



Health Care Services Review Project Committee

Agenda

San Joaquin County Administration Building
44 N. San Joaquin Street, Room 146, Stockton, CA 95202
Wednesday, October 15, 2025
8:30 a.m.

Watch Live on YouTube: www.youtube.com/c/sanjoaquincountycalifornia

Committee Members

Paul Canepa | Steven J. Ding | Sandy Regalo | Brandi Hopkins | Adam Brucker | Ed Kiernan
Quenny Macedo | Jeff Woltkamp | Genevieve Valentine | Rick Castro | Sam Harlan | Matt Garber

Agenda Items

Procedural Items

- | | |
|------------------|---------------|
| 1. Call to Order | Sandy Regalo |
| 2. Roll Call | Annette Rivas |

Action Items

- | | |
|---------------------------------------|--------------|
| 3. Approve Minutes from July 16, 2025 | Sandy Regalo |
|---------------------------------------|--------------|

Information and Discussion Items

- | | |
|---|-----------------------------|
| 4. Present Financial Results for SJ Health | Matt Garber & Rachna Sharma |
| 5. Present Financial Results for San Joaquin General Hospital | Sam Harlan |
| 6. Federal & State Impacts | Brandi Hopkins |
| 7. 2026 Calendar | Brandi Hopkins |
| 8. Public Comment | Sandy Regalo |

Committee Comments

Closed Session

There are no closed session items scheduled for this date.

Adjournment

Next meeting January 21, 2026	Sandy Regalo
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Other Information

Public comments will be made part of the official record on file. Written public comments are limited to 250 words or less and may be emailed to the Committee at hcsrcommittee@sjgov.org.

Note: If you need a disability-related modification or accommodation to participate in this meeting, please contact the County Administrator's Office at (209) 468-3203 at least 48 hours prior to the start of the meeting. Gov. Code Section 54954.2(a).



Health Care Services Review Project Committee

Minutes

San Joaquin County
Health Care Services Review Project Committee
Minutes of Wednesday, July 16, 2025 8:30 a.m.

Procedural Items

1. Call to Order

County Administrator Sandy Regalo called the meeting to order at 8:31 a.m.

2. Roll Call

Present:

Paul Canepa, District 2 Supervisor

Sandy Regalo, County Administrator

Brandi Hopkins, Asst. County Administrator

Adam Brucker, Sr. Deputy County Administrator

Ed Kiernan, County Counsel

Quenny Macedo, Deputy County Counsel

Jeff Woltkamp, Auditor-Controller

Genevieve Valentine, Director of Health Care Services

Rick Castro, CEO of San Joaquin General Hospital

Sam Harlan, CFO of San Joaquin General Hospital

Not Present:

Steven J. Ding, District 4 Supervisor

Action Items

3. Approve Minutes from April 16, 2025

Motion to approve the Minutes as listed on the Agenda. Approved.

RESULT: ADOPTED [UNANIMOUS]

MOVER: Rick Castro, CEO of San Joaquin General Hospital

SECONDER: Genevieve Valentine, Director of Health Care Services

AYES: Regalo, Hopkins, Brucker, Kiernan, Macedo, Woltkamp, Harlan

ABSENT: Ding

ABSTAIN: Canepa

Information and Discussion Items

4. Celebrate Quality Measures

SJ Health Chief Medical Officer Dr. Jonathon Diulio presented an update on the Quality Incentive Pool (QIP) program. The County received a preliminary QIP score of 43 out of 40 measures for 2024, which is projected to be linked to \$78 million in revenue for the County's healthcare system. Dr. Diulio provided further details on the creation of dashboards, patient scheduling, gap clinics, the first colorectal cancer screening standing order, continuous recruitment and patient-centered expectations for the team. Dr. Diulio responded to questions and stated that QIP measures are currently overperforming for colon cancer screening.

5. Lodi Access Center Updates

Director of Health Care Services Genevieve Valentine provided an update on the Lodi Access Center. The County had recently presented a model to the City of Lodi that included a \$1.8 million HRSA grant to help with construction to build a health clinic within the Lodi Access Center. The County proposed to build an access point for wound care and other health services. In addition, Behavioral Health Services (BHS) proposed to give infrastructure dollars through the Bridge Housing funds to add a total of 12 beds for mentally ill or substance use patients waiting for longer term housing placements. The County also proposed a piloted alternative destination sobering center to prepare for the SJ BeWell Campus. Ms. Valentine informed the Committee that the County and City of Lodi have agreed to move forward with a partnership. The Committee further discussed the sublease of the Lodi Access Center building.

