



SAN MATEO COUNTY HEALTH

**SAN MATEO  
MEDICAL CENTER**

# **BOARD OF DIRECTORS MEETING**

Monday, November 1, 2021

8:00 AM – 10:00 AM



# AGENDA

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Board of Directors

Monday, November 1, 2021

8:00 AM

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**\*\*\*BY VIDEOCONFERENCE ONLY\*\*\***  
**<https://smcgov.zoom.us/j/91075397545>**

In accordance with AB 361, the Board will adopt findings that meeting in person would present imminent risks to the health or safety of attendees of in-person meetings. Consistent with those findings, this San Mateo Medical Center Board meeting will be conducted by videoconference

## Public Participation

The meeting may be accessed through Zoom at <https://smcgov.zoom.us/j/91075397545>. Written public comments may be emailed to [mlee@smcgov.org](mailto:mlee@smcgov.org) and should include the specific agenda item on which you are commenting. Spoken public comments will also be accepted during the meeting through Zoom.

## **A. CALL TO ORDER, ROLL CALL, AND PUBLIC COMMENT**

### **B. PROCEDURAL**

Adopt findings pursuant to AB 361 to continue fully teleconferenced board meetings due to health risks posed by in-person meetings.

### **C. CLOSED SESSION**

#### *Items Requiring Action*

1. Medical Staff Credentialing Report
2. Quality Report

*Dr. Steve Hassid*

*Dr. Brita Almog*

#### *Informational Items*

3. Medical Executive Committee

*Dr. Steve Hassid*

### **D. REPORT OUT OF CLOSED SESSION**

**F. PUBLIC COMMENT**

Persons wishing to address items not on the agenda

**G. FOUNDATION REPORT**

*John Jurow*

**H. CONSENT AGENDA**

*Approval of:*

1. October 4, 2021 Minutes

**I. MEDICAL STAFF REPORT**

Chief of Staff Update

*Dr. Steve Hassid*

**J. ADMINISTRATION REPORTS**

1. Department of Primary Care

*Dr. CJ Kunnappilly..... Verbal*  
*Dr. Mithu Tharayil*

2. Senior Peer Counseling Program

*Louise Rogers..... Verbal*  
*Mariana Rocha*

3. Financial Audit FY 2020/21

*Macias Gini & O'Connell ..... Verbal*

4. Financial Report

*David McGrew.....TAB 2*

5. CEO Report

*Dr. CJ Kunnappilly.....TAB 2*

**K. COUNTY HEALTH CHIEF REPORT**

County Health Snapshot

*Louise Rogers*

**L. COUNTY MANAGER'S REPORT**

*Mike Callagy*

**M. BOARD OF SUPERVISOR'S REPORT**

*Supervisor Carole Groom*

**N. ADJOURNMENT**

**PROCEDURAL**



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San Mateo Medical Center  
222 W 39th Avenue  
San Mateo, CA 94403  
650-573-2222 τ  
[smchealth.org/smmc](http://smchealth.org/smmc)

To: San Mateo Medical Center Board  
From: CJ Kunnappilly, MD  
Date: November 1, 2021  
Subject: Resolution to make findings allowing continued remote meetings under Brown Act

**RECOMMENDATION:**

Adopt a resolution finding that, as a result of the continuing COVID-19 pandemic state of emergency declared by Governor Newsom, meeting in person would present imminent risks to the health or safety of attendees.

**BACKGROUND:**

On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which rescinded his prior Executive Order N-29-20 and set a date of October 1, 2021 for public agencies to transition back to public meetings held in full compliance with the Brown Act. The original Executive Order provided that all provisions of the Brown Act that required the physical presence of members or other personnel as a condition of participation or as a quorum for a public meeting were waived for public health reasons. If these waivers fully sunsetted on October 1, 2021, legislative bodies subject to the Brown Act would have to contend with a sudden return to full compliance with in-person meeting requirements as they existed prior to March 2020, including the requirement for full physical public access to all teleconference locations from which board members were participating.

On September 16, 2021, the Governor signed AB 361, a bill that formalizes and modifies the teleconference procedures implemented by California public agencies in response to the Governor's Executive Orders addressing Brown Act compliance during shelter-in-place periods. AB 361 allows a local agency to continue to use teleconferencing under the same basic rules as provided in the Executive Orders when certain circumstances occur or when certain findings have been made and adopted by the local agency.

AB 361 also requires that, if the state of emergency remains active for more than 30 days, the agency must make findings by majority vote every 30 days to continue using the bill's exemption to the Brown Act teleconferencing rules. The findings are to the effect that the need for teleconferencing persists due to the nature of the ongoing public health emergency and the social distancing recommendations of





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local public health officials. Effectively, this means that local agencies must agendaize a Brown Act meeting once every thirty days to make findings regarding the circumstances of the emergency and to vote to continue relying upon the law's provision for teleconference procedures in lieu of in-person meetings.

AB 361 provides that Brown Act legislative bodies must return to in-person meetings on October 1, 2021, unless they choose to continue with fully teleconferenced meetings because a specific declaration of a state or local health emergency is appropriately made. AB 361 allows local governments to continue to conduct virtual meetings as long as there is a gubernatorially-proclaimed public emergency in combination with (1) local health official recommendations for social distancing or (2) adopted findings that meeting in person would present risks to health. AB 361 is effective immediately as urgency legislation and will sunset on January 1, 2024.

### **DISCUSSION:**

Because local rates of transmission of COVID-19 are still in the "substantial" tier as measured by the Centers for Disease Control, we recommend that your Board or Commission avail itself of the provisions of AB 361 allowing continuation of online meetings by adopting findings to the effect that conducting in-person meetings would present an imminent risk to the health and safety of attendees. A resolution to that effect, and directing staff to return each 30 days with the opportunity to renew such findings, is attached hereto.

### **FISCAL IMPACT:**

None

## RESOLUTION NO.

### RESOLUTION FINDING THAT, AS A RESULT OF THE CONTINUING COVID-19 PANDEMIC STATE OF EMERGENCY DECLARED BY GOVERNOR NEWSOM, MEETING IN PERSON FOR MEETINGS OF THE SAN MATEO MEDICAL CENTER BOARD WOULD PRESENT IMMINENT RISKS TO THE HEALTH OR SAFETY OF ATTENDEES

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**WHEREAS**, on March 4, 2020, the Governor proclaimed pursuant to his authority under the California Emergency Services Act, California Government Code section 8625, that a state of emergency exists with regard to a novel coronavirus (a disease now known as COVID-19); and

**WHEREAS**, on June 4, 2021, the Governor clarified that the “reopening” of California on June 15, 2021 did not include any change to the proclaimed state of emergency or the powers exercised thereunder, and as of the date of this Resolution, neither the Governor nor the Legislature have exercised their respective powers pursuant to California Government Code section 8629 to lift the state of emergency either by proclamation or by concurrent resolution in the state Legislature; and

**WHEREAS**, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government Code section 54950 et seq. (the “Brown Act”), provided certain requirements were met and followed; and

**WHEREAS**, on September 16, 2021, Governor Newsom signed AB 361 that provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act provided the legislative

body determines that meeting in person would present imminent risks to the health or safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and,

**WHEREAS**, California Department of Public Health (“CDPH”) and the federal Centers for Disease Control and Prevention (“CDC”) caution that the Delta variant of COVID-19, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations (<https://www.cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html>); and,

**WHEREAS**, the CDC has established a “Community Transmission” metric with 4 tiers designed to reflect a community’s COVID-19 case rate and percent positivity; and,

**WHEREAS**, the County of San Mateo currently has a Community Transmission metric of “substantial” which is the second most serious of the tiers; and,

**WHEREAS**, the San Mateo Medical Center Board has an important governmental interest in protecting the health, safety and welfare of those who participate in its meetings; and,

**WHEREAS**, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the San Mateo Medical Center Board deems it necessary to find that meeting in person would present imminent risks to the



health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing;

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that

1. The recitals set forth above are true and correct.
2. The San Mateo Medical Center Board finds that meeting in person would present imminent risks to the health or safety of attendees.
3. Staff is directed to return no later than thirty (30) days after the adoption of this resolution with an item for the San Mateo Medical Center Board to consider making the findings required by AB 361 in order to continue meeting under its provisions.
4. Staff is directed to take such other necessary or appropriate actions to implement the intent and purposes of this resolution.

\* \* \* \* \*

# CONSENT AGENDA

HOSPITAL BOARD OF DIRECTORS  
MEETING MINUTES  
Monday, October 4, 2021  
Videoconference Meeting

**Board Members Present**

Supervisor Carole Groom  
Supervisor David Canepa  
Mike Callagy  
Louise Rogers  
Dr. CJ Kunnappilly  
Dr. Steve Hassid  
Dr. Brita Almog  
Dr. Gordon Mak  
Deborah Torres

**Staff Present**

Michelle Lee  
David McGrew  
Dr. Alpa Sanghavi  
Peggy Jensen  
Jennifer Stalzer  
Paul Rogerville  
Dr. Shruti Dhapodkar  
Rachel Daly

**Members of the Public**

Gabriela Behn  
Priscilla Romero

Luci Latu

Angela Gonzales

ITEM	DISCUSSION/RECOMMENDATION	ACTION
Call to Order	Supervisor Groom called the meeting to order at 8:00 AM. A quorum was present (see above).	
Procedural	Approval of: 1. Adopt findings to continue teleconferenced board meetings due to health risks posed by in-person meetings.	The Board unanimously approved the resolution.
Reconvene to Open Session	The meeting was reconvened at 8:40 AM to Open Session.	
Report out of Closed Session	Medical Staff Credentialing Report for October 4, 2021. QIC Minutes from July 27, 2021 and August 24, 2021. Medical Executive Committee Minutes from September 14, 2021.	Jennifer Stalzer reported that the Board unanimously approved the Credentialing Report and the QIC Minutes and accepted the MEC Minutes.
Public Comment	None.	
Foundation Report	Paul Rogerville reported on the Taste of the County event held at the San Mateo County Event Center. The event was so successful that the Foundation will hold it again next year. He thanked the local restaurants and vendors who participated in it and for all their support since the beginning of the pandemic.	FYI
Consent Agenda	Approval of: 1. Hospital Board Meeting Minutes from August 2, 2021.	It was MOVED, SECONDED and CARRIED

		unanimously to approve all items on the Consent Agenda.
Medical Staff Report Dr. Steve Hassid	<p>Dr. Hassid reported that the number of SMMC patients who are vaccinated continues to rise. Today there is one person in the ICU for Covid-related complications.</p> <p>The Infection Control department is holding Covid vaccine booster (Pfizer) clinics. They will be given in conjunction with the annual flu vaccine.</p>	FYI
Compliance and HIPAA, Gabriela Behn	<p>Gabriela Behn reported on the DOJ settlement.</p> <p>SMMC is subject to a 5-year Corporate Integrity Agreement:</p> <ul style="list-style-type: none"> <li>• Basic Compliance Program Obligations</li> <li>• Annual auditing of claims for medical necessity</li> <li>• Reporting obligations</li> </ul> <p>Hospital Board requirements</p> <ul style="list-style-type: none"> <li>• Board training to be completed by January 2022</li> <li>• Report all Board composition changes</li> <li>• Annual Board resolution</li> </ul> <p>SMMC Compliance Audit Plan, 2021-2022</p> <ul style="list-style-type: none"> <li>• Moss Adams will conduct an external risk assessment for SMMC, with prep work beginning in October 2021</li> <li>• Allows us to get some additional support the first year of the CIA</li> <li>• Provides guidance for our annual risk assessment requirement moving forward</li> </ul>	FYI
County of San Mateo Emergency Medical Services, Dr. Shruti Dhapodkar	<p>Medical Health Operational Area Coordination (MHOAC) is responsible to ensure Medical and health response plans in place to address all 17 functions, coordinates disaster medical and health resources within the operational area (OA), and acts as the single point of contact for resource coordination with the Regional Disaster Medical and Health Coordinator/Specialist (RDMHC/S), the state Emergency Medical Services Authority (EMSA), and the state Department of Public Health (CDPH).</p> <p>Med/Health to MHOAC:</p> <ul style="list-style-type: none"> <li>• Healthcare personnel, ambulances, medications, environmental health support, assets used for medical purpose</li> <li>• Scare resource coordination and allocation started as early as Jan. 18, 2020 and continues today</li> </ul>	FYI

