Genevieve Valentine

**Legal Counsel:** Quendrith Macedo

| AGENDA ITEM   | ATTACHMENTS                                    | ACTION  |
|---|--|---|
| I. <b>Commencement/Call to Order (Brian Heck)</b> <ul style="list-style-type: none"> <li>1. The meeting was called to order at 5:30 p.m. A quorum was established for today's meeting.</li> <li>2. SJ Health Board of Directors' Attendance Record was made available.</li> </ul>   | 2025 Board Member Attendance                   | No action required  |
| II. <b>Public Comment</b><br>No public comment.   | No attachment                                  | No action required  |
| III. <b>Consent Calendar (Brian Heck)</b> <ul style="list-style-type: none"> <li>1. The consent calendar for November 18, 2025, was presented; Corrected September Credentialing &amp; Privileging Report; Minutes of Board Meeting 10-28-2025</li> </ul>   |  | 1. R.Ledo motioned to accept the Consent Calendar and J. Herrejon seconded; motion was passed 6-0-0 |
| IV. <b>Action Items (Brian Heck)</b> <ul style="list-style-type: none"> <li>1. Appoint new member to Selection Committee; Chair explained roles and responsibilities; no new volunteers; Brian will remain on Committee</li> </ul>  | No attachment                                  | No action required  |
| V. <b>Discussion Items (Brian Heck)</b> <ul style="list-style-type: none"> <li>1. Committee Assignments</li> <li>2. Chair Report - none</li> </ul>  | CMO Report attached<br><br>CEO Report attached | No action required  |
| VI. <b>Board Comments</b><br><br>Brian noted there will be HRSA and Brown Act training in Jan. 2026; start thinking about the Mission and Vision of SJCC; very excited about this group<br><br>Jodie gave update on recruit for Project Director to include committee agreed will use existing applications; will bring forward five more names; applicants will be asked to do a two-minute intro video' hoping to have it narrowed down to two candidates by Jan. meeting<br>Samantha asked about calendaring of events/meetings; who is responsible? | No attachments                                 | No action required  |

|  |                |                    |
|--|----------------|--------------------|
| <b>VII. <u>Calendar (Brian Heck)</u></b><br>The next board meeting will be December 16, 2025, at 5:30pm.                                   | No attachments | No action required |
| <b>VIII. <u>Adjournment (Brian Heck)</u></b><br>There being no further topics of discussion, Brian Heck adjourned the meeting at 6:18 p.m. | No attachments | No action required |

**INITIAL APPOINTMENTS****October 2025**

The following practitioners have applied for membership and privileges at San Joaquin Health Centers. The following summary includes factors that determine membership: licensure, DEA, professional liability insurance, required certifications (if applicable), etc. Factors that determine competency include medical/professional education, internship/residencies/fellowships, board certification (if applicable), current and previous institutional affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. The applicants meet the requirements for membership unless noted below.

| Membership Request                  | Name                | Specialty/<br>Assigned<br>Div/Dept | Competency / Privilege Review     | Proctoring<br>Required | Proctor            | Rec Status/Term  | Recommend          |
|-------------------------------------|---------------------|------------------------------------|-----------------------------------|------------------------|--------------------|--|--------------------|
| INITIAL APPOINTMENT<br>October 2025 | Mary Papazoglou CNM | CNM                                | Requirements for active staff met | None                   | Active 10/25-09/26 | CRED: 10/10/2025<br>MED: 10/15/2025<br>BOARD: 10/28/2025 | SJHEALTH MED STAFF |

**REAPPOINTMENTS****October 2025**

The following practitioners have applied for reappointment to the Medical Staff of San Joaquin Health Centers. This summary includes factors that determine membership: licensure, DEA, professional liability insurance, hospital affiliations, etc. Qualitative/quantitative factors include ongoing performance evaluation which includes data from peer review, quality performance, clinical activity, privileges, competence, technical skill, behavior, health status, medical records, blood review, medication usage, litigation history, utilization and continuity of care. Affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. All the applicants privilege request commensurate with training, experience and current competence unless noted below.

| Membership Request            | Name                   | Specialty/<br>Assigned Div/Dept | Quantitative/Qualitative Factors Request for Privileges<br>and/or Privilege Change | Action<br>Taken/Rec.<br>Exceptions<br>for Cause | Rec. Staff Category/<br>Reappoint Period | Recommend  | Credentialing Dept |
|-------------------------------|------------------------|---------------------------------|--|---|--|--|--------------------|
| REAPPOINTMENT<br>October 2025 | Amarpreet Everest MD   | Family Medicine                 | Requirements for active staff met  | None  | Active 10/25-10/27                       | CRED: 10/10/2025<br>MED: 10/15/2025<br>BOARD: 10/28/2025 | SJHEALTH MED STAFF |
| REAPPOINTMENT<br>October 2025 | Jeanine Radoc MD       | Family Medicine                 | Requirements for active staff met  | None  | Active 10/25-10/27                       | CRED: 10/10/2025<br>MED: 10/15/2025<br>BOARD: 10/28/2025 | SJHEALTH MED STAFF |
| REAPPOINTMENT<br>October 2025 | Patara Rojanavongse MD | Pediatrics                      | Requirements for active staff met  | None  | Active 10/25-10/27                       | CRED: 10/10/2025<br>MED: 10/15/2025<br>BOARD: 10/28/2025 | SJHEALTH MED STAFF |
| REAPPOINTMENT<br>October 2025 | Shailaja Munagala MD   | Family Medicine                 | Requirements for active staff met  | None  | Active 10/25-10/27                       | CRED: 10/10/2025<br>MED: 10/15/2025<br>BOARD: 10/28/2025 | SJHEALTH MED STAFF |

**RESIGNATIONS**  
**October 2025**

| <b>Name</b>        | <b>Reason for Resignation:</b> | <b>Effective Date of Resignation</b> |
|--------------------|--------------------------------|--------------------------------------|
| Barbara Walston NP | Other employment opportunity   | 10/31/2025                           |
| Dung Le LCSW       | unknown                        | 10/10/2025                           |
| Lukas Warren CNM   | Relocating for Family          | 10/17/2025                           |

**INITIAL APPOINTMENTS****November 2025**

The following practitioners have applied for membership and privileges at San Joaquin Health Centers. The following summary includes factors that determine membership: licensure, DEA, professional liability insurance, required certifications (if applicable), etc. Factors that determine competency include medical/professional education, internship/residencies/fellowships, board certification (if applicable), current and previous institutional affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. The applicants meet the requirements for membership unless noted below.

| Membership Request                   | Name                | Specialty/<br>Assigned<br>Div/Dept | Competency / Privilege Review     | Proctoring<br>Required |                     |  | Rec Status/Term    | Recommend |
|--------------------------------------|---------------------|------------------------------------|-----------------------------------|------------------------|---------------------|--|--------------------|-----------|
|                                      |                     |                                    |                                   | Proctor                | Rec Status/Term     | Recommend  |                    |           |
| INITIAL APPOINTMENT<br>November 2025 | Tiffany Nguyen MD   | Pediatrician                       | Requirements for active staff met | None                   | Active 11/25-011/26 | CRED: 11/10/2025<br>MED: 11/12/2025<br>BOARD: 11/18/2025 | SJHEALTH MED STAFF |           |
| INITIAL APPOINTMENT<br>November 2025 | Sailaja Kalidasu MD | Primary Medicine                   | Requirements for active staff met | None                   | Active 11/25-011/26 | CRED: 11/10/2025<br>MED: 11/12/2025<br>BOARD: 11/18/2025 | SJHEALTH MED STAFF |           |
| INITIAL APPOINTMENT<br>November 2025 | Parminder Dheri NP  | Nurse Practitioner                 | Requirements for active staff met | None                   | Active 11/25-011/26 | CRED: 11/10/2025<br>MED: 11/12/2025<br>BOARD: 11/18/2025 | SJHEALTH MED STAFF |           |

