



SAN MATEO COUNTY HEALTH

**SAN MATEO  
MEDICAL CENTER**

# **BOARD OF DIRECTORS MEETING**

Monday, October 4, 2021

8:00 AM – 10:00 AM



# AGENDA

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Board of Directors

Monday, October 4, 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. August 2, 2021 Minutes

**I. MEDICAL STAFF REPORT**

Chief of Staff Update

*Dr. Steve Hassid*

**J. ADMINISTRATION REPORTS**

1. Compliance and HIPAA

*Dr. CJ Kunnappilly..... Verbal  
Gabriela Behn*

2. Health Emergency Preparedness and Response

*Louise Rogers..... Verbal  
Dr. Shruti Dhapodkar*

3. Financial Report

*David McGrew.....TAB 2*

4. 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: October 4, 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.

\* \* \* \* \*

**TAB 1**

**CONSENT  
AGENDA**

HOSPITAL BOARD OF DIRECTORS  
MEETING MINUTES  
Monday, August 2, 2021  
Videoconference Meeting

**Board Members Present**

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

**Staff Present**

Michelle Lee  
David McGrew  
Robert Blake  
Peggy Jensen  
Rebecca Archer  
Karen Pugh  
Henrietta Williams

Luci Latu  
Angela Gonzales  
Jackie Pelka  
Dr. Raziya Wang

**Members of the Public**

ITEM	DISCUSSION/RECOMMENDATION	ACTION
Call to Order	Supervisor Groom called the meeting to order at 8:00 AM, and the Board adjourned to Closed Session.	
Reconvene to Open Session	The meeting was reconvened at 8:44 AM to Open Session. A quorum was present (see above).	
Report out of Closed Session	Medical Staff Credentialing Report for August 2, 2021. QIC Minutes from May 25, 2021 and June 22, 2021. Board heard County Counsel's report on existing litigation.  Medical Executive Committee Minutes from July 13, 2021.	Rebecca Archer reported that the Board unanimously approved the Credentialing Report and the QIC Minutes and accepted the MEC Minutes.
Public Comment	None.	
Foundation Report	Dr. Kunnappilly reported that the Annual Foundation Golf Tournament is happening today. This year it is being held at Green Hills Country Club in Millbrae.  In partnership with the San Mateo County Event Center, the Taste of the County will be on October 2 and there will be food, games, and fun for all ages.	FYI
Consent Agenda	Approval of: 1. Hospital Board Meeting Minutes from June 7, 2021.	It was MOVED, SECONDED and CARRIED unanimously to approve all items on the Consent Agenda.

<p>Medical Staff Report Dr. Steve Hassid</p>	<p>Dr. Hassid reported that after 49 years, Dr. Rockman is retiring. He practices endocrinology.</p> <p>The Re-Opening Committee are planning ways to safely return visitors to the hospital. However, the Delta Variant is much more virulent, and we expect that it will have an impact especially for those who remain unvaccinated.</p> <p>The issue of a booster for people who have received the Pfizer vaccine is becoming a popular topic and I expect there will be more discussions happening.</p>	<p>FYI</p>
<p>Diagnostic Imaging Jacqueline Pelka</p>	<p>Procedures include: Echocardiography, Holter Monitors, Cardiac Stress Tests, EEG, EMG, X-ray, MRI, Ultrasound, CT, Fluoroscopy, IR, Mammography</p> <p>In FY 21-21, the department performed more than 58,000 procedures. Staffing: 23 providers, 28 technologists, and 6 support staff.</p> <p>Accomplishments:</p> <ul style="list-style-type: none"> <li>• Remobilization of Imaging Services</li> <li>• Construction and Installation of new digital R/F Room</li> <li>• OSHPD occupancy approval of R/F Room</li> <li>• Design/Purchase/Installation of Portable X-ray Machine at Maple Street Jail.</li> <li>• Software Upgrades for Cardiology Interpretation and Image Storage</li> <li>• Clinical Rotations Resume for Canada College Radiologic Students</li> </ul> <p>Current Project:</p> <ul style="list-style-type: none"> <li>• Mobile MRI Upgrade</li> <li>• Expansion of Services (extending hours to evenings and Saturdays for x-ray)</li> <li>• Self-Referral Mammography</li> <li>• Holter Monitor Upgrade</li> </ul>	<p>FYI</p>
<p>Psychiatry Residency Program Dr. Raziya S. Wang</p>	<p>Mission: To provide outstanding training that will prepare our psychiatry residents for successful careers and especially equip them to serve our most marginalized communities in public psychiatry settings.</p> <p>Program began with an NIH grant in 1965 and is now fully accredited by ACGME. It is a model for other community training programs nationwide and acceptance into the program has become quite competitive.</p> <p>Many of the psychiatrists who trained in our program have joined our workforce. They work in various Health divisions including BHRS, SMMC, Maguire Corrections, County Manager’s Office, and HPSM. Graduates have also gone on to lead other public mental health systems such as SFDPH and the counties of Los Angeles, Humboldt, and Contra Costa.</p>	<p>FYI</p>

	Clinical rotations at San Mateo County Health, Stanford, Kaiser, and UCSF.	
Financial Report David McGrew, CFO	The monthly finance report is delayed as the team finishes closing the fiscal year.	FYI
CEO Report Dr. CJ Kunnappilly	Dr. Kunnappilly presented the CEO report which was included in the Board packet and answered questions from the Board. Due to the Labor Day holiday, there will be no meeting in September.	FYI
County Health Chief Report Louise Rogers	<p>Ms. Rogers reported that COVID case rates are 10.8/100K residents. This is double the numbers from two weeks ago. The rate of spread among the unvaccinated is six times that of vaccinated. There are 28 hospitalizations due to COVID across the County today.</p> <p>We are focusing vaccination efforts at the local level in smaller settings. Starting at midnight tonight, the new state mandate will go into effect. The State Public Health Office order states that all healthcare workers must be fully vaccinated by September 30, 2021. If they are not, then they cannot work in healthcare. We are working through the specifics and I will have more information to report at the next meeting.</p>	FYI
County Manager Mike Callagy	No report.	FYI
Board of Supervisors Supervisor Groom	Supervisor Groom extended her appreciation for the informative administrative reports and the work healthcare staff continue to do.	FYI

Supervisor Groom adjourned the meeting at 9:44 AM. The next Board meeting will be held on October 4, 2021.

Minutes recorded by:



Michelle Lee, Executive Secretary

Minutes approved by:



Dr. Chester Kunnappilly, Chief Executive Officer

**TAB 2**

**ADMINISTRATION  
REPORTS**

# BOARD OF DIRECTORS SAN MATEO MEDICAL CENTER

**Financial Report: August FY21-22**

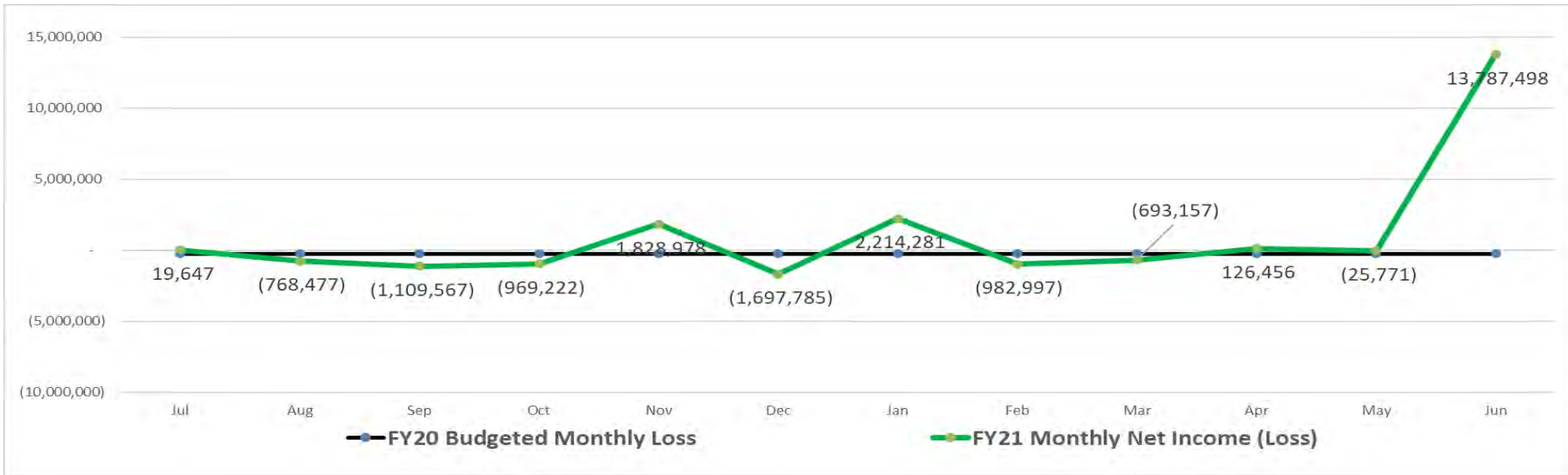
October 4, 2021

**Presenter: David McGrew, CFO**



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# Financial Highlights FY2021



**YTD Net Income - \$12.3M vs \$(3.1M)  
(\$15.4M favorable to budget)**

- Medi-Cal Fee for Service (FFS) rates
- \$22.4M in Prior Year Reserve & Settlement

- COVID pandemic impact on patient volumes  
– 6% unfavorable net patient revenue
- ACE outside medical costs

**Full Year FY21 Actual:** June results are favorable to budget by \$13.8M and the preliminary FY21 results are favorable by \$15.4M. The FY21 budget projected a \$13.4 million gap, of which \$3.1 million would be covered by fund balance reserves, equaling a \$257k loss each month, and the remaining \$10.3 million would be covered by cost report settlement reserves. Due to the favorable results, we didn't need to use prior year fund balance reserves.

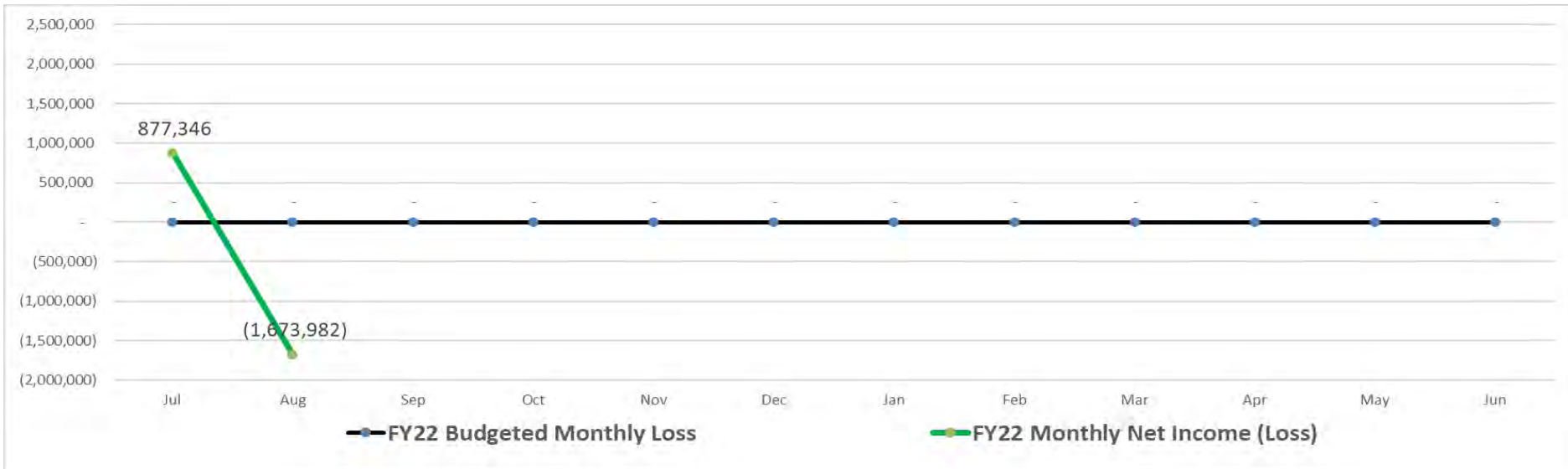


# Significant June Transactions

<b>May YTD</b>	<b>-\$2.1 million</b>
June Operations	-\$1.2 million
One-Time Items:	
Settlements & Reserves	\$22.4 million
Pension	-\$6.8 million
<b>June YTD</b>	<b>\$12.3 million</b>

SMMC improved its bottom line from a \$2.1 million May YTD loss to a June YTD net income of \$12.3 million as a result of several significant one-time adjustments

