

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

10100 Trinity Parkway, Suite 100, Stockton, CA 95219

April 28, 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

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*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*

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 - March 24, 2026
- 3.2 April 2026 Credentialing Report

4. ACTION ITEMS

- 4.1 February 2026 Finance Report
Board to consider and take possible action

5. DISCUSSION ITEMS

- 5.1 Board Chair Report
- 5.2 CMO Report



SJ HEALTH

San Joaquin Health Centers

- 5.3 CEO Report
- 5.4 Gary Bess Board Retreat Agenda
- 6. **BOARD COMMENTS**
 - 6.1 Open Discussion / Board Member Comments
- 7. **CALENDAR**
 - 7.1 Next Board Meeting - May 30, 2026, at 2:45 PM
- 8. **ADJOURNMENT**



Minutes of March 24, 2026 San Joaquin Health Centers Board of Directors

Board Members Present: Rick Ledo, Nora Hana, Mark Myles, Destiny Easter, James Myers, Cassandra Lacondeguy, Patricia Barrett, Jodie Moreno

Excused Absent: Brian Heck (Board Chair), Samantha Monks (Vice Chair), Jayvin Herrejon, David Ziolkowski

Unexcused Absent: None

SJHC Staff: Matt Garber (Interim CEO); Ahad Yousuf, Dr. Diulio, Alison Shih, Vanessa Garibay (Clerk of the Board)

Guests: Genevieve Valentine, Brandi Hopkins

Legal Counsel: Ed Kiernan

AGENDA ITEM	ATTACHMENTS	ACTION
I. Commencement/Call to Order (Cassandra Lacondeguy) 1. The meeting was called to order at 5:36 p.m. A quorum was established.	No attachment	No action required
II. Public Comment No public comments were made.	No attachment	No action required
III. Consent Calendar (Cassandra Lacondeguy) 1. The consent calendar for March 24, 2026, was presented. 2. A motion was made to approve the Minutes of the February 24, 2026 Board Meeting and the March 2026 Credentialing Report.	March Credentialing Report Attached	1. Pat motioned to accept; Mark seconded; motion passed 8-0 2. Pat motioned to accept; Rick seconded; motion passed 8-0
IV. Action Items (Cassandra Lacondeguy) 1. Alison Shih, SJHC Management Services Administrator, presented the January 2026 financials. 2. A motion was made to approve the 3500 Sliding Fee Discount Policy. 3. Ahad provided an update to the Gary Bess Board Retreat and Training Session that will be held on May 30 th from 9:00 AM to 4:00 PM. A calendar invite will be sent as a placeholder.	January 2026 Finance Report attached 3500 Sliding Fee Discount Policy Attached	2. James motioned to accept; Jodie seconded; motion passed 8-0 3. Pat motioned to accept; Rick seconded; Jodie abstained; motion passed 7-0 with 1 abstention
V. Discussion Items (Cassandra Lacondeguy) 1. CMO Report (Dr. D) 2. CEO Report (Ahad) 3. A motion was made to add an "Open Discussion" section to the agenda.	CMO Report attached CEO Report attached	3. Pat motioned to accept; Mark seconded; motion passed 8-0



VI. <u>Board Comments</u> No board comments were made.	No attachments	No action required
VII. <u>Calendar (Cassandra Lacondeguy)</u> The next board meeting will be April 28, 2026, at 5:30 pm.	No attachments	No action required
VIII. <u>Adjournment (Cassandra Lacondeguy)</u> There being no further discussion, the meeting was adjourned at 6:20 p.m.	No attachments	No action required



**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.

Membership Request	Name	Specialty/ Assigned Div/Dept	Competency / Privilege Review	Proctoring Required	Proctor	Rec Status/Term	Recommend
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.