**INITIAL APPOINTMENTS****December 2025**

The following practitioners have applied for membership and privileges at San Joaquin Health Centers. The following summary includes factors that determine membership: licensure, DEA, professional liability insurance, required certifications (if applicable), etc. Factors that determine competency include medical/professional education, internship/residencies/fellowships, board certification (if applicable), current and previous institutional affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. The applicants meet the requirements for membership unless noted below.

| Membership Request                   | Name                   | Specialty/<br>Assigned<br>Div/Dept | Competency / Privilege Review     | Proctoring<br>Required | Proctor             | Rec Status/Term  | Recommend          |
|--------------------------------------|------------------------|------------------------------------|-----------------------------------|------------------------|---------------------|--|--------------------|
| INITIAL APPOINTMENT<br>December 2025 | Victor Nwaoha NP       | Nurse Practitioner                 | Requirements for active staff met | None                   | Active 12/25-012/26 | CRED: 12/10/2025<br>MED: 12/10/2025<br>BOARD: 12/16/2025 | SJHEALTH MED STAFF |
| INITIAL APPOINTMENT<br>December 2025 | Rowena Villamoor NP    | Nurse Practitioner                 | Requirements for active staff met | None                   | Active 12/25-012/26 | CRED: 12/10/2025<br>MED: 12/10/2025<br>BOARD: 12/16/2025 | SJHEALTH MED STAFF |
| INITIAL APPOINTMENT<br>December 2025 | Navrattan Ranauta NP   | Nurse Practitioner                 | Requirements for active staff met | None                   | Active 12/25-012/26 | CRED: 12/10/2025<br>MED: 12/10/2025<br>BOARD: 12/16/2025 | SJHEALTH MED STAFF |
| INITIAL APPOINTMENT<br>December 2025 | LisaMarie Sanchez LCSW | Licensed Clinical Social Worker    | Requirements for active staff met | None                   | Active 12/25-012/26 | CRED: 12/10/2025<br>MED: 12/10/2025<br>BOARD: 12/16/2025 | SJHEALTH MED STAFF |

**REAPPOINTMENTS****December 2025**

The following practitioners have applied for reappointment to the Medical Staff of San Joaquin Health Centers. This summary includes factors that determine membership: licensure, DEA, professional liability insurance, hospital affiliations, etc. Qualitative/quantitative factors include ongoing performance evaluation which includes data from peer review, quality performance, clinical activity, privileges, competence, technical skill, behavior, health status, medical records, blood review, medication usage, litigation history, utilization and continuity of care. Affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action. All the applicants privilege request commensurate with training, experience and current competence unless noted below.

| Membership Request              | Name              | Specialty/<br>Assigned Div/Dept   | Quantitative/Qualitative Factors Request for Privileges<br>and/or Privilege Change | Action<br>Taken/Rec.<br>Exceptions<br>for Cause | Rec. Staff Category/<br>Reappoint Period | Recommend  | Credentialing Dept |
|---------------------------------|-------------------|-----------------------------------|--|---|--|--|--------------------|
| REAPPOINTMENT<br>September 2025 | David Birdsall MD | Emergency Medicine<br>Tele-Health | Requirements for active staff met  | None  | Active 12/25-12/27                       | CRED: 12/10/2025<br>MED: 12/10/2025<br>BOARD: 12/16/2025 | SJHEALTH MED STAFF |

## San Joaquin Health Centers

## Financial Statement Comments

October 2025

**Summary of FQHC Performance: Fiscal Year-to-Date**

Year-to-date (YTD) billable visits as of October are favorable to budget by 487 visits. Net Patient Service Revenues for October are unfavorable to budget by \$63,025 which is in line with the lower billable visits for the month. YTD financials reflect an estimated PPS liability accrual of \$100,000. YTD financials include Medi-Cal payment for \$139,334 for FY2023 PPS liabilities due to DHCS. Also, October financials include Medi-Cal payment for \$307,979 for FY2022 PPS liabilities due from DHCS.

Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of \$9,123,690. Also, YTD financials include Capitation Revenue for \$1,798,044 and 340B Pharmacy program revenue for \$915,599. Grant Revenues include ARPA grant revenues for \$344,157. YTD financials include estimated Hedis Gap Closure incentive revenues accrued for \$316,000 for July through October health care services.

Other Revenue includes revenues accrued for \$236,547 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for \$539,295 has been reflected on the financials, which is favorable compared to budget by \$45,907.

Total Operating Revenue is favorable to budget by \$379,930 primarily due to revenues related to patient services, SJGH Chargebacks per MOU, interest income, and grants higher than budget.

Salaries and Benefits expenses exhibit a favorable variance to budget by \$4,744,870 which is mainly related to vacant positions that have not filled yet. Salaries and Benefits expenses budgeted for FY26 are based on 100% employment. Recruitment efforts are ongoing to fill the vacant positions.

Other operating expenses exhibit an unfavorable variance of \$477,740 largely due to an unfavorable variance for \$626,431 for Professional Fees, Supplies, Depreciation, Interest, Dues, Repairs, Travel, Insurance and Miscellaneous expenses offset by a favorable variance of \$148,692 reflected in the Purchased Services, Office, Telephone, Advertising, Utilities, and Rent expense categories. An estimated accrual for the Purchased Services is recorded from July through October based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by \$4,267,130.

Unaudited, as presented, YTD Net Income of \$4,348,160 represents a favorable variance of \$4,647,060 as compared to budgeted Net Loss of \$298,900. Net Income is favorable mainly due to the actual salaries and benefits expenses related to vacant positions that have not been filled yet and are included in FY26 budgeted expenses.

**Additional Factors Impacting FQHC Fiscal Results**

- Supplemental revenues are estimates based on current performance and statewide pool amounts for the California Department of Public Health Quality Incentive Pool Program.
- On SJ Health's balance sheet, deferred grant revenues amount to \$1,672,477 as of October 2025.

# **SAN JOAQUIN HEALTH CENTERS**

## **FINANCE PRESENTATION**

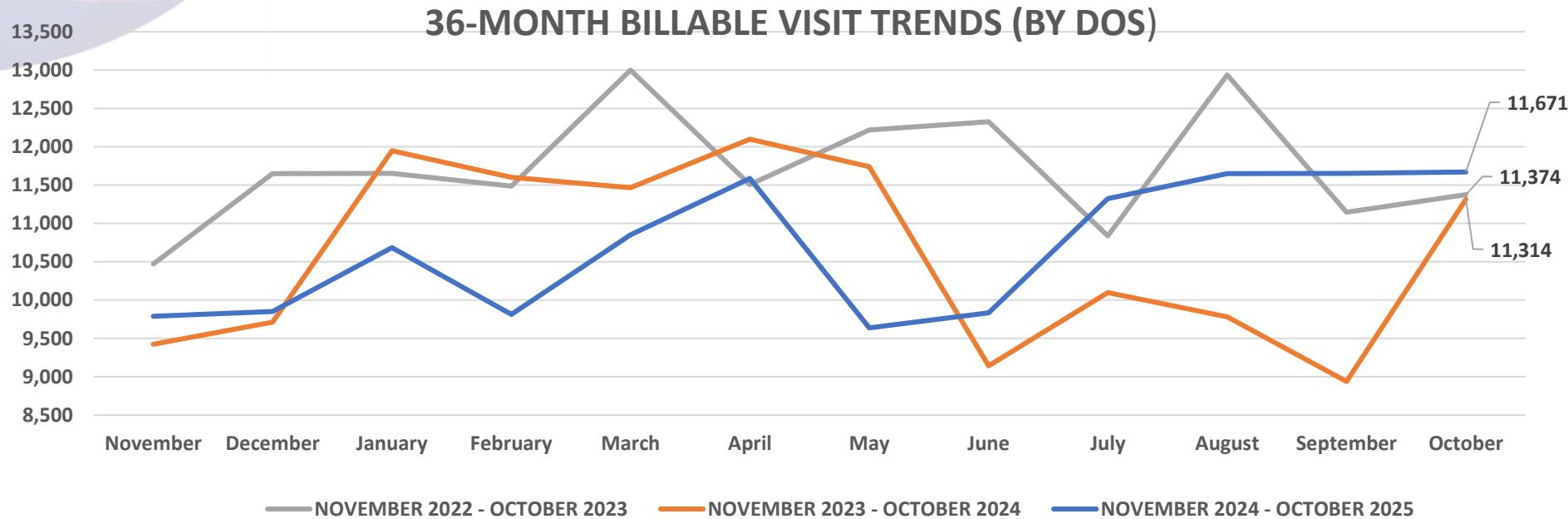
### **OCTOBER 2025 FINANCIAL STATEMENTS**

