



*Setting the Standard in Health Care Excellence*

April 9, 2024

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**Subject:**

**Approval of, and Authorization for the Health Care Agency Director or Designee to Sign, a Medi-Cal Graduate Medical Education Payment Program Provider Participation Agreement with the Department of Health Care Services, Effective July 1, 2024 through June 30, 2027, and Sign Related Documents, Including any Non-Material Change Approved by County Counsel.**

**Recommendation:**

That your Board approve, and authorize the Health Care Agency (HCA) Director or designee to sign, a Medi-Cal Graduate Medical Education (GME) Payment Program Provider Participation Agreement (Exhibit 1), effective July 1, 2024 through June 30, 2027, between the Department of Health Care Services (DHCS) and the County of Ventura (County), and sign related documents, including any non-material changes that may be required by DHCS or the Centers for Medicare and Medicaid Services, subject to approval by County Counsel.

**Fiscal Impact:**

Mandatory:	No
Source of Funding:	GME Payment Program
Funding Match Required:	Yes
Impact on Other Departments:	N/A

**Summary of Annual Revenues and Costs under this agreement:**

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
REVENUE	\$0	\$1,829,021
DIRECT COSTS:	\$0	\$0
INDIRECT COSTS:	Minor	Minor
NET REVENUE <COST>	\$0	\$1,829,021

**Current Fiscal Year Budget:**

<b>Preliminary FY 2023-24 Budget Projections for Ventura County Medical Center #3300</b>				
	<b>Adopted Budget</b>	<b>Adjusted Budget</b>	<b>Projected Actual</b>	<b>Estimated (Savings/Deficit)</b>
Expenditures	\$673,790,899	\$712,998,636	\$677,942,647	\$35,055,989
Revenue	\$665,452,626	\$672,888,408	\$674,242,404	\$1,353,996
Operational Income/(Loss)	(\$8,338,273)	(\$40,110,228)	(\$3,700,243)	\$36,409,985

\*The operational income includes "Operating Transfers-In" that is primarily attributed to County contributions.

**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:**

As part of the state plan under Title XIX of the Social Security Act, the State of California will make GME payments to designated public hospitals in recognition of the Medi-Cal Managed Care share of direct and indirect GME costs.

The Medi-Cal program operates under a match of funds by which the state or local government funds a minimum of 50% of the program, based on the then applicable Federal Medical Assistance Percentage (FMAP), and the federal government provides a match. With your Board's approval, and upon execution of the proposed agreement, DHCS will calculate the non-federal share of total GME payments for each period. Upon receipt of the non-federal share calculation, the County will send funds to the State of California as an Intergovernmental Transfer (IGT), which will be used by the State as matching funds to access additional federal dollars for costs of the Ventura County Medical System's GME Program. The FY 2024-25 GME net revenue is estimated to be \$1,829,021. The Medi-Cal GME Payment Program Provider Participation Agreement (Exhibit 1) is effective on July 1, 2024 and remains in effect until June 30, 2027. The approved agreement is due to DHCS at the close of business on April 16, 2024.

With your Board's approval, the HCA Director or his designee will be authorized to sign other documents related to this agreement, such as a certification of voluntary contributions to non-federal share of Medicaid expenditures related to the IGT.

This letter has been reviewed by the County Executive Office, County Counsel, and Auditor-Controller's Office. If you have any questions regarding this recommendation, please contact Jill Ward, Chief Financial Officer – VCMC & SPH, at 652-5732.

  
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Barry L. Zimmerman  
Health Care Agency Director

**Attachment:**

Exhibit 1 – Medi-Cal GME Payment Program Provider Participation Agreement