# Financial Highlights FY2022



## Net Loss – August \$1.7M, YTD \$797K

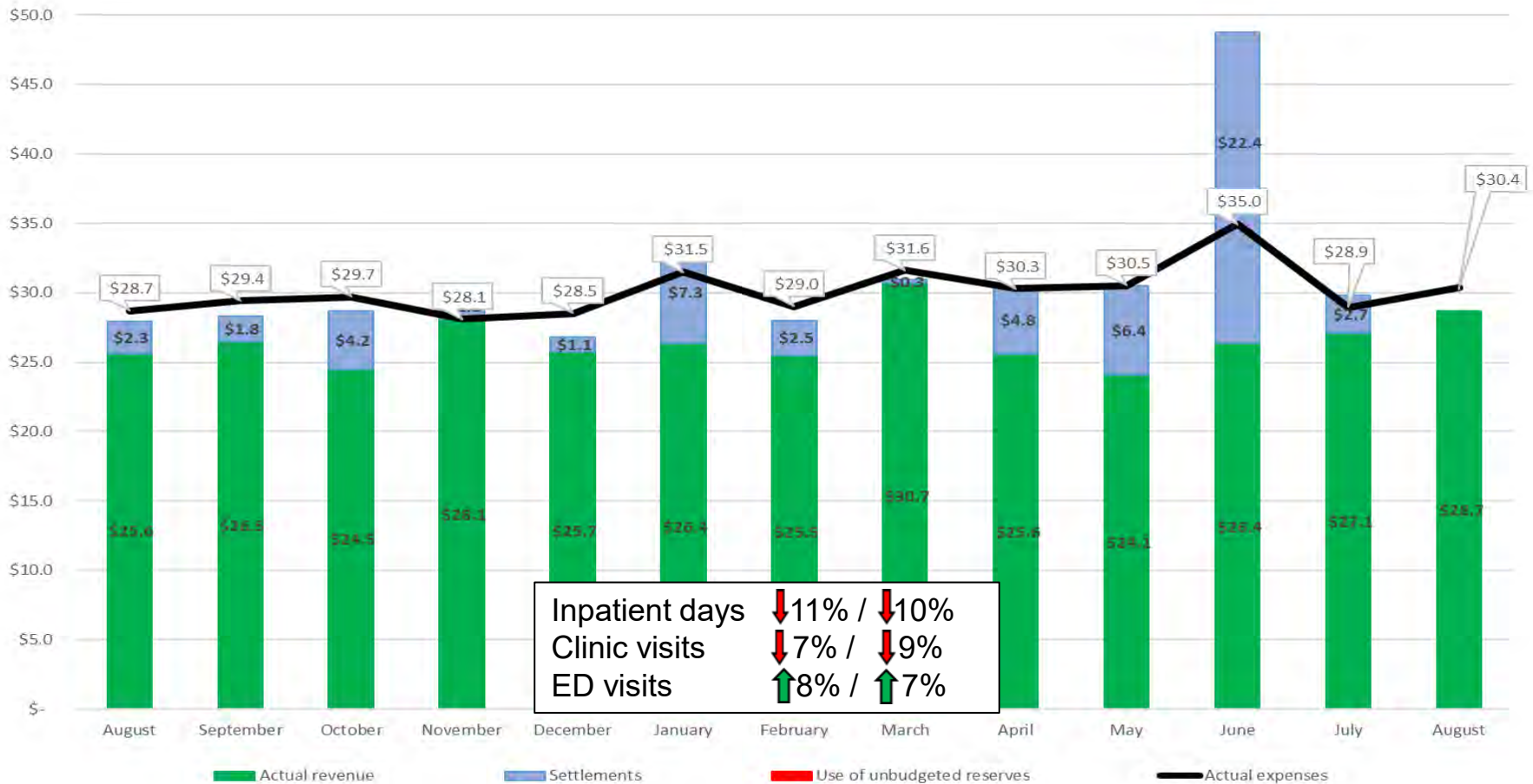
- Medi-Cal Fee for Service (FFS) rates
- Savings in Salary & Benefits
- Savings in Drug Expenses

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

**August FY22 Actual:** August is unfavorable to budget by \$1.7M 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 \$797k is expected to be corrected in future months.

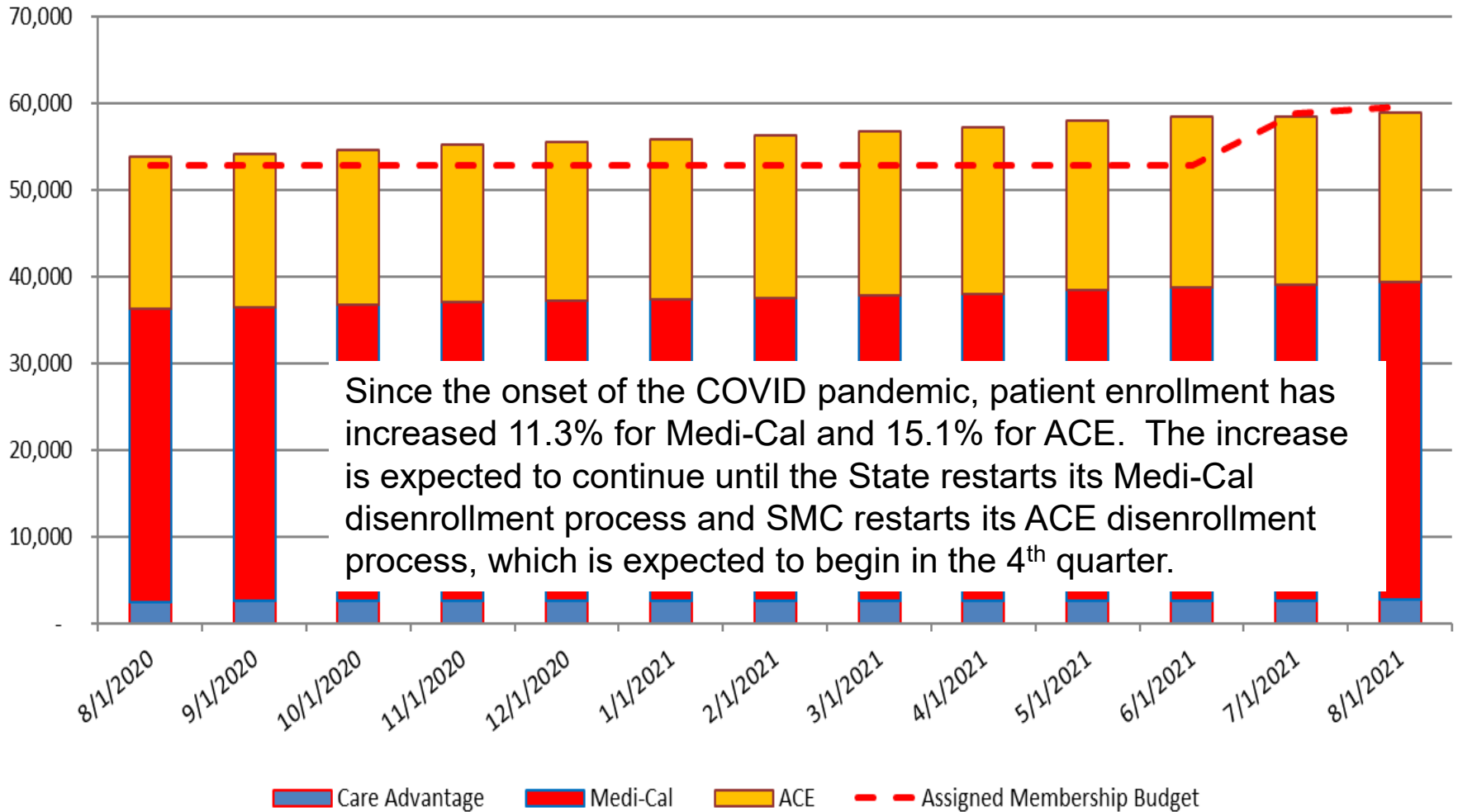
# FY 21-22 Revenue & Expense Trend

SMMC's revenue sources from on-going operations and current supplemental programs cannot keep pace with the cost structure. Prior year cost report settlements continue to contribute to current year revenue.