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Rachna Sharma

Controller

Presentation Date: 12/16/2025



| FY26 Visits By Financial Class | Actual  |
|--------------------------------|---------|
| Medi-Cal Managed Care          | 78.03%  |
| Medicare                       | 11.66%  |
| Medi-Cal                       | 6.06%   |
| Commercial                     | 3.01%   |
| Self-Pay                       | 1.24%   |
| Total                          | 100.00% |

| FY26 Month | Actual | Budget | Variance |
|------------|--------|--------|----------|
| Jul-25     | 11,323 | 11,586 | (263)    |
| Aug-25     | 11,649 | 11,062 | 587      |
| Sep-25     | 11,653 | 11,052 | 601      |
| Oct-25     | 11,671 | 12,109 | (438)    |
| Total      | 46,296 | 45,809 | 487      |

# SJ HEALTH INCOME STATEMENT – OCTOBER 2025

|                                | Current Period<br>Actual | Current Period<br>Budget - Original | Current Period Budget<br>Variance - Original | Current Year<br>Actual | YTD Budget -<br>Original | YTD Budget<br>Variance - Original |
|--------------------------------|--------------------------|-------------------------------------|--|------------------------|--------------------------|-----------------------------------|
| <b>Operating Revenue</b>       |                          |                                     |  |                        |                          |                                   |
| Net Patient Service Revenue    | 2,146,223                | 2,209,248                           | (63,025)                                     | 8,559,602              | 8,386,610                | 172,992                           |
| Supplemental Revenue           | 2,280,922                | 2,280,922                           | 0  | 9,123,690              | 9,123,690                | 0                                 |
| Capitation Revenue             | 438,666                  | 458,333                             | (19,667)                                     | 1,798,044              | 1,833,333                | (35,290)                          |
| Managed Care Incentives        | 79,000                   | 79,000                              | 0  | 316,000                | 316,000                  | 0                                 |
| Grant Revenue                  | 110,068                  | 41,719                              | 68,349                                       | 344,157                | 166,875                  | 177,282                           |
| 340B Pharmacy Program          | 237,569                  | 233,333                             | 4,236  | 915,599                | 933,333                  | (17,735)                          |
| MOU & Other Income             | 356,659                  | 282,138                             | 74,521                                       | 776,069                | 693,388                  | 82,680                            |
| <b>Total Operating Revenue</b> | <b>5,649,108</b>         | <b>5,584,694</b>                    | <b>64,413</b>                                | <b>21,833,159</b>      | <b>21,453,229</b>        | <b>379,930</b>                    |
| <b>Expenditures</b>            |                          |                                     |  |                        |                          |                                   |
| Salaries & Wages               | 1,989,974                | 2,561,508                           | 571,533                                      | 7,138,343              | 9,965,233                | 2,826,890                         |
| Employee Benefits              | 909,112                  | 1,393,489                           | 484,377                                      | 3,494,856              | 5,412,835                | 1,917,980                         |
| Professional Fees              | 583,205                  | 541,653                             | (41,552)                                     | 2,363,187              | 2,166,610                | (196,577)                         |
| Purchased Services             | 250,261                  | 267,577                             | 17,316                                       | 1,007,902              | 1,070,308                | 62,406                            |
| Supplies                       | 206,794                  | 160,577                             | (46,217)                                     | 810,099                | 642,310                  | (167,789)                         |
| Depreciation                   | 97,628                   | 53,608                              | (44,021)                                     | 258,452                | 214,431                  | (44,020)                          |
| Interest                       | 1,361                    | 1,219                               | (142)  | 5,777                  | 4,875                    | (902)                             |
| Office Expense                 | 1,527                    | 1,667                               | 140  | 6,128                  | 6,667                    | 539                               |
| Dues, Subscription & Fees      | 147,870                  | 127,119                             | (20,751)                                     | 551,608                | 508,475                  | (43,133)                          |
| Repairs & Maintenance          | 66,309                   | 65,525                              | (784)  | 264,379                | 262,100                  | (2,279)                           |
| Telephone & Internet           | 12,775                   | 20,599                              | 7,824  | 61,830                 | 82,397                   | 20,566                            |
| Advertising & Promotions       | 5,888                    | 5,024                               | (865)  | 11,987                 | 20,094                   | 8,107                             |
| Travel & Training              | 43,014                   | 33,162                              | (9,852)                                      | 205,907                | 132,646                  | (73,261)                          |
| Insurance                      | 40,264                   | 35,120                              | (5,143)                                      | 166,900                | 140,482                  | (26,418)                          |
| Utilities                      | 121,700                  | 130,577                             | 8,877  | 483,971                | 522,308                  | 38,338                            |
| Rent                           | 114,753                  | 116,226                             | 1,473  | 446,167                | 464,902                  | 18,736                            |
| Miscellaneous                  | 92,529                   | 33,864                              | (58,665)                                     | 207,507                | 135,455                  | (72,052)                          |
| <b>Total Expenditures</b>      | <b>4,684,963</b>         | <b>5,548,511</b>                    | <b>863,548</b>                               | <b>17,484,999</b>      | <b>21,752,129</b>        | <b>4,267,130</b>                  |
| <b>Net Income(Loss)</b>        | <b>964,145</b>           | <b>36,183</b>                       | <b>927,961</b>                               | <b>4,348,160</b>       | <b>(298,900)</b>         | <b>4,647,060</b>                  |

\* Supplemental Revenue includes QIP revenue which represents 41.79% of Total Operating Revenues as of October 2025.

# SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS OCTOBER 2025

## (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

| Income Statement Grouping   | Current Period |                   | Current Period                |       | %<br>Variance  | October 2025 - Variance Explanations |  |
|-----------------------------|----------------|-------------------|-------------------------------|-------|--|--------------------------------------|--|
|                             | Actual         | Budget - Original | Budget Variance -<br>Original |       |  |                                      |  |
| <b>Revenues</b>             |                |                   |                               |       |  |                                      |  |
| Net Patient Service Revenue | 2,146,223      | 2,209,248         | (63,025)                      | -3%   | Unfavorable variance mainly due to visits being lower than budget by 438 visits.   |                                      |  |
| Grant Revenue               | 110,068        | 41,719            | 68,349                        | 164%  | Favorable variance mainly due to actual ARPA grant revenue being higher than budget.   |                                      |  |
| MOU & Other Income          | 356,659        | 282,138           | 74,521                        | 26%   | Favorable variance due to interest income received being \$52K higher than budget and MOU chargeback \$22K higher than budget.   |                                      |  |
| <b>Expenditures</b>         |                |                   |                               |       |  |                                      |  |
| Salaries & Wages            | 1,989,974      | 2,561,508         | 571,533                       | 22%   | Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Oct 2025 FTEs for direct hire positions are 188.69 compared to budgeted FTEs for 239. |                                      |  |
| Employee Benefits           | 909,112        | 1,393,489         | 484,377                       | 35%   | Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Oct 2025 FTEs for direct hire positions are 188.69 compared to budgeted FTEs for 239. |                                      |  |
| Supplies                    | 206,794        | 160,577           | (46,217)                      | -29%  | Unfavorable variance mostly due to increase in office and medical supplies expenses and pharmaceutical expenses related to the 340B pharmacy program.  |                                      |  |
| Depreciation                | 97,628         | 53,608            | (44,021)                      | -82%  | Unfavorable variance mainly due to the YTD trueup entry recorded for depreciation expense in October.  |                                      |  |
| Dues, Subscription & Fees   | 147,870        | 127,119           | (20,751)                      | -16%  | Unfavorable variance mainly due to unbudgeted subscription costs.  |                                      |  |
| Telephone & Internet        | 12,775         | 20,599            | 7,824                         | 38%   | Favorable due to actual telecommunication expenses lower than budget.  |                                      |  |
| Travel & Training           | 43,014         | 33,162            | (9,852)                       | -30%  | Unfavorable variance due to higher than anticipated travel expenses related to contracted medical staff not budgeted.  |                                      |  |
| Insurance                   | 40,264         | 35,120            | (5,143)                       | -15%  | Unfavorable variance mainly related to higher than anticipated malpractice insurance expenses for contracted medical staff.  |                                      |  |
| Miscellaneous               | 92,529         | 33,864            | (58,665)                      | -173% | Unfavorable variance related to higher than anticipated recruitment expenses and minor equipment expenses.   |                                      |  |

# SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS YTD FY26

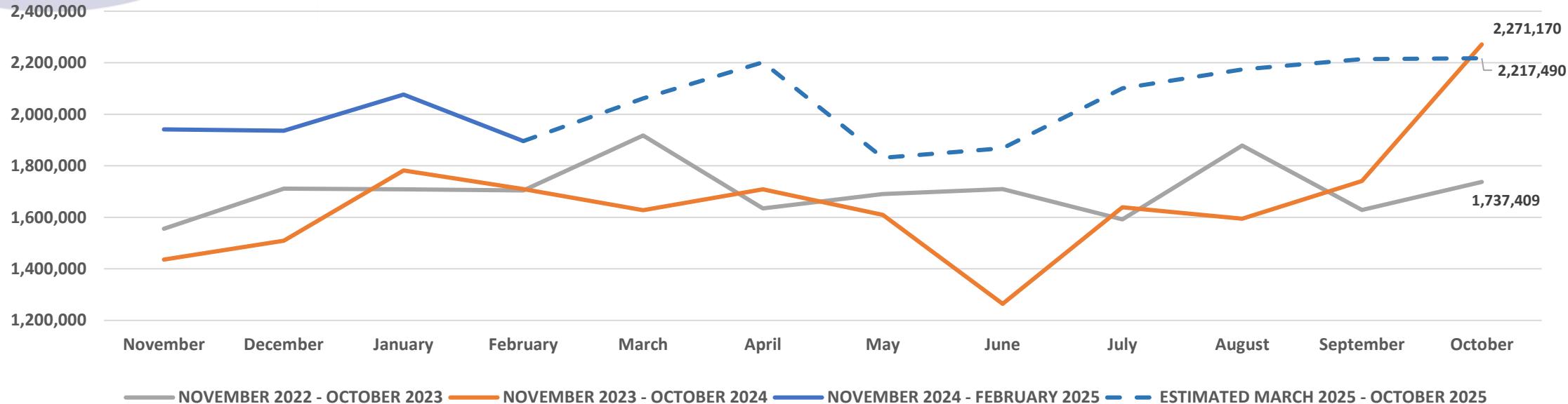
## (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

| Income Statement Grouping   | Current Period |                   |                   |          |  | YTD - Variance Explanations |
|-----------------------------|----------------|-------------------|-------------------|----------|--|-----------------------------|
|                             | Current Period | Current Period    | Budget Variance - | %        |  |                             |
|                             | Actual         | Budget - Original | Original          | Variance |  |                             |
| <b>Revenues</b>             |                |                   |                   |          |  |                             |
| Net Patient Service Revenue | 8,559,602      | 8,386,610         | 172,992           | 2%       | Favorable variance mainly due to visits being higher than budget by 487 visits.  |                             |
| Grant Revenue               | 344,157        | 166,875           | 177,282           | 106%     | Favorable variance mainly due to actual ARPA grant revenue being higher than budget.   |                             |
| MOU & Other Income          | 776,069        | 693,388           | 82,680            | 12%      | Favorable variance due to interest income received being \$46K higher than budget and MOU chargeback \$37K higher than budget.   |                             |
| <b>Expenditures</b>         |                |                   |                   |          |  |                             |
| Salaries & Wages            | 7,138,343      | 9,965,233         | 2,826,890         | 28%      | Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Oct 2025 FTEs for direct hire positions are 188.69 compared to budgeted FTEs for 239. |                             |
| Employee Benefits           | 3,494,856      | 5,412,835         | 1,917,980         | 35%      | Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Oct 2025 FTEs for direct hire positions are 188.69 compared to budgeted FTEs for 239. |                             |
| Professional Fees           | 2,363,187      | 2,166,610         | (196,577)         | -9%      | Unfavorable variance mainly due to actual costs higher than budgeted for contracted medical support staff and legal services.  |                             |
| Supplies                    | 810,099        | 642,310           | (167,789)         | -26%     | Unfavorable variance mostly due to increase in office and other medical supplies expenses and pharmaceutical expenses related to the 340B pharmacy program.  |                             |
| Depreciation                | 258,452        | 214,431           | (44,020)          | -21%     | Unfavorable variance mainly due to the YTD trueup entry recorded for depreciation expense in October.  |                             |
| Telephone & Internet        | 61,830         | 82,397            | 20,566            | 25%      | Favorable due to actual telecommunication expenses lower than budget.  |                             |
| Advertising & Promotions    | 11,987         | 20,094            | 8,107             | 40%      | Favorable variance mainly related to lower actual marketing expenses than budgeted.  |                             |
| Travel & Training           | 205,907        | 132,646           | (73,261)          | -55%     | Unfavorable variance mainly related to higher than anticipated travel expenses for the contracted medical staff along with the unbudgeted transportation cost for the patients.                      |                             |
| Insurance                   | 166,900        | 140,482           | (26,418)          | -19%     | Unfavorable variance mainly related to higher than anticipated malpractice insurance expenses for contracted medical staff.  |                             |
| Miscellaneous               | 207,507        | 135,455           | (72,052)          | -53%     | Unfavorable variance mainly related to higher than anticipated recruitment expense and minor equipment expense.  |                             |

# SJ HEALTH BALANCE SHEET- OCTOBER 2025

|                                  | FY2025            | FY2026             |                   |
|----------------------------------|-------------------|--------------------|-------------------|
|                                  | JUNE 30, 2025     | FQE                | FY2026            |
|                                  | (UNAUDITED)       | SEPTEMBER 30, 2025 | OCTOBER 31, 2025  |
| <b>Assets</b>                    |                   |                    |                   |
| Cash & Cash Equivalents          | 32,994,295        | 32,464,668         | 33,966,947        |
| Accounts Receivable              | 2,282,608         | 2,123,851          | 2,063,710         |
| Property & Equipment             | 2,323,595         | 2,169,907          | 2,065,144         |
| Other Assets                     | <u>15,901,518</u> | <u>21,608,100</u>  | <u>22,570,880</u> |
| Total Assets                     | <u>53,502,017</u> | <u>58,366,527</u>  | <u>60,666,680</u> |
| <b>Liabilities</b>               |                   |                    |                   |
| Accounts Payable                 | 1,607,815         | 860,296            | 1,625,399         |
| Other Liabilities                | <u>5,947,579</u>  | <u>8,175,594</u>   | <u>8,746,499</u>  |
| Total Liabilities                | <u>7,555,394</u>  | <u>9,035,890</u>   | <u>10,371,898</u> |
| <b>Net Assets</b>                |                   |                    |                   |
| Unrestricted Net Assets          | 38,960,214        | 44,274,146         | 44,274,146        |
| Restricted Net Assets            | 1,672,477         | 1,672,477          | 1,672,477         |
| Current YTD Net Income           | <u>5,313,932</u>  | <u>3,384,015</u>   | <u>4,348,160</u>  |
| Total Net Assets                 | <u>45,946,622</u> | <u>49,330,638</u>  | <u>50,294,782</u> |
| Total Liabilities and Net Assets | <u>53,502,017</u> | <u>58,366,527</u>  | <u>60,666,680</u> |