	<p>Care Site Outreach Support Team (CSOST) provide support and guidance to healthcare and congregate care facilities which provide care to vulnerable populations</p> <ul style="list-style-type: none"> <li>• Active community outreach to most vulnerable populations, including assisted living facilities, memory care facilities, skilled nursing facilities, jails, and shelters</li> <li>• Medical stabilization teams at at-risk and outbreak facilities</li> <li>• Skilled Nursing Centers of Excellence accepted patients from facilities experiencing severe outbreaks</li> </ul> <p>Medical Health Logistics manages and fulfills all medical health resource requests, including PPE and personnel via Medical Health Operation Area Coordination (MHOAC) Program</p> <ul style="list-style-type: none"> <li>• Processed over 2300 resource requests 03/06/2020 to 09/23/2021</li> <li>• Provided education and access to ReddiNet for over 400 agencies: first responders, hospitals, clinics, dental clinics, long term care facilities, etc.</li> <li>• Coordinated and managed large incoming inventory</li> <li>• Vaccine and Monoclonal Antibody Pharmaceutical Management</li> <li>• Scarce resource allocation during PPE shortage</li> <li>• Advocated at state level for San Mateo County facilities and agencies through the MHOAC and Regional Disaster Medical Health Coordination Systems</li> </ul>	
<p>Financial Report David McGrew, CFO</p>	<p>The August FY 21/22 financial report was included in the Board packet and David McGrew answered questions from the Board.</p>	<p>FYI</p>
<p>CEO Report Dr. CJ Kunnappilly</p>	<p>Dr. Kunnappilly presented the CEO report which was included in the Board packet and answered questions from the Board.</p>	<p>FYI</p>
<p>County Health Chief Report Louise Rogers</p>	<p>Ms. Rogers reported that although California overall is doing well in the current Covid surge, it has taken a toll on our healthcare workers and it has been tiring. We need to be prepared for the next surge whenever it comes and the way to do this is to increase vaccination rates. We are working toward a goal of at least 80% of our patients by the end of the year. We are seeing progress in hard hit areas like East Palo Alto in gaining vaccine acceptance.</p> <p>We are mobilizing to provide booster shots as widely as possible. This time we will be helped by the fact that all pharmacies are also giving them so there shouldn't be issues about access and supply.</p>	<p>FYI</p>
<p>County Manager Mike Callagy</p>	<p>Mr. Callagy reported that the county Board of Supervisors took an important step in establishing a new Navigation Center in Redwood City. It will provide housing and support for 240-270 homeless residents. The center will address various complicated needs that are unique to the homeless. Supervisor Groom, with her foresight, started the process eight years ago. This is a very endeavor for our county and the Board has shown their full support.</p>	<p>FYI</p>

Board of Supervisors Supervisor Groom	Supervisor Canepa acknowledged that much of the county's success is due to Louise Rogers' leadership and staff. Her steady hand is helping to guide us through the pandemic and I am thankful to have her.	FYI
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Supervisor Groom adjourned the meeting at 9:53 AM. The next Board meeting will be held on November 1, 2021.

Minutes recorded by:



Michelle Lee, Executive Secretary

Minutes approved by:



Dr. Chester Kunnappilly, Chief Executive Officer

# ADMINISTRATION REPORTS

# BOARD OF DIRECTORS SAN MATEO MEDICAL CENTER

**Financial Report: September FY21-22**

November 1, 2021

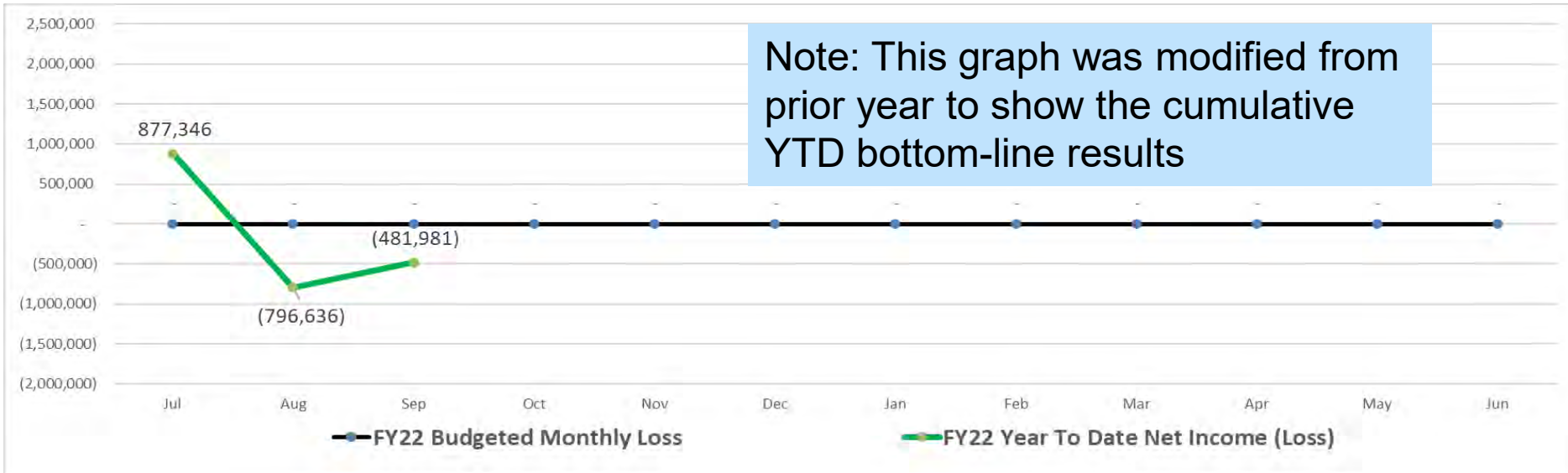
**Presenter: David McGrew, CFO**



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# Financial Highlights FY2022



## Net Income(loss)–Sept \$315K, YTD (\$482K)

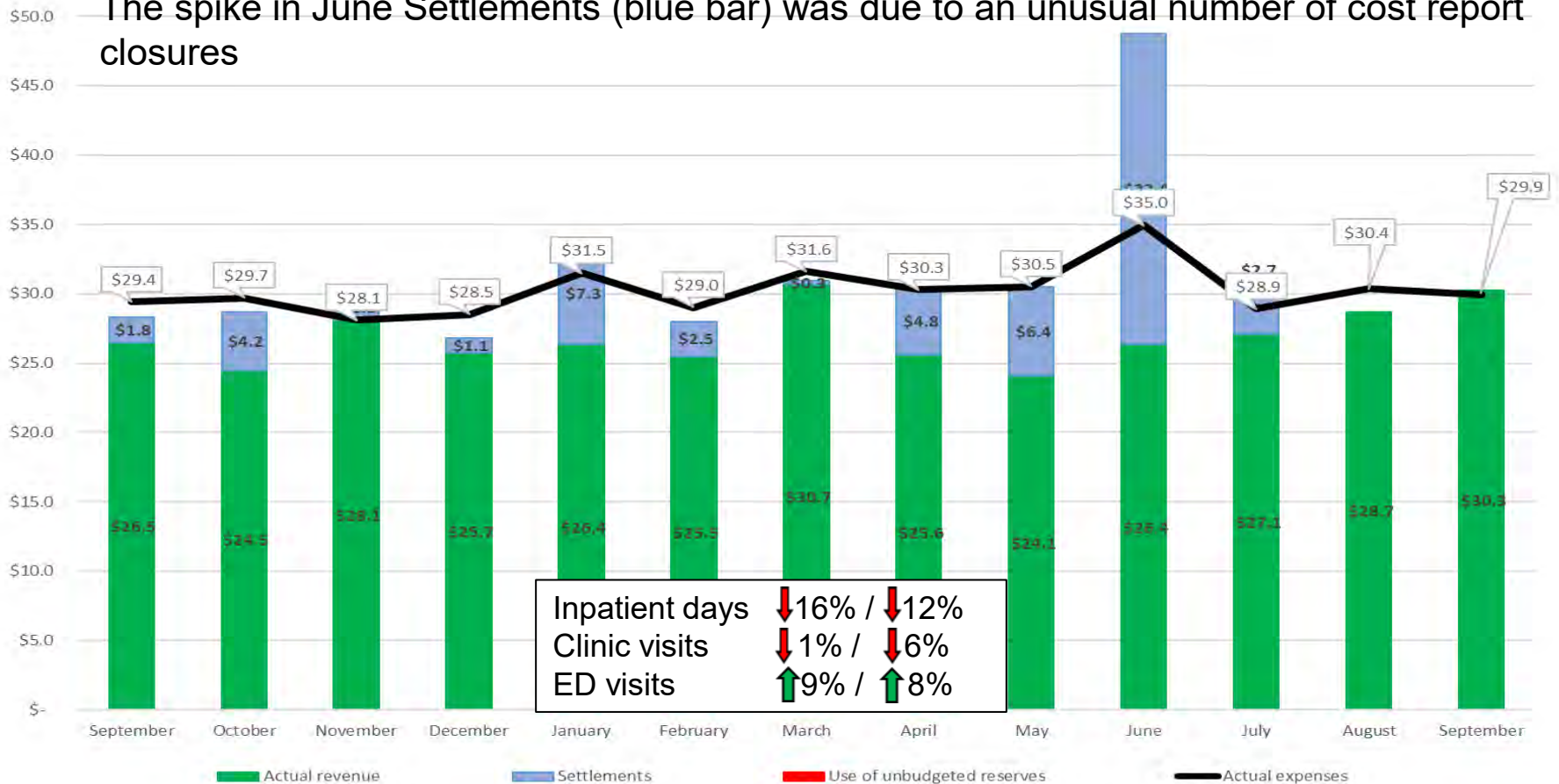
- Medi-Cal Fee for Service (FFS) rates
- Savings in Salary & Benefits
- Savings in Drug Expenses
- FMAP increase for GPP

- Nursing Registry expenses
- COVID pandemic impact on patient volumes  
– 13% unfavorable net patient revenue
- ACE outside medical costs

**September FY22 Snapshot:** September is favorable to budget by \$315K and reflects only operations without any reserves or settlements. This is an improvement over the FY21 average monthly loss of \$2.7 million. The YTD loss of \$482k is expected to be corrected in future months. Inpatient volume continues to be down, clinic visits close to target and ED visits are trending upward. Managed care membership is within 1% of budget,

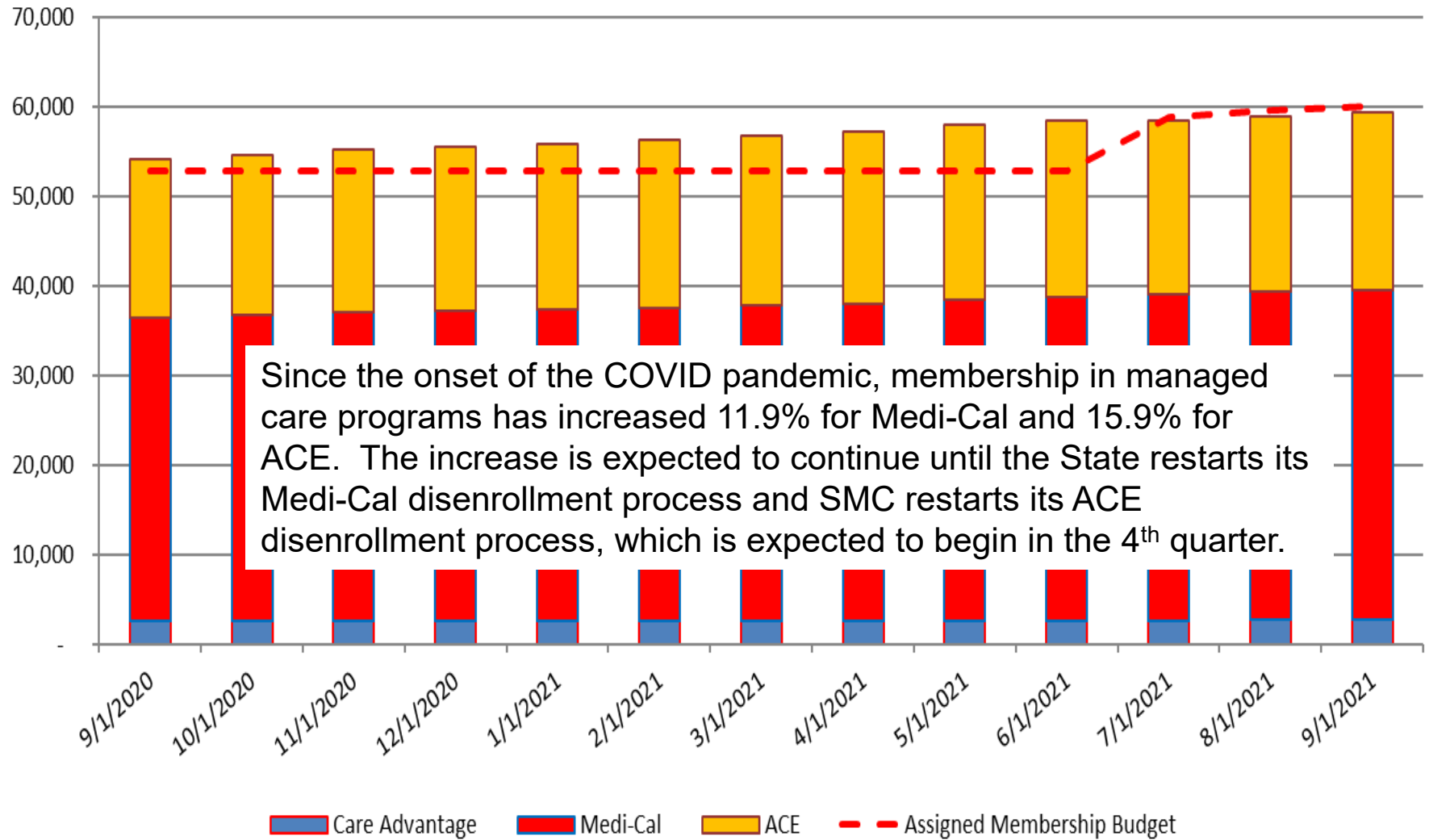
# FY 21-22 Revenue & Expense Trend

SMMC's operational revenue is trending slightly upward (green bar). Operating expenses (black line) are trending flat at a FY22 monthly average of \$29.7 million, which is a slight decrease from the prior 10 month average of \$30.4 million. There were no cost report settlements or release of audit reserves for the past 2 months. The spike in June Settlements (blue bar) was due to an unusual number of cost report closures



