

Setting the Standard in Health Care Excellence

July 23, 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 Authorize, Expenditures of up to \$22,310,000 Pursuant to the Terms of Existing Contracts, with Adventist Health Simi Valley, Beverly Radiology Medical Group, Cedars Sinai Medical Center, Children's Hospital of Los Angeles, Coastal Pharmaceutical Services Corporation, Community Memorial Health System, Dignity Health Medical Foundation, Dignity Health, Golden State Imaging Associates Inc, Marin Wellness Pharmacy LLC, UCLA Medical Center, UCLA Medical Group, Seaside Emergency Associates, Total Renal Care Inc., Two Trees Physical Therapy & Wellness, Unilab, and Ventura Orthopedics Medical Group Inc., Providers of Medical Services for Ventura County Health Care Plan for the Period of July 1, 2024 to June 30, 2025.

RECOMMENDATION:

That your Board approve and authorize the Health Care Agency Director or designee to authorize, expenditures of up to \$22,310,000, pursuant to the terms of existing contracts, with Adventist Health Simi Valley, Beverly Radiology Medical Group, Cedars Sinai Medical Center, Children's Hospital of Los Angeles, Coastal Pharmaceutical Services Corporation, Community Memorial Health System, Dignity Health Medical Foundation, Dignity Health, Golden State Imaging Associates Inc, Marin Wellness Pharmacy LLC, UCLA Medical Center, UCLA Medical Group, Seaside Emergency Associates, Total Renal Care Inc., Two Trees Physical Therapy & Wellness, Unilab, and Ventura Orthopedics Medical Group Inc, provider of medical services for Ventura County Health Care Plan (VCHCP) for the period of July 1, 2024 to June 30, 2025, as set forth in Table 1 below.

FISCAL IMPACT:

Mandatory:	No
Source of Funding:	VCHCP Operational Performance
Funding Match Required:	None
Impact on other Departments:	None

Summary of Revenues and Costs:		FY 2024-25	FY 2025-26
Revenues:		\$0	\$0
Costs:			
	Direct	\$22,310,000	\$0
	Indirect-Dept	\$0	\$0
	Indirect-County CAP	\$0	\$0
	Total Cost	\$22,310,000	\$0
	Net County Cost	\$22,310,000	\$0
	Recovered Indirect Costs	\$0	\$0

The appropriations needed for these agreements and expenditures are included in the adopted budget of VCHCP for FY 2024-25.

CURRENT FISCAL YEAR BUDGET TABLE

Current FY 2024-25 Budget Projection for Ventura County Health Care Plan Fund E-510 Division 3390				
	Adopted Budget	Adjusted Budget	Estimate to Year-End	Estimated (Savings/Deficit)
Expenditures	\$ 90,583,114	\$ 90,583,114	\$ 90,583,114	\$ 0
Revenue	\$ 88,004,480	\$ 88,004,480	\$ 88,004,480	\$ 0
Operational Income/(Loss)	\$ (2,578,634)	\$ (2,578,634)	\$ (2,578,634)	\$ 0

*Includes interest and fixed assets

Table 1: Contains the VCHCP Provider request for FY 2024-25

PROVIDER	FY 2023-24 EXPENDITURES (As of June 3, 2024)	FY 2023-24 AUTHORIZED EXPENDITURES	FY 2024-25 TOTAL AUTHORIZED EXPENDITURE LIMITS
Adventist Health Simi Valley	\$ 589,564	\$ 700,000	\$ 700,000
Beverly Radiology Medical Group	\$ 261,059	\$ 310,000	\$ 310,000
Cedars Sinai Medical Center	\$ 2,274,704	\$ 2,900,000	\$ 2,700,000
Children's Hospital of Los Angeles	\$ 556,083	\$ 1,400,000	\$ 700,000