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

## Managed Care Membership Trend

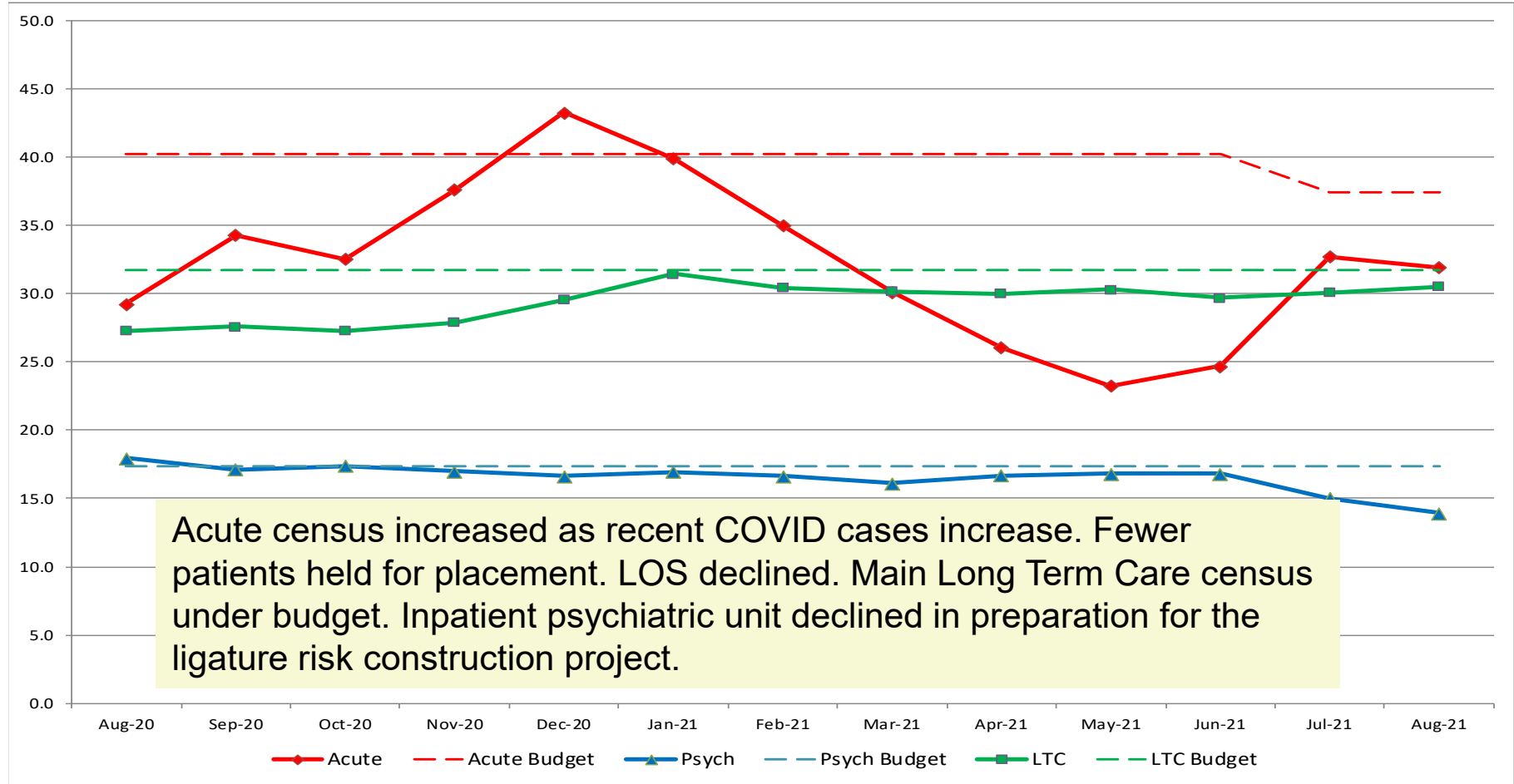


# San Mateo Medical Center Inpatient Days August 31, 2021

MONTH			
Actual	Budget	Variance	Stoplight
2,368	2,652	(284)	-11%

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
4,779	5,303	(524)	-10%

Patient Days

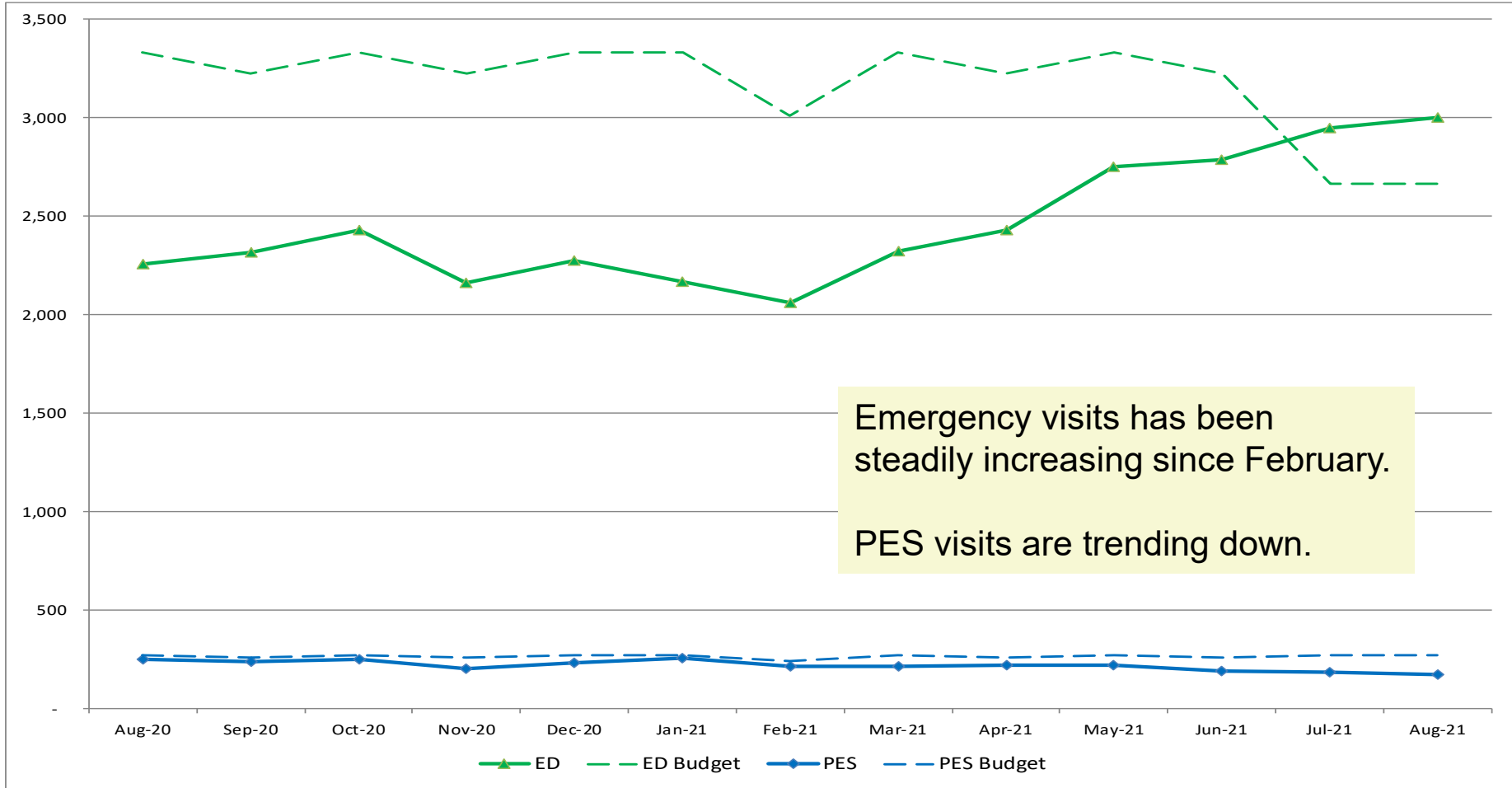


# San Mateo Medical Center Emergency Visits August 31, 2021

MONTH			
Actual	Budget	Variance	Stoplight
3,173	2,937	236	8%

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
6,309	5,875	434	7%

ED Visits

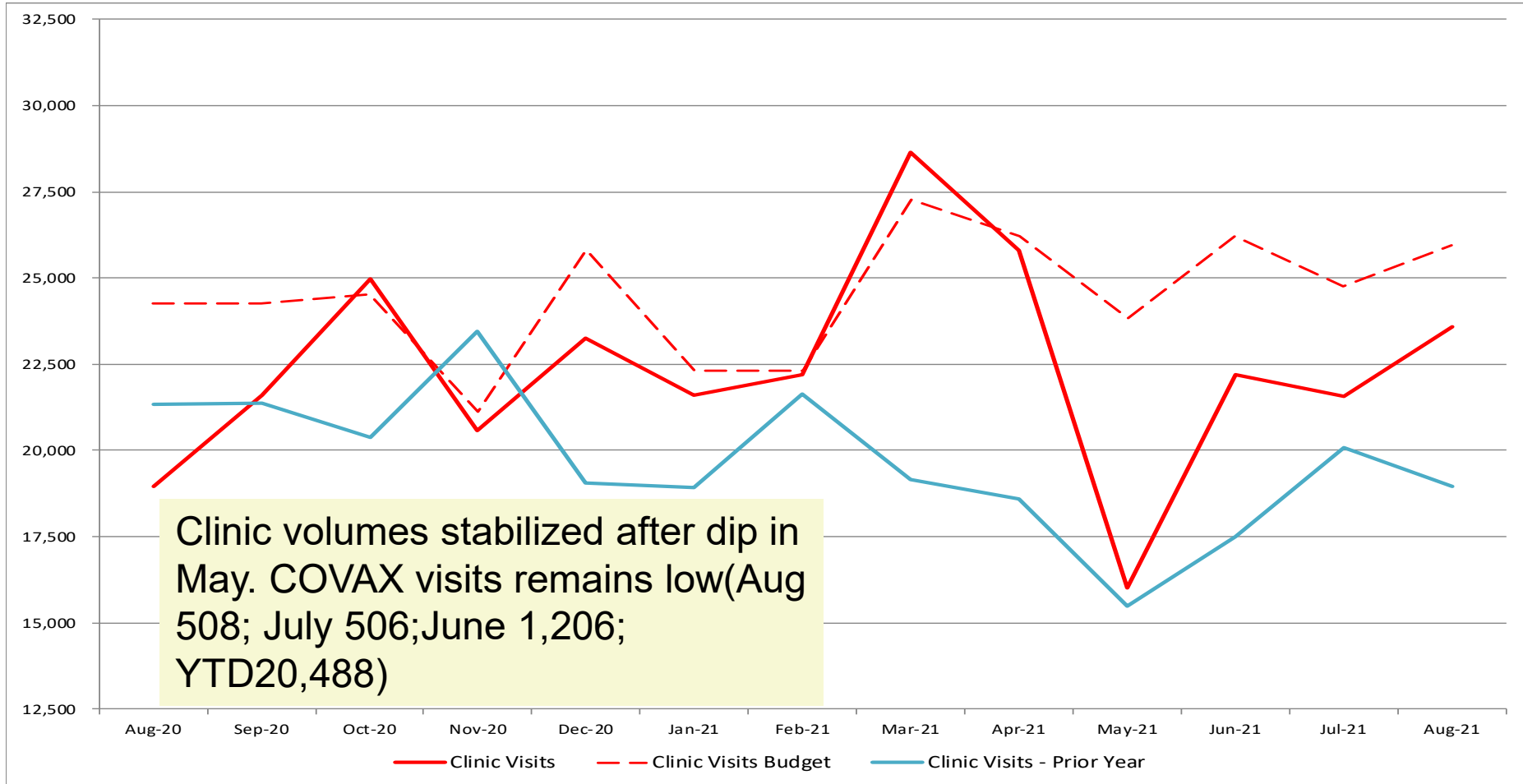


Emergency visits has been steadily increasing since February.  
PES visits are trending down.

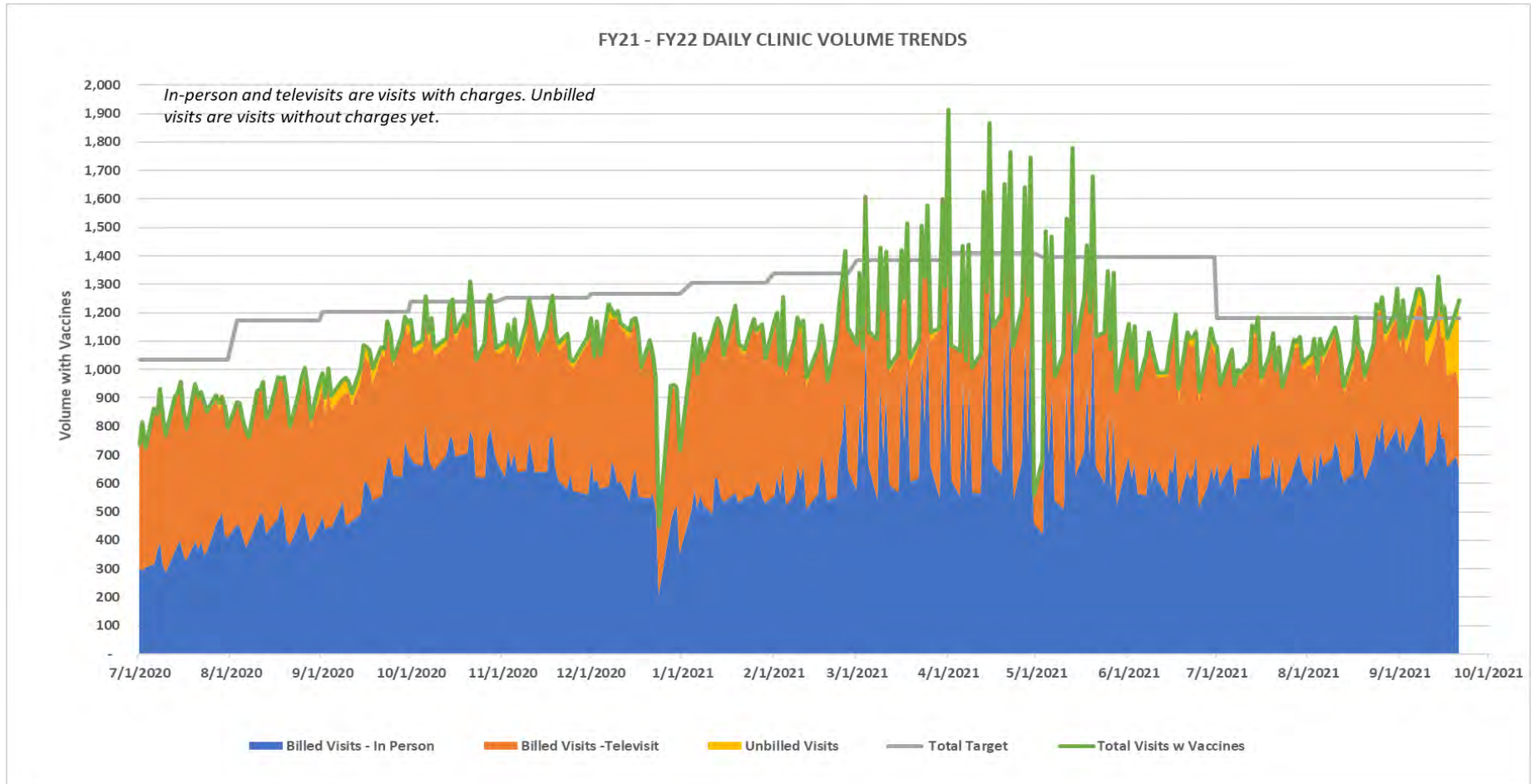
# San Mateo Medical Center Clinic Visits August 31, 2021

	MONTH			
	Actual	Budget	Variance	Stoplight
Clinic Visits	24,082	25,955	(1,873)	-7%

	YEAR TO DATE			
	Actual	Budget	Variance	Stoplight
Clinic Visits	46,145	50,731	(4,586)	-9%



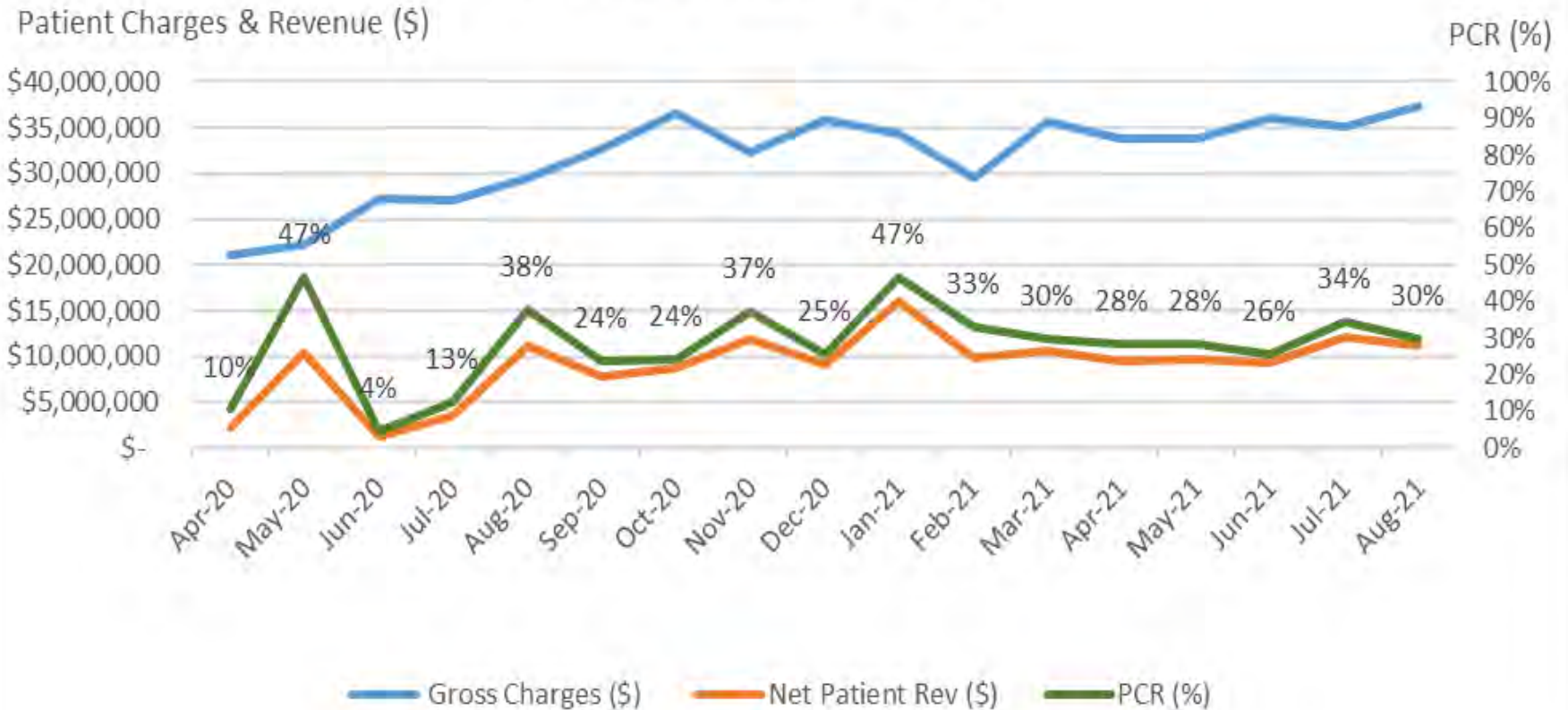
# San Mateo Medical Center Clinic Telehealth Visits August 31, 2021