6. SJ BeWell Campus Project Update

Ms. Valentine provided an update on Phase 1 of the SJ BeWell Campus project. BHS was awarded a \$137 million grant towards the \$261.8 million projected cost of phase 1 of the SJ BeWell Campus which includes four buildings. Ms. Valentine informed the Committee that due to the 20-acre site being increased by three feet and parking, which was not originally included in the quote, Phase 1 of the project is overbudget. The campus will also now include Public Health staff overseeing a TB Clinic, a San Joaquin General Hospital (SJGH) laboratory and pharmacy, a sobering center, and an integrated urgent care clinic run by the health clinics in hopes of providing primary care services to better serve both patients on campus and alleviating SJGH and the Sheriff's Office bookings. There were no questions from the Committee.

7. CAO/HCS Oversight & County Alignment Efforts for SJHC

Ms. Valentine provided an overview of the County Administrator's Office and Health Care Services Agency (HCS) alignment efforts for SJ Health. Budget, Human Resources, procurement, Information Technology (IT), building leases to co-locate and all administrative supported services are now under the oversight HCS. Ms. Valentine informed the Committee that Assistant Director of Health Care Services Matt Garber was appointed Interim CEO for SJ Health. Ms. Valentine also thanked Assistant County Administrator Brandi Hopkins and Senior Deputy County Administrator Adam Brucker for additional assistance at the SJ Health Administration building when needed.

8. Public Comment

There were no public comments.

Closed Session

9. There were no closed session items scheduled for this date.

Committee Comments

The Committee expressed gratitude to SJGH and SJ Health for raising the QIP scores, the Lodi Access Center progress and everyone working together in the right direction to provide quality care for patients in the County.

Adjournment

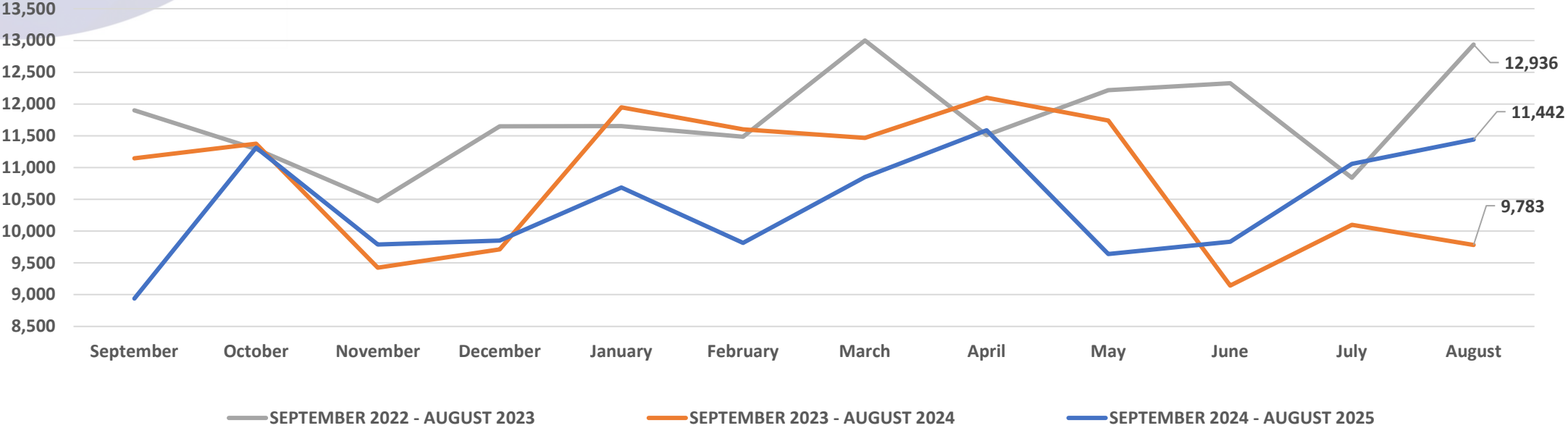
At 9:03 a.m., County Administrator Regalo adjourned the meeting to October 15, 2025, at 8:30 a.m.

