

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

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

**March 24, 2026, 5:30 P.M.**

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

Watch The Meeting Live via Microsoft Teams: [Join the meeting now](#) \*

*Note: Livestreaming for the public is listening and monitory 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 Approve Minutes of Board Meeting February 24, 2025
- 3.2 March Credentialing Report

**4. ACTION ITEMS**

- 4.1 January 2026 Finance Report
- 4.2 3500 Sliding Fee Discount Policy
- 4.3 Gary Bess Board Retreat/Training Session

***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**
  - 7.1 Board meeting April 28, 2026, at 5:30pm
- 8. **ADJOURNMENT**

## Minutes of February 24, 2026 San Joaquin Health Centers Board of Directors

**Board Members Present:** Brian Heck (Board Chair), Samantha Monks (Vice Chair), Rick Ledo, Nora Hana, Jayvin Herrejon, Mark Myles, David Ziolkowski, Destiny Easter, James Myers, Cassandra Lacondeguy

**Excused Absent:** Patricia Barrett, Jodie Moreno

**Unexcused Absent:** None

**SJHC Staff:** Matt Garber (Interim CEO); Ahad Yousuf, Alison Shih, Joan Singson

**Guests:** Sandy Regalo

**Legal Counsel:** Quendrith Macedo

AGENDA ITEM	ATTACHMENTS	ACTION
<b>I. Commencement/Call to Order (Brian Heck)</b> 1. The meeting was called to order at 5:30p.m. A quorum was established for today's meeting.	No attachment	No action required
<b>II. Public Comment</b> No public comment.	No attachment	No action required
<b>III. Consent Calendar (Brian Heck)</b> 1. The consent calendar for February 24, 2026, was presented; Minutes of Board Meeting January 27, 2026; and Credentialing Report for February 2026.	Credentialing Report Attached	1. Myles motioned to accept; Ledo seconded; motion passed 9-0
<b>IV. Action Items (Brian Heck)</b> 1. SJHC Management Services Administrator, Alison Shih, presented the financials for December 2025.  2. The board was asked to vote on the March Meeting Date, it was decided to move the March meeting to March 24, 2026.	December 2025 Finance Report attached	1. Ziolkowski motioned to accept; Herrejon seconded; motion passed 10-0  2. Myles motioned to accept; Myers seconded; motion passed 10-0
<b>V. Discussion Items (Brian Heck)</b> 1. Chair Report  2. CMO Report  3. CEO Report  3. Board Training Discussion – Brian provided an overview of the Gary Bess Board Retreat/Training Session.  4. Mobile Clinic Overview was presented by Joan Singson.	CMO Report attached  CEO Report attached  Mobile Clinic Presentation Available Upon Request	Poll to be distributed to Board members.
<b>VI. Board Comments</b> No Board comments	No attachments	No action required



<b>VII. <u>Calendar (Brian Heck)</u></b> The next board meeting will be March 24, 2026, at 5:30pm.	No attachments	No action required
<b>VIII. <u>Adjournment (Brian Heck)</u></b> There being no further topics of discussion, Brian Heck adjourned the meeting at 6:30 p.m.	No attachments	No action required



**INITIAL APPOINTMENTS**

**February 2026**

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/ Assigned Div/Dept	Competency / Privilege Review	Proctoring Required	Proctor	Rec Status/Term	Recommend
INITIAL APPOINTMENT FEBRUARY 2026	Elizabeth Carranza LCSW	Licensed Clinical Social Worker	Requirements for active staff met	None	Active 02/26-02/27	CRED: 02/10/2026 MED: 02/18/2026 BOARD: 02/24/2026	SIHEALTH MED STAFF

**REAPPOINTMENTS**

**February 2026**

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.

<b>Membership Request</b>	<b>Name</b>	<b>Specialty/ Assigned Div/Dept</b>	<b>Quantitative/Qualitative Factors Request for Privileges and/or Privilege Change</b>	<b>Action Taken/Rec. Exceptions for Cause</b>	<b>Rec. Staff Category/ Reappoint Period</b>	<b>Recommend</b>	<b>Credentialing Dept</b>
REAPPOINTMENT FEBRUARY 2026	Janine Johal PA	Physican Assistant	Requirements for active staff met	None	Active 02/26-02/28	CRED: 02/10/2026 MED: 02/18/2026 BOARD: 02/24/2026	SIHEALTH MED STAFF
REAPPOINTMENT FEBRUARY 2026	Kristy Matschullat PA	Physican Assistant	Requirements for active staff met	None	Active 02/26-02/28	CRED: 02/10/2026 MED: 02/18/2026 BOARD: 02/24/2026	SIHEALTH MED STAFF

**RESIGNATIONS**  
**February 2026**

<b>Name</b>	<b>Reason for Resignation:</b>	<b>Effective Date of Resignation</b>
Donna Tucker NP	Locum : Contract termed	2/7/2026
Veronique Tache MD		2/13/2026



San Joaquin Health Centers  
Financial Statement Comments

December 2025

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

Year-to-date (YTD) billable visits as of December are favorable to budget by 787 visits. Net Patient Service Revenues for December are unfavorable to budget by \$19,463 which is in line with the unfavorable billable visits for the month. YTD financials reflect an estimated PPS liability accrual of \$150,000. YTD financials include Medi-Cal payment for \$139,334 for FY2023 PPS liabilities due to DHCS. Also, YTD financials include Medi-Cal payment for \$307,979 for FY2022 PPS receivable due from DHCS.

Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of \$13,685,535. Also, YTD financials include Capitation Revenue for \$2,646,288 and 340B Pharmacy program revenue for \$1,360,416. Grant Revenues include ARPA and Binational Health grant revenues for \$515,537. YTD financials include estimated Hedis Gap Closure incentive revenues accrued for \$474,000 for July through December health care services. In December, SJ Health Centers received the HEDIS incentive payment for \$1,770,427 for Year 2024 which has been reported on the FY26 balance sheet, and the related incentive revenue has been accrued in FY25.

Other Revenue includes revenues accrued for \$346,281 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for \$539,430 has been reflected on the financials, which is favorable compared to budget by \$16,930.

Total Operating Revenue is unfavorable to budget by \$79,721 primarily due to favorable variance in revenues for \$663,575 related to patient services, SJGH Chargebacks per MOU, interest income, and grants higher than budget offset by unfavorable revenues for \$743,296 related to Physician Capitation, 340B Pharmacy Program, and HEDIS incentive revenue. FY26 budget includes \$600,000 related to the HEDIS incentive payment for CY2024 which has been accrued as revenue in FY25.