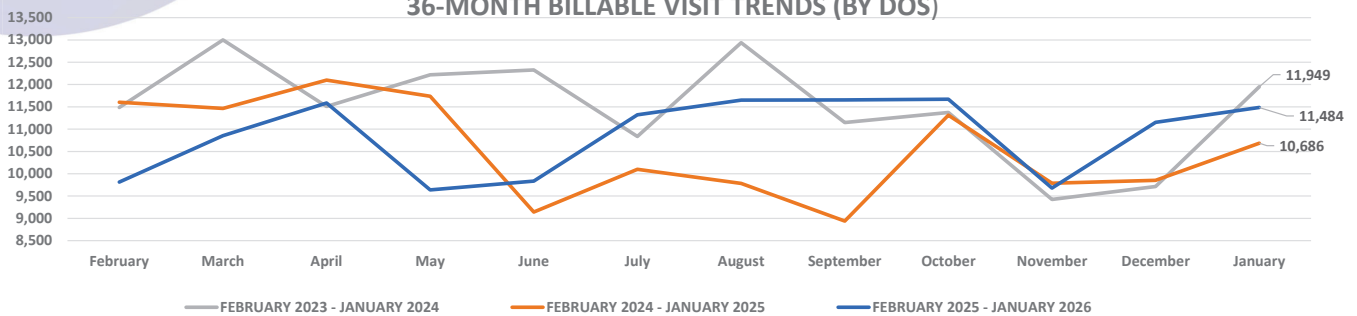
Additional Factors Impacting FQHC Fiscal Results

- 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
Operating Revenue						
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
Total Operating Revenue	5,481,079	5,344,695	136,384	37,555,963	37,499,299	56,663
Expenditures						
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)
Total Expenditures	4,311,475	5,401,206	1,089,732	29,963,911	37,808,440	7,844,529
Net Income(Loss)	1,169,604	(56,512)	1,226,116	7,592,051	(309,141)	7,901,192

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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 Original	% Variance	
Revenues					
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.
Expenditures					
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	
Revenues					
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.
Expenditures					
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.

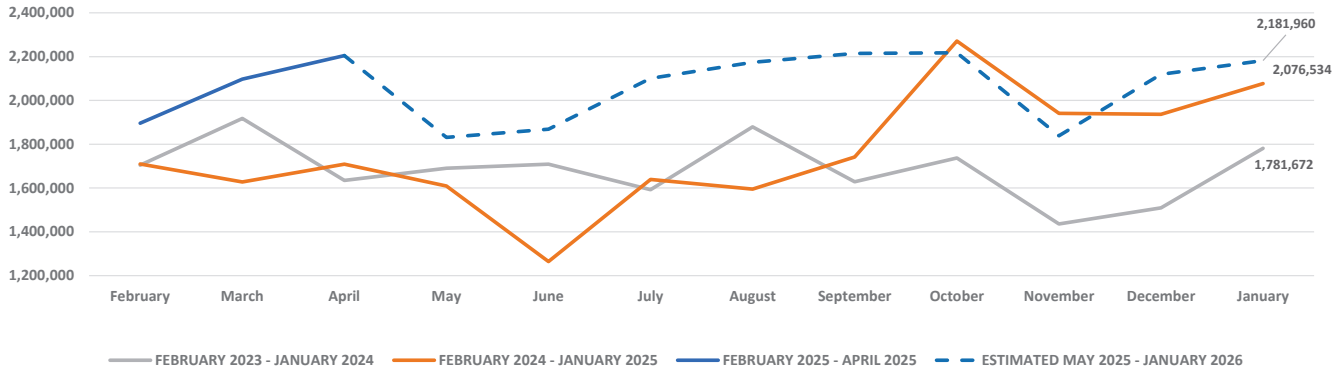
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SJ HEALTH BALANCE SHEET- JANUARY 2026

	FY2025 JUNE 30, 2025 (UNAUDITED)	FY2026 FQE SEPTEMBER 30, 2025	FY2026 FQE DECEMBER 31, 2025	FY2026 AS OF JANUARY 31, 2026
Assets				
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>
Liabilities				
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>
Net Assets				
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
FINANCIAL HEALTH					
1 Operating Margin As a % of Operating Revenue	>3%	4%	5%	10.1%	20.2%
2 Bottom Line Margin As a % of Operating Revenue	>3%	6%	6%	10.1%	20.2%
3 Days Cash on Hand	>60 Days	105	129	259	232
4 Days in Net Patient Receivables	<45 Days	36	39	37	27
5 Personnel-Related Expense (PRE) As a % of Operating Revenue	<70%	69%	72%	72%	64%

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	Policy/Procedure No 2000	Effective 04/01/2021	Date Replaces
Title of Policy/Procedure Financial Management Policies			

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
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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Title of Policy/Procedure Financial Management Policies			

- 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

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	Policy/Procedure No 2000	Effective 04/01/2021	Date Replaces
Title of Policy/Procedure <p style="text-align: center;">Financial Management Policies</p>			

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
Each additional person +8	\$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.

