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*Setting the Standard in Health Care Excellence*

June 18, 2024

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, California 93009**SUBJECT:**

**Approval of, and Authorization for the Health Care Agency Director or Designee to Sign, Amendment No. 7 to the Specialist Care Professional Services Agreement with Clinicas del Camino Real, Inc., Revising the Term of the Agreement and Rates of Payment, Effective June 30, 2024.**

**RECOMMENDATION:**

That your Board approve and authorize the Health Care Agency (HCA) Director or designee to sign, Amendment No. 7 (Amendment) to the Specialist Care Professional Services Agreement with Clinicas del Camino Real, Inc. (Clinicas), revising the term of the agreement and rates of payment, effective June 30, 2024.

**FISCAL IMPACT:**

Mandatory:	No
Source of Funding:	Clinicas del Camino Real, Inc.
Funding Match Required:	None
Impact on Other Departments:	N/A

Summary of Annual Revenues and Costs Under this agreement:

	<b><u>FY 2023-24</u></b>	<b><u>FY 2024-25</u></b>
REVENUE:	\$0	\$1,100,000
DIRECT COSTS:	\$0	\$0
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$1,100,000

**CURRENT FISCAL YEAR BUDGET:**

Current FY 2023-24 Budget Projections for Ventura County Medical Center #3300				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Expenditures	\$673,790,899	\$721,214,436	\$676,277,276	\$44,937,160
Revenue	\$665,452,626	\$682,772,959	\$672,052,975	(\$10,719,984)
Operational Income/(Loss)	(\$8,338,273)	(\$38,441,477)	(\$4,224,301)	\$34,217,176

The operational income includes "Operating Transfers In" that are primarily attributed to County contribution. Sufficient revenues and appropriations are included in the FY24-25 budget.

**STRATEGIC PLAN PRIORITY:**

The item presented in this Board letter supports the Healthy, Safe, and Resilient Communities strategic priority of the County Strategic Plan as it is designed to meet the goal of providing access to quality healthcare required for our community to thrive.

**DISCUSSION:**

Under the existing Specialist Care Professional Services Agreement with Clinicas, HCA provides a full range of specialty care physician services to Clinicas patients. Recently, HCA has proposed restructuring its relationship with Clinicas to increase the Medi-Cal payments HCA receives for services rendered at its ambulatory care clinics that operate as federally qualified health centers (FQHCs). The proposed Amendment would provide an extension of the current agreement until December 31, 2024 while negotiations continue on a restructured contract to be effective January 1, 2025.

Under the proposed Amendment, for FQHC services provided on and after June 30, 2024, Clinicas would pay a flat \$322 fee for each FQHC visit so that HCA would be paid no less than the average Prospective Payment System (PPS) rate established for each clinic by Medi-Cal. PPS rates are set by Medi-Cal to ensure that FQHC clinics are paid an amount at least equal to their cost of providing care for Medi-Cal recipients. The new rates would remain in effect until December 31, 2024 and apply to all Clinicas insured members regardless of insurance product.

This letter has been reviewed by the County Executive Office, County Counsel, and Auditor- Controller's Office. If you have any questions regarding this item, please contact Paul Jaconette, MPH, Director of Strategy and Business Development, 805-677-5105.

  
Barry L. Zimmerman  
Health Care Agency Director

**Exhibit 1** – Clinicas del Camino Real, Inc. – Amendment No. 7to Specialist Care  
Professional Services Agreement