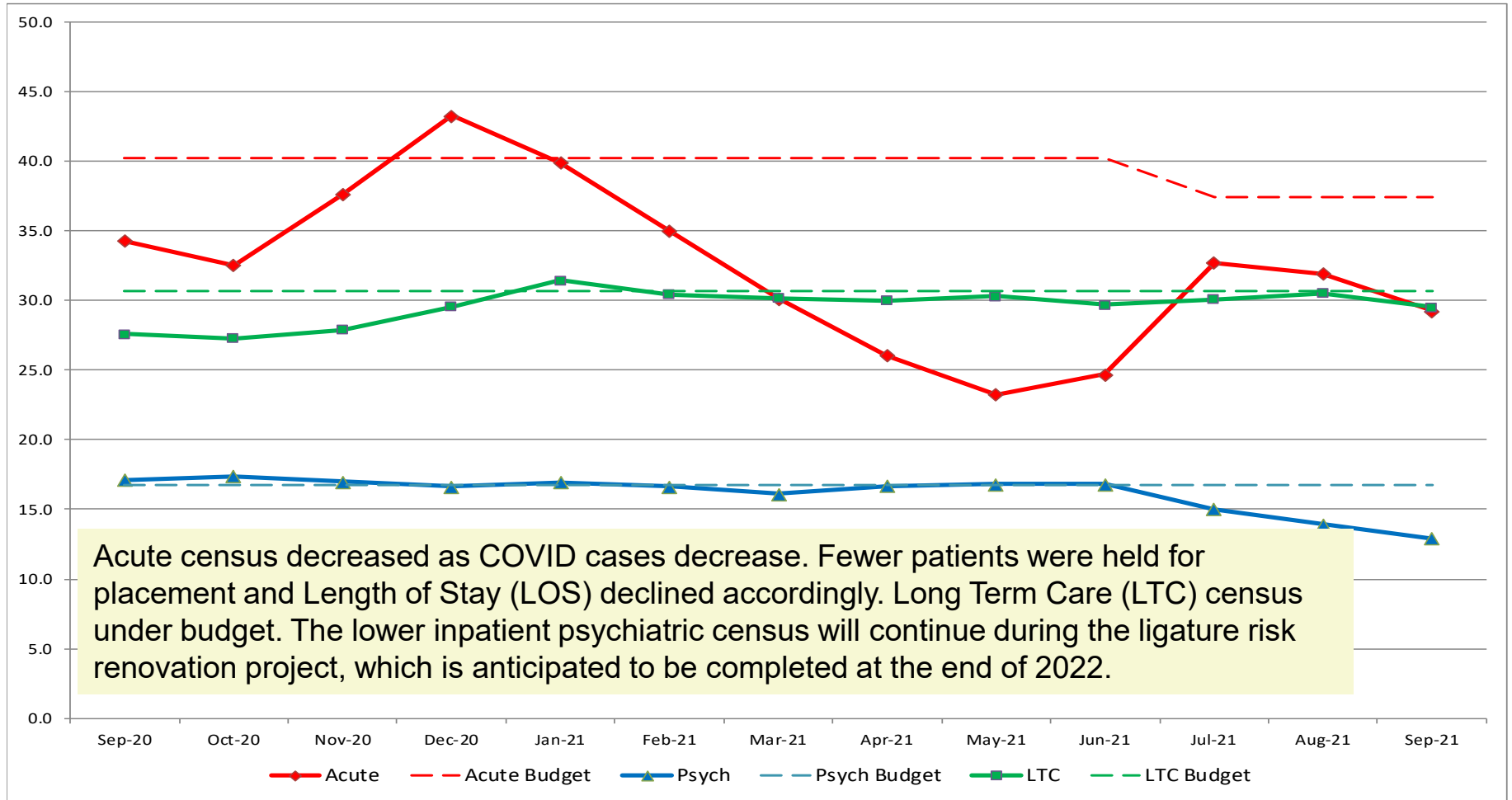
Note: Volume %s are Current Month/YTD actuals vs budget

# Managed Care Membership Trend



# San Mateo Medical Center Inpatient Days September 30, 2021

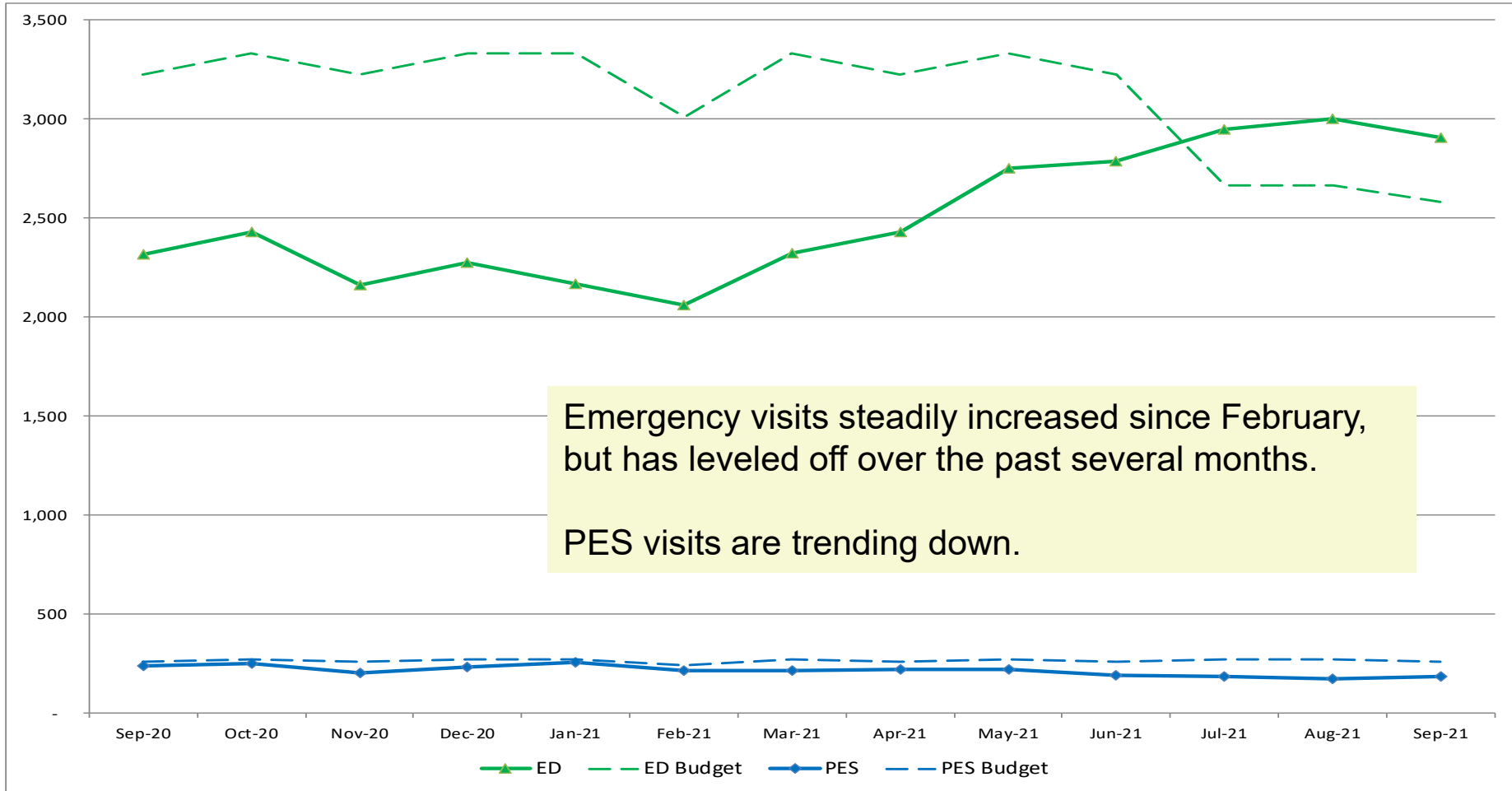
	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
<b>Patient Days</b>	2,152	2,566	(414)	-16%	6,931	7,870	(939)	-12%



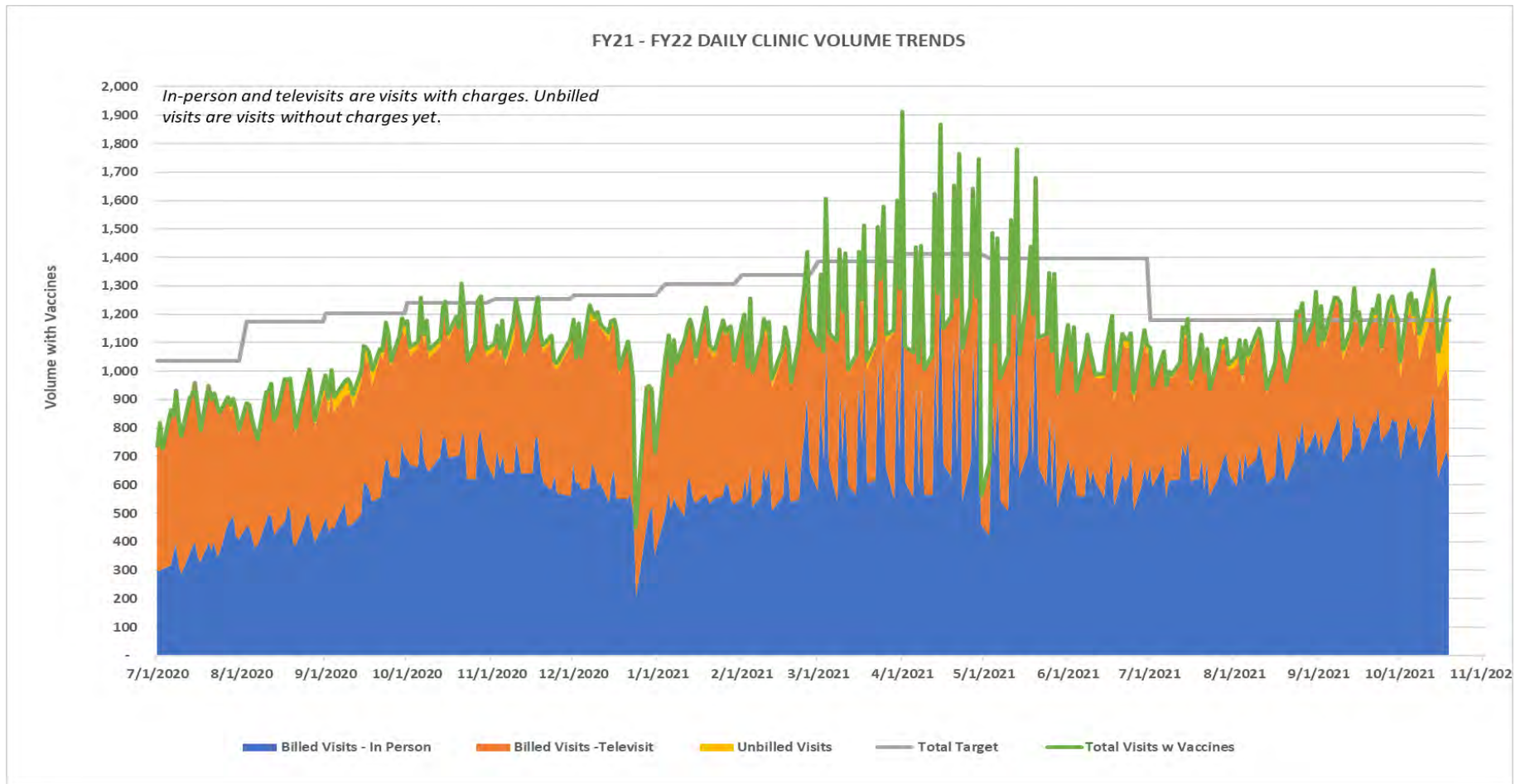
# San Mateo Medical Center Emergency Visits September 30, 2021