INITIAL APPOINTMENTS

April 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 April 2026	Partha Gonavaram MD	Family Medicine	Requirements for active staff met	None	Active 04/26-04/27	CRED: 04/10/2026 MED: 04/15/2026 BOARD: 04/28/2026	SJHEALTH MED STAFF

REAPPOINTMENTS

April 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.

Membership Request	Name	Specialty/ Div/Dept	Assigned	Quantitative/Qualitative Factors Request for Privileges and/or Privilege Change	Action Taken/Rec. Exceptions for Cause	Rec. Staff Category/ Reappoint Period	Recommend	Credentialing Dept
Reappointment April 2026	Charles Tupper MD	Psychiatrist		Requirements for active staff met	NONE	Active 04/26-04/28	CRED: 04/10/2026 MED: 04/15/2026 BOARD: 04/28/2026	SJHEALTH MED STAFF
Reappointment April 2026	Yunah Hwang NP	Nurse Practitioner		Requirements for active staff met	NONE	Active 04/26-04/28	CRED: 04/10/2026 MED: 04/15/2026 BOARD: 04/28/2026	SJHEALTH MED STAFF
Reappointment April 2026	Estefania Macias CNM	Certified Nurse Midwife		Requirements for active staff met	NONE	Active 04/26-04/28	CRED: 04/10/2026 MED: 04/15/2026 BOARD: 04/28/2026	SJHEALTH MED STAFF

RESIGNATIONS
April 2026

Name	Reason for Resignation:	Effective Date of Resignation
Hina Farooq MD	Relocating	4/6/2026



San Joaquin Health Centers
Financial Statement Comments
February 2026

Summary of FQHC Performance: Fiscal Year-to-Date

Year-to-date (YTD) billable visits as of February are favorable to budget by 3,083 visits. Net Patient Service Revenues for February are favorable to budget by \$297,028 which is in line with the favorable billable visits for the month. YTD financials reflect an estimated PPS liability accrual of \$200,000. 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 \$18,247,380. Also, YTD financials include Capitation Revenue for \$3,379,530 and 340B Pharmacy program revenue for \$1,593,042. Grant Revenues include ARPA and Binational Health grant revenues for \$659,755. YTD financials include Hedis Gap Closure incentive revenues recorded for \$674,467 for July through February 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 \$444,372 related to Purchased Services provided to SJGH by SJHC per the MOU. Interest income for \$796,458 has been reflected on the financials, which is favorable compared to budget by \$27,264.

Total Operating Revenue is favorable to budget by \$251,313 primarily due to favorable variance in revenues for \$1,369,608 related to patient services, SJGH Chargebacks per MOU, interest income, and grants higher than budget offset by unfavorable revenues for \$1,118,295 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 \$8,983,209 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 a favorable variance of \$29,877 largely due to an unfavorable variance for \$499,984 for Supplies, Depreciation, Interest, Dues, Repairs, Travel, Insurance and Miscellaneous expenses offset by a favorable variance of \$529,861 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 February based on the MOU with the County for services purchased from San Joaquin General Hospital. YTD total Operating Expenditures are favorable to budget by \$9,013,086.

Unaudited, as presented, YTD Net Income of \$8,855,409 represents a favorable variance of \$9,264,399 as compared to budgeted Net Loss of \$408,990. 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 \$1,723,038 as of February 2026.