Clinic televisits have increased from an average of 6% of total visits pre-COVID to an average of 40.5% since March 16th, with a high of 78%. The mix of televisits and in-person visits are steady. March & April spikes due to targeted vaccination events.



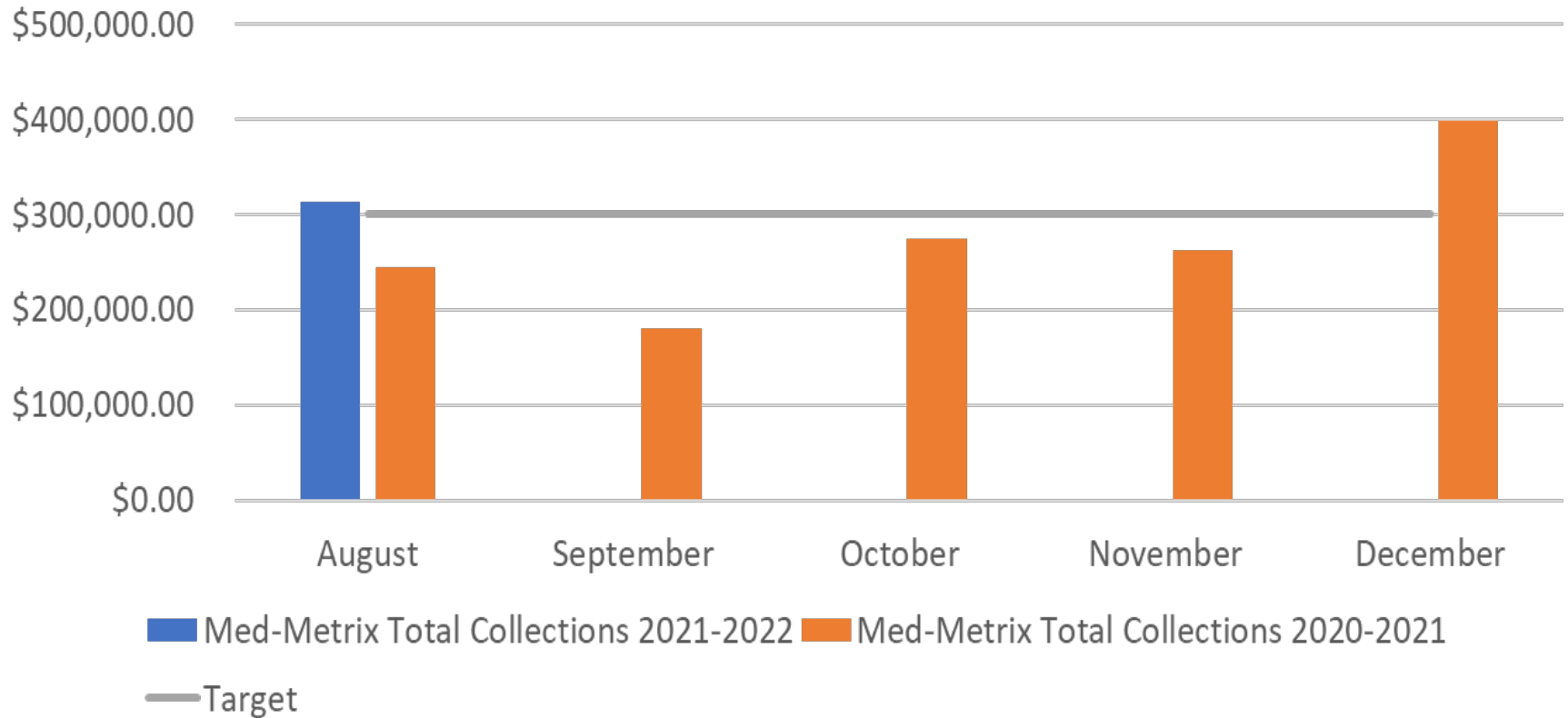
## Patient Revenue Trend



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 above the budgeted rate in FY21 and FY22.

# Commercial Accounts Receivable Follow-up

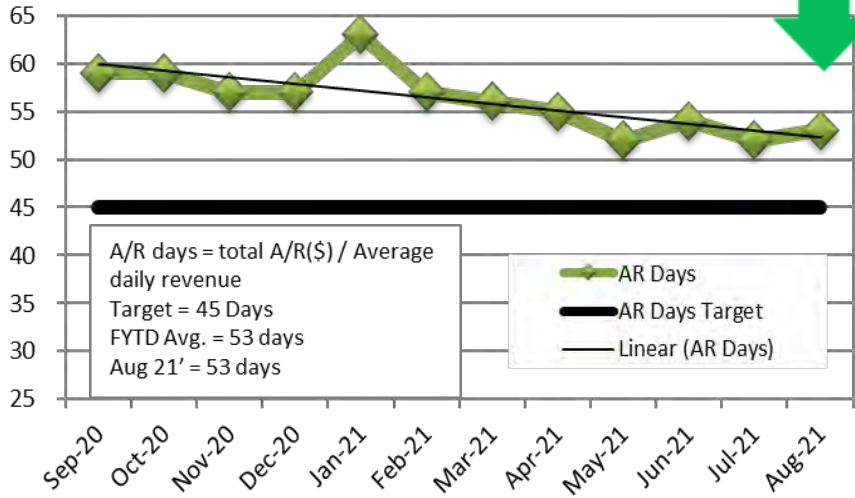


SMMC engaged Med-Metrix in August to augment staffing resources for commercial accounts receivable. Med-Metrix has exceeded the target for 7 months in a row, averaging 70% above target,

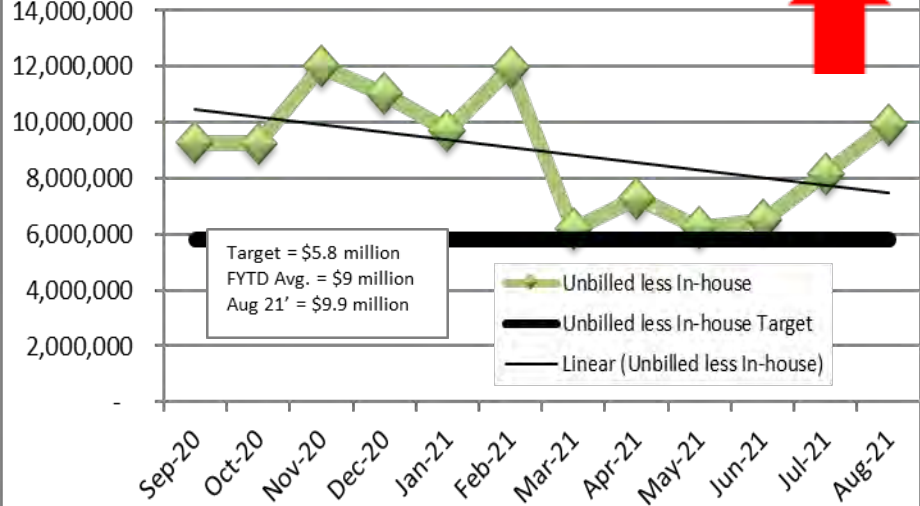


# Key Performance Indicators

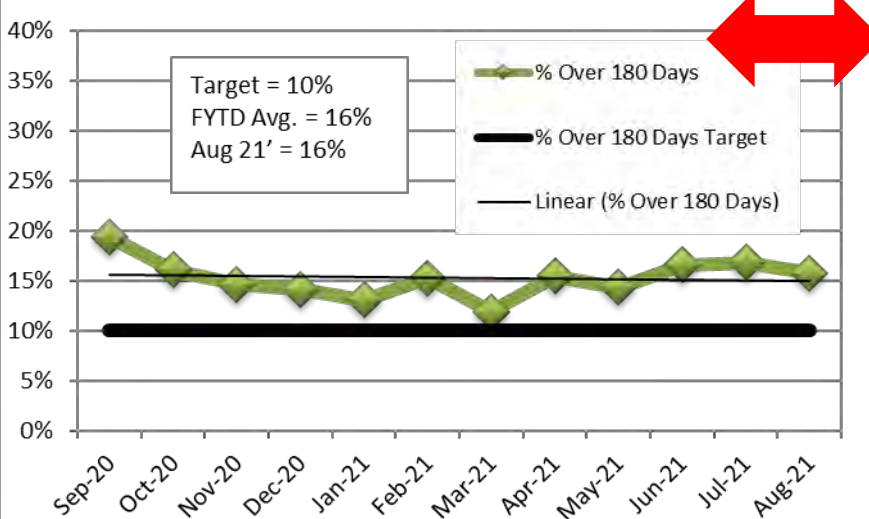
## A/R Days - Rolling 12 Months



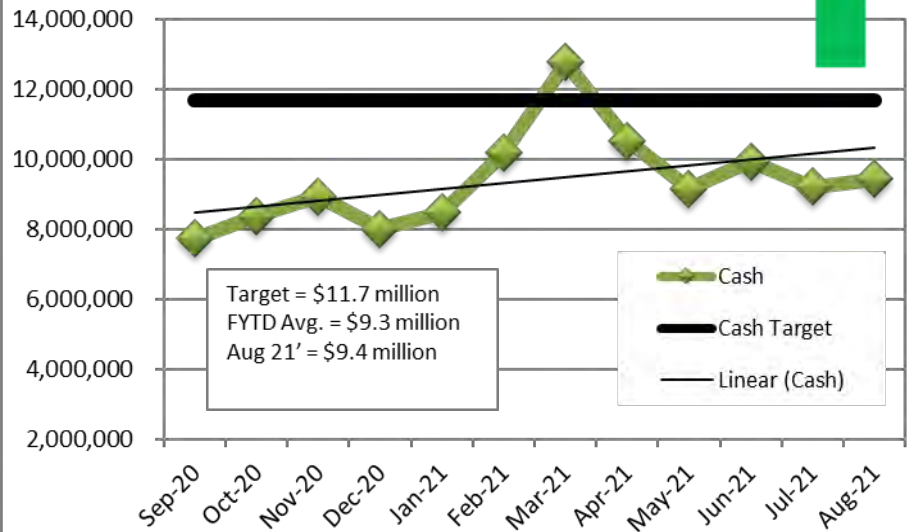
## A/R Unbilled - Rolling 12 Months



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



## Cash - Rolling 12 Months





SAN MATEO COUNTY HEALTH

# SAN MATEO MEDICAL CENTER

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QUESTIONS?