	MONTH			
	Actual	Budget	Variance	Stoplight
ED Visits	3,092	2,843	249	9%

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
9,401	8,717	684	8%



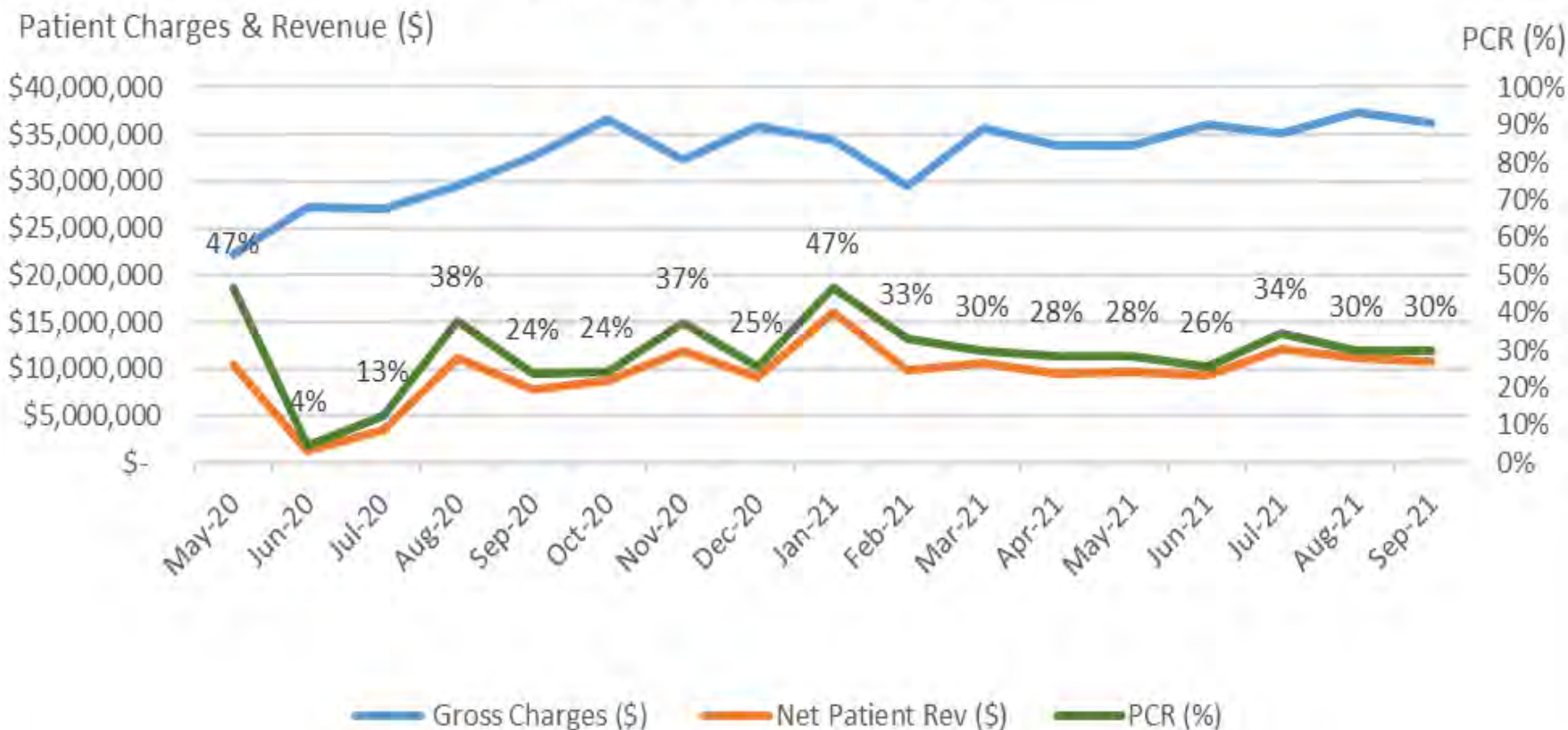
# San Mateo Medical Center Clinic Telehealth Visits September 30, 2021



Clinic telehealth visits were 42% of total visits in FY21, hitting a high of 78% early in the pandemic. Telehealth visits are running at 32% of total visits in FY22 as more patients are opting for in-person visits. March & April spikes are due to targeted vaccination events.



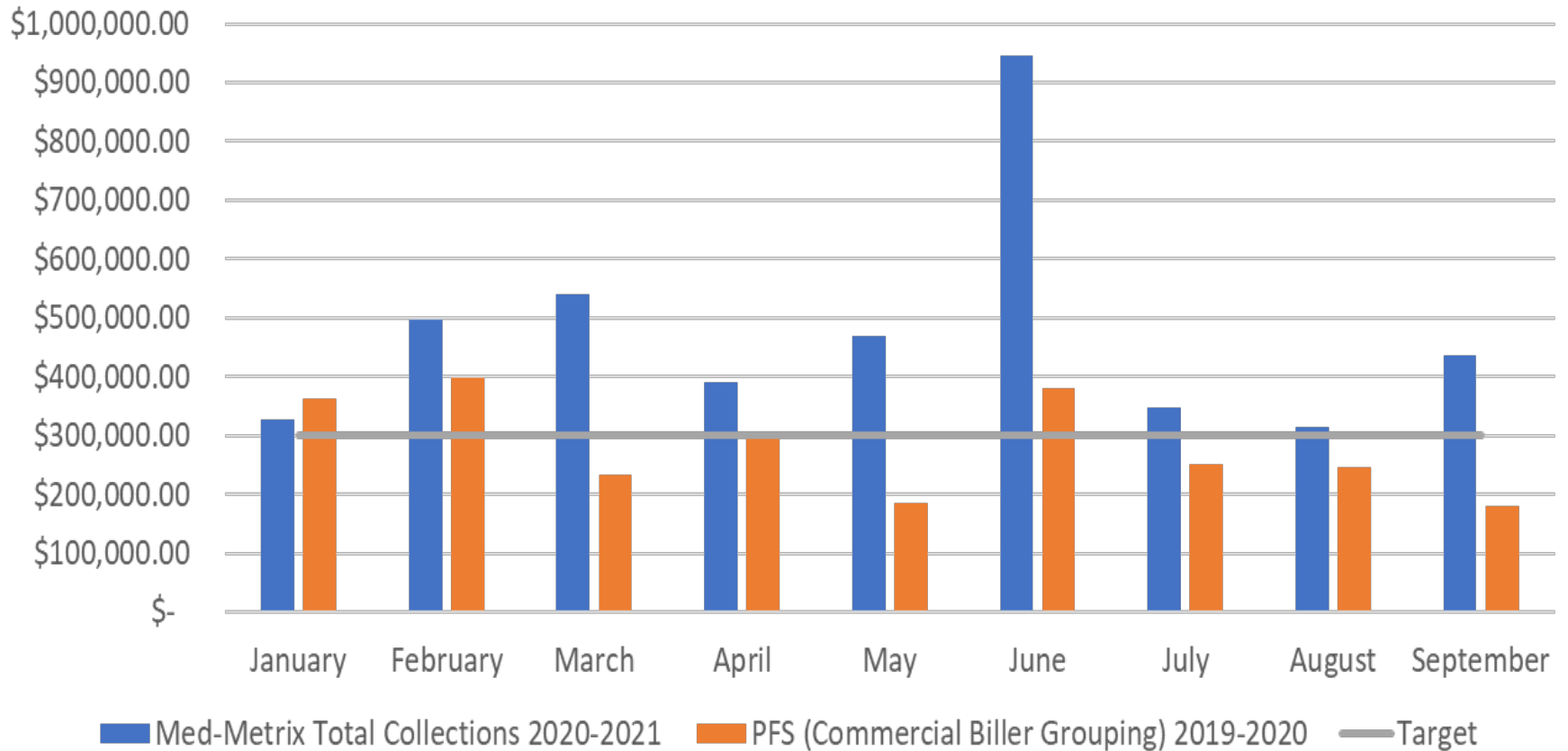
## Patient Revenue Trend



Budgeted PCR 27.5% (FY21), 33.9% (FY22)

Gross patient revenue is consistent at approximately \$35 million per month since the increase in patient volume late last year. Despite the lower than budgeted gross patient revenue, the collection rate (PCR) is consistently hovering around the historical rate of 30%

# Commercial Accounts Receivable Follow-up

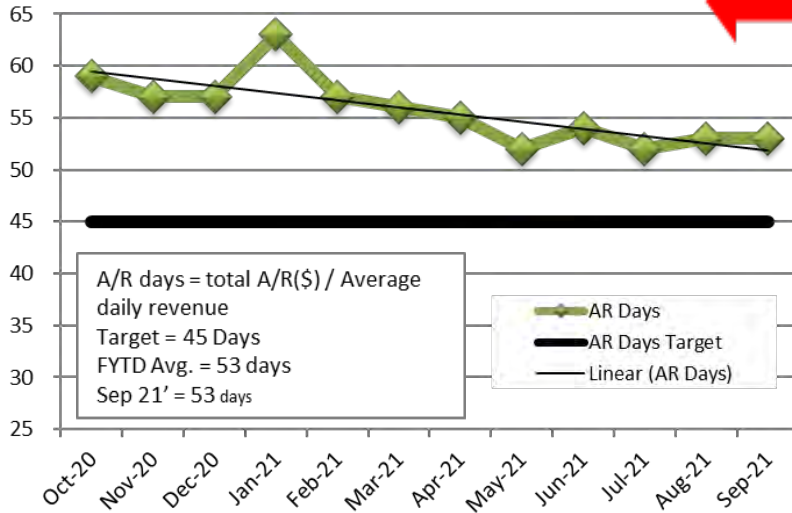


SMMC engaged Med-Metrix in August to augment internal staffing resources for commercial accounts receivable. Med-Metrix has exceeded target for 9 months in a row, averaging 70% above target, and is consistently higher than historical collection performance.

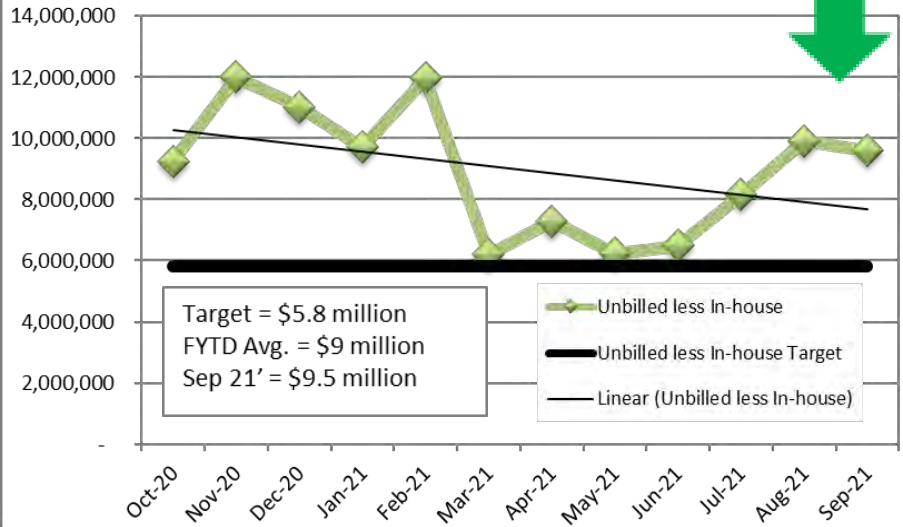


# Key Performance Indicators

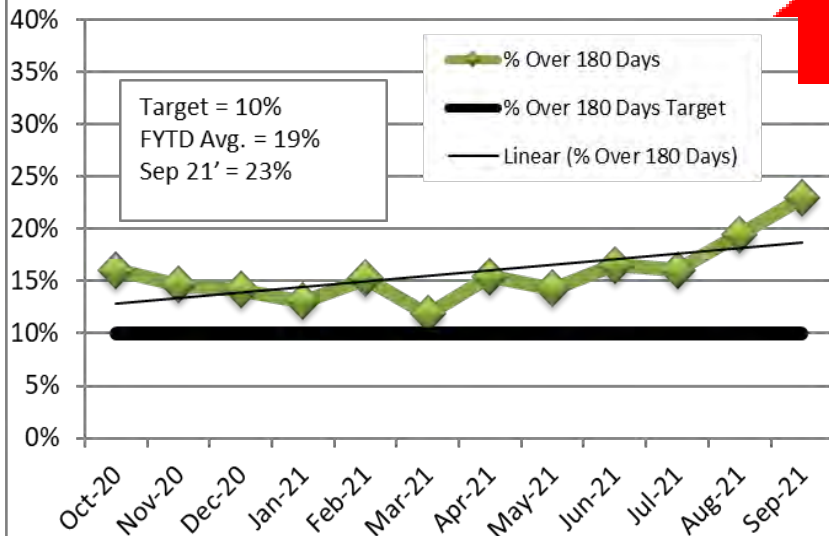
## A/R Days - Rolling 12 Months



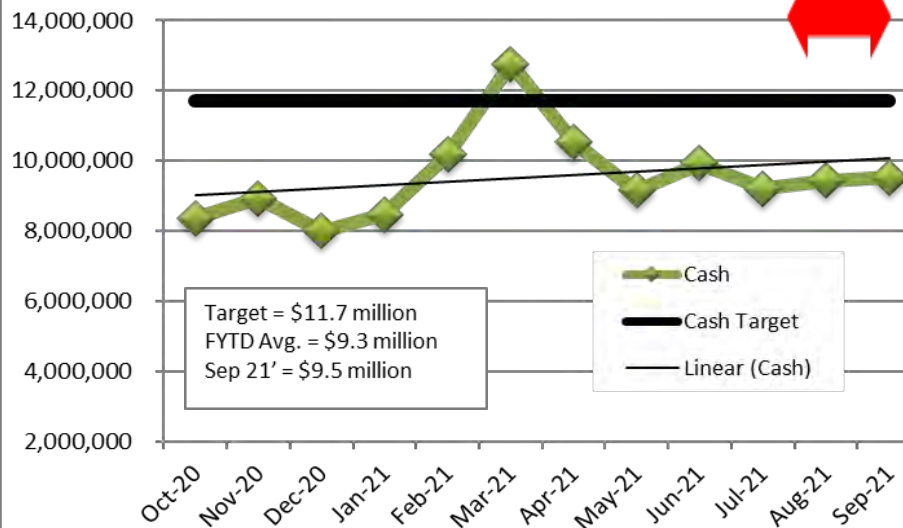
## A/R Unbilled - Rolling 12 Months



## % of A/R Over 180 Days - Rolling 12 Months



## Cash - Rolling 12 Months





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QUESTIONS?