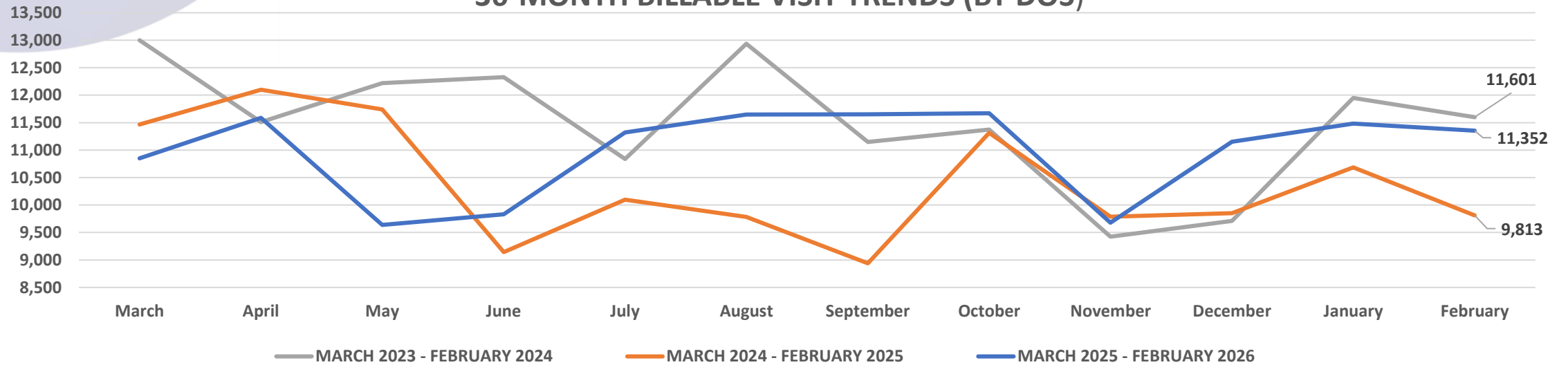
SAN JOAQUIN HEALTH CENTERS FINANCE PRESENTATION FEBRUARY 2026 FINANCIAL STATEMENTS

Alison Shih

Management Services Administrator

Presentation Date: 4/28/2026

36-MONTH BILLABLE VISIT TRENDS (BY DOS)



FY26 Visits By Financial Class	Actual
Medi-Cal Managed Care	78.49%
Medicare	11.42%
Medi-Cal	6.30%
Commercial	2.70%
Self-Pay	1.09%
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
Feb-26	11,352	10,005	1,347
Total	89,964	86,881	3,083

SJ HEALTH INCOME STATEMENT – FEBRUARY 2026

	Current Period Actual	Current Period Budget - Original	Current Period Budget Variance - Original	Current Year Actual	YTD Budget - Original	YTD Budget Variance - Original
Operating Revenue						
Net Patient Service Revenue	2,145,909	1,848,882	297,028	16,962,077	15,990,389	971,689
Supplemental Revenue	2,280,922	2,280,922	0	18,247,380	18,247,380	0
Capitation Revenue	345,470	458,333	(112,864)	3,379,530	3,666,667	(287,137)
Managed Care Incentives	200,467	79,000	121,467	674,467	1,232,000	(557,533)
Grant Revenue	65,888	41,719	24,169	659,755	333,749	326,006
340B Pharmacy Program	114,600	233,333	(118,733)	1,593,042	1,866,667	(273,625)
MOU & Other Income	48,139	64,556	(16,417)	1,241,108	1,169,194	71,914
Total Operating Revenue	5,201,395	5,006,745	194,650	42,757,358	42,506,045	251,313
Expenditures						
Salaries & Wages	1,802,305	2,280,711	478,406	14,029,380	19,556,071	5,526,690
Employee Benefits	911,573	1,232,368	320,795	7,154,324	10,610,843	3,456,519
Professional Fees	379,161	541,653	162,492	4,132,082	4,333,220	201,138
Purchased Services	256,107	267,577	11,470	2,038,519	2,140,616	102,096
Supplies	126,062	160,577	34,516	1,460,588	1,284,619	(175,969)
Depreciation	56,999	53,608	(3,391)	486,446	428,862	(57,583)
Interest	1,135	1,219	83	10,658	9,750	(908)
Office Expense	1,565	1,667	102	11,928	13,334	1,406
Dues, Subscription & Fees	18,181	127,119	108,937	1,079,714	1,016,950	(62,764)
Repairs & Maintenance	65,341	65,525	184	525,109	524,200	(909)
Telephone & Internet	14,365	20,599	6,234	116,339	164,793	48,454
Advertising & Promotions	(582)	5,024	5,605	14,080	40,188	26,108
Travel & Training	35,792	33,162	(2,631)	340,987	265,293	(75,694)
Insurance	37,781	35,120	(2,661)	323,009	280,964	(42,045)
Utilities	117,928	130,577	12,649	970,558	1,044,616	74,058
Rent	81,946	116,226	34,279	853,204	929,805	76,601
Miscellaneous	32,378	33,864	1,486	355,022	270,910	(84,112)
Total Expenditures	3,938,038	5,106,594	1,168,556	33,901,949	42,915,034	9,013,086
Net Income(Loss)	1,263,358	(99,849)	1,363,207	8,855,409	(408,990)	9,264,399