SAN JOAQUIN HEALTH CENTERS FINANCE PRESENTATION AUGUST 2025 FINANCIAL STATEMENTS

Rachna Sharma
Controller

HCSRП Committee Presentation Date: 10/15/2025

36-MONTH BILLABLE VISIT TRENDS (BY DOS)



FY26 Visits By Financial Class	Actual
Medi-Cal Managed Care	77.82%
Medicare	12.02%
Medi-Cal	6.05%
Commercial	3.17%
Self-Pay	0.94%
Total	100.00%

FY26 Month	Actual	Budget	Variance
Jul-25	11,058	11,586	(528)
Aug-25	11,442	11,062	380
Total	22,500	22,648	(148)

SJ HEALTH INCOME STATEMENT – AUGUST 2025

	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	2,194,798	2,030,005	164,793	4,133,041	4,149,156	(16,116)
Supplemental Revenue	2,280,922	2,280,922	0	4,561,845	4,561,845	0
Capitation Revenue	453,083	458,333	(5,251)	911,146	916,667	(5,521)
Managed Care Incentives	79,000	79,000	0	158,000	158,000	0
Grant Revenue	81,241	41,719	39,523	159,190	83,437	75,753
340B Pharmacy Program	256,470	233,333	23,136	482,733	466,667	16,066
MOU & Other Income	58,027	64,556	(6,529)	361,944	346,694	15,250
Total Operating Revenue	5,403,541	5,187,869	215,672	10,767,898	10,682,466	85,432
Expenditures						
Salaries & Wages	1,840,534	2,374,310	533,775	3,511,246	4,935,817	1,424,571
Employee Benefits	839,788	1,286,076	446,287	1,735,867	2,679,564	943,697
Professional Fees	537,361	541,653	4,291	1,156,177	1,083,305	(72,872)
Purchased Services	241,544	267,577	26,033	505,985	535,154	29,169
Supplies	217,607	160,577	(57,029)	390,134	321,155	(68,979)
Depreciation	53,608	53,608	0	107,215	107,216	0
Interest	1,472	1,219	(253)	2,999	2,438	(562)
Office Expense	1,448	1,667	219	3,025	3,333	309
Dues, Subscription & Fees	132,027	127,119	(4,908)	267,413	254,238	(13,175)
Repairs & Maintenance	65,336	65,525	189	131,180	131,050	(130)
Telephone & Internet	15,407	20,599	5,192	30,902	41,198	10,296
Advertising & Promotions	1,336	5,024	3,687	1,416	10,047	8,631
Travel & Training	46,499	33,162	(13,338)	104,957	66,323	(38,634)
Insurance	41,275	35,120	(6,154)	84,817	70,241	(14,576)
Utilities	120,440	130,577	10,137	241,020	261,154	20,134
Rent	106,518	116,226	9,707	213,552	232,451	18,899
Miscellaneous	32,101	33,864	1,762	54,546	67,727	13,181
Total Expenditures	4,294,302	5,253,900	959,598	8,542,451	10,802,411	2,259,960
Net Income(Loss)	1,109,239	(66,031)	1,175,270	2,225,446	(119,945)	2,345,392

* Supplemental Revenue includes QIP revenue which represents 42.37% of Total Operating Revenues as of August 2025.