# APPENDIX



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**San Mateo Medical Center**  
**Income Statement**  
**September 30, 2021**

MONTH			
Actual	Budget	Variance	Stoplight
A	B	C	D

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
E	F	G	H

1 <b>Income/Loss (GAAP)</b>	314,654	0	314,654	
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(481,981)	0	(481,981)	
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2 <b>HPSM Medi-Cal Members Assigned to SMMC</b>	36,866	36,969	(103)	0%
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109,948	110,070	(122)	0%
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3 <b>Unduplicated Patient Count</b>	66,287	65,556	731	1%
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66,287	65,556	731	1%
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4 <b>Patient Days</b>	2,152	2,566	(414)	-16%
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6,931	7,870	(939)	-12%
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5 <b>ED Visits</b>	3,092	2,843	249	9%
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9,401	8,717	684	8%
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7 <b>Surgery Cases</b>	217	280	(63)	-22%
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662	852	(190)	-22%
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8 <b>Clinic Visits</b>	24,529	24,775	(246)	-1%
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70,829	75,506	(4,677)	-6%
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9 <b>Ancillary Procedures</b>	68,341	71,544	(3,203)	-4%
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204,470	218,083	(13,613)	-6%
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10 <b>Acute Administrative Days as % of Patient Days</b>	0.0%	N/A	N/A	0%
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0.0%	N/A	N/A	0%
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11 <b>Psych Administrative Days as % of Patient Days</b>	64.2%	80.0%	15.8%	20%
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74.2%	80.0%	5.8%	7%
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(Days that do not qualify for inpatient status)

**Pillar Goals**

12 <b>Revenue PMPM</b>	119	161	(42)	-26%
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121	161	(41)	-25%
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13 <b>Operating Expenses PMPM</b>	288	312	24	8%
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287	314	27	8%
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14 <b>Full Time Equivalents (FTE) including Registry</b>	1,128	1,205	77	6%
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1,138	1,205	67	6%
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**San Mateo Medical Center**  
**Income Statement**  
**September 30, 2021**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
	A	B	C	D	E	F	G	H
21 <b>Inpatient Gross Revenue</b>	11,808,516	13,751,776	(1,943,260)	-14%	37,458,214	41,255,328	(3,797,114)	-9%
22 <b>Outpatient Gross Revenue</b>	24,440,823	23,742,593	698,230	3%	71,221,000	71,227,779	(6,779)	0%
23 <b>Total Gross Revenue</b>	36,249,339	37,494,369	(1,245,030)	-3%	108,679,214	112,483,108	(3,803,893)	-3%
24 <b>Patient Net Revenue</b>	10,802,074	13,677,761	(2,875,688)	-21%	33,968,749	41,033,284	(7,064,536)	-17%
25 <b>Net Patient Revenue as % of Gross Revenue</b>	29.8%	36.5%	-6.7%	-18%	31.3%	36.5%	-5.2%	-14%
26 <b>Capitation Revenue</b>	366,382	386,246	(19,864)	-5%	1,095,799	1,158,739	(62,940)	-5%
27 <b>Supplemental Patient Program Revenue</b> (Additional payments for patients)	11,459,892	12,722,491	(1,262,599)	-10%	32,788,862	38,167,474	(5,378,612)	-14%
28 <b>Total Patient Net and Program Revenue</b>	22,628,348	26,786,499	(4,158,151)	-16%	67,853,411	80,359,497	(12,506,087)	-16%
29 <b>Other Operating Revenue</b> (Additional payment not related to patients)	1,598,286	1,175,198	423,089	36%	3,416,870	3,525,593	(108,723)	-3%
30 <b>Total Operating Revenue</b>	24,226,635	27,961,697	(3,735,062)	-13%	71,270,280	83,885,090	(12,614,810)	-15%

**San Mateo Medical Center**  
**Income Statement**  
**September 30, 2021**

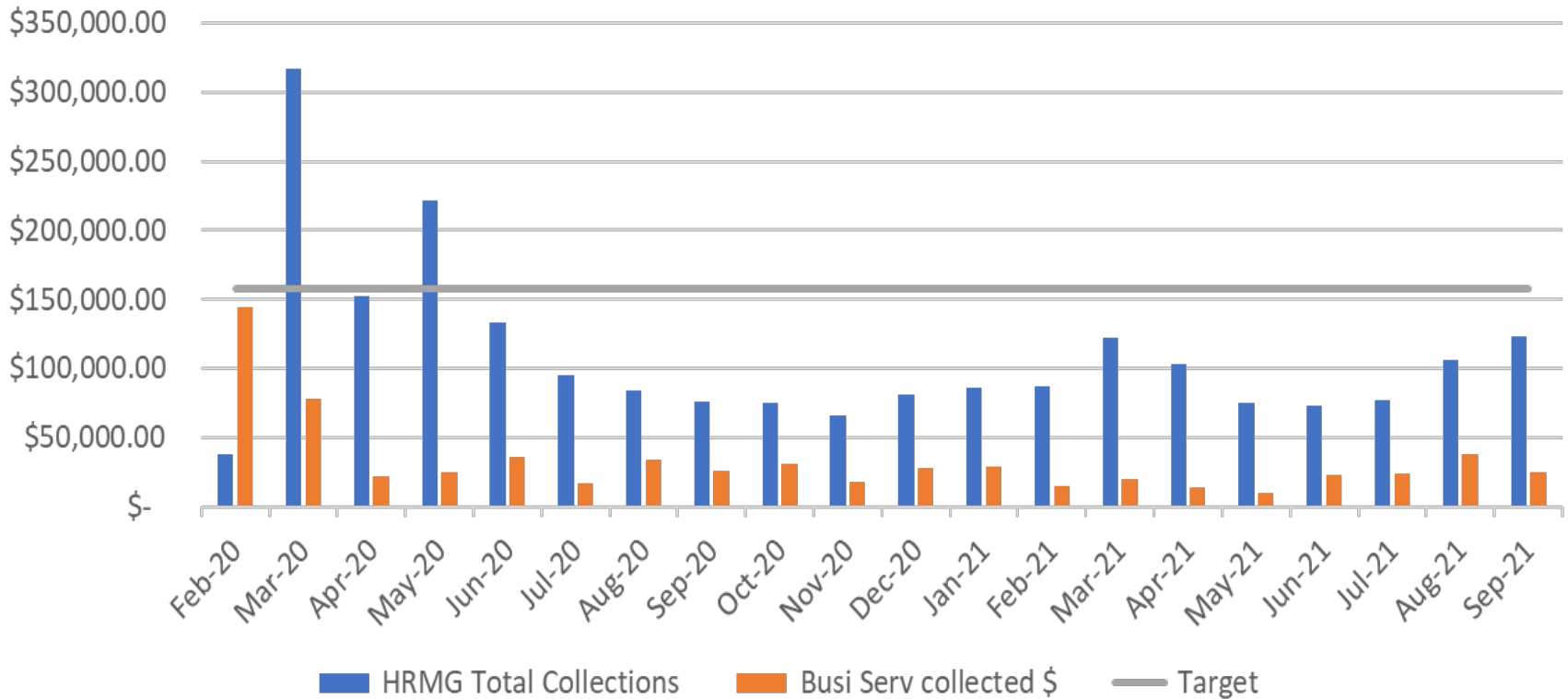
	MONTH				YEAR TO DATE				
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight	
	A	B	C	D	E	F	G	H	
<b>Operating Expenses</b>									
31	Salaries & Benefits	16,573,638	18,553,233	1,979,594	11%	50,197,392	55,659,698	5,462,306	10%
32	Drugs	803,039	1,279,462	476,423	37%	2,743,221	3,838,385	1,095,164	29%
33	Supplies	926,459	902,477	(23,982)	-3%	2,914,909	2,707,432	(207,477)	-8%
34	Contract Provider Services	4,379,581	3,405,431	(974,149)	-29%	12,515,467	10,216,294	(2,299,173)	-23%
35	Other fees and purchased services	5,502,155	5,134,188	(367,967)	-7%	15,919,144	15,402,563	(516,580)	-3%
36	Other general expenses	588,538	1,527,114	938,576	61%	1,380,415	4,581,342	3,200,927	70%
37	Rental Expense	154,100	241,444	87,344	36%	571,345	724,333	152,988	21%
38	Lease Expense	742,610	742,610	-	0%	2,227,829	2,227,829	-	0%
39	Depreciation	265,937	227,894	(38,043)	-17%	752,784	683,683	(69,101)	-10%
40	<b>Total Operating Expenses</b>	<b>29,936,057</b>	<b>32,013,854</b>	<b>2,077,797</b>	<b>6%</b>	<b>89,222,507</b>	<b>96,041,561</b>	<b>6,819,054</b>	<b>7%</b>
41	<b>Operating Income/Loss</b>	<b>(5,709,422)</b>	<b>(4,052,157)</b>	<b>(1,657,265)</b>	<b>-41%</b>	<b>(17,952,227)</b>	<b>(12,156,470)</b>	<b>(5,795,756)</b>	<b>-48%</b>
42	<b>Non-Operating Revenue/Expense</b>	<b>722,275</b>	<b>(1,249,645)</b>	<b>1,971,920</b>	<b>158%</b>	<b>1,564,840</b>	<b>(3,748,935)</b>	<b>5,313,775</b>	<b>142%</b>
43	<b>Contribution from County General Fund</b>	<b>5,301,802</b>	<b>5,301,802</b>	<b>(0)</b>	<b>0%</b>	<b>15,905,405</b>	<b>15,905,405</b>	<b>(0)</b>	<b>0%</b>
44	<b>Total Income/Loss (GAAP)</b>	<b>314,654</b>	<b>0</b>	<b>314,654</b>		<b>(481,981)</b>	<b>0</b>	<b>(481,981)</b>	
	(Change in Net Assets)								

# Expected Reimbursement vs Actual Cash Collected During COVID



Fee-For-Service (FFS) revenue is significantly below target due to patient volumes being lower during the pandemic. Cash collected is lower than expected for the actual revenue generated due to challenges with releasing claims in a timely manner.