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

Income Statement Grouping	Current Period				February 2026 - Variance Explanations
	Current Period Actual	Current Period Budget - Original	Budget Variance - Original	% Variance	
Revenues					
Net Patient Service Revenue	2,145,909	1,848,882	297,028	16%	Favorable variance mainly due to visits being higher than budget by 1,347 visits.
Capitation Revenue	345,470	458,333	(112,864)	-25%	Unfavorable variance mainly due to decline in membership panel size.
Managed Care Incentives	200,467	79,000	121,467	154%	Favorable due to the recognition of HEDIS Gap Closure Block Access incentive revenues for January and February in the current month along with the true up of revenues from July-September based on actual payment received.
Grant Revenue	65,888	41,719	24,169	58%	Favorable variance mainly due to actual ARPA grant revenue higher than budget.
340B Pharmacy Program	114,600	233,333	(118,733)	-51%	Unfavorable variance due to actual 340b pharmacy activity lower than budgeted for the month.
MOU & Other Income	48,139	64,556	(16,417)	-25%	Unfavorable variance mainly due to actual interest income lower than budgeted for the month.
Expenditures					
Salaries & Wages	1,802,305	2,280,711	478,406	21%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Feb 2026 FTEs for direct hire positions are 186 compared to budgeted FTEs for 239.
Employee Benefits	911,573	1,232,368	320,795	26%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Feb 2026 FTEs for direct hire positions are 186 compared to budgeted FTEs for 239.
Professional Fees	379,161	541,653	162,492	30%	Favorable variance mainly due to actual activity lower than budgeted for contracted medical staff and consulting services.
Supplies	126,062	160,577	34,516	21%	Favorable variance mainly due to actual expenses related to 340b pharmacy program lower than budgeted.
Dues, Subscription & Fees	18,181	127,119	108,937	86%	Favorable variance mainly due to the reversal of FY25 expenses for \$123K for Nuance Communications accrued in FY25 but paid in FY26. YTD expense is in line with the budget.
Telephone & Internet	14,365	20,599	6,234	30%	Favorable variance due to actual telecommunication expenses lower than budget.
Advertising & Promotions	(582)	5,024	5,605	112%	Favorable variance mainly due to the reversal of FY25 expenses accrued in FY25 and paid in FY26 along with actual activity lower than anticipated.
Rent	81,946	116,226	34,279	29%	Favorable variance mainly due to no rent payment due for February for A.G. Spanos building per the contract.