## 36-MONTH TRENDS - CASH COLLECTED



| FY26 Collections By Financial Class | %       |
|-------------------------------------|---------|
| Medicaid                            | 94.61%  |
| Medicare                            | 4.69%   |
| Commercial                          | 0.38%   |
| Self-Pay                            | 0.32%   |
| Total                               | 100.00% |

NOTE: COLLECTIONS FROM MARCH 2025 THROUGH OCTOBER 2025 HAVE BEEN ESTIMATED BASED ON THE HISTORICAL COLLECTIONS TREND. INCREASE IN COLLECTIONS FROM OCTOBER 2024 THROUGH OCTOBER 2025 IS DUE TO THE IMPLEMENTATION OF INTERMITTENT CLINIC STRATEGY IN SEPTEMBER 2024.

# CAPITAL LINK FQHC FINANCIAL BENCHMARKS VS SJ HEALTH

| DATA SUMMARY  | CAPITAL LINK TARGET | 2023 NATIONAL MEDIAN | 2023 CALIFORNIA MEDIAN | SJ HEALTH FYTD FY25 (UNAUDITED) | SJ HEALTH FYTD FY26 |
|---|---------------------|----------------------|------------------------|---------------------------------|---------------------|
| <b>FINANCIAL HEALTH</b>   |                     |                      |                        |                                 |                     |
| <b>1 Operating Margin</b><br>As a % of Operating Revenue                | <b>&gt;3%</b>       | 4%                   | 5%                     | 10.1%                           | <b>19.9%</b>        |
| <b>2 Bottom Line Margin</b><br>As a % of Operating Revenue              | <b>&gt;3%</b>       | 6%                   | 6%                     | 10.1%                           | <b>19.9%</b>        |
| <b>3 Days Cash on Hand</b>  | <b>&gt;60 Days</b>  | 105                  | 129                    | 259                             | <b>243</b>          |
| <b>4 Days in Net Patient Receivables</b>                                | <b>&lt;45 Days</b>  | 36                   | 39                     | 37                              | <b>34</b>           |
| <b>5 Personnel-Related Expense (PRE)</b><br>As a % of Operating Revenue | <b>&lt;70%</b>      | 69%                  | 72%                    | 72%                             | <b>64%</b>          |

# **SJHC BOARD MEMBER KEY FISCAL UNDERSTANDINGS**

- The historical 26K patient gap between panel size and panel seen represents SJHC's largest potential opportunity for revenue capture.
- Opportunity available to maximize the usage of existing exam rooms and adequately staff the provider positions that will help improve visits and revenues.
- YTD net income is favorable to budget by \$4.65M.
- YTD billable visits are favorable to budgeted billable visits by 487.
- \$1.7M have been recorded as Restricted Net Assets on the October 2025 financials.

## CMO REPORT – DECEMBER 2025

Over the past month we have continued strengthening operations, partnerships, and clinical coverage across SJ Health. We recently provided Board Chair Brian a full tour of our French Camp primary care and specialty clinics, highlighting our service lines and introducing him to the available clinical and meeting spaces, including a conference room that could accommodate future Board activities in French Camp. We remained open on Black Friday to offer newborn care and walk-in access.

From December 3–5, Mary Lou, Ahad, Matt, and I attended the CAPH/SNI Annual Conference in San Diego, which focused on statewide initiatives in quality improvement, access, workforce development, and delivery system redesign. On December 9, Genevieve, Matt, and I attended the Board of Supervisors holiday dinner. On December 11, we hosted leadership from UC Davis School of Medicine to explore the possibility of establishing San Joaquin County (SJ Health, SJGH, and St. Joseph's Medical Center collectively) as a satellite site for UC Davis medical students. The concept would begin with a small cohort—potentially six students per year—with the opportunity to scale over time. These are early exploratory discussions but represent a meaningful long-term opportunity for workforce development.

Recruitment continues to progress. Since the last report, a hybrid pediatrician began in late November, and an Internal Medicine physician joined us this month. We are onboarding four full-time nurse practitioners and a full-time LCSW in December, which strengthens primary care, mobile services, and counseling. We have also extended a conditional job offer to a pediatrician from Texas, and we are arranging tours for an Internal Medicine resident and a Family Medicine physician candidate. One NP who started at Manteca in September resigned; recruitment efforts for that position are underway. CEO/Project Director screening interviews are tentatively scheduled for December 19.

Daily visit volumes remain strong, consistently exceeding 500 visits per day, even as two locum contracts are being phased out and several new providers have not yet ramped up. Seasonal illness has increased demand, but access remains stable. We also hosted a mammography screening event this past Saturday at our Stockton location, which provided expanded weekend access for preventive care. We are repainting exam rooms in Stockton and French Camp one room at a time to minimize disruption. In pediatrics, we have blocked Dr. Williams' schedule for sick-visit access twice weekly to support families during the cold and flu season.

Operationally, we are working with HR and our labor partners to reinforce expectations around provider punctuality and the need for providers to be present on-site for their full

scheduled shifts. This includes OB/GYN coverage, where early departures have impacted continuity and admit availability. Finally, Ahad and I met with HPSJ regarding a new eConsult platform that offers specialty input within two business days, including dermatology capabilities using a clinic-based camera system. This platform has the potential to reduce unnecessary specialty referrals and improve timely access to specialty guidance for our patients.

## **CEO Report – December 2025**

Over the past month, our efforts have remained focused on operational stabilization, improving access, advancing quality outcomes, and preparing for strategic growth. Key updates are summarized below.

### **Operational and Access Performance**

Clinic operations continue to strengthen with sustained leadership engagement and standardized workflows. Daily visits for Nov averaged 570, representing an 18% increase from prior month. Total checked-out visits for November were 9,571, compared to 11,539 in October. This is mainly due to clinic closure from the holidays observed this month. Year-over-year, November 2025 visits remained consistent with November 2024 (9,861). Slot utilization remains strong at 75% in November (up from 72.6% last year), reflecting improved scheduling practices and template discipline. No-show rates in November were 23.2%, an improvement from 24% last year.

Key initiatives starting this month and early next year include Luma optimization to facilitate outreach to assigned, unseen, implementation of the CMC dental van at French Camp, Cerner empanelment tool moving to production in mid-January, and a new e-consult program sponsored by HPSJ to enhance timely access to specialty guidance.

Progress continues on the Lodi Access Center clinic. The architecture agreement is under review with General Services, Capital Projects and Purchasing, with the construction agreement planned for execution immediately thereafter. The lease agreement will be subsequently executed, after which the Notice of Federal Interest will be filed with the County's Recorder's Office and notice submitted to HRSA. The full renovation and construction of the clinic remain on track, with completion anticipated by Fall 2026.

### **Workforce and Recruitment**

Covered in CMO report.

### **Quality and Program Advancement**

Quality initiatives remain strong. Gap-closure activities, incentive-based patient engagement, and targeted provider education continue to drive measurable improvement.

### **HRSA Compliance**

UDS 2025 reporting efforts have commenced, and full report will be submitted to HRSA in Feb 2026.

As per HRSA BPHC, LAL redesignation has been postponed by a year and is due 12/2026. In lieu of redesignation submission, HRSA instructed submission of LAL annual certification which was submitted in the EHB in Oct 2025.