Salaries and Benefits expenses exhibit a favorable variance to budget by \$7,179,917 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 \$425,119 largely due to an unfavorable variance for \$619,989 for Professional Fees, Supplies, Depreciation, Interest, Dues, Repairs, Travel, Insurance and Miscellaneous expenses offset by a favorable variance of \$194,870 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 December based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by \$6,754,797.

Unaudited, as presented, YTD Net Income of \$6,422,447 represents a favorable variance of \$6,675,077 as compared to budgeted Net Loss of \$252,630. 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.

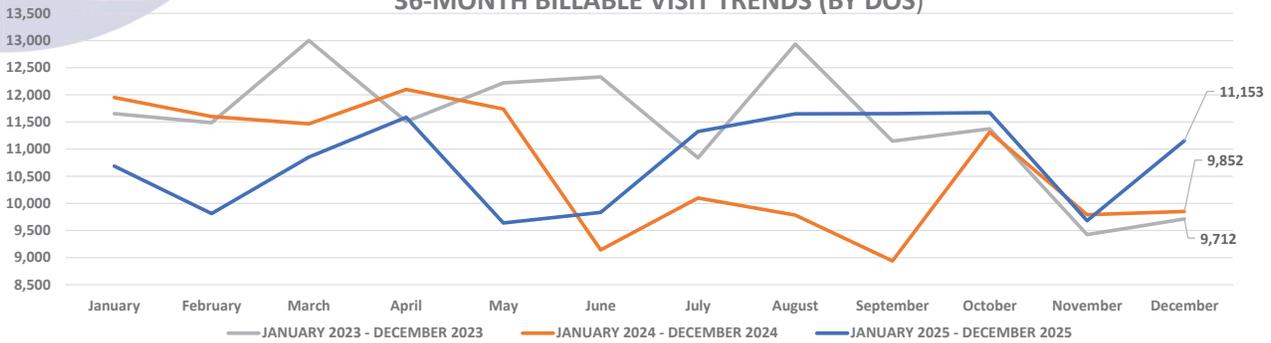
**Additional Factors Impacting FQHC Fiscal Results**

- 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 \$1,722,042 as of December 2025.

# SAN JOAQUIN HEALTH CENTERS FINANCE PRESENTATION DECEMBER 2025 FINANCIAL STATEMENTS

Alison Shih  
Management Services Administrator  
Presentation Date: 2/24/2026

**36-MONTH BILLABLE VISIT TRENDS (BY DOS)**



FY26 Visits By Financial Class	Actual
Medi-Cal Managed Care	78.43%
Medicare	11.46%
Medi-Cal	6.12%
Commercial	2.85%
Self-Pay	1.14%
<b>Total</b>	<b>100.00%</b>

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)
Nov-25	9,679	8,956	723
Dec-25	11,153	11,576	(423)
<b>Total</b>	<b>67,128</b>	<b>66,341</b>	<b>787</b>

## SJ HEALTH INCOME STATEMENT – DECEMBER 2025

	Current Period Actual	Current Period Budget - Original	Current Period Budget Variance - Original	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
<b>Operating Revenue</b>						
Net Patient Service Revenue	2,097,889	2,117,351	(19,463)	12,507,119	12,172,258	334,861
Supplemental Revenue	2,280,922	2,280,922	0	13,685,535	13,685,535	0
Capitation Revenue	419,266	458,333	(39,067)	2,646,288	2,750,000	(103,712)
Managed Care Incentives	79,000	79,000	0	474,000	1,074,000	(600,000)
Grant Revenue	76,954	41,719	35,236	515,537	250,312	265,226
340B Pharmacy Program	231,942	233,333	(1,392)	1,360,416	1,400,000	(39,584)
MOU & Other Income	59,972	64,556	(4,584)	885,988	822,500	63,488
<b>Total Operating Revenue</b>	<b>5,245,946</b>	<b>5,275,215</b>	<b>(29,269)</b>	<b>32,074,884</b>	<b>32,154,605</b>	<b>(79,721)</b>
<b>Expenditures</b>						
Salaries & Wages	1,721,061	2,561,508	840,446	10,454,772	14,807,451	4,352,679
Employee Benefits	909,905	1,393,489	483,584	5,211,455	8,038,692	2,827,237
Professional Fees	491,347	541,653	50,305	3,364,170	3,249,915	(114,255)
Purchased Services	277,763	267,577	(10,186)	1,548,192	1,605,462	57,270
Supplies	182,898	160,577	(22,321)	1,168,078	963,464	(204,613)
Depreciation	56,999	53,608	(3,391)	372,449	321,647	(50,802)
Interest	1,249	1,219	(30)	8,330	7,313	(1,018)
Office Expense	1,427	1,667	240	8,982	10,000	1,018
Dues, Subscription & Fees	129,433	127,119	(2,314)	815,442	762,713	(52,730)
Repairs & Maintenance	64,933	65,525	592	395,022	393,150	(1,872)
Telephone & Internet	13,881	20,599	6,718	89,222	123,595	34,372
Advertising & Promotions	990	5,024	4,034	13,689	30,141	16,452
Travel & Training	26,959	33,162	6,203	273,200	198,969	(74,230)
Insurance	38,104	35,120	(2,984)	245,827	210,723	(35,104)
Utilities	125,187	130,577	5,390	730,188	783,462	53,274
Rent	108,211	116,226	8,015	664,870	697,354	32,484
Miscellaneous	12,473	33,864	21,390	288,549	203,182	(85,366)
<b>Total Expenditures</b>	<b>4,162,819</b>	<b>5,548,511</b>	<b>1,385,692</b>	<b>25,652,437</b>	<b>32,407,234</b>	<b>6,754,797</b>
<b>Net Income(Loss)</b>	<b>1,083,127</b>	<b>(273,296)</b>	<b>1,356,423</b>	<b>6,422,447</b>	<b>(252,630)</b>	<b>6,675,077</b>

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## SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS DECEMBER 2025 (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

Income Statement Grouping	Current Period				December 2025 - Variance Explanations
	Current Period Actual	Current Period Budget - Original	Budget Variance - Original	% Variance	
<b>Revenues</b>					
Net Patient Service Revenue	2,097,889	2,117,351	(19,463)	-1%	Unfavorable variance mainly due to visits being lower than budget by 423 visits.
Grant Revenue	76,954	41,719	35,236	84%	Favorable variance due to actual ARPA grant revenue higher than budget.
<b>Expenditures</b>					
Salaries & Wages	1,721,061	2,561,508	840,446	33%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Dec 2025 FTEs for direct hire positions are 188.93 compared to budgeted FTEs for 239.
Employee Benefits	909,905	1,393,489	483,584	35%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Dec 2025 FTEs for direct hire positions are 188.93 compared to budgeted FTEs for 239.
Supplies	182,898	160,577	(22,321)	-14%	Unfavorable variance mainly due to increase in pharmaceutical expenses related to the 340B pharmacy program.
Telephone & Internet	13,881	20,599	6,718	33%	Favorable due to actual telecommunication expenses lower than budget.
Advertising & Promotions	990	5,024	4,034	80%	Favorable due to actual advertising expenses lower than budget.
Travel & Training	26,959	33,162	6,203	19%	Favorable due to actual travel expenses lower than budget in December.
Miscellaneous	12,473	33,864	21,390	63%	Favorable variance mainly due to the reversal of the prior period accrual of Comphealth invoice for provider recruitment offset by actual minor equipment expenses higher than budget.