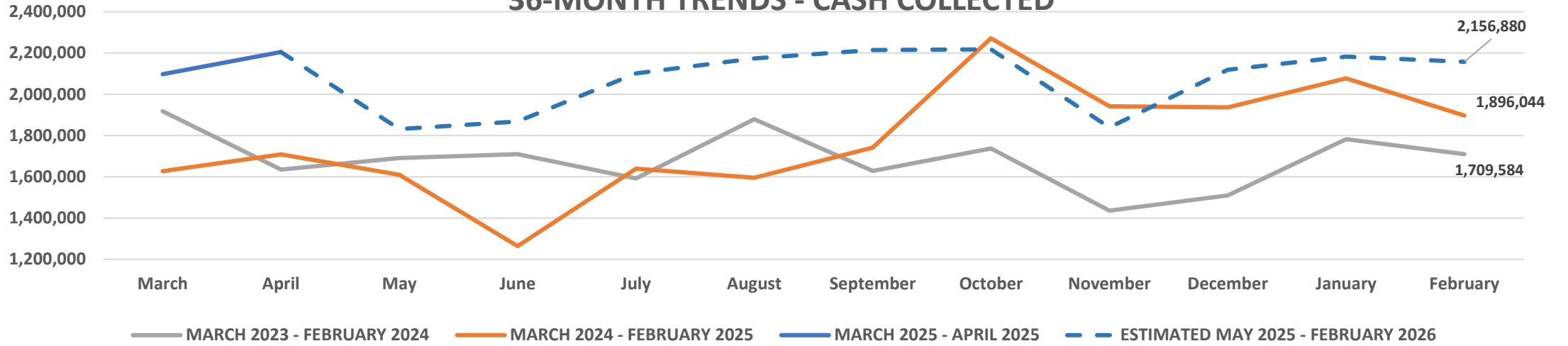
SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS YTD FY26 (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

Income Statement Grouping	Current Period				YTD - Variance Explanations
	Current Period Actual	Current Period Budget - Original	Current Period Budget Variance - Original	% Variance	
Revenues					
Net Patient Service Revenue	16,962,077	15,990,389	971,689	6%	Favorable variance mainly due to visits being higher than budget by 3,083 visits.
Managed Care Incentives	674,467	1,232,000	(557,533)	-45%	Unfavorable mainly due to the budgeted \$600K for PCP Hedis Incentive revenue for CY2024, which has been accrued in FY25.
Grant Revenue	659,755	333,749	326,006	98%	Favorable variance due to actual ARPA grant revenue higher than budget along with recognizing unbudgeted Binational Health grant revenue.
340B Pharmacy Program	1,593,042	1,866,667	(273,625)	-15%	Unfavorable variance due to actual 340b pharmacy revenue lower than budget.
Expenditures					
Salaries & Wages	14,029,380	19,556,071	5,526,690	28%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Feb 2026 FTEs for direct hire positions are 186 compared to budgeted FTEs for 239.
Employee Benefits	7,154,324	10,610,843	3,456,519	33%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Feb 2026 FTEs for direct hire positions are 186 compared to budgeted FTEs for 239.
Supplies	1,460,588	1,284,619	(175,969)	-14%	Unfavorable variance mainly due to actual expenses related to 340b pharmacy program higher than budgeted.
Telephone & Internet	116,339	164,793	48,454	29%	Favorable variance due to actual telecommunication expenses lower than budget.
Advertising & Promotions	14,080	40,188	26,108	65%	Favorable due to actual advertising expenses lower than budget.
Travel & Training	340,987	265,293	(75,694)	-29%	Unfavorable variance mostly due to higher than anticipated travel expenses related to contracted medical staff not budgeted.
Insurance	323,009	280,964	(42,045)	-15%	Unfavorable variance mainly related to higher than anticipated malpractice insurance expenses for contracted medical staff.
Miscellaneous	355,022	270,910	(84,112)	-31%	Unfavorable variance related to higher than anticipated recruiting and minor equipment expenses.