# Self Pay Cash Collections



SMMC contracted with Healthcare Revenue Management Group to support SMMC's Business Services unit with collections of self-pay balances



**San Mateo Medical Center  
Payer Mix  
September 30, 2021**

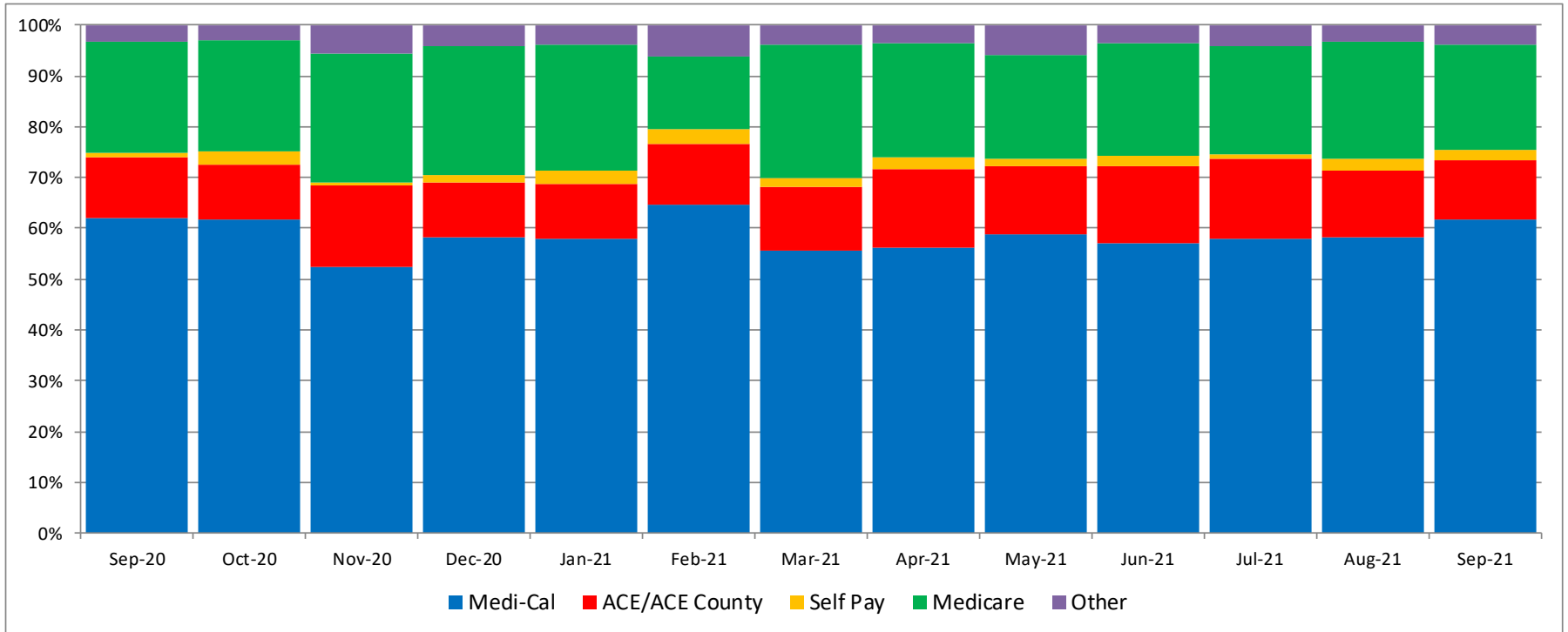
MONTH			
Actual	Budget	Variance	Stoplight

YEAR TO DATE			
Actual	Budget	Variance	Stoplight

**Payer Type by Gross Revenue**

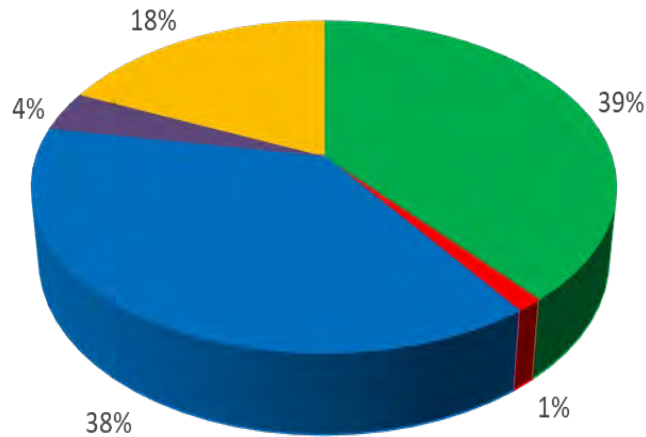
	A	B	C	D
Medicare	20.6%	22.7%	-2.1%	
Medi-Cal	61.7%	58.9%	2.8%	
Self Pay	2.0%	1.6%	0.5%	
Other	3.9%	4.3%	-0.4%	
ACE/ACE County	11.7%	12.5%	-0.8%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>		

	E	F	G	H
Medicare	21.6%	22.7%	-1.1%	
Medi-Cal	59.2%	58.9%	0.4%	
Self Pay	1.8%	1.6%	0.2%	
Other	3.8%	4.3%	-0.5%	
ACE/ACE County	13.5%	12.5%	1.0%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>		

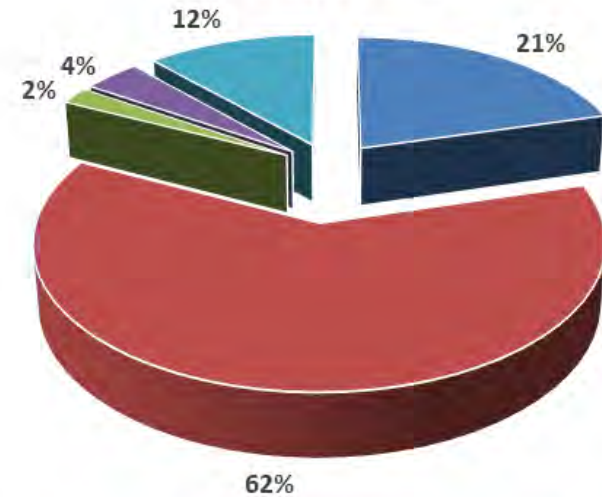


# Revenue Mix

## Sources of Revenue



## Payor Mix



■ Fee For Service   
 ■ Capitation   
 ■ Supplemental   
 ■ Other   
 ■ County Contribution   
 ■ Medicare   
 ■ Medi-Cal   
 ■ Self Pay   
 ■ Other   
 ■ ACE

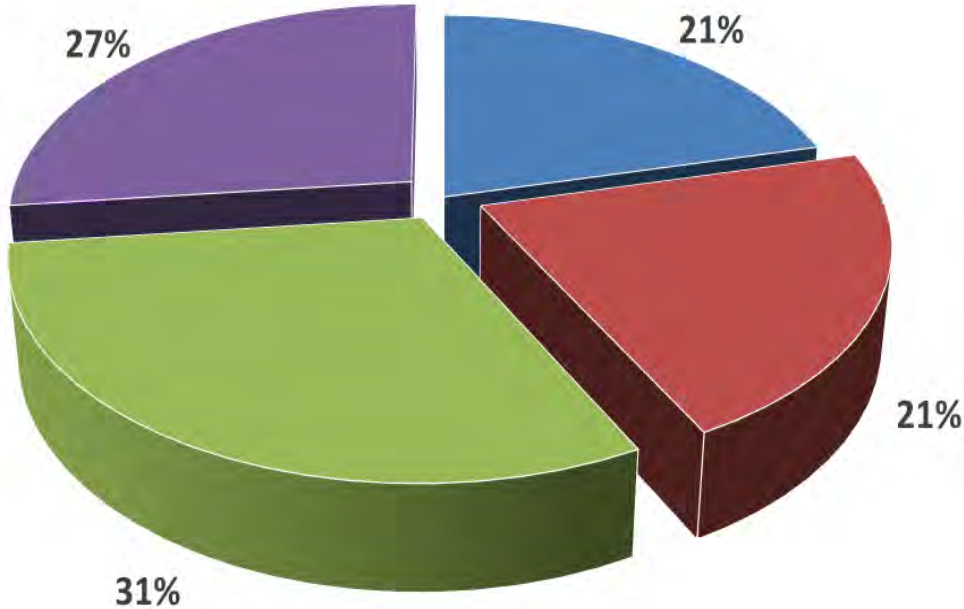
**Health Plan of San Mateo (HPSM)** represents 32% of our Operating Revenue

- Medi-Cal Managed Care and Medicare Managed Care FFS
- Medi-Cal PCP Capitation

**Capitation** is a pre-payment reimbursement model that pays providers a set amount for each enrolled person assigned to them, per period of time, whether or not that person seeks care.

NO commercial contracts

# Revenue Mix by Service Line



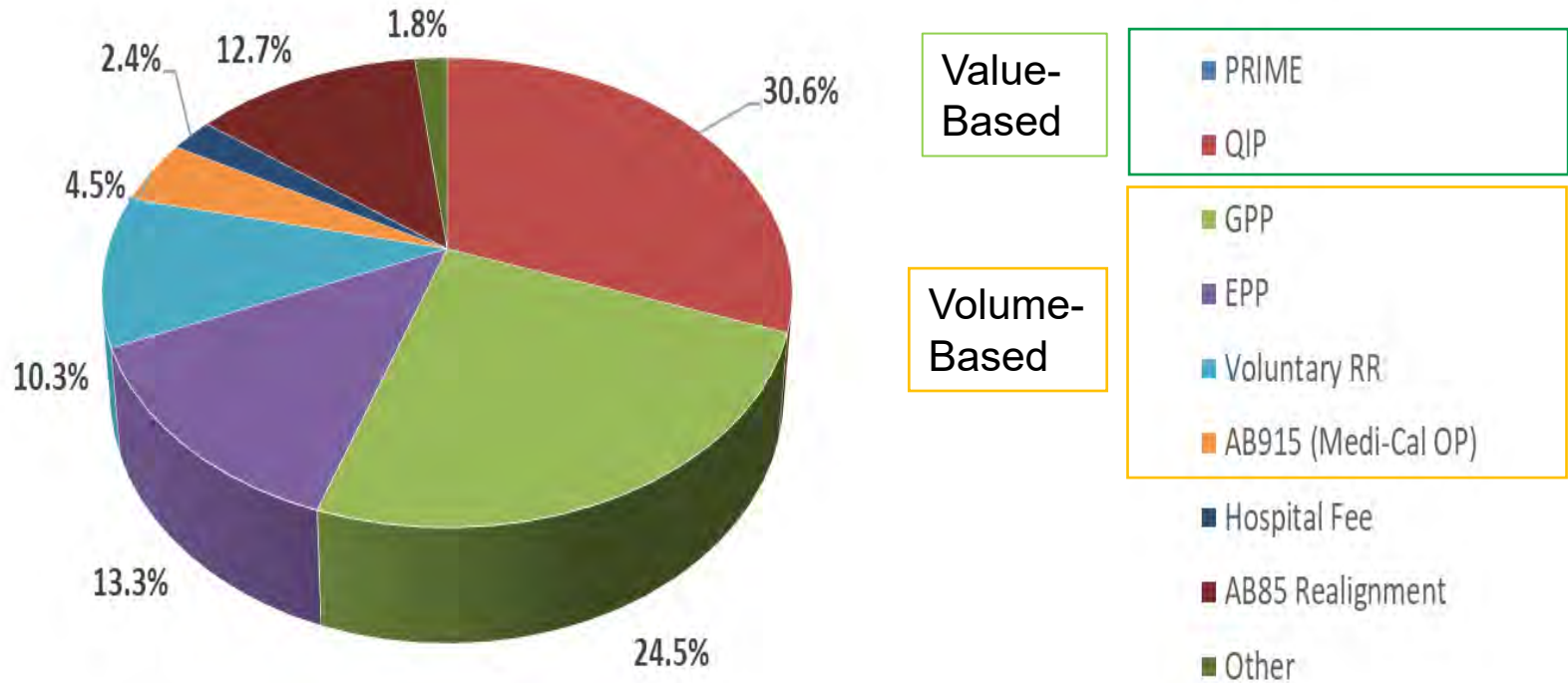
■ Inpatient

■ Hospital ED & Outpatient

■ Ambulatory Clinics

■ Ancillary Services

# Supplemental Revenue Mix

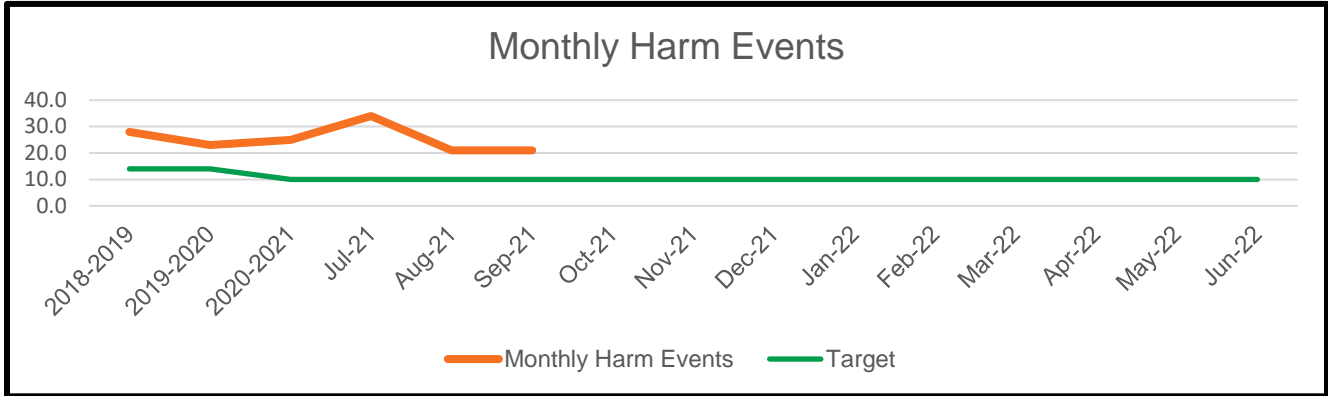


- **Value-Based** programs represent 30.6% of our Supplemental Revenue
- **Volume-Based** programs represent 69.4% of our Supplemental Revenue