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## SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS YTD FY26 (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

Income Statement Grouping	Current Period				YTD - Variance Explanations
	Current Period Actual	Current Period Budget - Original	Budget Variance - Original	% Variance	
<b>Revenues</b>					
Net Patient Service Revenue	12,507,119	12,172,258	334,861	3%	Favorable variance mainly due to visits being higher than budget by 787 visits.
Managed Care Incentives	474,000	1,074,000	(600,000)	-56%	Unfavorable mainly due to budgeted \$600K PCP Hedis Incentive revenue for CY2024, which has been accrued in FY25.
Grant Revenue	515,537	250,312	265,226	106%	Favorable variance due to actual ARPA grant revenue higher than budget along with recognizing unbudgeted Binational Health grant revenue.
<b>Expenditures</b>					
Salaries & Wages	10,454,772	14,807,451	4,352,679	29%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Dec 2025 FTEs for direct hire positions are 188.93 compared to budgeted FTEs for 239.
Employee Benefits	5,211,455	8,038,692	2,827,237	35%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Dec 2025 FTEs for direct hire positions are 188.93 compared to budgeted FTEs for 239.
Supplies	1,168,078	963,464	(204,613)	-21%	Unfavorable variance mainly due to increase in pharmaceutical expenses related to the 340B pharmacy program.
Telephone & Internet	89,222	123,595	34,372	28%	Favorable due to actual telecommunication expenses lower than budget.
Advertising & Promotions	13,689	30,141	16,452	55%	Favorable due to actual advertising expenses lower than budget.
Travel & Training	273,200	198,969	(74,230)	-37%	Unfavorable variance mostly due to higher than anticipated travel expenses related to contracted medical staff not budgeted.
Insurance	245,827	210,723	(35,104)	-17%	Unfavorable variance mainly related to higher than anticipated malpractice insurance expenses for contracted medical staff.
Miscellaneous	288,549	203,182	(85,366)	-42%	Unfavorable variance related to higher than anticipated recruiting and minor equipment expenses.

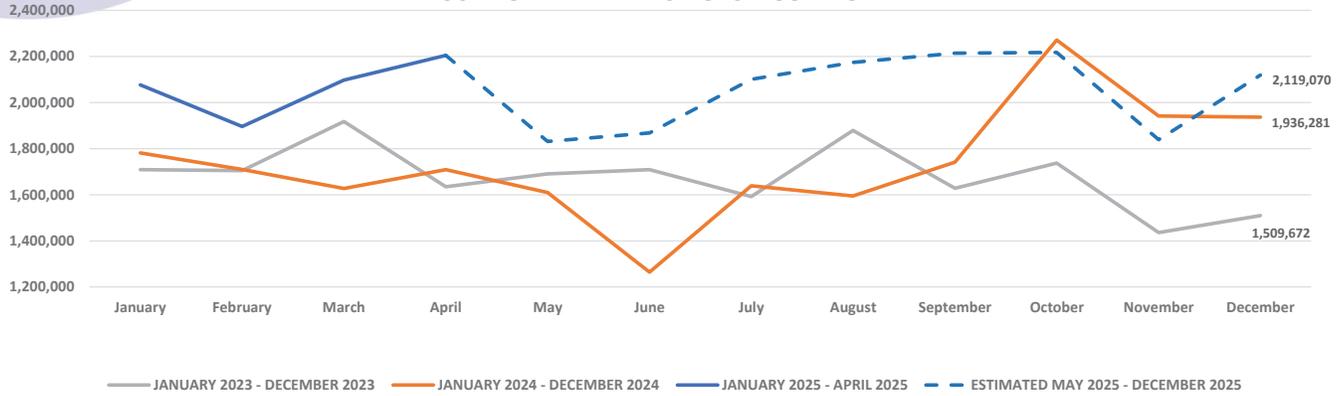
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## SJ HEALTH BALANCE SHEET- DECEMBER 2025

	FY2025 JUNE 30, 2025 (UNAUDITED)	FY2026 FQE SEPTEMBER 30, 2025	FY2026 FQE DECEMBER 31, 2025
<b>Assets</b>			
Cash & Cash Equivalents	32,994,295	32,464,668	32,491,874
Accounts Receivable	2,282,608	2,123,851	1,054,695
Property & Equipment	2,323,595	2,169,907	2,024,634
Other Assets	<u>15,901,518</u>	<u>21,608,100</u>	<u>26,515,520</u>
Total Assets	<u>53,502,017</u>	<u>58,366,527</u>	<u>62,086,722</u>
<b>Liabilities</b>			
Accounts Payable	1,607,815	860,296	1,746,813
Other Liabilities	<u>5,947,579</u>	<u>8,175,594</u>	<u>7,921,275</u>
Total Liabilities	<u>7,555,394</u>	<u>9,035,890</u>	<u>9,668,087</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	1,722,042
Current YTD Net Income	<u>5,313,932</u>	<u>3,384,015</u>	<u>6,422,447</u>
Total Net Assets	<u>45,946,622</u>	<u>49,330,638</u>	<u>52,418,635</u>
Total Liabilities and Net Assets	<u>53,502,017</u>	<u>58,366,527</u>	<u>62,086,722</u>

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### 36-MONTH TRENDS - CASH COLLECTED

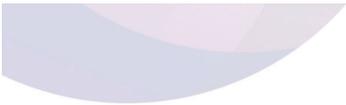


FY26 Collections By Financial Class	%
Medicaid	94.43%
Medicare	4.96%
Commercial	0.30%
Self-Pay	0.31%
Total	100.00%

NOTE: COLLECTIONS FROM MAY 2025 THROUGH DECEMBER 2025 HAVE BEEN ESTIMATED BASED ON THE HISTORICAL COLLECTIONS TREND. INCREASE IN COLLECTIONS FROM JANUARY 2025 THROUGH DECEMBER 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> As a % of Operating Revenue	>3%	4%	5%	10.1%	20.0%
<b>2 Bottom Line Margin</b> As a % of Operating Revenue	>3%	6%	6%	10.1%	20.0%
<b>3 Days Cash on Hand</b>	>60 Days	105	129	259	236
<b>4 Days in Net Patient Receivables</b>	<45 Days	36	39	37	24
<b>5 Personnel-Related Expense (PRE)</b> As a % of Operating Revenue	<70%	69%	72%	72%	64%



# 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.
- YTD net income is favorable to budget by \$6.68M.
- YTD billable visits are favorable to budgeted billable visits by 787.
- \$1.7M have been recorded as Restricted Net Assets on the December 2025 financials.