SJ HEALTH BALANCE SHEET- FEBRUARY 2026

	FY2025 JUNE 30, 2025 (UNAUDITED)	FY2026 FQE SEPTEMBER 30, 2025	FY2026 FQE DECEMBER 31, 2025	FY2026 AS OF JANUARY 31, 2026	FY2026 AS OF FEBRUARY 28, 2026
Assets					
Cash & Cash Equivalents	32,994,295	32,464,668	32,491,874	31,873,521	31,127,016
Accounts Receivable	2,282,608	2,123,851	1,054,695	1,455,385	1,221,923
Property & Equipment	2,323,595	2,169,907	2,024,634	1,967,635	1,910,637
Other Assets	<u>15,901,518</u>	<u>21,608,100</u>	<u>26,515,520</u>	<u>28,535,144</u>	<u>30,602,396</u>
Total Assets	<u>53,502,017</u>	<u>58,366,527</u>	<u>62,086,722</u>	<u>63,831,686</u>	<u>64,861,972</u>
Liabilities					
Accounts Payable	1,607,815	860,296	1,746,813	1,641,622	1,550,993
Other Liabilities	5,947,579	8,175,594	7,921,275	8,320,857	8,458,386
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>279,467</u>	<u>0</u>
Total Liabilities	<u>7,555,394</u>	<u>9,035,890</u>	<u>9,668,087</u>	<u>10,241,946</u>	<u>10,009,379</u>
Net Assets					
Unrestricted Net Assets	38,960,214	44,274,146	44,274,146	44,274,146	44,274,146
Restricted Net Assets	1,672,477	1,672,477	1,722,042	1,723,542	1,723,038
Current YTD Net Income	<u>5,313,932</u>	<u>3,384,015</u>	<u>6,422,447</u>	<u>7,592,051</u>	<u>8,855,409</u>
Total Net Assets	<u>45,946,622</u>	<u>49,330,638</u>	<u>52,418,635</u>	<u>53,589,739</u>	<u>54,852,593</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>	<u>64,861,972</u>

36-MONTH TRENDS - CASH COLLECTED



FY26 Collections By Financial Class	%
Medicaid	94.61%
Medicare	4.81%
Self-Pay	0.32%
Commercial	0.26%
Total	100.00%

NOTE: COLLECTIONS FROM MAY 2025 THROUGH FEBRUARY 2026 HAVE BEEN ESTIMATED BASED ON THE HISTORICAL COLLECTIONS TREND. INCREASE IN COLLECTIONS FROM MARCH 2025 THROUGH FEBRUARY 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
FINANCIAL HEALTH					
1 Operating Margin As a % of Operating Revenue	>3%	4%	5%	10.1%	20.7%
2 Bottom Line Margin As a % of Operating Revenue	>3%	6%	6%	10.1%	20.7%
3 Days Cash on Hand	>60 Days	105	129	259	226
4 Days in Net Patient Receivables	<45 Days	36	39	37	24
5 Personnel-Related Expense (PRE) As a % of Operating Revenue	<70%	69%	72%	72%	64%

Chief Medical Officer Report – Key Updates

April 2026

Summary

April was marked by continued strong clinical volume, active staffing stabilization efforts, and increased coordination across Healthcare Services departments to improve integrated care delivery. Key areas of progress included maintaining access through Saturday gap clinics and mobile services, securing near-term provider support for June onboarding, strengthening behavioral health referral coordination, and advancing interdepartmental work on Mobile MAT and data-sharing.

Clinical Operations and Access

- Daily visit volume remains strong, continuing in the high 500s across the system, with a slight dip associated with recent locum departures.
- Saturday gap clinics continue to support patient access needs and ongoing evaluation of weekend demand.
- FMC now provides Thursday coverage for the mobile van, allowing discontinuation of the Vituity agreement for virtual coverage and improving alignment within existing clinical operations.

Workforce and Recruitment

- Recruitment efforts continue across key service lines.
- A part-time Certified Nurse Midwife has been signed and is expected to begin around June 1.
- Two locum providers have also been secured to support near-term access needs, including one pediatrician and one women's health provider, both expected to start June 1.
- Recruitment of visa candidates is currently on hold. Given the complexity and timing associated with visa sponsorship, locum coverage is being used to maintain operational continuity while longer-term recruitment needs are reassessed.

Behavioral Health Integration

- Collaboration is underway with the Behavioral Health Services Medical Director to strengthen coordination between primary care and behavioral health.

- Behavioral Health Services will begin presenting at provider meetings to clarify referral pathways for both routine and urgent behavioral health needs and improve bidirectional coordination of care.
- I also explored an in-training for the PCP's to continue treatment for stable patients.