# APPENDIX



SAN MATEO COUNTY HEALTH  
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**San Mateo Medical Center**  
**Income Statement**  
**August 31, 2021**

	MONTH				YEAR TO DATE				
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight	
	A	B	C	D	E	F	G	H	
1 <b>Income/Loss (GAAP)</b>	(1,673,982)	(0)	(1,673,982)		(796,636)	(0)	(796,636)		
2 <b>HPSM Medi-Cal Members Assigned to SMMC</b>	36,673	36,690	(17)	0%	73,082	73,102	(20)	0%	
3 <b>Unduplicated Patient Count</b>	65,797	65,556	241	0%	65,797	65,556	241	0%	
4 <b>Patient Days</b>	2,368	2,652	(284)	-11%	4,779	5,303	(524)	-10%	
5 <b>ED Visits</b>	3,173	2,937	236	8%	6,309	5,875	434	7%	
7 <b>Surgery Cases</b>	248	293	(45)	-15%	445	572	(127)	-22%	
8 <b>Clinic Visits</b>	24,082	25,955	(1,873)	-7%	46,145	50,731	(4,586)	-9%	
9 <b>Ancillary Procedures</b>	68,400	74,917	(6,517)	-9%	136,129	146,539	(10,410)	-7%	
10 <b>Acute Administrative Days as % of Patient Days</b>	0.0%	N/A	N/A	0%	0.0%	N/A	N/A	0%	
11 <b>Psych Administrative Days as % of Patient Days</b>	78.5%	80.0%	1.5%	2%	78.5%	80.0%	1.5%	2%	
(Days that do not qualify for inpatient status)									
<b>Pillar Goals</b>									
12 <b>Revenue PMPM</b>	133	150	(16)	-11%	122	150	(28)	-19%	
13 <b>Operating Expenses PMPM</b>	294	305	10	3%	287	305	18	6%	
14 <b>Full Time Equivalents (FTE) including Registry</b>	1,135	1,205	70	6%	1,142	1,205	63	5%	

**San Mateo Medical Center**  
**Income Statement**  
**August 31, 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>	12,901,127	13,751,776	(850,649)	-6%	25,649,698	27,503,552	(1,853,854)	-7%
22 <b>Outpatient Gross Revenue</b>	24,439,941	23,742,593	697,348	3%	46,780,178	47,485,186	(705,009)	-1%
23 <b>Total Gross Revenue</b>	37,341,068	37,494,369	(153,301)	0%	72,429,875	74,988,738	(2,558,863)	-3%
24 <b>Patient Net Revenue</b>	11,129,445	12,727,597	(1,598,152)	-13%	23,166,675	25,455,194	(2,288,519)	-9%
25 <b>Net Patient Revenue as % of Gross Revenue</b>	29.8%	33.9%	-4.1%	-12%	32.0%	33.9%	-2.0%	-6%
26 <b>Capitation Revenue</b>	365,624	386,246	(20,622)	-5%	729,417	772,493	(43,076)	-6%
27 <b>Supplemental Patient Program Revenue</b> (Additional payments for patients)	10,661,575	12,722,491	(2,060,916)	-16%	21,328,970	25,444,982	(4,116,012)	-16%
28 <b>Total Patient Net and Program Revenue</b>	22,156,645	25,836,335	(3,679,690)	-14%	45,225,062	51,672,669	(6,447,607)	-12%
29 <b>Other Operating Revenue</b> (Additional payment not related to patients)	817,608	1,175,198	(357,590)	-30%	1,818,583	2,350,395	(531,812)	-23%
30 <b>Total Operating Revenue</b>	22,974,252	27,011,532	(4,037,280)	-15%	47,043,645	54,023,064	(6,979,419)	-13%

**San Mateo Medical Center**  
**Income Statement**  
**August 31, 2021**

MONTH			
Actual	Budget	Variance	Stoplight
A	B	C	D

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
E	F	G	H

**Operating Expenses**

31	Salaries & Benefits	17,453,377	18,553,246	1,099,869	6%
32	Drugs	944,327	1,279,462	335,135	26%
33	Supplies	1,071,895	902,477	(169,418)	-19%
34	Contract Provider Services	3,877,907	3,405,431	(472,475)	-14%
35	Other fees and purchased services	5,413,560	5,137,861	(275,699)	-5%
36	Other general expenses	422,579	573,263	150,684	26%
37	Rental Expense	175,801	241,444	65,644	27%
38	Lease Expense	742,610	742,610	-	0%
39	Depreciation	262,545	227,894	(34,650)	-15%
40	<b>Total Operating Expenses</b>	<b>30,364,599</b>	<b>31,063,689</b>	<b>699,090</b>	<b>2%</b>

	33,623,754	37,106,492	3,482,738	9%
	1,940,182	2,558,923	618,741	24%
	1,988,450	1,804,954	(183,495)	-10%
	8,135,886	6,810,863	(1,325,024)	-19%
	10,416,989	10,275,722	(141,266)	-1%
	791,877	1,146,525	354,649	31%
	417,245	482,889	65,644	14%
	1,485,220	1,485,220	-	0%
	486,847	455,789	(31,058)	-7%
	<b>59,286,450</b>	<b>62,127,378</b>	<b>2,840,928</b>	<b>5%</b>

41	<b>Operating Income/Loss</b>	(7,390,347)	(4,052,157)	(3,338,190)	-82%
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	(12,242,805)	(8,104,314)	(4,138,491)	-51%
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42	<b>Non-Operating Revenue/Expense</b>	414,563	(1,249,645)	1,664,208	133%
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	842,566	(2,499,290)	3,341,855	134%
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43	<b>Contribution from County General Fund</b>	5,301,802	5,301,802	(0)	0%
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	10,603,603	10,603,604	(0)	0%
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44	<b>Total Income/Loss (GAAP)</b>	(1,673,982)	(0)	(1,673,982)	
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	(796,636)	(0)	(796,636)	
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(Change in Net Assets)



# Variance Highlight – June 2021

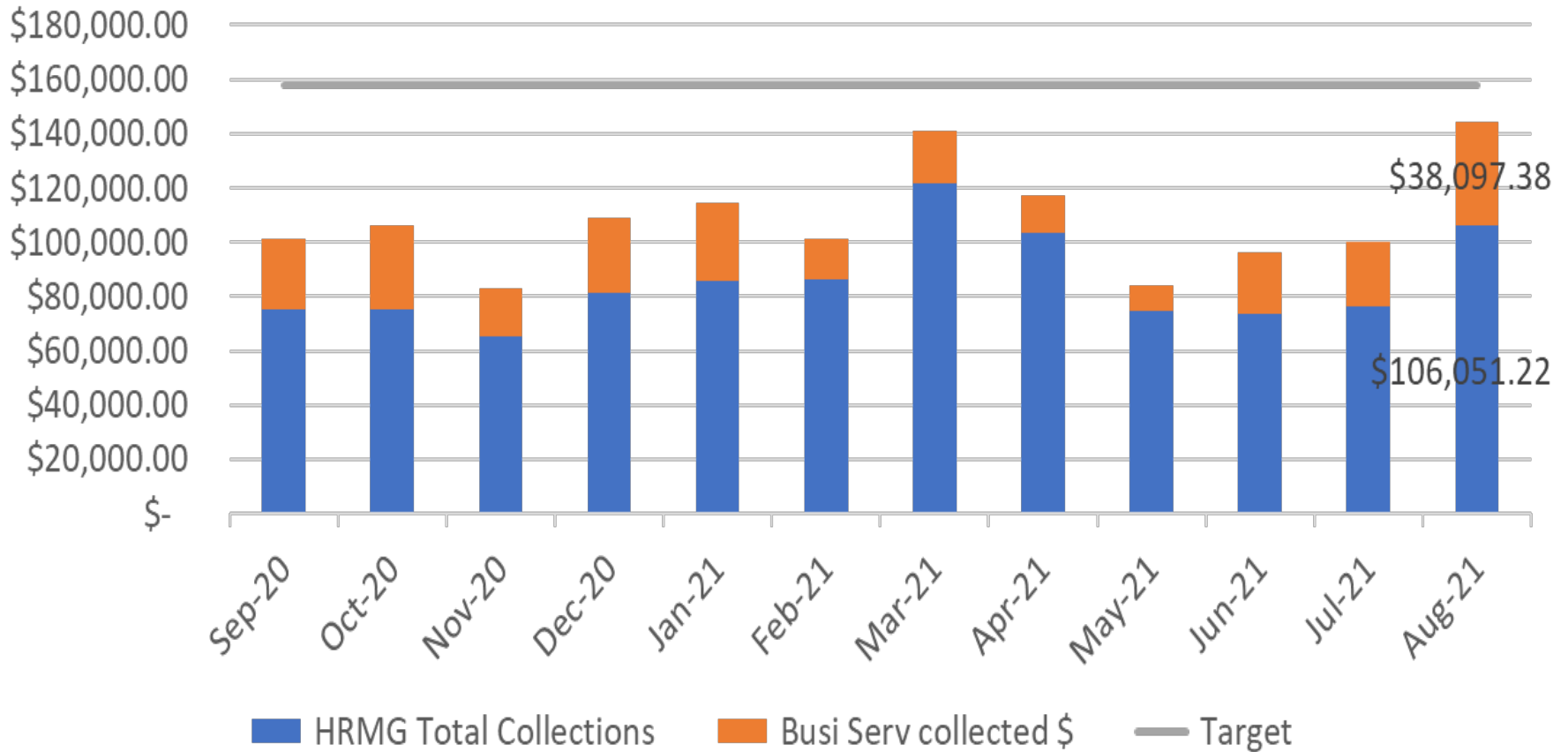
Rev/Exp Category	Variance	Driver
Net Patient Revenue	(\$726K)	<ul style="list-style-type: none"> <li>● PY P14 reserve</li> <li>● PY SNF settlement</li> <li>● Removal of FY14/FY15 receivables</li> </ul>
Other Patient Program Revenue		
-Sales Tax Realignment	\$7.1M	● FY17 AB85 settlement
-QIP	\$3.7M	● FY20 QIP revenue adjustment
-EPP	\$3.3M	● FY19 EPP release of reserve
-AB915	\$1M	● FY20 true up
-HPSM P4P	\$3.2M	● FY20 P4P bonus
-Voluntary Rate Range	(\$683K)	● FY21 model true up
Other Operating Revenue	\$1.5M	<ul style="list-style-type: none"> <li>● Contact tracer payment,</li> <li>● Drug sales,</li> <li>● Engineering trailer support</li> </ul>
Operating Expense		
-Salaries and Benefits	(\$6.8M)	● Pension adjustment
-Supplies	\$500K	● PC refresh expenses capitalized to eCW upgrade project

# Expected Reimbursement vs Actual Cash Collected During COVID



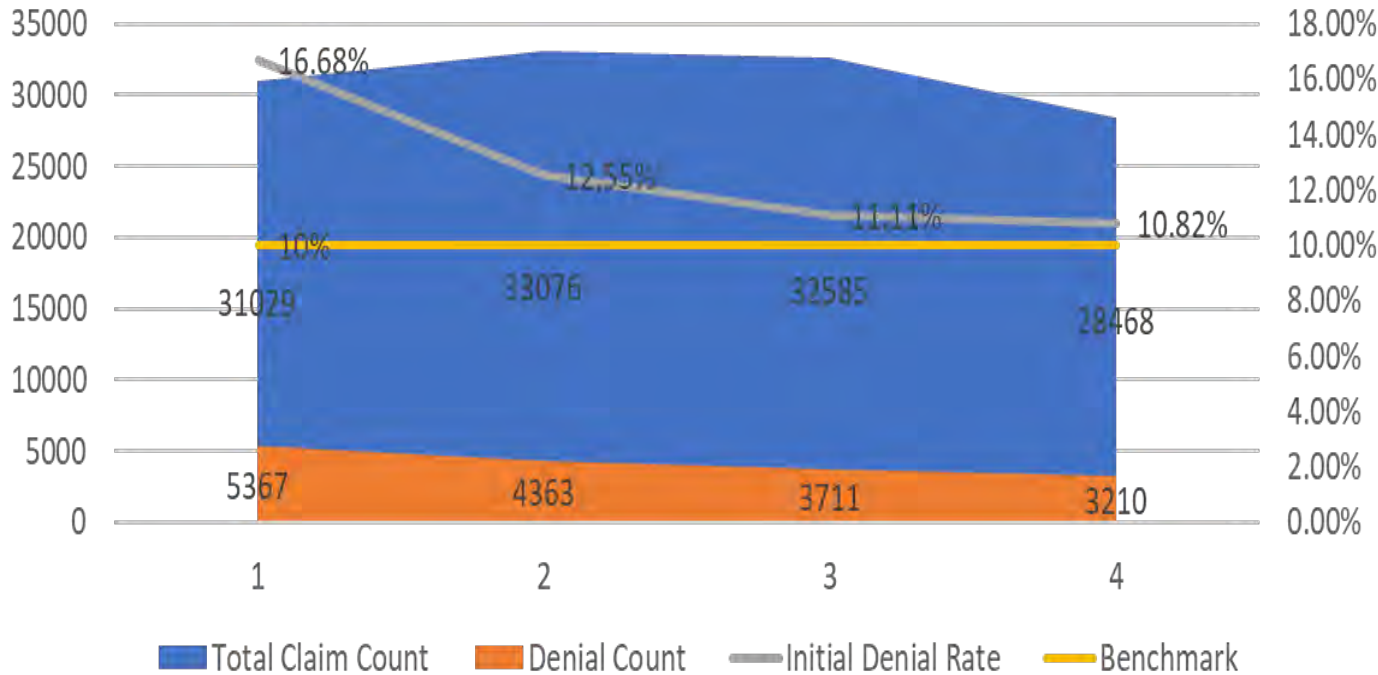
Fee-For-Service (FFS) revenue is significantly below target due to patient volumes being lower during the pandemic. Cash collected is lower than expected for the actual revenue generated due to challenges with releasing claims in a timely manner.