## **CEO & CMO Report – February 2026**

Over the past month, our focus has remained on operational stabilization, access improvement, workforce strengthening, compliance execution, and preparation for strategic growth. Operational performance continues to trend positively. From January 2025 to January 2026, our monthly unseen-to-seen conversion rate improved from 1.33% to 1.97% (a ~48% relative increase) while the unseen backlog declined from 19,317 to 12,282 (a 36% reduction), demonstrating sustained and accelerating engagement of previously unseen assigned members. Daily visits in January averaged 577, and total visits reached 11,417 compared to 9,234 in January 2025, reflecting strong year-over-year growth. Slot utilization improved to 78%, and no-show rates declined to 21.7%, down from 28% last year. As attendance improves and clinics approach capacity, we are evaluating modest adjustments to individual provider volume expectations to preserve quality and mitigate burnout risk while sustaining access gains. Referral optimization, outreach workflows, and scheduling discipline remain priorities.

A significant milestone this month was the go-live of the Cerner empanelment tool. Patients are now being assigned to providers based on agreed attribution logic that incorporates visit history and longitudinal EMR relationships. The resulting patient lists will serve as structured worklists for panel coordination and resident empanelment, strengthening continuity of care, provider accountability, and compliance with ACGME continuity clinic requirements.

From a workforce perspective, clinics are nearing functional capacity. A pediatrician candidate is touring this week, a new LCSW will begin at PMC on March 9, and two additional physicians are slated to start in Q3 2026, including one Internal Medicine physician to support the IM continuity clinic. In addition, UC Davis has committed to placing one Family Medicine Clerkship student per rotational block beginning in May, strengthening our academic partnership and long-term recruitment pipeline.

To inform future substance use disorder initiatives at the BeWell campus and Lodi clinic, we visited Janus of Santa Cruz, a recognized center of excellence, to evaluate their recovery housing, withdrawal management, and sobering center models. Particular attention was given to staffing structures, open-access design, reimbursement strategies, and county integration, including coordination with the Sheriff's Office. These insights will inform our program development and financial planning for upcoming SUD expansions at the BeWell Center and Lodi Access Center clinic.

Progress continues on the Lodi Access Center clinic. We presented at the Lodi City Council meeting on February 4, where Outreach Ministries was selected as the shelter operator. The lease agreement draft is complete and under review by Lodi counsel, and once executed, architecture and construction agreements will be finalized to initiate buildout. A no-cost 12-month extension is being submitted to account for administrative contracting delays.

Quality performance remains steady. Gap-closure activities, incentive-based patient engagement, and targeted provider education continue to drive measurable improvement. January Press Ganey

results show overall sentiment at 63% positive and 15% negative, indicating continued opportunity for improvement in patient experience.

The UDS 2025 report was successfully submitted on February 15, documenting 30,000 unique patients and 115,000 UDS-eligible visits. The report confirms that 95% of our patients are Medi-Cal beneficiaries, 85% are in managed care, 68% identify as racial and/or ethnic minorities, 40% are best served in a language other than English, 75% of known patients are at or below 100% of the federal poverty level, and 95% of known patients are at or below 200% FPL. Quality metrics were largely consistent with the prior year.

Strategic planning efforts for the 2026–2028 cycle continue in collaboration with Gary Bess Associates and County partners, and a dedicated Board strategic planning session is scheduled for May.

Overall, the organization continues to demonstrate measurable operational progress while positioning itself for thoughtful expansion, particularly in behavioral health and substance use disorder services.

Lastly, regarding our next meeting, we are suggesting moving it up to 3/24 to accommodate more attendees.

**INITIAL APPOINTMENTS  
March 2026**

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.

<b>Membership Request</b>	<b>Name</b>	<b>Specialty/ Assigned Div/Dept</b>	<b>Competency / Privilege Review</b>	<b>Proctoring Required</b>	<b>Proctor</b>	<b>Rec Status/Term</b>	<b>Recommend</b>
INITIAL APPOINTMENT March 2026	Joseph Izzo MD	Emergency Medicine	Requirements for active staff met	None	Active 03/26-03/27	CRED: 03/10/2026 MED: 03/18/2026 BOARD: 03/24/2026	SJHEALTH MED STAFF



San Joaquin Health Centers  
Financial Statement Comments  
January 2026

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

Year-to-date (YTD) billable visits as of January are favorable to budget by 1,736 visits. Net Patient Service Revenues for January are favorable to budget by \$339,800 which is in line with the favorable billable visits for the month. YTD financials reflect an estimated PPS liability accrual of \$175,000. YTD financials include Medi-Cal payment for \$139,334 for FY2023 PPS liabilities due to DHCS. Also, YTD financials include Medi-Cal payment for \$307,979 for FY2022 PPS receivable due from DHCS.

Supplemental Revenue includes the recognition of estimated Quality Incentive Program (QIP) revenue of \$15,966,457. Also, YTD financials include Capitation Revenue for \$3,034,060 and 340B Pharmacy program revenue for \$1,478,441. Grant Revenues include ARPA and Binational Health grant revenues for \$593,867. YTD financials include estimated Hedis Gap Closure incentive revenues accrued for \$474,000 for July through December health care services. In FY26, SJ Health Centers received the HEDIS incentive payment for \$1,770,427 for CY2024 which has been reported on the FY26 balance sheet, and the related incentive revenue has been accrued in FY25.

Other Revenue includes revenues accrued for \$396,297 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for \$796,394 has been reflected on the financials, which is favorable compared to budget by \$41,756.

Total Operating Revenue is favorable to budget by \$56,663 primarily due to favorable variance in revenues for \$1,064,828 related to patient services, SJGH Chargebacks per MOU, interest income, and grants higher than budget offset by unfavorable revenues for \$1,008,165 related to Physician Capitation, 340B Pharmacy Program, and HEDIS incentive revenue. FY26 budget includes \$600,000 related to the HEDIS incentive payment for CY2024 which has been accrued as revenue in FY25.