The following policies/procedures will need to be reviewed by the Board in 2026:

1. Billing and Collections (Fiscal Policies) – 9/22/2026
2. Sliding Fee Discount Program and Schedule – 11/6/2026
3. Quality Improvement/Assurance Program Policies – 4/25/2026

### **Strategic Planning and Partnerships**

Development of the 2025–2028 Strategic Plan is progressing in collaboration with Gary Bess Associates and County partners, with alignment around access, workforce, service excellence, and integration. Governance training and coordination with the County's systemwide integration discussions remain underway. Gary Bess will present draft components to the Board in early Q1 2026.

### **Closing Summary**

The organization continues to make steady, meaningful progress in strengthening operations, improving access and quality outcomes, and advancing long-term strategic alignment. These efforts position us well for continued stabilization and growth in 2026.

# CEO Report to SJHC Board of Directors

December 16, 2025, Board Meeting

Matt Garber

Ahad Yousuf

# Agenda



Operational &  
Access  
Improvements



Access Metrics



Quality & Program  
Advancement



HRSA  
Compliance



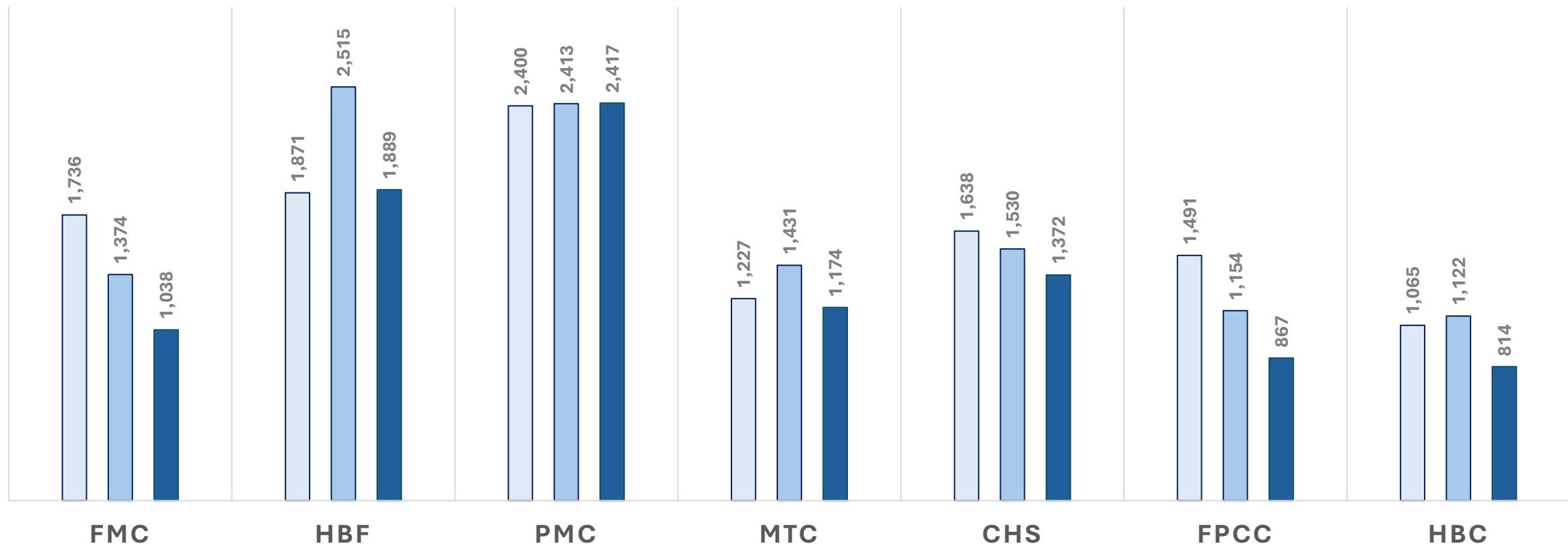
Strategic &  
Partnership  
Progress

# Operational & Access Improvements

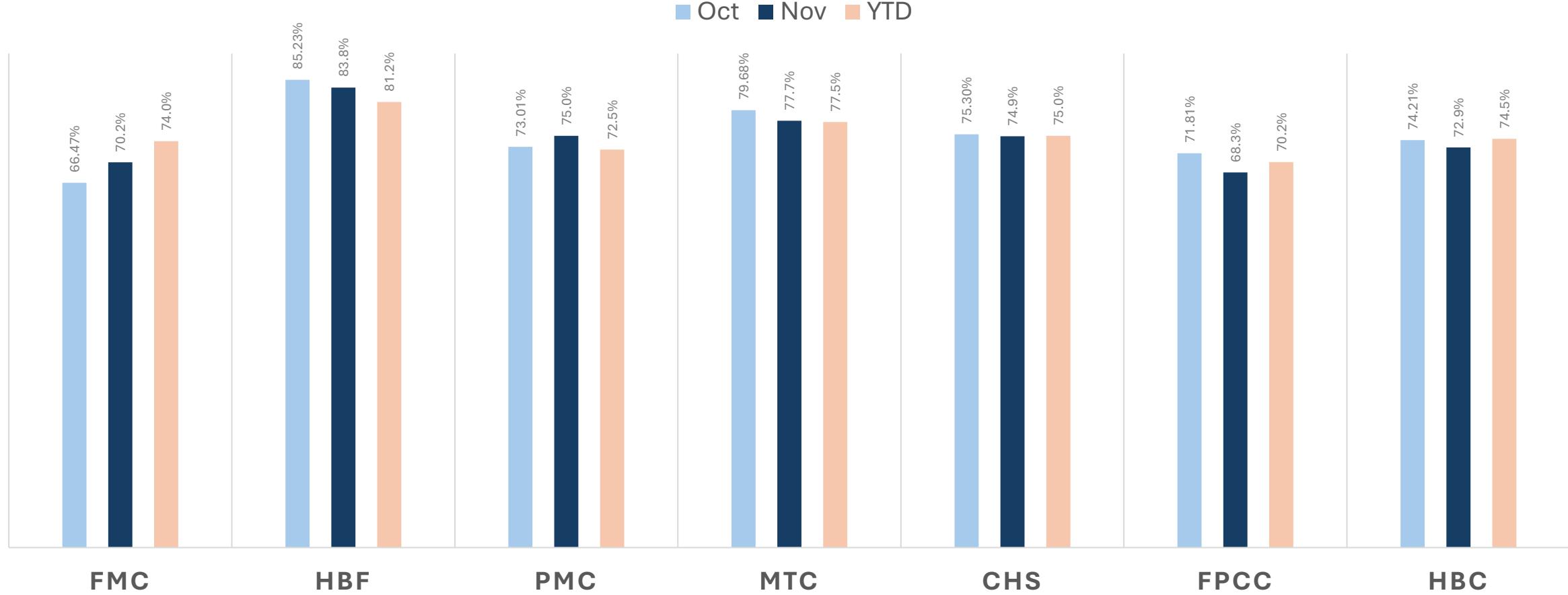
|   |   |
|---|---|
| <b>Operations continue to stabilize</b> | <p>Strengthened leadership engagement and oversight<br/>Daily check-ins with clinic managers; weekly with nursing and ancillary staff<br/>Standardization of scheduling templates and appt types to optimize slot utilization<br/>Daily visit volumes in Nov averaging 571 visits, up from 508 in Oct, and 503 in Oct 2024</p>  |
| <b>Access enhancements and updates</b>  | <p>Luma, QA, &amp; MU optimization to facilitate outreach to assigned, unseen<br/>Lodi Access Center clinic – design complete, architecture and construction agreements pending execution, equipment/supplies purchase, Fall 2026 estimated completion<br/>CMC Dental Van – initial site visit this month at French Camp with services commencing in Jan/Feb 2026<br/>Mobile unit – 220 checked out visits in Nov 2025<br/>New e-consult program sponsored by HPSJ starting early next year to enhance timely access to specialty guidance<br/>Cerner empanelment tool moving to Production in mid Jan 2026</p> |