# Self Pay Cash Collections



SMMC contracted with Healthcare Revenue Management Group to support SMMC's Business Services unit with collections of patient self-pay balances. March represents the first full month of HRMG's collection activities.

# Initial Denial Rate



Categories	Aug %
Billing	0.04%
Clinical	0.00%
CoordinationofBenefits	0.71%
Diagnosis	0.28%
DuplicateClaim	0.40%
Eligibility	0.58%
LacksInformation	3.29%
MedicalNecessity	2.23%
Non-Covered	2.64%
NoPrecert/Auth/Referral	0.22%
Procedure	0.52%
Provider	0.20%
TimelyFiling	0.17%
<b>Grand Total</b>	<b>11.28%</b>

**June:** PACT denials showing as “Diagnosis” trending and CPT Z7502 showing as “Medical Necessity” trending. RCW (Root Cause Worksheet) deployed. Pending RCW findings

**July:** Initial Denial Rate decrease related to corrective actions effecting Coordination of Benefits (June 4.08%), Eligibility (June 2.71%), and Non-Covered (June 4.61%).

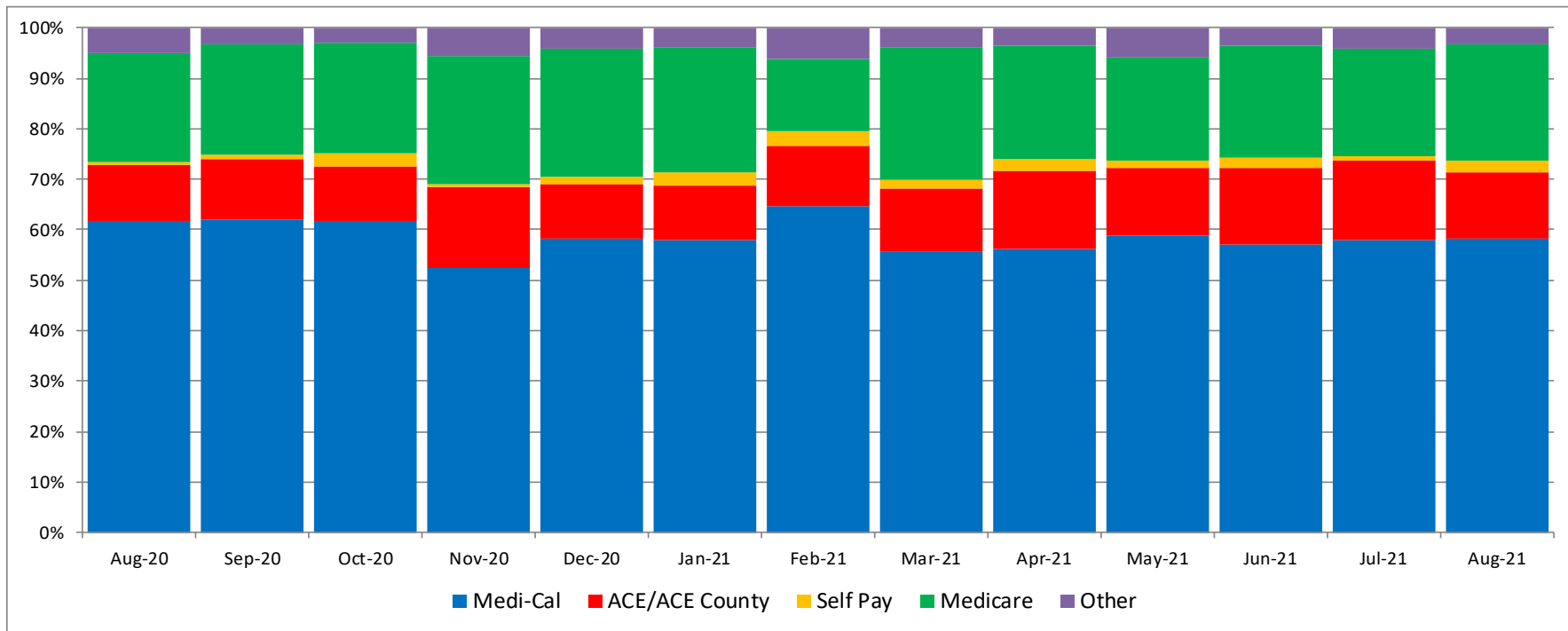
**Aug:** Eligibility denial rate dropped. Reduction in denied claims for Eligibility relating to drop in 91300 and related CPTs which represent vaccine denials. The denial occurrence was corrected through the cooperation of Patient Access and the PFS Medicare team, identifying how to appropriately place the vaccine procedure codes for desired adjudication.

*\*Denial Grand Total % is adjusted to prevent denial rate inflation as some accounts may present in more than one denial category.*

**San Mateo Medical Center  
Payer Mix  
August 31, 2021**

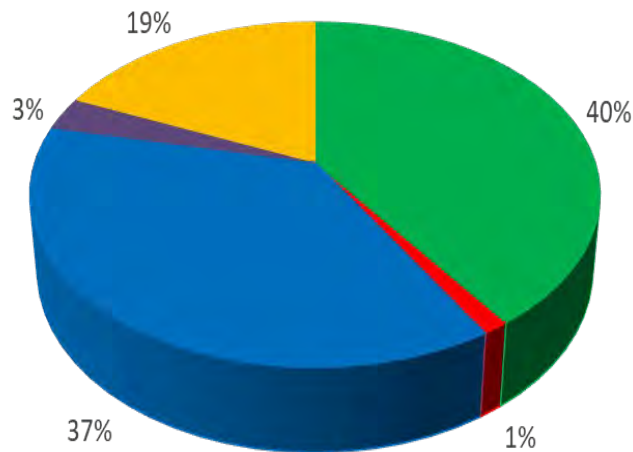
Payer Type by Gross Revenue	MONTH			
	Actual	Budget	Variance	Stoplight
	A	B	C	D
Medicare	22.9%	22.7%	0.2%	
Medi-Cal	58.2%	58.9%	-0.7%	
Self Pay	2.5%	1.6%	0.9%	
Other	3.4%	4.3%	-0.9%	
ACE/ACE County	13.1%	12.5%	0.5%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>		

Payer Type by Gross Revenue	YEAR TO DATE			
	Actual	Budget	Variance	Stoplight
	E	F	G	H
Medicare	22.1%	22.7%	-0.6%	
Medi-Cal	58.0%	58.9%	-0.8%	
Self Pay	1.7%	1.6%	0.1%	
Other	3.7%	4.3%	-0.6%	
ACE/ACE County	14.4%	12.5%	1.9%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>		



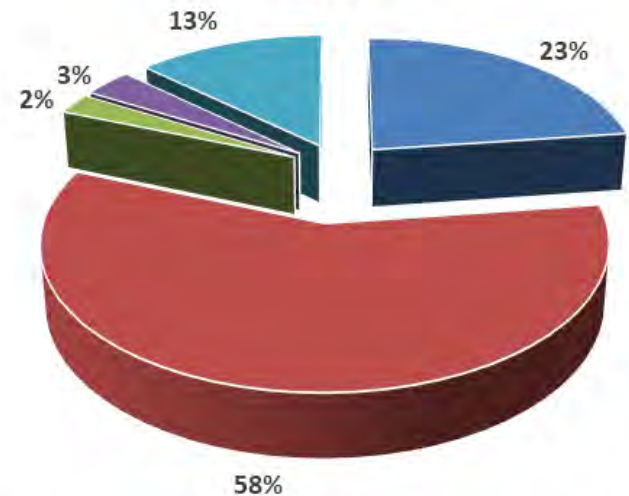
# Revenue Mix

## Sources of Revenue



■ Fee For Service ■ Capitation ■ Supplemental ■ Other ■ County Contribution

## Payor Mix



■ Medicare ■ Medi-Cal ■ Self Pay ■ Other ■ ACE

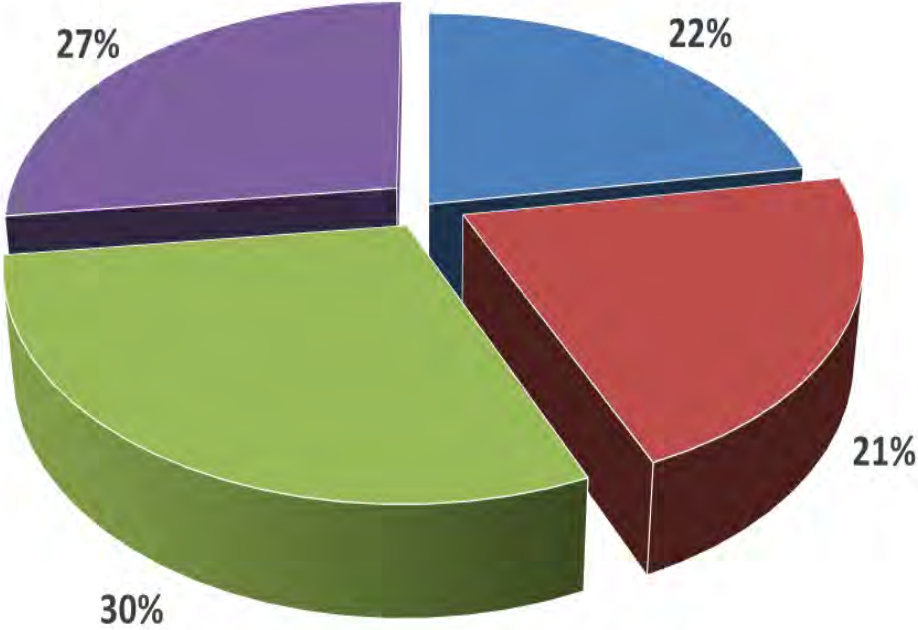
**Health Plan of San Mateo (HPSM)** represents 35% of our Operating Revenue