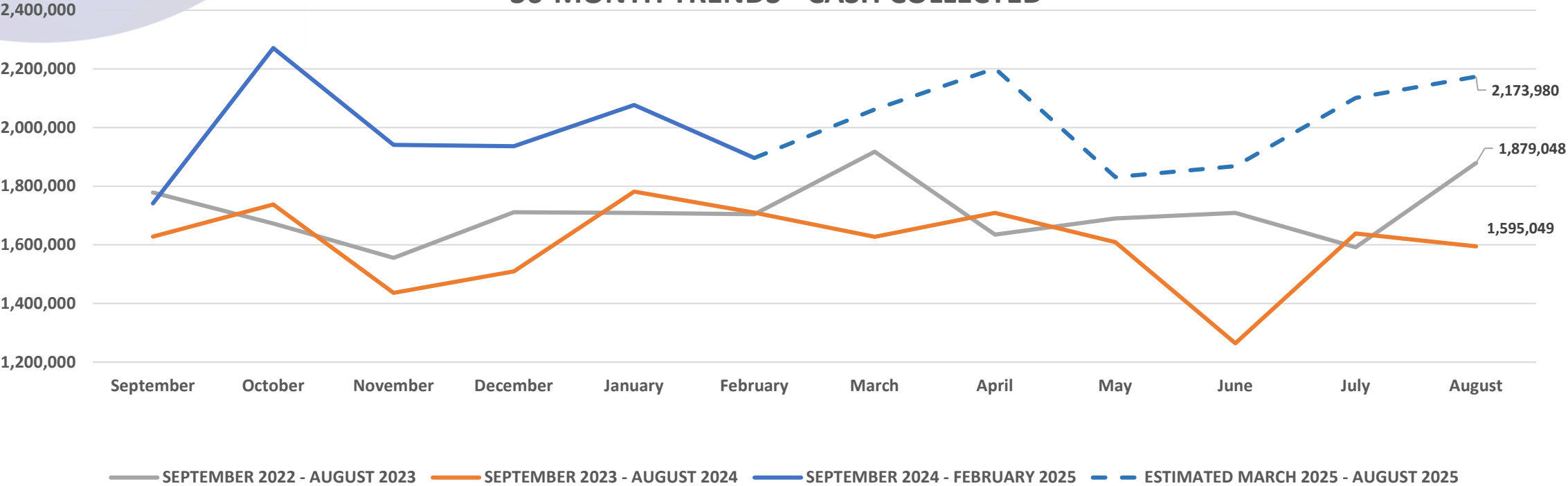
SJ HEALTH INCOME STATEMENT VARIANCE ANALYSIS YTD FY26 (ONLY VARIANCES WITH +/- 10% ARE REPRESENTED)

Income Statement Grouping	Current Period				YTD - Variance Explanations
	Current Period Actual	Current Period Budget - Original	Budget Variance - Original	% Variance	
Revenues					
Net Patient Service Revenue	4,133,041	4,149,156	(16,116)	0%	Unfavorable variance mainly due to visits being under budget YTD by 148.
Grant Revenue	159,190	83,437	75,753	91%	Favorable variance mainly due to actual ARPA grant revenue being higher than budget.
Expenditures					
Salaries & Wages	3,511,246	4,935,817	1,424,571	29%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Aug 2025 FTEs for direct hire positions are 184.57 compared to budgeted FTEs for 239.
Employee Benefits	1,735,867	2,679,564	943,697	35%	Favorable variance mainly related to vacancies. FY26 salaries and benefits budgeted at 100% employment. Actual Aug 2025 FTEs for direct hire positions are 184.57 compared to budgeted FTEs for 239.
Supplies	390,134	321,155	(68,979)	-21%	Unfavorable variance mainly related to increase in pharmaceutical expenses for the 340B pharmacy program.
Telephone & Internet	30,902	41,198	10,296	25%	Favorable variance mainly related to lower actual expenses than budget for telephone charges
Advertising & Promotions	1,416	10,047	8,631	86%	Favorable variance mainly related to lower actual marketing activity.
Travel & Training	104,957	66,323	(38,634)	-58%	Unfavorable variance mainly related to higher actual expenses than budget for contracted medical staff and employees' travel expense reimbursements.
Insurance	84,817	70,241	(14,576)	-21%	Unfavorable variance mainly related to higher actual malpractice insurance costs than budget for contracted medical staff.
Miscellaneous	54,546	67,727	13,181	19%	Favorable mainly related to lower actual minor equipment and recruiting expenses than budget.

SJ HEALTH BALANCE SHEET- AUGUST 2025

	FY2025	FY2026	FY2026
	JUNE 30, 2025	JULY 31, 2025	AUGUST 31, 2025
	<u>(UNAUDITED)</u>		
Assets			
Cash & Cash Equivalents	32,994,295	34,579,015	33,483,615
Accounts Receivable	2,282,608	1,776,082	2,003,884
Property & Equipment	2,323,595	2,277,123	2,223,515
Other Assets	<u>15,901,518</u>	<u>17,873,372</u>	<u>19,833,765</u>
Total Assets	<u>53,502,017</u>	<u>56,505,592</u>	<u>57,544,779</u>
Liabilities			
Accounts Payable	1,607,815	1,500,597	1,192,093
Other Liabilities	<u>5,947,579</u>	<u>7,942,165</u>	<u>8,180,617</u>
Total Liabilities	<u>7,555,394</u>	<u>9,442,762</u>	<u>9,372,710</u>
Net Assets			
Unrestricted Net Assets	38,960,214	44,274,146	44,274,146
Restricted Net Assets	1,672,477	1,672,477	1,672,477
Current YTD Net Income	<u>5,313,932</u>	<u>1,116,207</u>	<u>2,225,446</u>
Total Net Assets	<u>45,946,622</u>	<u>47,062,830</u>	<u>48,172,069</u>
Total Liabilities and Net Assets	<u>53,502,017</u>	<u>56,505,592</u>	<u>57,544,779</u>