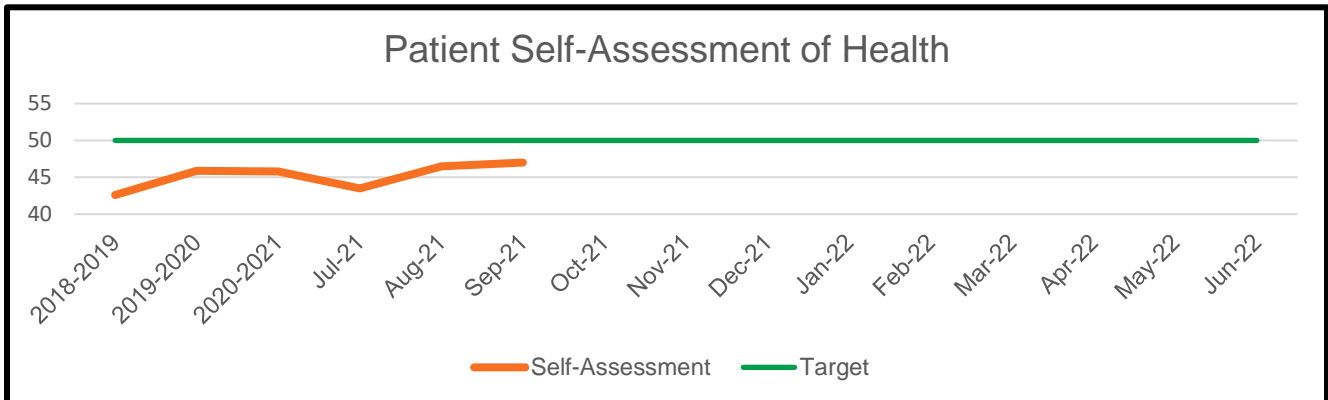
# CEO REPORT

November 2021

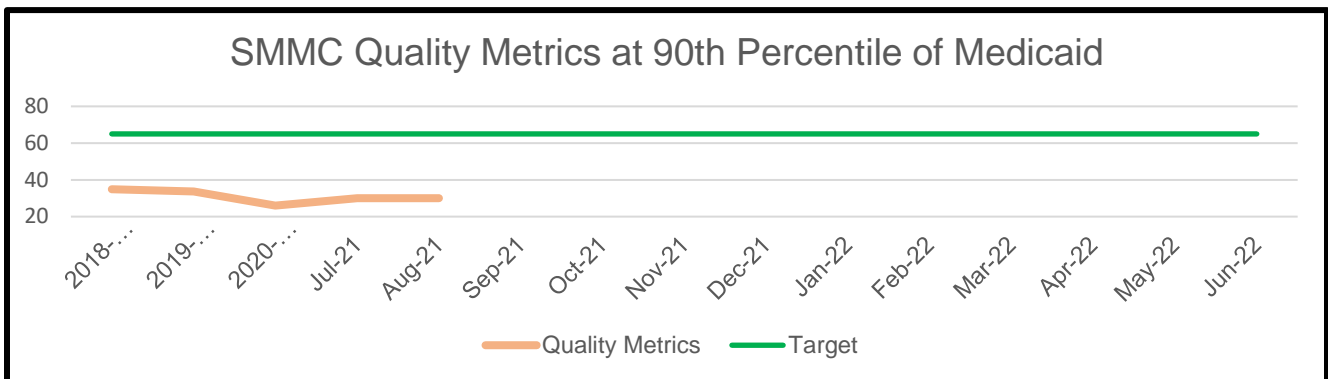
## EXCELLENT CARE METRICS



**Monthly Harm Events:** Measures all instances of patient harm or staff harm including delays in care, falls, medication errors, surgical infections, catheter associated urinary infections, central line associated blood stream infections, other preventable staff and patient injuries. **Lower is better.**

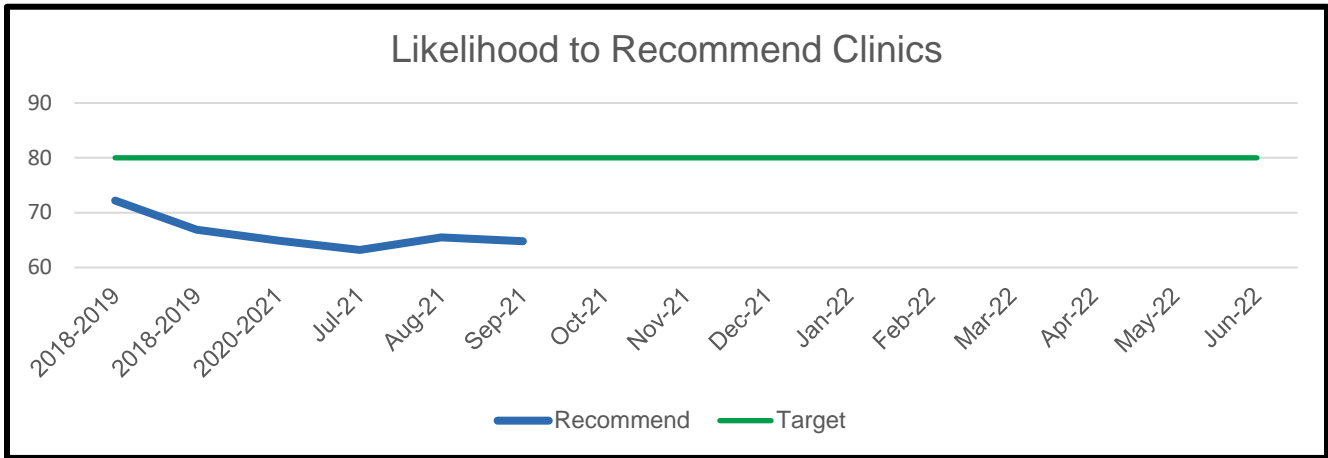


**Patient Self-Assessment of Health:** All Primary Care patients receive an experience survey. One question asks them to rate their health from poor to excellent. This is the percentage that rate their health as very good or excellent. **Higher is better.**

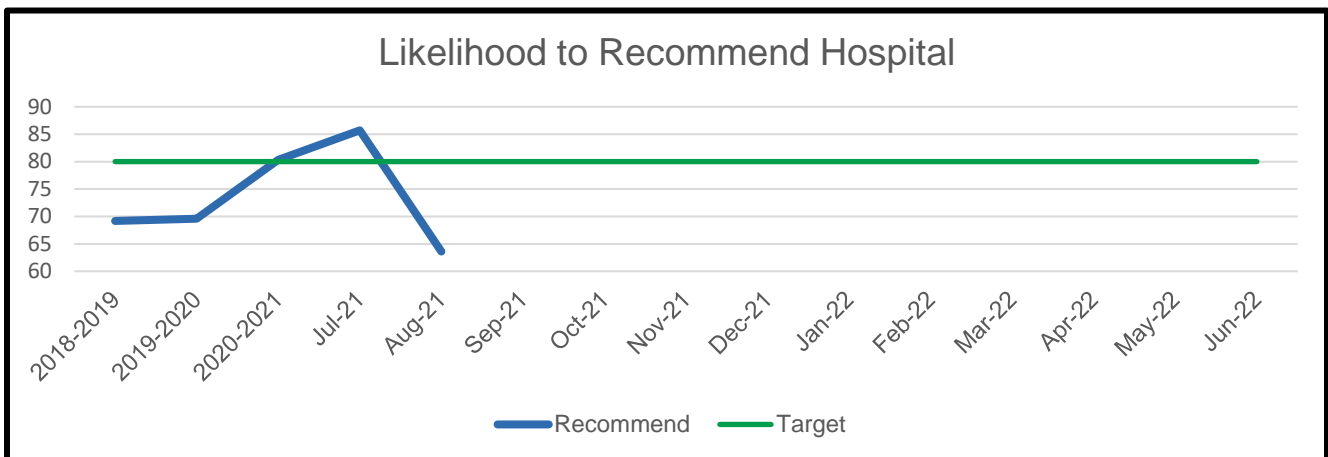


**Quality Metrics at 90<sup>th</sup> Percentile:** SMMC seeks excellence in all that it does. The organization currently participates in a number of pay for performance programs including PRIME, QIP and the Health Plan of San Mateo Pay for Performance Program. This metric measures the percentage of quality metrics in which the SMMC performance is equal to or better than the 90<sup>th</sup> percentile of Medicaid nationally. **Higher is better.** *Due to changes in program requirements and targets, 2021-2022 data is still pending.*

## PATIENT CENTERED CARE METRICS

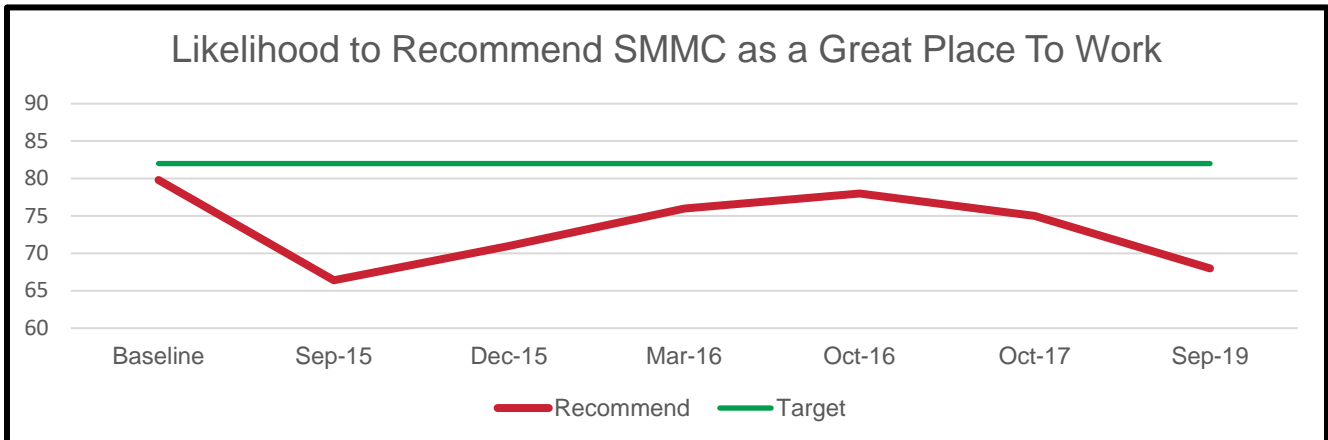


**Likelihood to Recommend Clinics:** Percentage of patients who gave SMMC the highest score (9 or 10) on the patient experience survey question, “How likely are you to recommend this clinic to friends and family?” **Higher is better.**



**Likelihood to Recommend Hospital:** Percentage of patients who gave SMMC the highest score (9 or 10) on the patient experience survey question, “How likely are you to recommend this hospital to friends and family?” **Higher is better.**

