

**South Central Family Health Center  
Board of Directors  
CEO Report**

**June, 2, 2015**  
*(For March 28, meeting)*

*Please review the Board Operations, Financial, Development and Medical reports. If there are any questions feel free to bring them up for discussion, thank you.*

**SCFHC Health Center Overview for the month:** Again, as last month we are seeing progress in our financial projections with 6,200 patient visits for April. Our budget projections are linked to maintaining a minimum of 6,000 patient visits a month and maintaining this upward trend has been our financial priority.

I'm also happy to report that Health Care L.A. (HCLA) IPA, the Medi-Cal Managed Care Company that coordinates patient care and financial incentives for us, announced this month that SCFHC will receive \$96,850, for the 2013-2014 distribution of the IPAs Shared Risk and Performance Incentive Program. This performance incentive fund was established with the objective of rewarding behaviors that benefit or improve patient care and the overall viability of the IPA. I'd like to thank our clinical staff especially Dr. Raya and Dr. Brendan Mull for their efforts to incentive our providers to improve patient quality at our clinic sites.

In addition we were able to give our SCFHC clinic an upgrade by painting the exterior and interior and give the clinic a more new appearance.

**Update Vernon Medical Building Construction:** Our negotiations with the Laundromat owner of the adjacent property has not been productive. At the request of Councilman Curran Price We met with her and her attorney at City Hall with the City's Mediation Attorney to try and negotiate a reasonable accommodation. As you are aware we needed to use part of her property in order to build the east side wall of our building. Without this, our budget cost would increase by \$80-100,000 to build the wall from our side. The owner initially wanted us to pay her \$250,000 to use her property for three months, she then brought it down to \$150,000. We rejected the offers and after half a day of back and forth negotiations without a reasonable resolution we ended the meeting.

This week we are meeting with our Architect, Construction Company, and Loan Company to work out final logistics, construction timelines, and final loan terms. To finalize our loan we will need to change our line of credit at Chase Bank to another. We have solicited a number of banks and should recommend one by early next week. Projections are for us to start construction by the end of June.

### **Development:**

- **New Access Point (\$650,000):** In a meeting with Lucille Roybal-Allard and the HRSA and State Department of Health representatives at the Congresswoman's quarterly Health Care Roundtable held on May 27, there was substantial confirmation that within the next several months there would be a 2<sup>nd</sup> round of application reviews. We hope to be considered for funding when that occurs.
- **Health Infrastructure Investment Program HIIP (\$1,000,000):** We successfully submitted our request to build out 6 new dental operatories and 4 new exam rooms at our leased site at the More for Less building. We should know by August if we were awarded the grant and if so construction for this two year grant cycle to start in September.
- **Capital Campaign:** Gary Erickson has been pursuing funding for operational needs and will report on any progress so far. Currently we have submitted a request for \$500,000 from the Kaiser Foundation.
- **Development Manager/Grant Writer:** We finalizing the Development Manager position and will begin interviews this week. In the meantime we have continued to work with our development consultant to make sure we can solicit for new grants and keep up with our reporting requirements.

### **Operations (see report)**

- My Health L A Program Enrollment Update:
- School based clinic updates
- HP and SCFHC updates

### **Medical: (see report)**

- ICD-10 Implementation
- Mammography
- Pharmacy
- Board approval of medical policies

### **Human Resources (see report)**

A critical position we are attempting to fill other than MD's, NP, and PA providers is our Nursing Director/Clinic Manager position. A high level RN with administrative experience in

running community health centers will be ideal. We have interviewed a couple of candidates but this is a difficult position to fill. We are working with our Nursing consultant to identify viable candidates.

**Strategic Plan/ Business Plan:** In addition to our clinical administrative strategic plan that we are working on, we have contracted with Capital Link to provide us with financial projections of our Vernon Clinic over the next 4 years. At our June 23, 2015 Board Meeting. At that time we will also present our IT strategic Plan.

**Legislation update: Legislation that CPCA our clinic association have sponsored:**

- **SB 147 (Hernandez) Payment Reform:** Passed unanimously on Thursday out of the Senate Appropriations Committee. Next hearing will be on the Senate Floor, likely next week.
- **SB 610 (Pan) Timely Payment:** Passed unanimously on Thursday out of the Senate Appropriations Committee. Next hearing will be on the Senate Floor, likely next week.
- **AB 858 (Wood) Same Day Billing and Marriage and Family Therapists:** Amended to include provisions to add marriage and family therapists (MFTs) as billable providers. The MFT provision does include the requirement for PPS recalculation to help lower the cost of this portion of the bill. According to CPCA, the amendment strategy was suggested by the author as a political strategy to get off the suspense file. AB 858, as amended, passed unanimously on Thursday out of the Assembly Appropriations Committee. Next hearing will be on the Assembly Floor. Floor votes are expected next week. Click [here](#) to read a *U-T San Diego* opinion piece by Henry Tuttle, CEO of the Council of Community Clinics, on AB 858.
- **AB 690 (Wood) MFTs:** Held in Assembly Appropriations Committee on Thursday. Bill content has been added into AB 858.
- **AB 1130 (Gray) Intermittent Clinics:** Passed Assembly Floor in a 77-0 vote on April 30. Next hearing is scheduled for June 10 in the Senate Health Committee.
- **AB 1357 (Bloom) Sweetened Beverages:** Failed passage in the Assembly Health Committee on May 12.
- **Amended SB 4 Passes Senate Appropriations Committee**

Senator Ricardo Lara's (D-Bell Gardens) Health for All bill, SB 4, was also passed by the Senate Appropriations Committee on Thursday. The bill would now expand Medi-Cal eligibility, regardless of immigration status to children (0-19) as an entitlement, but introduces a capped program for undocumented adults, with enrollment limited by available funding in the state budget. The bill continues to allow undocumented Californians to purchase health plans on the exchange, without subsidies, either through a federal waiver allowing them to use the existing exchange, or through the creation of a mirror, or parallel, exchange. Thursday's amendments are expected to be supported in the Assembly; however, Governor Jerry Brown made it pretty clear when he unveiled his new budget proposal earlier this month that there was no room in the budget for the new spending that this bill would require. SB 4 is expected to be heard on the Senate Floor next week