36-MONTH TRENDS - CASH COLLECTED



FY26 Collections By Financial Class	%
Medicaid	94.21%
Medicare	4.92%
Commercial	0.75%
Self-Pay	0.12%
Total	100.00%

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

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	246
4 Days in Net Patient Receivables	<45 Days	36	39	37	33
5 Personnel-Related Expense (PRE) As a % of Operating Revenue	<70%	69%	72%	72%	64%

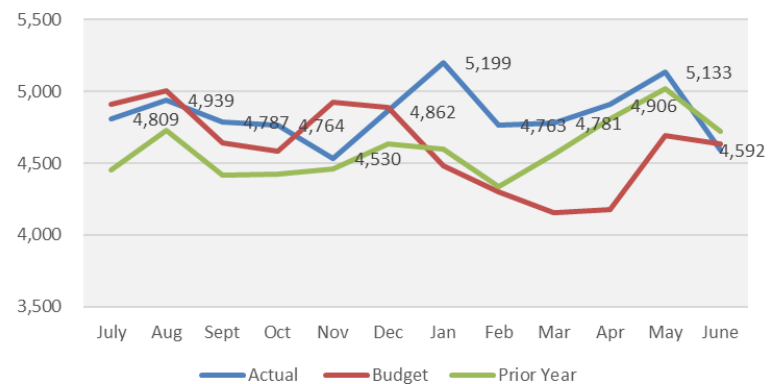
QUESTIONS & ANSWERS



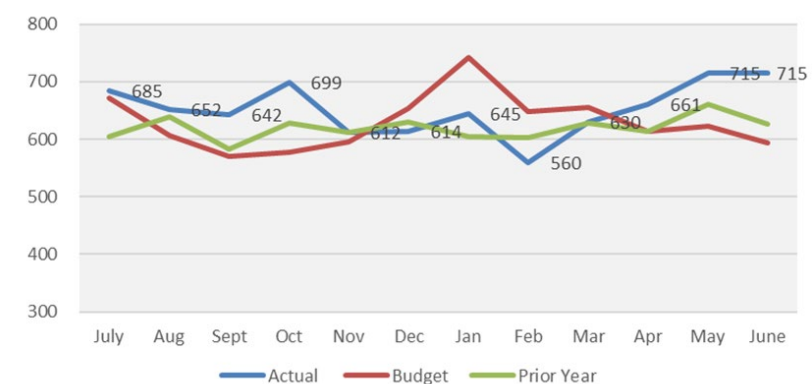