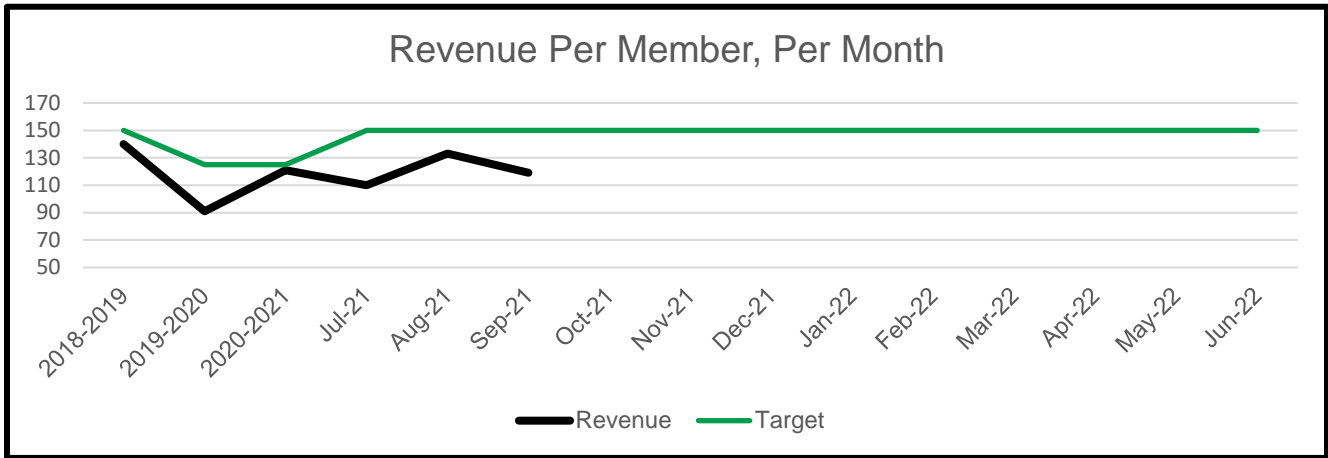
## STAFF ENGAGEMENT METRICS



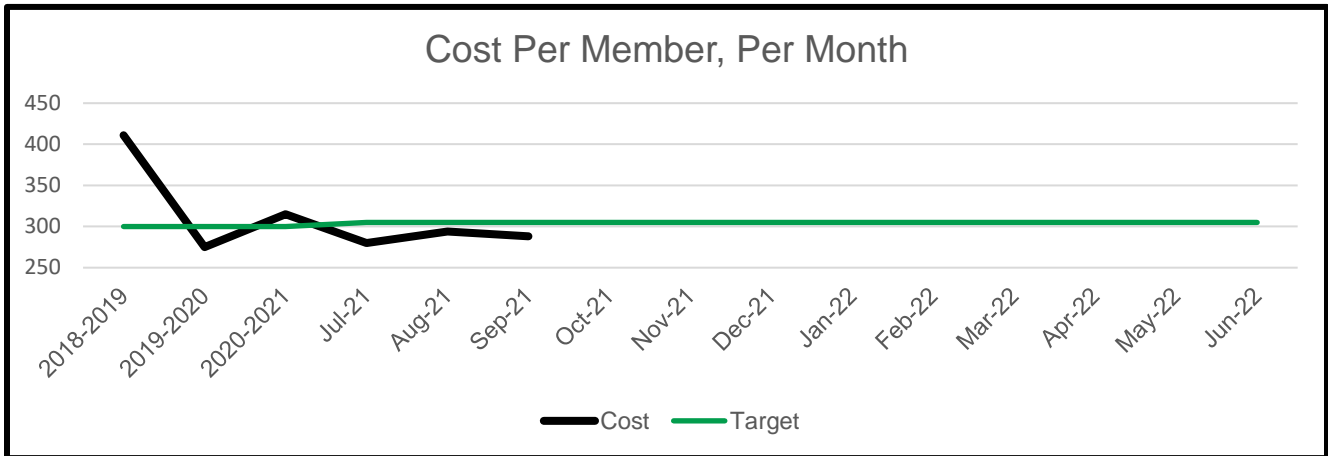
**Likelihood to Recommend SMMC:** Percentage of staff who agree or strongly agree that they would recommend SMMC as a great place to work. Measured using the annual Blessing White staff engagement survey. **Higher is better.**



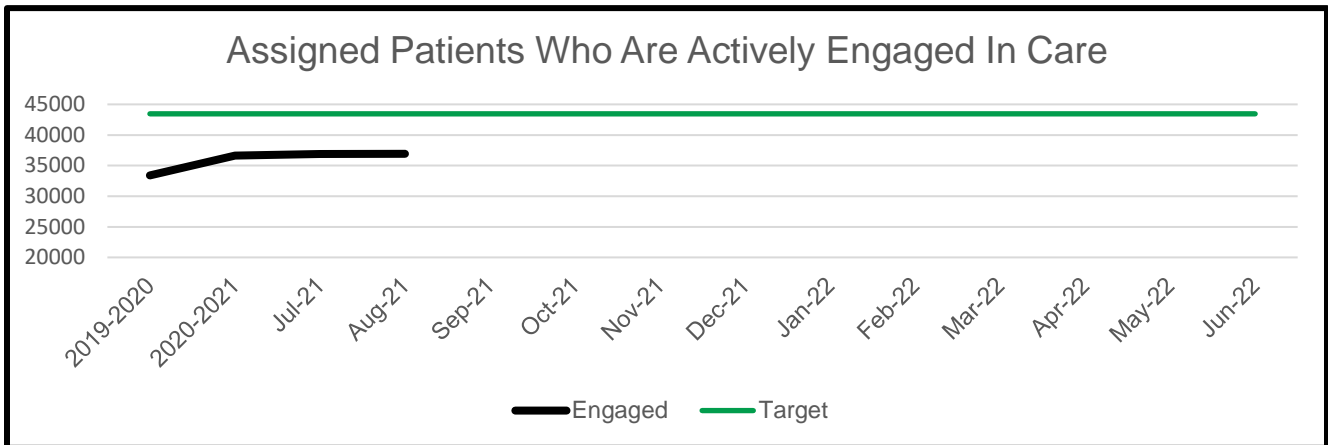
## FINANCIAL STEWARDSHIP METRICS



**Revenue Per Member, Per Month:** Total patient revenue divided by total number of assigned members. **Higher is better.**



**Cost Per Member, Per Month:** Total cost divided by total number of assigned members. **Lower is better.**



**Assigned and Engaged:** SMMC has approximately 52,000 patients assigned to it through the Health Plan of San Mateo. This metric measures the number of those assigned patients are actively engaged in care. **Higher is better.** (Awaiting data updates for 2021-2022)



## STRATEGIC UPDATES, RECOGNITIONS & AWARDS



(Above: Excerpts from flyers advertising the Mobile Farmer's Market that will be located at Fair Oaks Health Center on Thursdays starting October 21<sup>st</sup>)

### **San Mateo Medical Center: Fair Oaks Health Center Hosts Weekly Mobile Farmers' Market-**

SMMC's experience throughout the course of the COVID-19 Pandemic has emphasized the various factors that influence the overall health of our patients. This year the Medical Center has focused on how to address the Social Determinants of Health beginning with addressing the needs of those with food insecurity and creating a safe and welcoming environment for patients of all literacy levels. This includes a strategic initiative focused on *Establishing Partnerships to Meet Food Needs*. As part of this work, we held a 3-day improvement event focused on creating agreements with a variety of community partners who can meet our patients' food needs. One outcome of these efforts is that one of our partners, Fresh Approach, has begun to hold a weekly Mobile Farmers' Market at our Fair Oaks Health Center on Thursdays from 10-11:30 am. The program includes a 50% discount for patients who qualify for CalFresh. We are very grateful to everyone who worked to make this possible and look forward to additional similar partnerships in the future.

### **SMMC Inpatient Leader Interviewed by San Mateo Daily Journal-**

Throughout the course of the Pandemic, SMMC staff and providers have been on the forefront of providing the highest quality, evidence-based care to those infected with COVID-19. Recently, Dr. Suja Georgie, Supervising Physician for Inpatient Medical-Surgical Services was interviewed by the Daily Journal regarding the organization's experiences over the last several months. Here is link to the article <https://bit.ly/3BiW6I9>. Thank you to Dr. Georgie for representing the Medical Center so well.

**SMMC Leader Selected for Leadership Fellowship-** Dr. Mithu Tharayil, Supervising Physician for Adolescent Services, has been selected to participate in the California Health





Care Foundation's Health Care Leadership Program. This two-year program "prepares clinically trained professionals to lead California's health care organizations and creates a network of strong and effective leaders who are focused on improving health care for all Californians." Since its inception 20 years ago, over 500 health professionals have participated in the program including several current and former SMMC leaders. Congratulations to Dr. Tharayil for her selection.

**SMMC Vaccination Efforts Continue** – SMMC has kicked off its annual flu vaccination efforts for both patients and staff. This is expected to be especially important this year as we enjoy fewer community restrictions in an environment where influenza has not been circulating to a high degree over the last couple of years. This often means that, in the absence of vaccination, more people may become infected with influenza this year and they may develop more severe symptoms. The organization has also moved forward with COVID-19 booster shots for high-risk patients who previously received Pfizer COVID-19 vaccinations. We are preparing for additional booster shots for those who received Moderna or Janssen (Johnson and Johnson) vaccinations previously (pending final state approval and guidance) and are anxiously awaiting final approval of vaccination for children ages 5 to 11. In the meantime, as of 10/21/2021, we have seen 39588 (71.1%) of our patients over the age of 12 receive at least one dose of COVID-19 vaccine. We continue to move closer to our goal of getting at least 80% of our patients vaccinated by the end of the calendar year. As we look at various populations, we see that 71.4% of those over age 16 have received at least one dose as have 77% of those over age 50 and 79.4% of those over age 65. In our most vulnerable neighborhoods, 71.2% of those over age 12 have received at least one dose of vaccine.

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October 2021

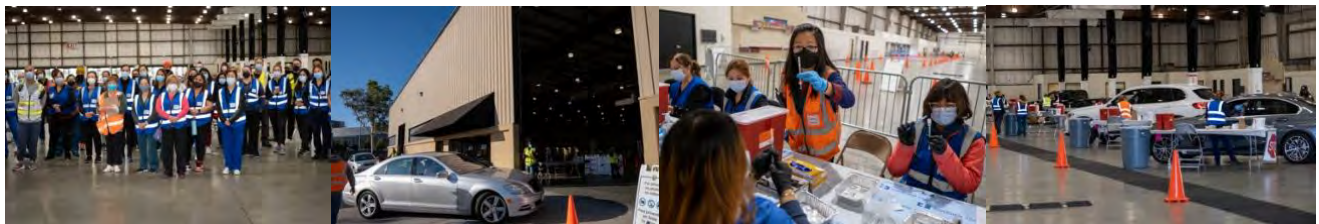
# SNAPSHOT: San Mateo County Health

TO: SMMC Board Members | FROM: Louise F. Rogers, Chief

INDICATOR	NUMBER	CHANGE FROM PREVIOUS MONTH	CHANGE FROM PREVIOUS YEAR
ACE Enrollees	26,217 (September 2021)	0.8%	12.2%
SMMC Emergency Department Visits	3,092 (September 2021)	-2.6%	9%
New Clients Awaiting Primary Care Appt.	0 (October 2021)	N/A	N/A

## Booster clinics run at Event Center five days a week

County Health is operating clinics at the Event Center five days a week to provide Pfizer, Moderna, and Johnson & Johnson boosters, as well as first and second doses. In addition, County Health – operated vaccination clinics at eight sites offer [regular schedules in convenient locations](#) throughout the county.



## BHRS receives grant for youth crisis planning project

The California Department of Health Care Services has recently announced that Behavioral Health and Recovery Services will receive funding to support and expand behavioral health mobile crisis and non-crisis services. The Crisis Care Mobile Units Program Planning Grant, which runs from September 2021 through mid-February 2023, will fund the San Mateo County Youth and Transition Age Youth Mobile Crisis Planning Project. The amount of the award to BHRS will be announced soon.

The project includes a comprehensive planning process to identify the gaps and unmet needs for youth and transition-**aged youth (age 25 and younger) within the county’s mobile crisis response services**, exploring best practices that have been effective elsewhere in filling similar gaps and working collaboratively with community partners and stakeholders to develop plans to create new or expand and integrate existing mobile crisis response services to fill these gaps.

[more]

## SMMC participates in program to cancel patient medical debt

*[We are sharing this information from a press release from the Peninsula Health Care District]*

At its last board meeting, the Peninsula Health Care District Board of Trustees voted to approve the entry of the organization RIP Medical Debt into the San Mateo County market to address the problem of medical debt. As a nonprofit, RIP Medical Debt serves its donors by abolishing medical debt for those experiencing financial hardship and can, based on the availability of qualifying debt, target specific geographic areas. RIP purchases medical debt portfolios for a fraction of their face value. The PHCD Board has announced San Mateo Medical Center (SMMC) as its first health care partner to share its medical debt portfolio with RIP Medical Debt. **“Based on SMMC’s data, RIP Medical Debt has identified 27,000 eligible residents of San Mateo County of which 4,400 individuals live in PHCD,”** said Cheryl Fama, CEO, Peninsula Health Care District. **“PHCD has committed \$22,550 to allow RIP Medical Debt to purchase and relieve the SMMC medical debt for 4,400 of our residents, and RIP Medical Debt has committed additional funds from other donor sources to relieve the debt for 22,600 of the other eligible county residents burdened by medical debt.”** The purchase of debt transaction is pending approval by the Board of Supervisors.

## First applicants for Microenterprise Home Kitchen Operations approved

In July, the Board of Supervisors voted to establish the [Microenterprise Home Kitchen Operations](#) (MEHKO) program, as authorized by Assembly Bill 626. A MEHKO is a food facility operated by the resident of a private home. Food is stored, prepared, and served to customers at the MEHKO, along with the ability to have pick-up and delivery options.

Environmental Health Services (EHS) conducted several virtual and in-person outreach informational sessions for the community to discuss the essential requirements of the program, food safety expectations, and the nuances of the variety of cuisines being proposed by the attendees. EHS had 147 participants attend [one of the six sessions](#) that were available. Currently, EHS has approved 9 MEHKOs, and 3 additional applicants are awaiting review, initial site visits, and approval.

## Nurse-Family Partnership graduates 40 participants

In early November, the Nurse-Family Partnership (NFP) program will graduate 40 participants, a 50% graduation rate, which is higher than state and national averages.

During the past year of the pandemic, the state graduation rate was 38%, and the national rate was 43%. The NFP program, which is part of Family Health Services, has focused on retention and trying to prevent burnout, since **nurses have been pulled into different roles. For County Health’s COVID-19 response**, many nurses have been part of surge work and providing leadership in discharge planning, test swabbing, and contact tracing.

The program also has a high retention rate since 2012. While the average time a nurse stays in an NFP program is 2-5 years due to its intensity and high burnout rate, **Family Health Services’ program has had no attrition since 2012 except for two retirements.**

At the graduation ceremony, families and nurses will celebrate accomplishments, successes, and resiliency over their two-and-a-half-year journey together.

###