Salaries and Benefits expenses exhibit a favorable variance to budget by \$8,184,008 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 \$339,479 largely due to an unfavorable variance for \$636,508 for Supplies, Depreciation, Interest, Dues, Repairs, Travel, Insurance and Miscellaneous expenses offset by a favorable variance of \$297,029 reflected in the Professional Fees, Purchased Services, Office, Telephone, Advertising, Utilities, and Rent expense categories. An estimated accrual for the Purchased Services is recorded from July through January based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by \$7,844,529.

Unaudited, as presented, YTD Net Income of \$7,592,051 represents a favorable variance of \$7,901,192 as compared to budgeted Net Loss of \$309,141. 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.

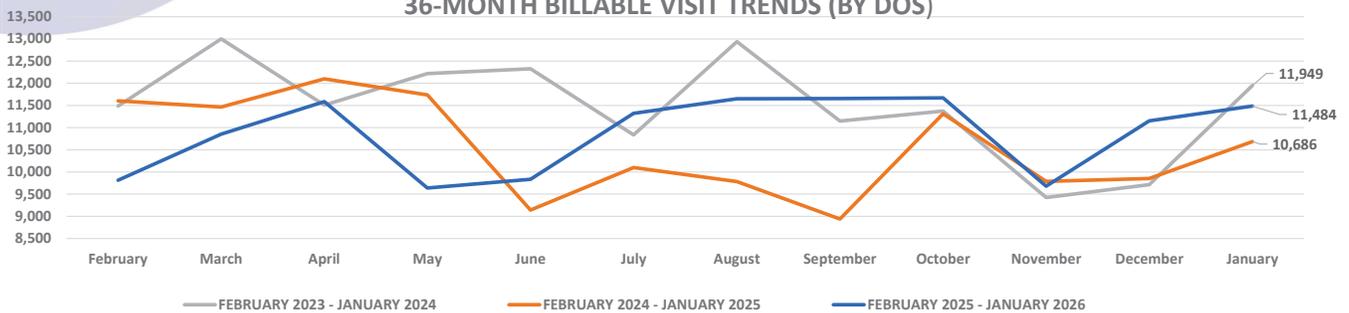
**Additional Factors Impacting FQHC Fiscal Results**

- 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 \$1,723,542 as of January 2026.

# SAN JOAQUIN HEALTH CENTERS FINANCE PRESENTATION JANUARY 2026 FINANCIAL STATEMENTS

Alison Shih  
Management Services Administrator  
Presentation Date: 3/24/2026

36-MONTH BILLABLE VISIT TRENDS (BY DOS)



FY26 Visits By Financial Class	Actual
Medi-Cal Managed Care	78.49%
Medicare	11.45%
Medi-Cal	6.20%
Commercial	2.75%
Self-Pay	1.11%
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)
Nov-25	9,679	8,956	723
Dec-25	11,153	11,576	(423)
Jan-26	11,484	10,535	949
Total	78,612	76,876	1,736

## SJ HEALTH INCOME STATEMENT – JANUARY 2026

	Current Period Actual	Current Period Budget - Original	Current Period Budget Variance - Original	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
<b>Operating Revenue</b>						
Net Patient Service Revenue	2,309,048	1,969,249	339,800	14,816,168	14,141,507	674,661
Supplemental Revenue	2,280,922	2,280,922	0	15,966,457	15,966,457	0
Capitation Revenue	387,772	458,333	(70,561)	3,034,060	3,208,333	(174,273)
Managed Care Incentives	0	79,000	(79,000)	474,000	1,153,000	(679,000)
Grant Revenue	78,329	41,719	36,611	593,867	292,030	301,836
340B Pharmacy Program	118,026	233,333	(115,308)	1,478,441	1,633,333	(154,892)
MOU & Other Income	306,981	282,138	24,843	1,192,969	1,104,638	88,331
<b>Total Operating Revenue</b>	<b>5,481,079</b>	<b>5,344,695</b>	<b>136,384</b>	<b>37,555,963</b>	<b>37,499,299</b>	<b>56,663</b>
<b>Expenditures</b>						
Salaries & Wages	1,772,303	2,467,909	695,605	12,227,075	17,275,360	5,048,285
Employee Benefits	1,031,297	1,339,783	308,486	6,242,752	9,378,475	3,135,723
Professional Fees	388,752	541,653	152,901	3,752,922	3,791,568	38,646
Purchased Services	234,221	267,577	33,356	1,782,412	1,873,039	90,627
Supplies	166,449	160,577	(5,871)	1,334,527	1,124,042	(210,485)
Depreciation	56,999	53,608	(3,391)	429,447	375,255	(54,193)
Interest	1,192	1,219	27	9,522	8,531	(991)
Office Expense	1,381	1,667	285	10,363	11,667	1,304
Dues, Subscription & Fees	246,090	127,119	(118,971)	1,061,533	889,832	(171,701)
Repairs & Maintenance	64,746	65,525	779	459,768	458,675	(1,093)
Telephone & Internet	12,752	20,599	7,847	101,975	144,194	42,219
Advertising & Promotions	972	5,024	4,051	14,662	35,165	20,503
Travel & Training	31,995	33,162	1,167	305,194	232,131	(73,063)
Insurance	39,401	35,120	(4,280)	285,227	245,843	(39,384)
Utilities	122,442	130,577	8,135	852,630	914,039	61,409
Rent	106,388	116,226	9,838	771,258	813,579	42,321
Miscellaneous	34,095	33,864	(232)	322,644	237,046	(85,598)
<b>Total Expenditures</b>	<b>4,311,475</b>	<b>5,401,206</b>	<b>1,089,732</b>	<b>29,963,911</b>	<b>37,808,440</b>	<b>7,844,529</b>
<b>Net Income(Loss)</b>	<b>1,169,604</b>	<b>(56,512)</b>	<b>1,226,116</b>	<b>7,592,051</b>	<b>(309,141)</b>	<b>7,901,192</b>

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## SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS JANUARY 2026 (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