Interdepartmental Clinical Coordination

- Coordination meetings continue across Healthcare Services departments to streamline care for patients receiving services across multiple programs and departments.
- A key focus area is improving coordination for Mobile MAT services and related treatment pathways.
- The HCS Clinical Coordination Meeting structure has been established to improve care coordination, align funding considerations, and define measurable SMART goals across departments.
- Early priority areas include Mobile MAT coordination and EMS data-sharing to support more seamless communication, improved deployment planning, and clearer performance metrics.

Mobile MAT and Cross-System Planning

- Cross-department discussions have identified opportunities to improve coordination among clinics, Behavioral Health Services, Public Health Services, Correctional Health, and EMS.
- Subcommittee work has begun to advance two priority areas: EMS data/two-way communication and Mobile MAT/clinic coordination.

System Collaboration and Community Partnership

- Ahad and I attended a City Council meeting with Peter Drysdale from the Housing Commission to support relationship-building and explore future opportunities for collaboration between PACE and the housing department.

Operational Considerations

- Staffing transitions continue to have some impact on visit capacity, though overall volumes remain strong.
- Ongoing work is needed to improve shared workflows across departments caring for overlapping patient populations.

CEO Report – April 28, 2026 Board Meeting

Over the past month, our focus has remained on sustaining operational performance, strengthening organizational infrastructure, advancing key projects, and preparing for continued system improvement. The organization continues to demonstrate steady progress across access, quality, and system integration.

Operational performance remains stable with continued gains in access and efficiency. Daily visits for March averaged 575, with total visit volume reaching 11,215, compared to 10,211 in the prior year, reflecting continued year-over-year growth. Slot utilization remains strong at 78%, and no-show rates have improved to 21.3%, down from 28% last year, demonstrating sustained effectiveness of outreach and scheduling optimization efforts. Operational enhancements continue across all sites. Stockton is standardizing pediatric and immunization workflows while expanding behavioral health capacity. French Camp has implemented 100% chart scrubbing, expanded Saturday gap clinics, added on-site dental services, and strengthened panel management practices. Manteca achieved a 93% overall score on its Health Plan of San Joaquin Facility Site Review audit, including exemplary pediatric performance, while continuing to expand capacity and improve patient financial access.

The FY 2026–2027 budget has been finalized at approximately \$78 million and represents the organization’s first fully consolidated operational budget under the San Joaquin Health Center Enterprise Fund. This transition significantly improves financial transparency and aligns budgeting with the full scope of operations. The budget includes four position transfers and three position deletions, none of which impact operationally critical roles. To strengthen operational leadership and support ongoing stabilization efforts, two deputy director positions, one clinical and one administrative, have been added to absorb operational responsibilities currently shared across executive leadership.

Progress continues on the Lodi Access Center clinic. HRSA has approved a 12-month no-cost extension to account for delays related to lease execution, architecture, and construction. The lease agreement has been finalized and is on track for execution at the June 2 Board of Supervisors meeting, following approval by the Lodi City Council at its April 14 meeting. This project remains a critical component of our strategy to expand access for vulnerable populations.

We are also advancing integration efforts across the broader system of care. Work is underway with Correctional Health to expand Enhanced Care Management, Community Supports, and street medicine services within that setting. Concurrently, we are in discussions with Health Plan of San Joaquin and Health Net to include justice-involved individuals as a defined focus population within our ECM contracts.

We conducted a brief, anonymous frontline staff survey and received 34 responses across clinical and operational roles. Overall, results indicate that morale is stable but under operational strain, consistent with current access and capacity pressures. Staff report strong peer teamwork and generally positive intent to remain with the organization, which is encouraging. The primary concern

relates to staffing adequacy, with staff describing day-to-day strain tied to coverage and workload. There are also opportunities to improve workflow efficiency and strengthen communication and feedback loops with frontline teams. These findings reflect operational pressures rather than systemic cultural concerns. We will use this feedback to guide targeted improvements and will re-survey in the coming months to track progress.

In summary, the organization continues to build on a stable operational foundation while advancing key initiatives in financial alignment, care integration, and workforce support. These efforts position us well to sustain progress and thoughtfully plan for the next phase of organizational growth.