FY 2024-2025 Financial Update

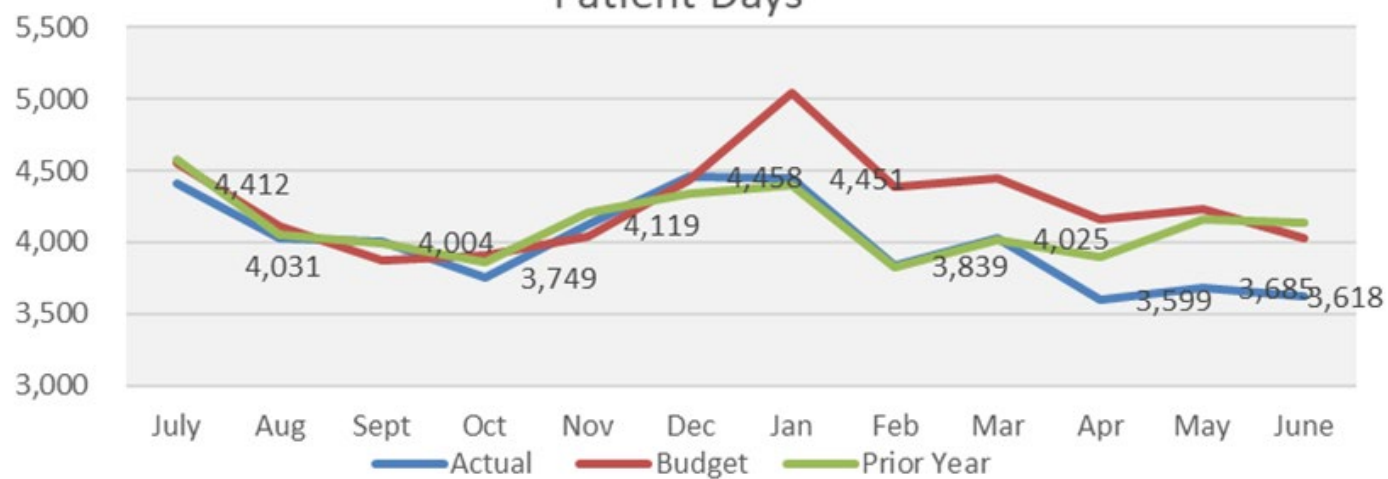
ED Visits



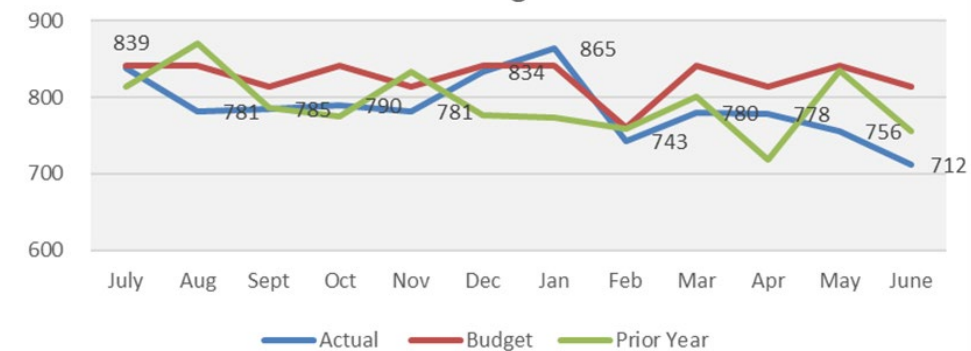
Surgeries

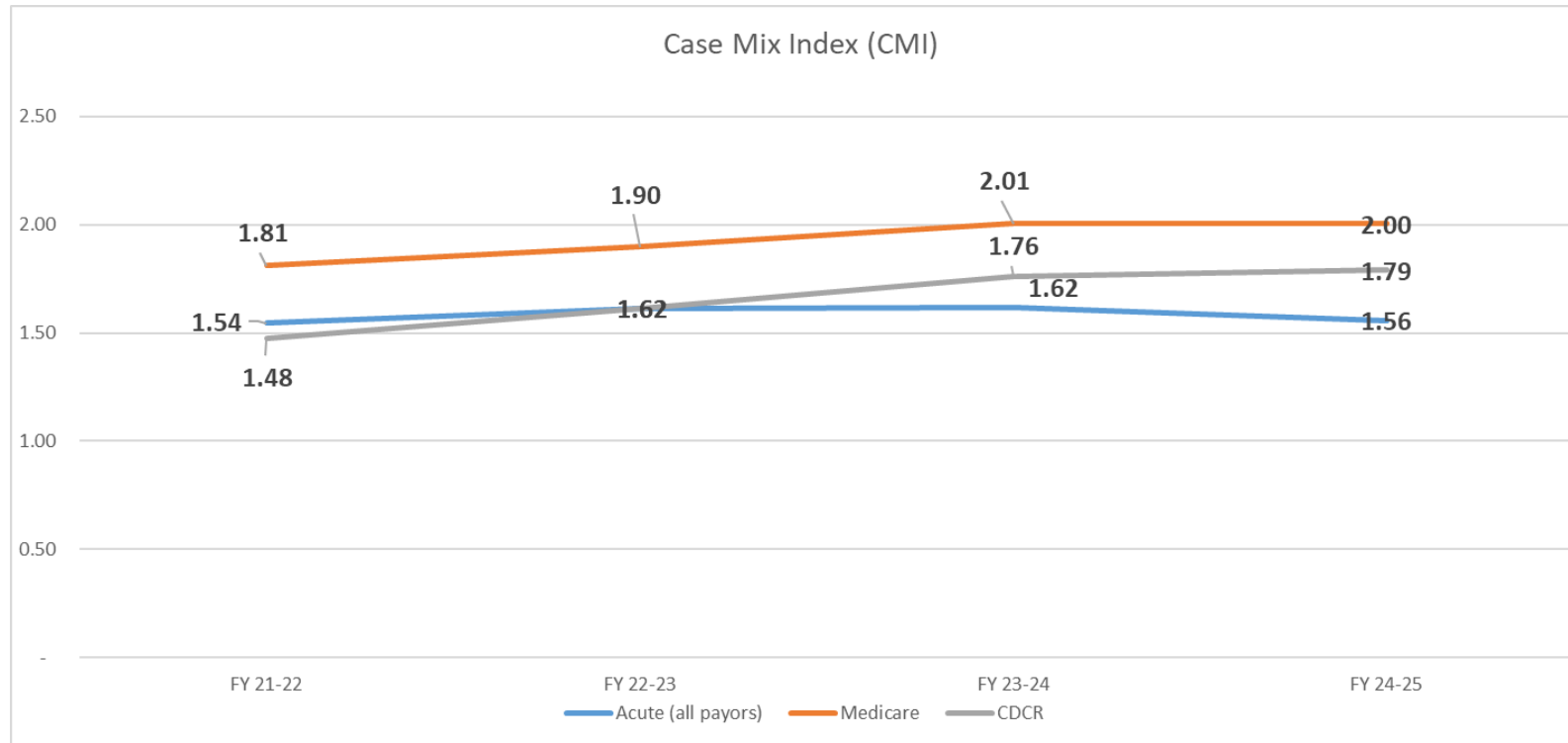


Patient Days



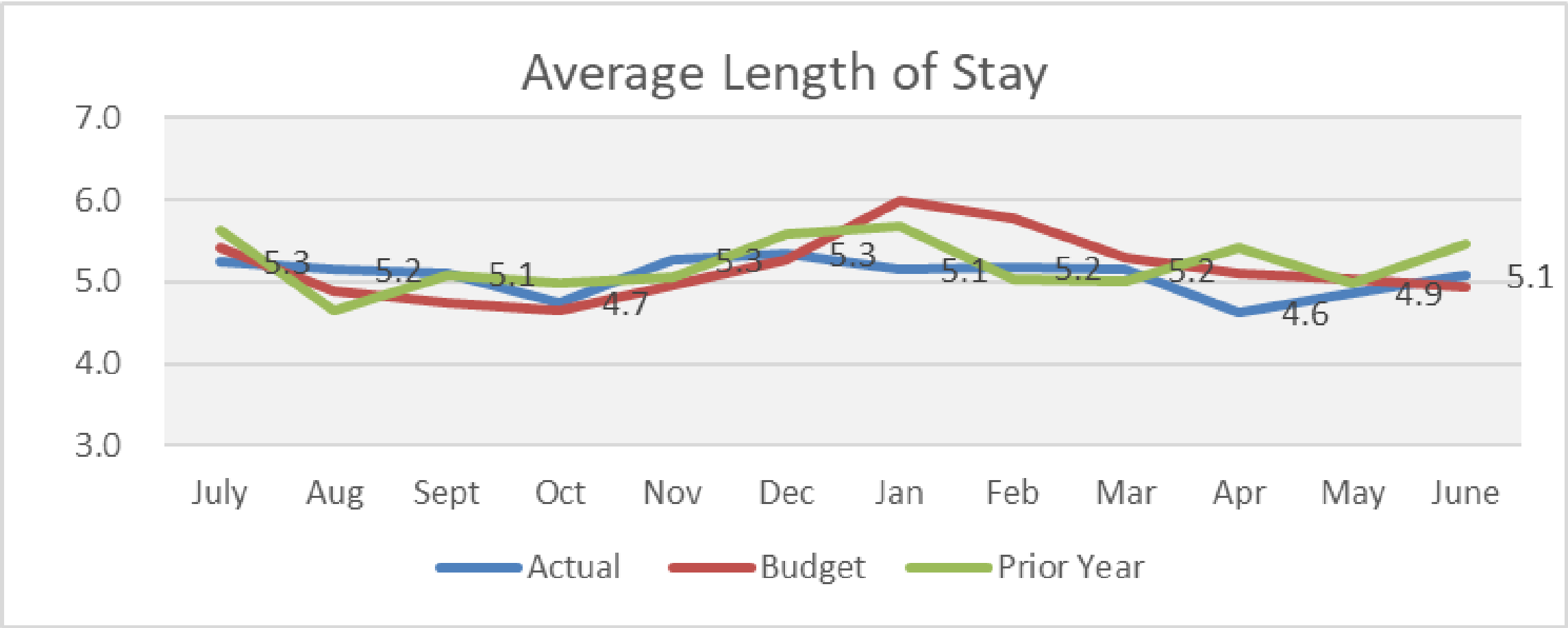
Discharges





Case Mix
Index
(CMI)