- 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



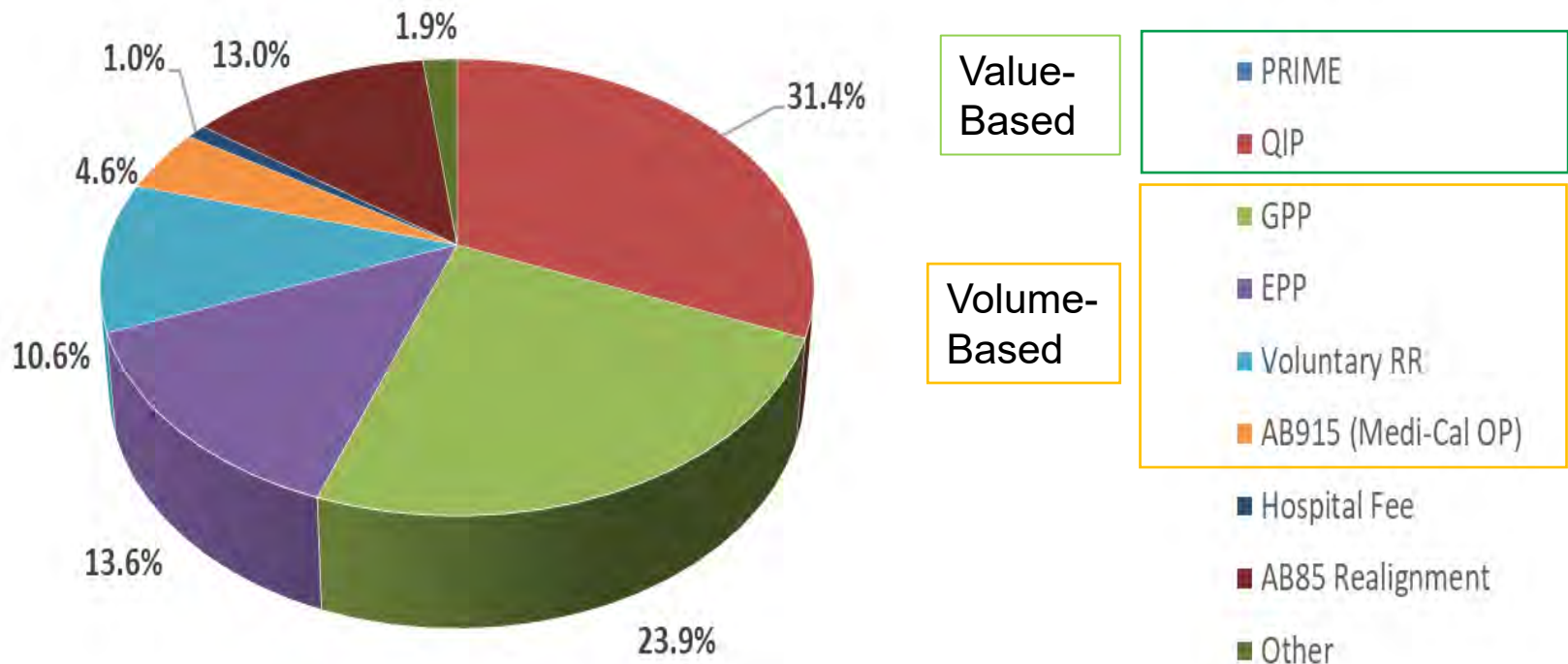
■ Inpatient

■ Hospital ED & Outpatient

■ Ambulatory Clinics

■ Ancillary Services

# Supplemental Revenue Mix



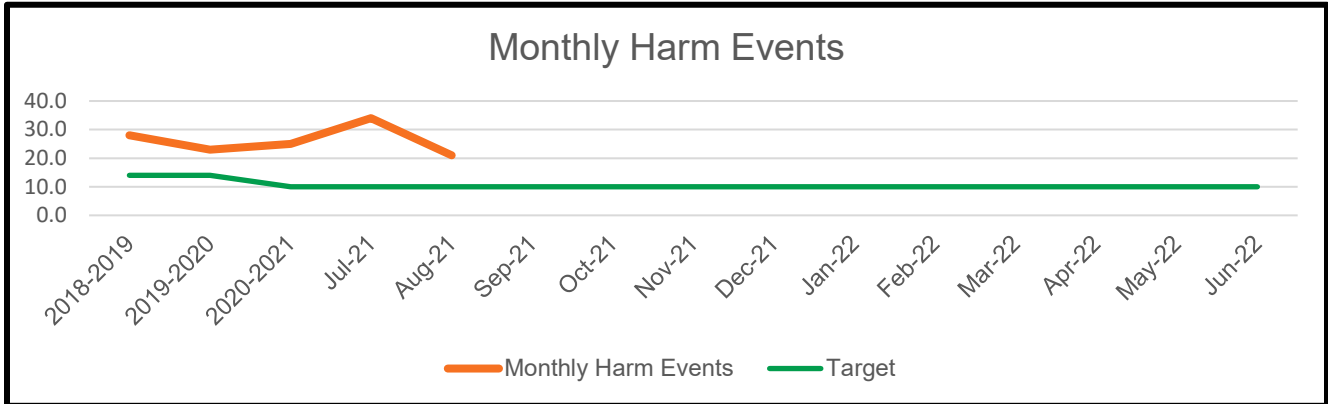
- **Value-Based** programs represent 31.4% of our Supplemental Revenue
- **Volume-Based** programs represent 68.6% of our Supplemental Revenue



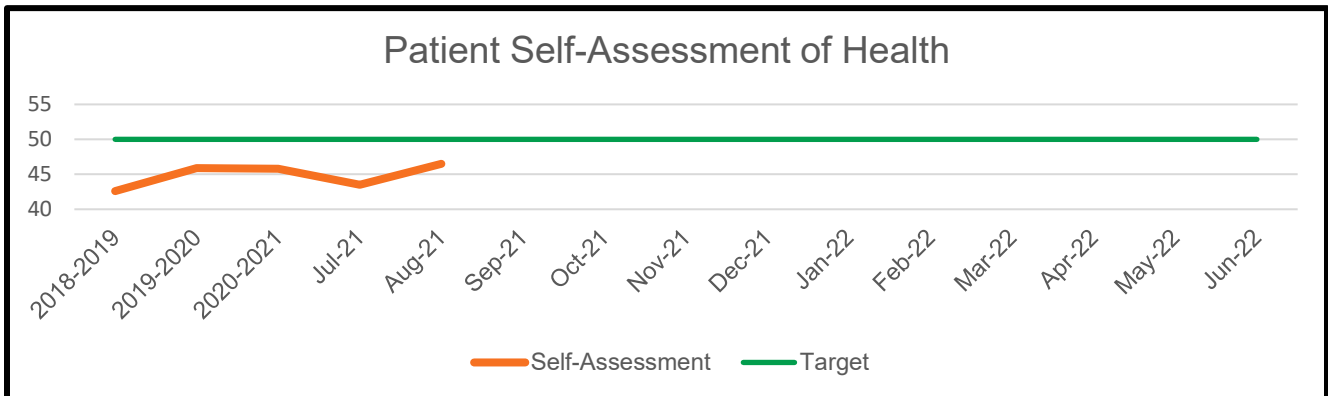
# CEO REPORT

## October 2021

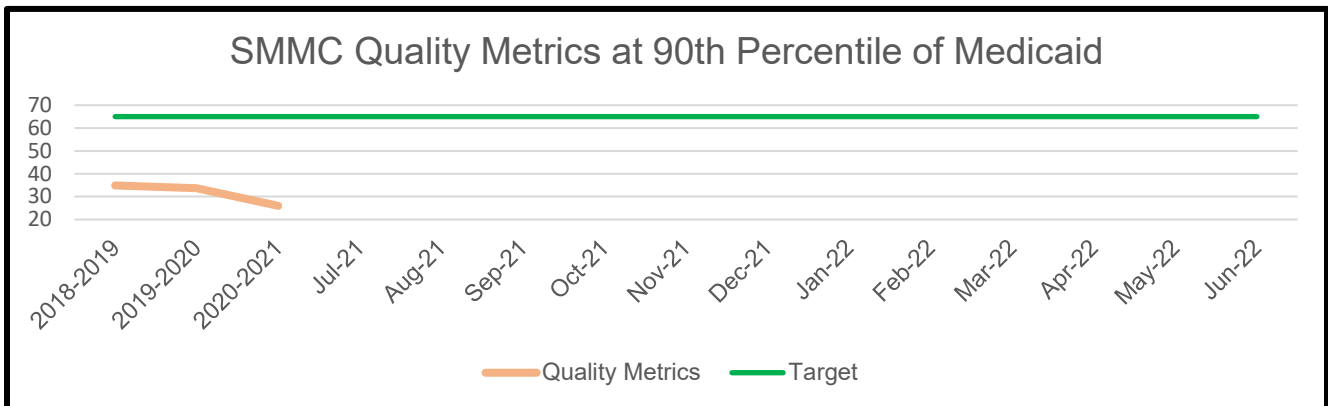
### EXCELLENT CARE METRICS



**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.**



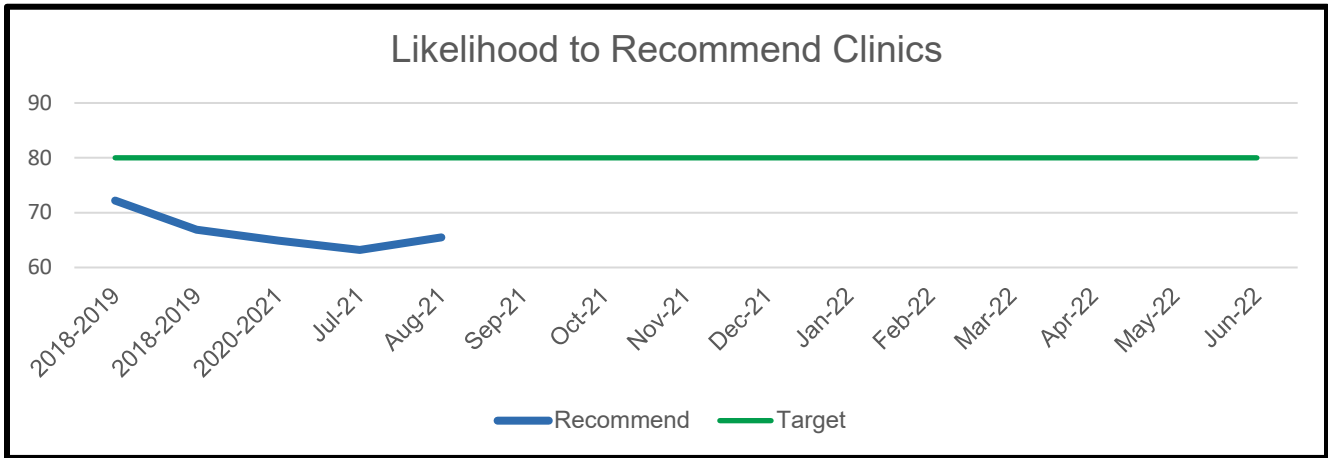
**Patient Self-Assessment of Health:** All Primary Care patients receive an experience survey. One question asks them to rate their health from poor to excellent. This is the percentage that rate their health as very good or excellent. **Higher is better.**



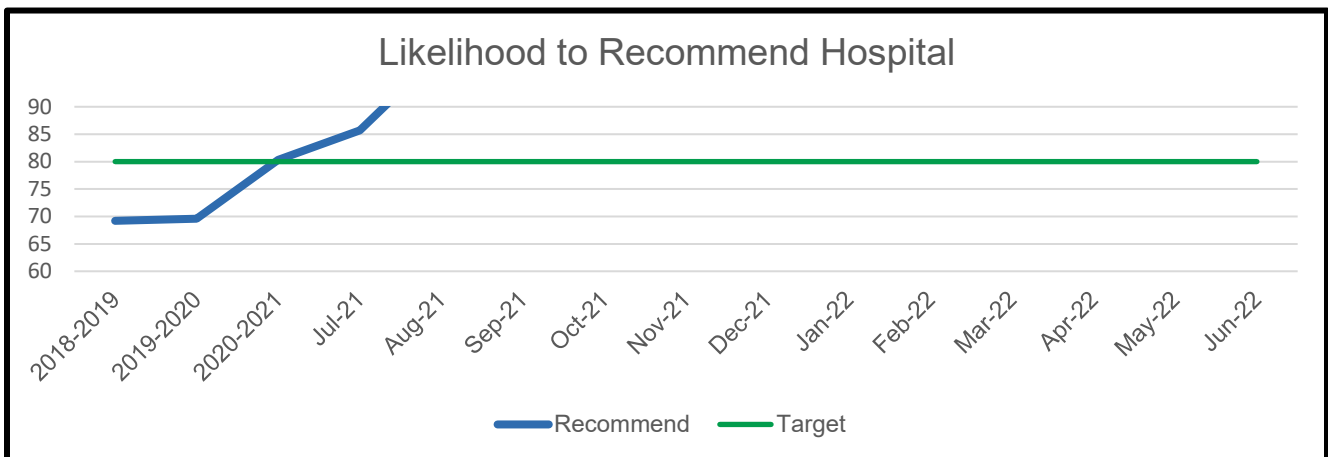
**Quality Metrics at 90<sup>th</sup> Percentile:** SMMC seeks excellence in all that it does. The organization currently participates in a number of pay for performance programs including PRIME, QIP and the Health Plan of San Mateo Pay for Performance Program. This metric measures the percentage of quality 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

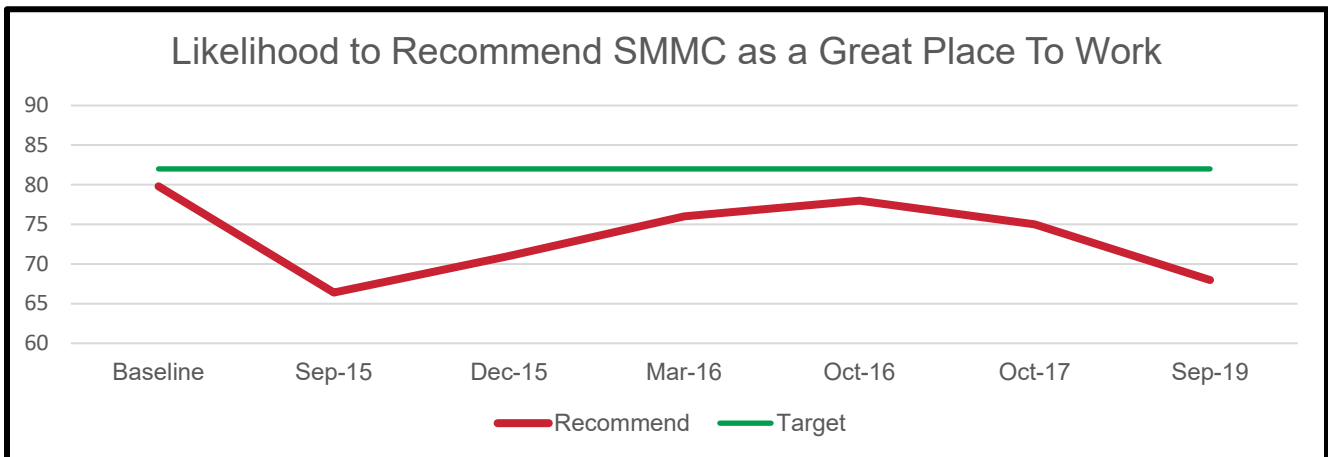


**Likelihood to Recommend Clinics:** Percentage of patients who gave SMMC the highest score (9 or 10) on the patient experience survey question, “How likely are you to recommend this clinic to friends and family?” **Higher is better.**