Income Statement Grouping	Current Period Actual	Current Period Budget - Original	Current Period		January 2026 - Variance Explanations
			Budget Variance - Original	% Variance	
<b>Revenues</b>					
Net Patient Service Revenue	2,309,048	1,969,249	339,800	17%	Favorable variance mainly due to visits being higher than budget by 949 visits.
Capitation Revenue	387,772	458,333	(70,561)	-15%	Unfavorable variance mainly due to decline in membership panel size.
Managed Care Incentives	-	79,000	(79,000)	-100%	Unfavorable variance mainly due to the HEDIS Gap Closure Block Access incentive revenue contract expired in December 2025 which is not renewed yet and resulting in no revenue recognition for the month.
340B Pharmacy Program	118,026	233,333	(115,308)	-49%	Unfavorable variance mainly due to actual 340b pharmacy activity lower than budgeted for the month.
<b>Expenditures</b>					
Salaries & Wages	1,772,303	2,467,909	695,605	28%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Jan 2026 FTEs for direct hire positions are 191.78 compared to budgeted FTEs for 239.
Employee Benefits	1,031,297	1,339,783	308,486	23%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Jan 2026 FTEs for direct hire positions are 191.78 compared to budgeted FTEs for 239.
Professional Fees	388,752	541,653	152,901	28%	Favorable variance mainly due to actual activity lower than budgeted for contracted consulting services.
Purchased Services	234,221	267,577	33,356	12%	Favorable variance mainly due to EMMI fees lower than budgeted based on the actual lower collection in January.
Dues, Subscription & Fees	246,090	127,119	(118,971)	-94%	Unfavorable mainly due to FY25 invoices for \$123K for Nuance Communications recorded in January, to be reversed in February.
Telephone & Internet	12,752	20,599	7,847	38%	Favorable due to actual telecommunication expenses lower than budget.
Advertising & Promotions	972	5,024	4,051	81%	Favorable due to actual advertising expenses lower than budget.
Insurance	39,401	35,120	(4,280)	-12%	Unfavorable variance mainly related to higher than anticipated malpractice insurance expenses for contracted medical staff.

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## SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS YTD FY26 (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

Income Statement Grouping	Current Period				YTD - Variance Explanations
	Current Period Actual	Current Period Budget - Original	Budget Variance - Original	% Variance	
<b>Revenues</b>					
Net Patient Service Revenue	14,816,168	14,141,507	674,661	5%	Favorable variance mainly due to visits being higher than budget by 1,736 visits.
Managed Care Incentives	474,000	1,153,000	(679,000)	-59%	Unfavorable mainly due to budgeted \$600K for PCP Hedis Incentive revenue for CY2024, which has been accrued in FY25.
Grant Revenue	593,867	292,030	301,836	103%	Favorable variance due to actual ARPA grant revenue higher than budget along with recognizing unbudgeted Binational Health grant revenue.
<b>Expenditures</b>					
Salaries & Wages	12,227,075	17,275,360	5,048,285	29%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Jan 2026 FTEs for direct hire positions are 191.78 compared to budgeted FTEs for 239.
Employee Benefits	6,242,752	9,378,475	3,135,723	33%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Jan 2026 FTEs for direct hire positions are 191.78 compared to budgeted FTEs for 239.
Dues, Subscription & Fees	1,061,533	889,832	(171,701)	-19%	Unfavorable mainly due to FY25 invoices for \$123K for Nuance Communications recorded in January, to be reversed in February.
Telephone & Internet	101,975	144,194	42,219	29%	Favorable due to actual telecommunication expenses lower than budget.
Advertising & Promotions	14,662	35,165	20,503	58%	Favorable due to actual advertising expenses lower than budget.
Travel & Training	305,194	232,131	(73,063)	-31%	Unfavorable variance mostly due to higher than anticipated travel expenses related to contracted medical staff not budgeted.
Insurance	285,227	245,843	(39,384)	-16%	Unfavorable variance mainly related to higher than anticipated malpractice insurance expenses for contracted medical staff.
Miscellaneous	322,644	237,046	(85,598)	-36%	Unfavorable variance related to higher than anticipated recruiting and minor equipment expenses.

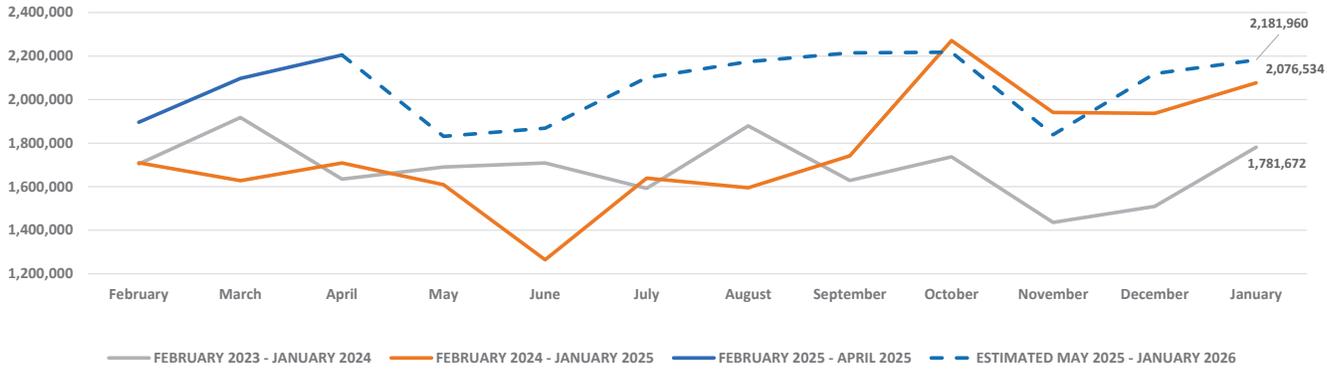
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## SJ HEALTH BALANCE SHEET- JANUARY 2026

	FY2025 JUNE 30, 2025 (UNAUDITED)	FY2026 FQE SEPTEMBER 30, 2025	FY2026 FQE DECEMBER 31, 2025	FY2026 AS OF JANUARY 31, 2026
<b>Assets</b>				
Cash & Cash Equivalents	32,994,295	32,464,668	32,491,874	31,873,521
Accounts Receivable	2,282,608	2,123,851	1,054,695	1,455,385
Property & Equipment	2,323,595	2,169,907	2,024,634	1,967,635
Other Assets	<u>15,901,518</u>	<u>21,608,100</u>	<u>26,515,520</u>	<u>28,535,144</u>
Total Assets	<u>53,502,017</u>	<u>58,366,527</u>	<u>62,086,722</u>	<u>63,831,686</u>
<b>Liabilities</b>				
Accounts Payable	1,607,815	860,296	1,746,813	1,641,622
Other Liabilities	5,947,579	8,175,594	7,921,275	8,320,857
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>279,467</u>
Total Liabilities	<u>7,555,394</u>	<u>9,035,890</u>	<u>9,668,087</u>	<u>10,241,946</u>
<b>Net Assets</b>				
Unrestricted Net Assets	38,960,214	44,274,146	44,274,146	44,274,146
Restricted Net Assets	1,672,477	1,672,477	1,722,042	1,723,542
Current YTD Net Income	<u>5,313,932</u>	<u>3,384,015</u>	<u>6,422,447</u>	<u>7,592,051</u>
Total Net Assets	<u>45,946,622</u>	<u>49,330,638</u>	<u>52,418,635</u>	<u>53,589,739</u>
Total Liabilities and Net Assets	<u>53,502,017</u>	<u>58,366,527</u>	<u>62,086,722</u>	<u>63,831,686</u>