# VISIT VOLUME: SEP – NOV 2025

Sep Oct Nov

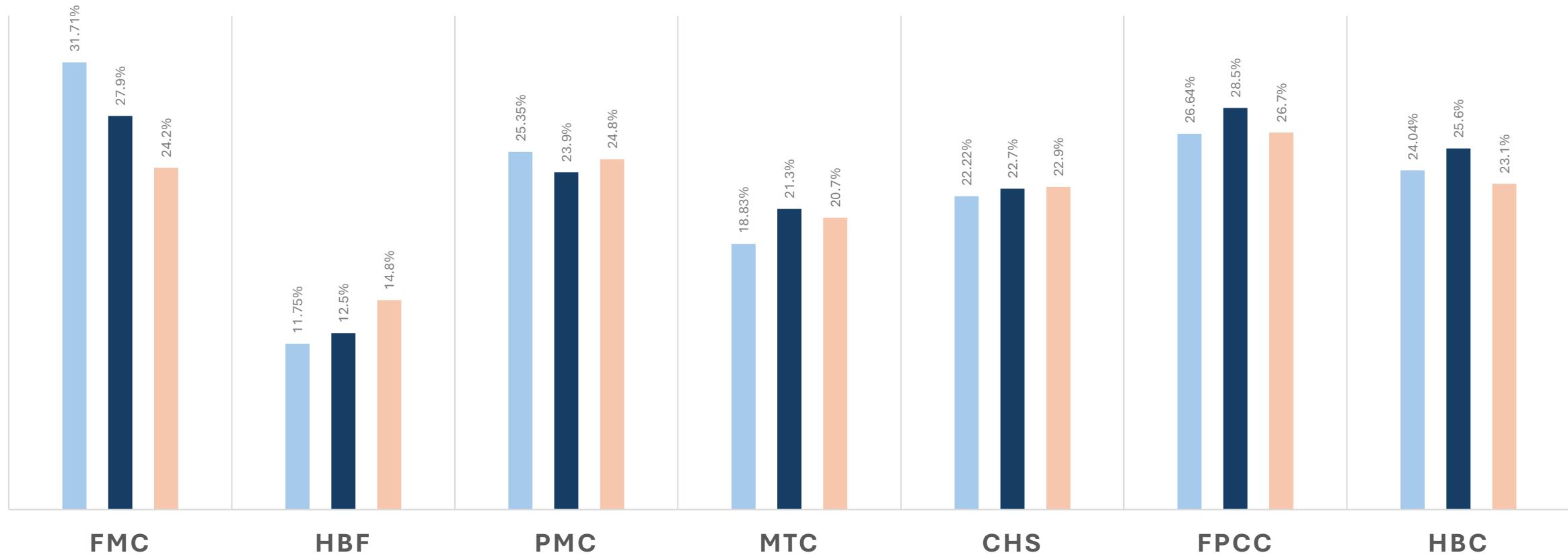


# UTILIZATION RATE – OCT, NOV & YTD



# NO SHOW RATE: OCT, NOV & YTD

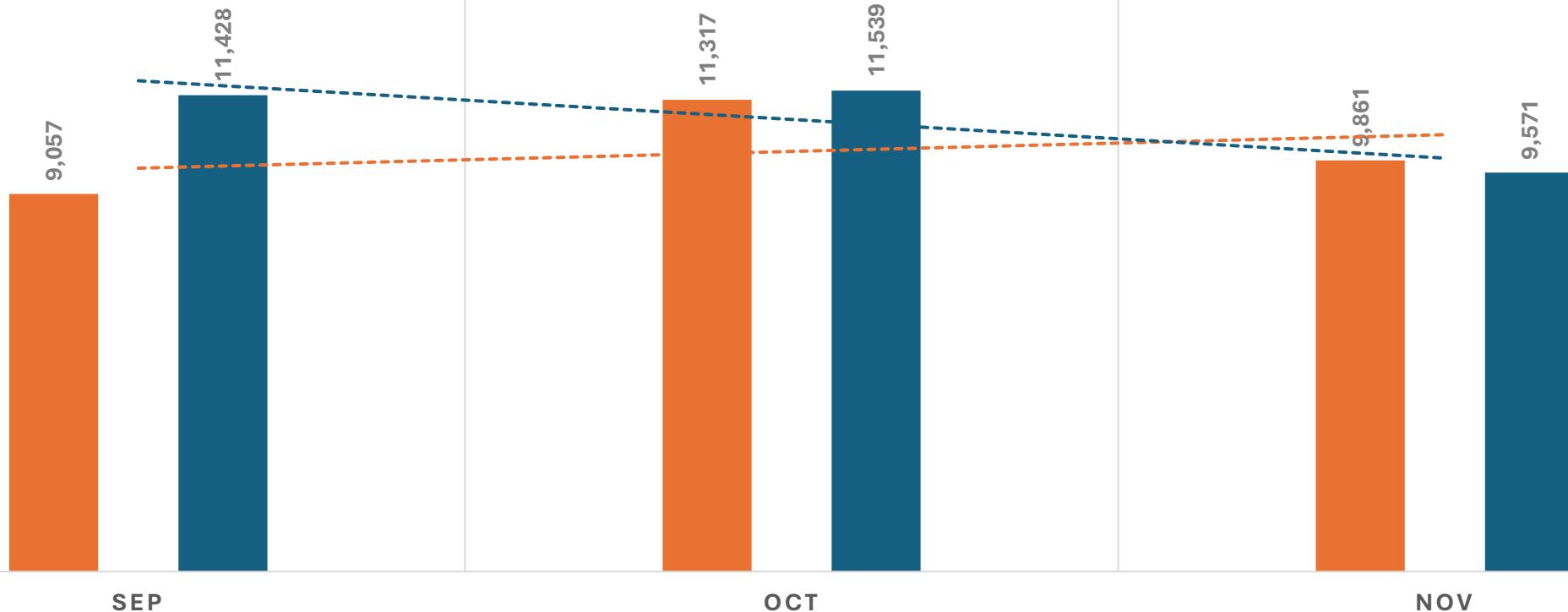
Oct   Nov   YTD



# Access KPIs – All Clinics

## CHECKED OUT VISITS

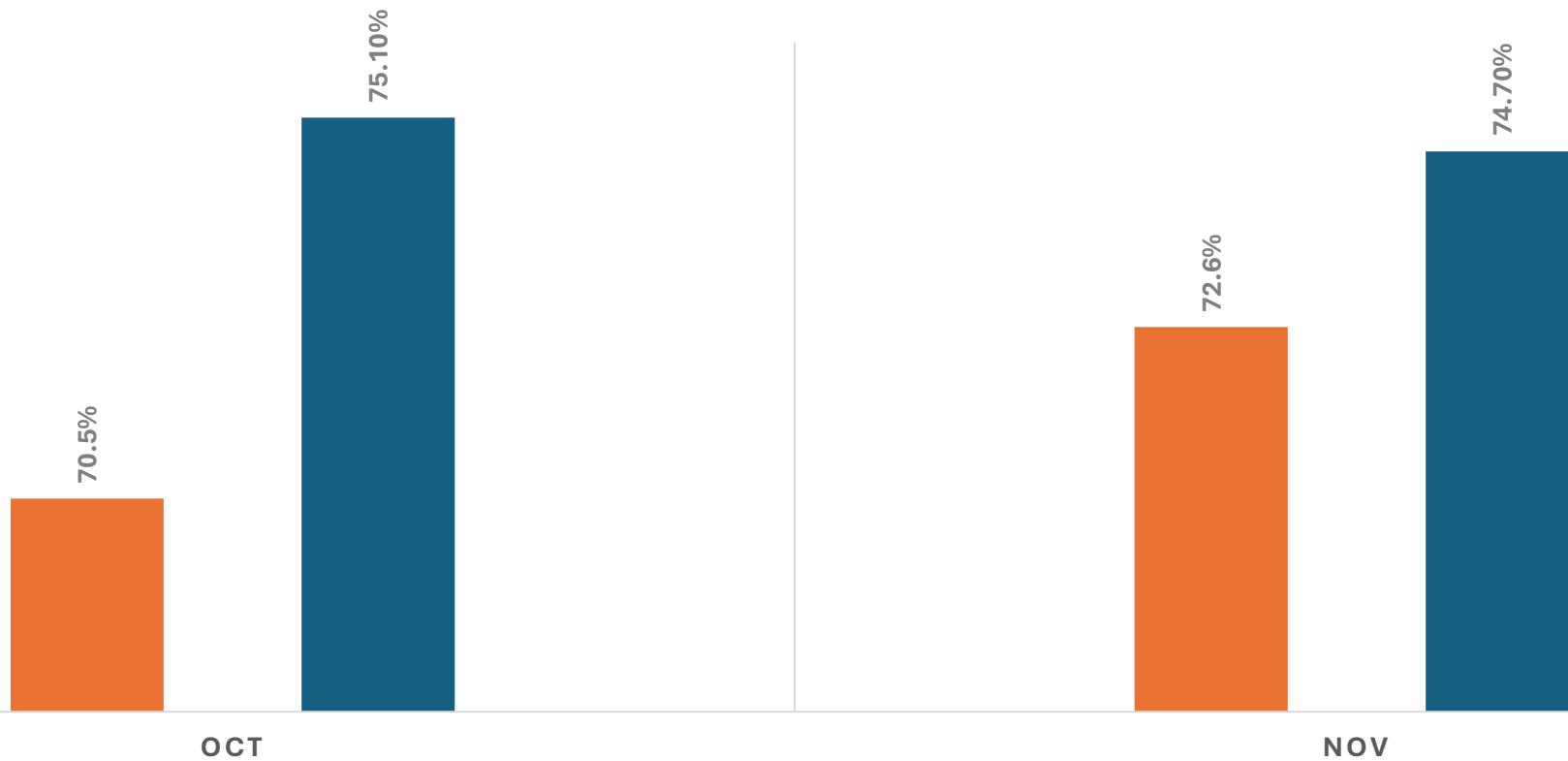
Visits 2024   Visits 2025



# Access KPIs – All Clinics

## SLOT UTILIZATION RATE

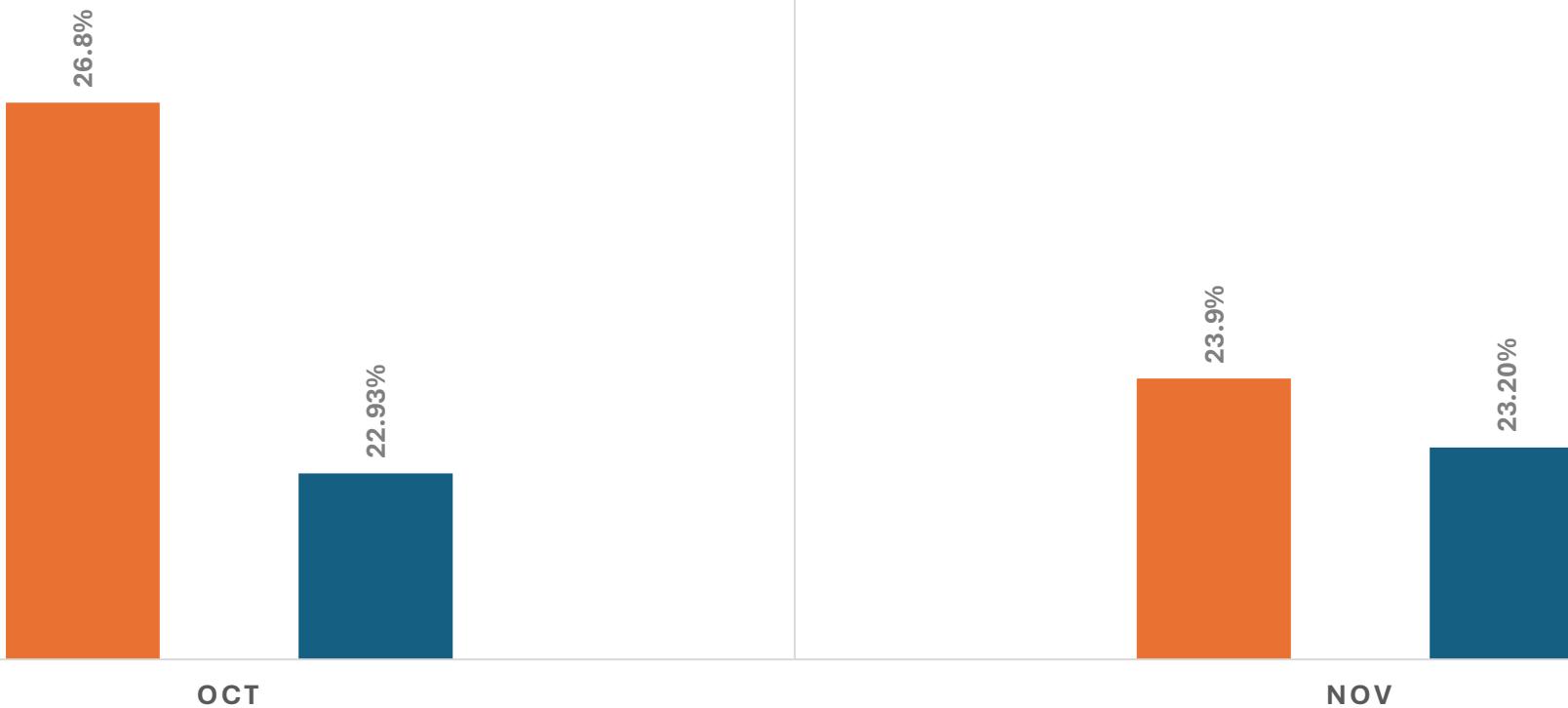
■ UR 2024 ■ UR 2025



# Access KPIs – All Clinics

## NO-SHOW RATE

■ NSR 2024 ■ NSR 2025



# Quality & Program Advancement

- Ongoing provider education sessions and data-driven guidance
- Collaboration with payer partners on care gap closure and patient engagement, through incentive-based outreach
- Gap clinics remain active and focused on preventive measures
- Recent CG-CAHPS show improved patient satisfaction
  - Positive ratings at 68%, increase of 15%
  - Over sentiment 78%, previously at 66%
- QIP FUA/FUM – hospital sign off on new workflow: pts transferred to clinic for intake and seen by SUN

# HRSA Compliance

- UDS 2025 reporting efforts have commenced, due Feb 2026
- LAL Redesignation (q3yrs) postponed until Dec 2026
- LAL Annual Certification submitted in Oct 2025; processed
- Following policies/procedures requiring Board review in 2026:
  1. Billing and Collections (Fiscal Policies) – 9/22/2026
  2. Sliding Fee Discount Program & Schedule – 11/6/2026
  3. QA/QI Program Policies – 4/25/2026

# Strategic & Partnership Progress

- Development of 2026-2028 Strategic Plan underway in partnership with Gary Bess Associates, County partners, and legal consultants
- Focus areas:
  - Enhancing access
  - Service excellence
  - Enabled workforce
  - System integration
- Board presentations expected early Q1 2026

# Closing Summary & Upcoming Initiatives

- Clinics continue to make steady, meaningful progress in strengthening operations, improving access and quality outcomes, and advancing long-term strategic alignment.
- Other key initiatives
  - Provider incentive overhaul
  - Implementation of daily AM huddles to effectively address care gaps
  - Standardization of check-out workflow to effectively capture productivity
  - Exam room standardization
  - Capital improvements: Stockton flooring/paint & audiology room conversion, Manteca cabinetry/sink
  - Compliance with SB81: revised policies/procedures regarding immigration-enforcement access requests and designation of “nonpublic areas” for patient care/PHI discussions