Average Length of Stay (ALOS)



San Joaquin General Hospital
FY 2020 - FY 2025 Year over Year Analysis

	FY 2019-20 Audited	FY 2020-21 Audited	FY 2021-22 Audited	FY 2022-23 Audited	FY 2023-24 Audited	FY 2024-25 Unaudited	FY 2024-25 BUDGET
Operating Revenue	\$ 395,338,692	\$ 430,446,182	\$ 451,191,939	\$ 453,330,242	\$ 463,676,877	\$ 507,193,169	\$ 502,668,931
Operating Expenses	430,431,766	447,046,358	458,874,436	468,050,560	479,759,394	521,107,701	511,815,947
Operating Margin (Loss)	\$ (35,093,074)	\$ (16,600,176)	\$ (7,682,497)	\$ (14,720,318)	\$ (16,082,517)	\$ (13,914,532)	\$ (9,147,016)
Non-Operating (Transfers)	\$ 11,683,697	\$ 20,509,139	\$ 21,548,888	\$ 23,510,460	\$ 30,692,144	\$ 42,535,858	\$ 9,638,053
Net Income (Loss)	\$ (23,409,377)	\$ 3,908,963	\$ 13,866,391	\$ 8,790,142	\$ 14,609,627	\$ 28,621,326	\$ 491,037
Patient Days	47,564	54,655	58,696	51,592	49,461	52,014	51,214
CMI	1.39	1.52	1.55	1.58	1.63	1.56	1.58
CMI-MCR	1.71	1.79	2.00	1.98	2.05	2.00	2.06
Operating Rev Per Patient Day	\$ 8,312	\$ 7,876	\$ 7,687	\$ 8,787	\$ 9,375	\$ 9,751	\$ 9,815
Operating Exp Per Patient Day	\$ 9,050	\$ 8,179	\$ 7,818	\$ 9,072	\$ 9,700	\$ 10,019	\$ 9,994

Year Over Year
Analysis

FY 2020 FY 2021
FY 2022 FY2023
FY2024 FY2025

Supplemental Funding Sources

		Actual FY2025	Budget FY 2026
General L	Program	FY 2025	FY 2026
1067100	PHYSICIAN SPA-Reserve	19,408,466	-
1067100	PHYSICIAN SPA-Interim Pymnt.	-	2,500,000
1067200	HQAF - Direct Grant	3,746,000	
1067-300	Voluntary Rate Range	35,791,331	42,259,546
1067500	AB915	5,018,837	4,000,000
1067-800	Global Payments Program	22,731,848	17,012,861
1067825	DSH OP QUARTERLY	18,756	17,000
1067-850	Enhance Payment Program	40,735,250	38,170,474
1067975	QIP - Total	65,430,101	93,926,834
1067975	QIP SJGH- 64%	41,875,265	60,113,174
1067975	QIP - SJHC 36%	23,554,836	33,813,660
1067980	MCaI GME Direct-Indirect	3,154,002	2,250,000
Total Supplemental Funding		196,034,591	166,323,055

Projects (Current and Future)

	Est Go-Live
Time Clock System	Dec-25
Solventum Computer Assisted Coding (CAC)	Jan-26
Work Day Financials	Feb-26
Qsight (High Dollar Inventory Management	Feb-26
Strata Jazz (Cost Accounting)	May-26
SSI (Billing Software)	TBD
OHPA (Patient Accounting)	TBD
CMARS (Patient Accounting Contract Management)	TBD

2026

Health Care Services Review Project Committee Meetings

January						
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February						
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Meeting	Items Due
January 21	January 12
April 15	April 06
July 15	July 06
October 21	October 12

April 15 & October 21
SJGH & SJ Health
Financial Presentations

May						
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30	31					

- Agenda Item Deadline
- Agenda Review (CAO)
- Meeting
- Holiday

September						
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December						
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