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### 36-MONTH TRENDS - CASH COLLECTED



FY26 Collections By Financial Class	%
Medicaid	94.44%
Medicare	4.94%
Self-Pay	0.33%
Commercial	0.29%
Total	100.00%

NOTE: COLLECTIONS FROM MAY 2025 THROUGH JANUARY 2026 HAVE BEEN ESTIMATED BASED ON THE HISTORICAL COLLECTIONS TREND. INCREASE IN COLLECTIONS FROM FEBRUARY 2025 THROUGH JANUARY 2026 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> As a % of Operating Revenue	>3%	4%	5%	10.1%	20.2%
<b>2 Bottom Line Margin</b> As a % of Operating Revenue	>3%	6%	6%	10.1%	20.2%
<b>3 Days Cash on Hand</b>	>60 Days	105	129	259	232
<b>4 Days in Net Patient Receivables</b>	<45 Days	36	39	37	27
<b>5 Personnel-Related Expense (PRE)</b> As a % of Operating Revenue	<70%	69%	72%	72%	64%

<b>San Joaquin County Clinics</b>	<b>Department of Finance</b>		Page 32 of 39
	Policy/Procedure No  2000	Effective  04/01/2021	Date Replaces
Title of Policy/Procedure <b>Financial Management Policies</b>			

## 3500 Sliding Fee Discount

### **Policy**

San Joaquin County Clinics (SJCC) will provide a sliding fee discount program to assist all patients, regardless of insurance status, to be able to access all in-scope services regardless of ability to pay. Eligibility is based on income and family size and no other factors. The program will be designed and implemented as prescribed by the Health Center Compliance manual as published by the Bureau of Primary Health Care (BPHC), a division of the United States Health Resources & Services Administration (HRSA). No patient will be denied care due to inability to pay. SJCC's sliding fee discount (SFD) program will apply for every service, including ancillary services, within SJCC's HRSA approved scope of project.

### **Definitions:**

Family is defined as the patient and his/her legal dependents and spouse/partner within the household.

Income is defined as all earnings used to support the family.

### **Purpose:**

The purpose of this policy is to make available discount services to all patients at or below 200% of the Federal Poverty Guideline.

**Procedure:** The following guidelines are to be followed in providing the Sliding Fee Discount Program.

1. **Notification:** SJCC will notify patients of the Sliding Fee Discount Program by giving an application to patients currently on a SFD when it expires and to all other patients at their first visit of the year. SFD information is available on the SJCC website. [www.sjcclinics.org](http://www.sjcclinics.org)
2. All patients seeking healthcare services at SJCC are assured that they will be served regardless of ability to pay. **No one is refused service because of lack of financial means to pay.**
3. **Administration:** The Sliding Fee Scale Discount Program procedure will be administered through the Patient Access Manager. Information about the Sliding Fee Discount Program policy and procedure will be provided, and assistance offered, for completion of the application to all patients. Dignity and confidentiality will be respected for all who seek and/or are provided services.
4. **Completion of Application:** The patient or responsible party must complete the Sliding Fee Discount Program application in its entirety.
  - Patients who apply will receive the appropriate discount for a period of one year. Any changes during the eligibility period should be reported and reassessed at that time.
  - By signing the Sliding Fee Discount Program application, persons authorize SJCC access in confirming income as disclosed on the application form. Providing false information on the Sliding Fee Discount Program application will result in all Sliding Fee Discount Program discounts being revoked and the full balance of the account(s) restored and payable immediately.

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- Self-declaration of income: If the patient is not able to produce proof of income, then the patient is required to bring proof of income within thirty days of self-declaration. If no proof of income is submitted within the 30-day period, then the patient will be charged at Full Fee for future visits.
- Patients are required to complete a sliding fee application every twelve months.

5. **Income verification:** Applicants must provide one of the following:

- Paid weekly – 4 pay stubs
- Paid bi-weekly / Semi-monthly – 2 pay stubs
- Letter from employer verifying gross income
- Self-employed individuals will be required to submit detail of the most recent three months of income and expenses for the business.
- Most recent income tax filing or prior year W-2
- Affidavit of income
- Most recent bank statements

6. **Discount Pay Classes:**

- Nominal Fee: Patients at or below 100% FPG will be assessed a nominal charge per visit. The nominal charge is a flat fee, nominal from the patient’s perspective, and is not based on actual cost of service. Those with incomes at or below 100% of poverty will not pay more than those with incomes above 100% of poverty.
- Discounts are provided for patients with incomes at or below 200% of the Federal Poverty Guideline (FPG). These discounts adjust based on gradations in income levels and include total of four discounted pay classes. Patients above 200% of the FPG will be charged at the Full Fee rate.
- The sliding fee schedule will be updated during the first quarter of every calendar year with the latest federal poverty guidelines (FPG), <http://aspe.hhs.gov/poverty>.

7. **Applicant notification:** The Sliding Fee Discount Program determination will be provided to the applicant(s) in writing, and will include the Sliding Fee Discount Program Discount, or, if applicable, the reason for denial.

8. **Refusal to Pay:** SJCC does not refuse services to patients for nonpayment.

9. **Third Party Insurance:** Patients with third party insurance are subject to any limitations on further discounting amounts required by the insurer due to applicable Federal and state law, Medicare and Medicaid and / or terms and conditions of private payor contracts. Patients with insurance that are eligible for the SFS program are charged no more than they would have owed under the SFS program.

10. **Record keeping:** Information related to Sliding Fee Discount Program decision will be scanned by the registration staff and maintained electronically in the SJCC’s Electronic Health Record in

<b>San Joaquin County Clinics</b>	<b>Department of Finance</b>		Page 34 of 39
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an effort to preserve the dignity of those receiving free or discounted care.

- Applicants that have been approved for the Sliding Fee Discount Program will be annotated in SJCC’s Electronic Practice Management system.

**Evaluation:** At a minimum, once every three years, the sliding fee program will be reviewed from the perspective of reducing patient financial barriers to care. SJCC shall include input from patients in various forms including, but not limited to, patient focus groups, patient surveys, and input from board members that are also patients of SJCC.

