April 9, 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. 6 to the Specialist Care Professional Services Agreement with Clinicas del Camino Real, Inc., Revising the Term of the Agreement and Rates of Payment, Effective April 9, 2024.

RECOMMENDATION:

That your Board approve and authorize the Health Care Agency (HCA) Director or designee to sign, Amendment No. 6 (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 April 9, 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:

	FY 2023-24
REVENUE:	$1,100,000
DIRECT COSTS:	$0
INDIRECT COSTS:	Minor
Net Revenue <cost>	$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	$673,790,899	$673,790,899	$0
Revenue	$665,452,626	$665,452,626	$665,452,626	$0
Operational Income/(Loss)	($8,338,273)	($8,338,273)	($8,338,273)	$0

Sufficient revenue and appropriations are included in the FY 23-24 adopted budget. The operational income includes "Operating Transfers In" that are primarily attributed to County contribution.

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 a short-term increase in the FQHC rates while negotiations continue on a restructured contract.

Under the proposed Amendment, for FQHC services provided on and after April 9, 2024, Clinicas would pay a flat 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 June 30, 2024.

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 John Polich, HCA Deputy Director for Government and Regulatory Affairs, at (805) 677-5140.

Barry L. Zimmerman
Health Care Agency Director

EXHIBIT

Exhibit 1 – Clinicas del Camino Real, Inc. – Amendment No. 6 to Specialist Care Professional Services Agreement