**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.**

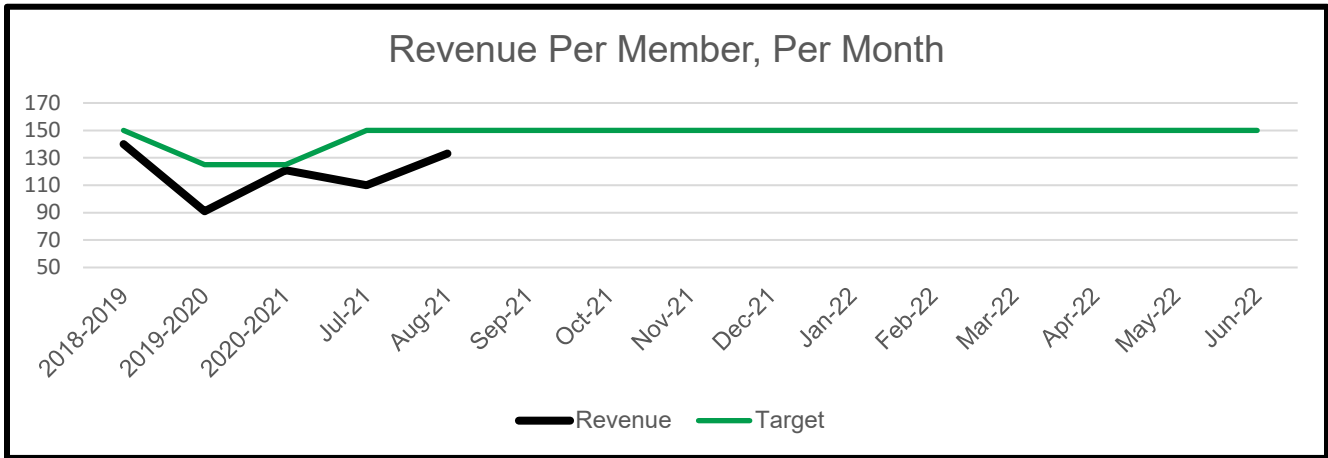
## STAFF ENGAGEMENT METRICS



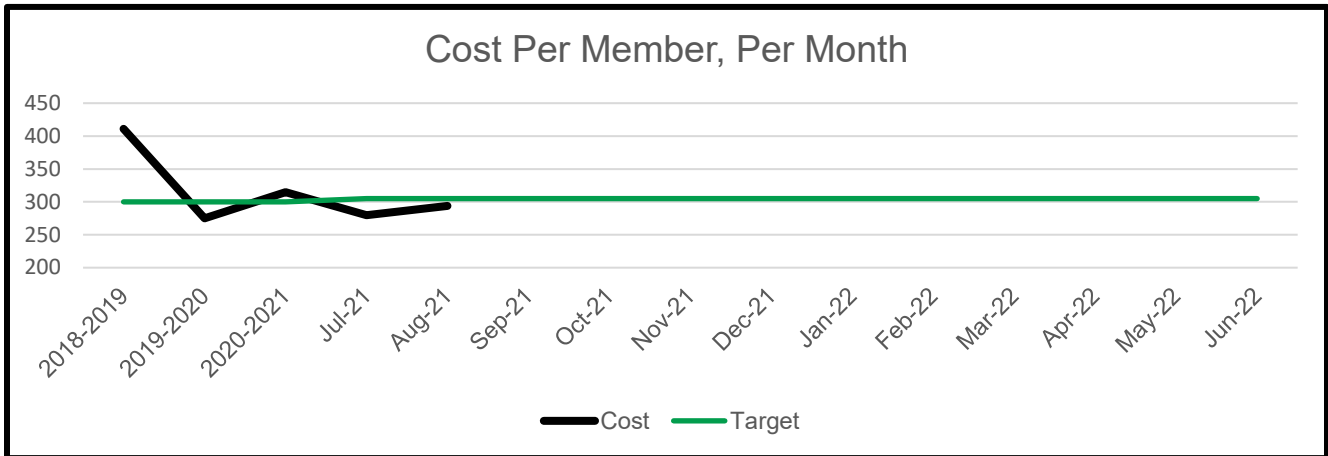
**Likelihood to Recommend SMMC:** Percentage of staff who agree or strongly agree that they would recommend SMMC as a great place to work. Measured using the annual Blessing White staff engagement survey. **Higher is better.**



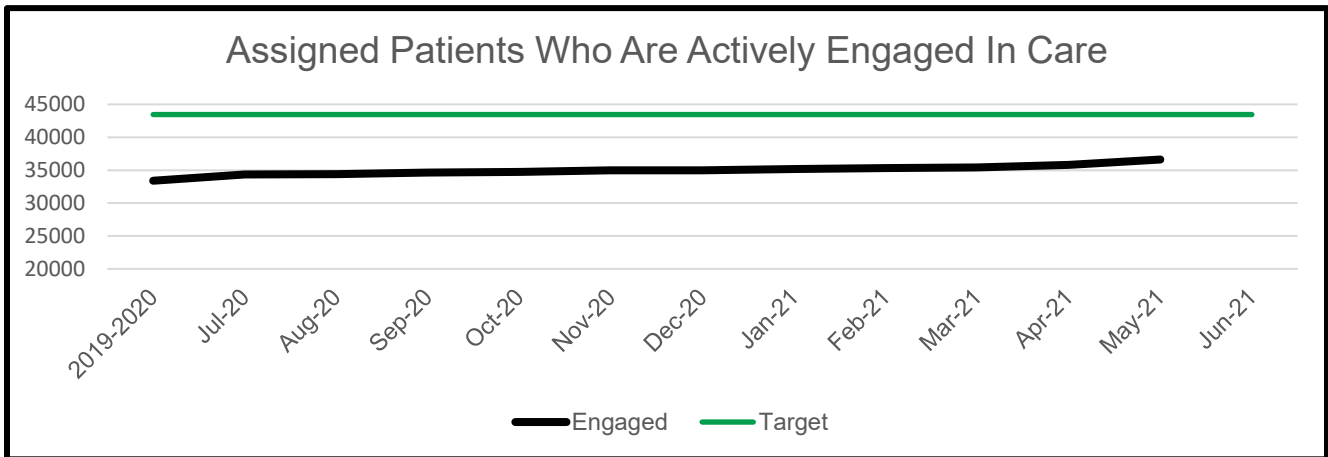
## FINANCIAL STEWARDSHIP METRICS



**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

**SMMC Shines in Regulatory Surveys-** Over the last few weeks, SMMC has undergone a number of routine regulatory surveys. Surveyors from the California Department of Public Health recently conducted Infection Control surveys at both the 1A Skilled Nursing Facility at SMMC and Burlingame Skilled Nursing. The purpose of the survey was to ensure compliance with all current infection control guidelines for skilled nursing. Surveyors issued no adverse findings and complemented the staff. Radiology Services recently underwent a successful survey of Mammography services. Surveyors were highly complementary to the staff, the service and the overall facility. Laboratory Services underwent their routine Biennial Joint Commission Survey 8/24-8/26. It was an extremely successful survey. There were findings that will require correction, but the surveyor noted that the number of findings at SMMC were 60% lower than his average number of findings at other organizations. The surveyor was again highly complementary of all the staff they encountered and ended the survey by paraphrasing Aristotle: “We are what we repeatedly do. Excellence, then, is not an act, but a habit. I definitely saw that in this organization.” Congratulations to everyone who contributed to all of these successful surveys. We are excited for this feedback as we continue to prepare for our organization-wide triennial Joint Commission Survey which is expect in December.

**SMMC Leaders Recognized by County Wellness Committee-** Congratulations to Noris Larkin, Assistant Chief Nursing Officer for Ambulatory Services and Mithu Tharayil, Supervising Physician for Adolescent Services, who were both recognized by the County Wellness Committee with Wellness Leadership Awards. The purpose of the Wellness Leadership Award is to “to recognize supervisors and managers who create healthy, thriving work environments.” Both awardees were nominated by their staff for this award. Please join me in congratulating and thanking Noris and Mithu.

**SMMC Inpatient Leader Selected for Safety Training Program-** Suja Georgie, Supervising Physician for Inpatient Medical-Surgical Services has been selected to participate in the Kaiser Permanente Advanced Patient Safety Program. This program “focuses on safety science principles, performance improvement tools, safety measurement and culture, teamwork and communication.” Faculty for the program come from both Kaiser Permanente and the Institute for Healthcare Improvement. Congratulations to Dr. Georgie for her selection. We look forward to learning from her.

**SMMC COVID-19 Vaccination Efforts Continue to Move Forward-** SMMC is actively moving forward with 3<sup>rd</sup> doses of Pfizer COVID-19 vaccinations to those populations identified as high risk by state and federal authorities. Meanwhile getting unvaccinated members of our community their initial vaccination series remains our priority. As of 9/24/2021, 38,069 (68.1%) of our patients over the age of 12 have received at least one COVID-19 dose. This includes 68.6% of our patients over the age of 16, 75.1% of those over age 50 and 78% of those over age 65. We also see evidence of at least one dose of vaccine in 66.8% of our patients over age 12 who reside in the highest risk neighborhoods.

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September 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	26,000 (August 2021)	0.9%	13.1%
SMMC Emergency Department Visits	3,173 (August 2021)	1.2%	-17%
New Clients Awaiting Primary Care Appt.	0 (September 2021)	N/A	N/A

Emergency Medical Services earn Gold Award from American Heart Association



County Health’s Emergency Medical Services (EMS) division has received the Mission: Lifeline EMS – Gold achievement award from the American Heart Association for its leadership in implementing and achieving specific quality measures in treating patients who suffer severe heart attacks. Each year, nearly 200 county residents experience and are treated by 911 system emergency medical services personnel and specialty receiving hospitals for an ST elevation myocardial infarction (STEMI). The deadliest type of heart attack, STEMI is caused by a blockage of blood flow to the heart that requires timely treatment. Optimal care for heart attack patients requires coordination among the receiving hospital,

emergency medical services, and other components of the health care system.

“Achievement of this honor recognizing the performance of the San Mateo County EMS system at the highest level reflects the shared commitment to exceptional clinical care among local emergency ambulance services providers American Medical Response (AMR) and the South San Francisco Fire Department, the San Mateo County Pre-Hospital EMS Group, which is comprised of medical first responders based within fire departments countywide, as well as specialty care receiving hospitals,” said Travis Kusman, the County’s Director of Emergency Medical Services.

Coastal Cleanup Day volunteers haul 22,000 pounds of debris

This year’s Coastal Cleanup Day, coordinated locally by Environmental Health Services in partnership with the California Coastal Commission, drew 2,700 volunteers and prevented 22,000 pounds of debris from entering the Bay Area’s waterways. California’s largest volunteer event, Coastal Cleanup Day draws thousands of participants across the state to pick up and log the cigarette butts, soda cans, plastic straws, tires, clothing, broken fishing equipment, household trash, and other refuse that can

contaminate and degrade waterways and beaches. Local volunteers, including groups organized by cities, schools, not-for-profit organizations, and the private sector, were aided by using the Ocean Swell smartphone app. A user clicks on an image of a soda can to register the collection of a can. The software tracks the number of items collected and their weight and feeds information to a central database.



*[l-r Volunteers at Redwood City High School collect cigarette butts, which can eventually flow to the Bay through storm drains; a crew in Pescadero sifts for trash among the oyster shells; volunteers at Pillar Point Harbor in El Granada consolidate their debris collections]*

**Though volunteer numbers have been depressed by the pandemic, this year's debris total represents an increase of 4,150 pounds, compared to last year.**

## Correctional Health Services joins Medication Assisted Treatment learning collaborative

Correctional Health Services (CHS) has joined a Medication Assisted Treatment collaborative with 34 California jails, which comes with \$70,000 in grant funding. Medication Assisted Treatment (MAT) combines medications with counseling and behavioral therapies to treat of opioid use disorders and other addictions. CHS estimates that 800 inmates per year would be screened to assess and diagnose the severity of withdrawal from opiates and/or alcohol and that 200 inmates will engage in MAT care.

**Funds from the grant will be used to enhance CHS' patient electronic health care record by adding forms and reports specific to MAT, purchase additional technology to support the program, offset some of the costs of injectable medication, and create communications products for inmates to raise awareness about MAT services.**

Begin in 2013, **County Health's** integrated MAT program represents a partnership among Behavioral **Health and Recovery Services, San Mateo Medical Center's Emergency Department and primary care** clinics, Correctional Health Services, the Health Plan of San Mateo, and contracted substance use providers. The program has resulted in reduced visits to the ED and to psychiatric emergency services and in fewer in-patient hospitalizations, while increasing the use of outpatient services, where patients can continue their journey to recovery.

Increased support for MAT in Correctional Health Services **will expand inmates' access to MAT care** and strengthen connections to supportive services after their release.

###