**Attachment A – Sliding Fee Discount Scale**

## Sliding Fee Discount Program for San Joaquin Health Centers

### 2026 Federal Poverty Level Based on Monthly Income by Family Size

Office Visit	\$30 Nominal Fee	\$40 Minimum Fee	\$50 Minimum Fee	\$60 Minimum Fee	FULL FEE
Nurse Visit	\$5 Nominal Fee	\$10 Minimum Fee	\$15 Minimum Fee	\$20 Minimum Fee	FULL FEE
Family Size	0 - 100%	101 - 133%	134 - 150%	151 - 200%	Over 200%
1	0 - \$1,330	\$1,331 - \$1,769	\$1,770 - \$1,995	\$1,996 - \$2,660	\$2,661 and over
2	0 - \$1,803	\$1,804 - \$2,398	\$2,399 - \$2,705	\$2,706 - \$3,607	\$3,608 and over
3	0 - \$2,277	\$2,278 - \$3,028	\$3,029 - \$3,415	\$3,416 - \$4,553	\$4,554 and over
4	0 - \$2,750	\$2,751 - \$3,658	\$3,659 - \$4,125	\$4,126 - \$5,500	\$5,501 and over
5	0 - \$3,223	\$3,224 - \$4,287	\$4,288 - \$4,835	\$4,836 - \$6,447	\$6,448 and over
6	0 - \$3,697	\$3,698 - \$4,917	\$4,918 - \$5,545	\$5,546 - \$7,393	\$7,394 and over
7	0 - \$4,170	\$4,171 - \$5,546	\$5,547 - \$6,255	\$6,256 - \$8,340	\$8,341 and over
8	0 - \$4,643	\$4,644 - \$6,176	\$6,177 - \$6,965	\$6,966 - \$9,287	\$9,288 and over
<b>Each additional person +8</b>	\$473	\$630	\$710	\$947	\$947

FULL FEE
All above Services - Income Above 200% of Federal Poverty Guidelines or No Proof of Income



## **CMO Report – March 24, 2026 Board Meeting**

### Clinical Operations

- Daily visit volume remains strong, averaging approximately 600 visits per day across the system.
- Continued monitoring of clinic access and same-day availability to maintain patient access.
- Street Medicine NP Victor has begun working Saturday gap clinics at the main clinic site to help address access needs and evaluate weekend clinic utilization.

### Employee Health Space Expansion

- Planning continues to utilize the employee health space as an additional clinical site for SJ Health services.
- Met with engineering and facilities to evaluate rebranding and signage so the site is clearly identified as SJ Health rather than hospital-based services.
- Current plan is for Internal Medicine residents to utilize the space in the afternoons.
- Morning clinic model is still under evaluation. Potential options being explored include behavioral health services, dental services, or other specialty services depending on operational need.

### Workforce and Recruitment

- Recruitment efforts remain ongoing across multiple service lines.
- Locum provider utilization continues to decrease and is expected to be reduced to two providers, with one permanent provider returning in June.
- One operational barrier identified is the complexity and timelines associated with J-1 visa sponsorship for international physicians.

### Hospital Collaboration

- Continued collaboration with hospital leadership regarding specialty service alignment.
- Discussions underway regarding potential transition of Maternal Fetal Medicine and Gynecologic Oncology services to the hospital system to better align specialty resources.

### Radiology Access

- Working with hospital leadership to improve direct scheduling access to radiology services, particularly mammography.
- Exploring opportunities for Saturday mammography availability to improve screening access and support quality metric performance.

#### Behavioral Health Coordination

- Collaborating with Liz Le, COO of the health plan, to improve processes for pediatric behavioral health referrals and streamline access for pediatric patients requiring mental health services.

#### System Collaboration

- Continued collaboration with county partners across the healthcare system.
- Recently toured the Public Health Laboratory with Ahad to better understand current capabilities and opportunities for coordination with clinical services.

## **CEO Report – March 24, 2026 Board Meeting**

Over the past month, our efforts have remained focused on sustaining operational gains, strengthening financial infrastructure, advancing key capital projects, and positioning the organization for long-term strategic growth. We continue to see steady progress across access, workforce alignment, and system integration.

Operational performance remains strong and stable. Month-to-date average daily visits are 585, reflecting continued growth and consistency in patient demand. February visit volume reached 11,654, building on the upward trend observed earlier this year. Slot utilization remains high at 78.2%, and no-show rates have continued to improve to 21.5%, down from prior year levels. As access improves and clinics approach capacity, we are continuing to evaluate provider template optimization and workload balancing to ensure sustainability, quality, and staff retention.

From a financial standpoint, development of the FY 2026–2027 budget is nearing completion. The proposed adopted budget totals approximately \$68 million and represents a fully consolidated operational budget for the Health Center. This marks a significant shift from last year’s submission, which reflected only a portion of San Joaquin Health’s operating budget and excluded key cost centers such as professional services, consulting, equipment and supplies, lease expenses, and utilities. The transition to the County’s Health Center Enterprise Fund improves transparency and positions the organization for more accurate financial planning and accountability. Staffing changes in the proposed budget include six position deletions and eight transfers, resulting in a net increase of two positions.

We are also actively pursuing external funding opportunities to support infrastructure improvements. Applications have been submitted through the offices of Representative Harder, Senator Schiff, and Senator Padilla under the Community Project Funding (CPF) program, requesting \$1.4 million to modernize clinical infrastructure at the French Camp campus. These investments are critical to supporting long-term service delivery and operational efficiency.

Progress continues on the Lodi Access Center clinic. The lease agreement has been finalized and is expected to go before the Board of Supervisors in April. Upon execution, architecture and construction agreements will follow, allowing construction of the clinic to commence. To account for administrative delays, we have submitted a no-cost 12-month extension, moving the anticipated project end date to October 2027. This project remains a key strategic priority in expanding access to care for vulnerable populations in the Lodi region.

Significant progress has also been made in reviewing the Memorandum of Understanding (MOU) with the hospital and County regarding purchased services. Recent discussions with senior leadership have resulted in alignment to revise the MOU structure, with most service categories either being eliminated or transitioned to a true cost, usage-based model rather than fixed percentage allocations. Current annual expenditures of approximately \$7–8 million have the potential to be reduced substantially, with estimated future costs in the range of \$400,000 to \$500,000. This represents a major opportunity for cost containment and financial stewardship.

At a high level, recent feedback on frontline staff morale indicates generally stable engagement with opportunities for continued improvement, particularly in areas related to communication and operational consistency. We will continue to assess trends and bring forward more detailed findings and action plans in future Board discussions.

In summary, the organization continues to demonstrate steady operational performance, meaningful progress in financial alignment, and forward momentum on key strategic initiatives. These efforts position us well to sustain access improvements, strengthen infrastructure, and advance our long-term growth strategy. I look forward to discussing these updates and next steps with the Board.