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PROVIDER	FY 2023-24 EXPENDITURES (As of June 3, 2024)	FY 2023-24 AUTHORIZED EXPENDITURES	FY 2024-25 TOTAL AUTHORIZED EXPENDITURE LIMITS
Coastal Pharmaceutical Services Corporation dba Infusion RX	\$ 1,214,490	\$ 1,500,000	\$ 1,400,000
Community Memorial Health System			
- Community Memorial Hospital	\$ 1,375,682	\$ 2,000,000	\$ 1,600,000
- Buenavista Billing Company	\$ 46,216	\$ 90,000	\$ 60,000
- Buenavista Medical Management	\$ 21,805	\$ 20,000	\$ 30,000
- * Community Memorial Health Center was CMH Center For Family Health	\$ 7,953	\$ 16,263	\$ 80,000
- Central Coast Center for Gynecologic Oncology	\$ 5,213	\$ 5,213	\$ 10,000
- Ojai Valley Community Hospital	\$ 16,469	\$ 40,000	\$ 20,000
- Other DBAs Below \$5,000	\$ 344	\$ 344	\$ 10,000
Dignity Health Medical Foundation dba Dignity Health Medical Group Ventura	\$ 474,243	\$ 550,000	\$ 550,000
Dignity Health, doing business as St. John's Regional Medical Center	\$ 4,064,554	\$ 4,500,000	\$ 4,700,000
Golden State Imaging Associates Inc	\$ 814,759	\$ 1,000,000	\$ 950,000
Marin Wellness Pharmacy LLC dba Apex Infusion Pharmacy	\$ 321,013	\$ 380,000	\$ 370,000
The Regents of the University of California, a Constitutional Corporation on Behalf of:			
- Santa Monica UCLA Medical Center	\$ 152,258	\$ 550,000	\$ 180,000
- UCLA Medical Center	\$ 2,205,995	\$ 3,000,000	\$ 2,600,000
The Regents of the University of California, a Constitutional Corporation on Behalf of:			

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PROVIDER	FY 2023-24 EXPENDITURES (As of June 3, 2024)	FY 2023-24 AUTHORIZED EXPENDITURES	FY 2024-25 TOTAL AUTHORIZED EXPENDITURE LIMITS
- Associated General Surgeons	\$ 6,360	\$ 12,000	\$ 10,000
- Jules Stein Eye Institute	\$ 18,403	\$ 30,000	\$ 20,000
- UCLA Neurological Grp Practice	\$ 15,791	\$ 20,000	\$ 20,000
- UCLA Anesthesia Department	\$ 32,008	\$ 50,000	\$ 40,000
- Plastic Surgery Group of UCLA	\$ 7,940	\$ 15,000	\$ 10,000
- UCLA Head Neck Surg Assoc	\$ 49,296	\$ 70,000	\$ 60,000
- UCLA Urology Associates	\$ 10,364	\$ 30,000	\$ 10,000
- UCLA Neurosurgery Assoc	\$ 30,312	\$ 55,000	\$ 40,000
- UCLA Radiology Medical Grp	\$ 59,172	\$ 70,000	\$ 70,000
- UCLA Department of Pediatrics	\$ 29,264	\$ 80,000	\$ 40,000
- UCLA Dept Of Med Prof Group	\$ 423,417	\$ 1,100,000	\$ 500,000
- UCLA Pathology and Laboratory	\$ 5,904	\$ 20,000	\$ 10,000
- UCLA Pediatric Surgery Assoc	\$ 6,706	\$ 6,706	\$ 10,000
- UCLA Package Billing	\$ 60,532	\$ 110,000	\$ 70,000
- UCLA Gonda Goldschmied Vasc	\$ 5,324	\$ 5,324	\$ 10,000
- UCLA Orthopaedic Surgery	\$ 9,412	\$ 9,412	\$ 10,000
- Other DBAs Below \$5,000	\$ 24,013	\$ 29,252	\$ 50,000
Seaside Emergency Associates	\$ 364,338	\$ 430,000	\$ 420,000
Total Renal Care Inc.			
- Camarillo	\$ 145,661	\$ 210,000	\$ 170,000
- Channel Islands Dialysis	\$ 142,165	\$ 290,000	\$ 170,000
- College Estates Dialysis	\$ 74,931	\$ 170,000	\$ 90,000
- Oxnard	\$ 406,280	\$ 700,000	\$ 470,000
- Santa Paula	\$ 388,650	\$ 750,000	\$ 450,000
- St Johns Home Training	\$ 112,288	\$ 112,288	\$ 130,000
- Total Renal Laboratories Inc	\$ 19,322	\$ 50,000	\$ 30,000
- Ventura	\$ 221,871	\$ 420,000	\$ 260,000

PROVIDER	FY 2023-24 EXPENDITURES (As of June 3, 2024)	FY 2023-24 AUTHORIZED EXPENDITURES	FY 2024-25 TOTAL AUTHORIZED EXPENDITURE LIMITS
Two Trees Physical Therapy & Wellness	\$ 443,166	\$ 580,000	\$ 510,000
Unilab dba Quest Diagnostics, Incorporated	\$ 1,052,615	\$ 1,300,000	\$ 1,210,000
Ventura Orthopedics Medical Group, Inc	\$ 384,504	\$ 450,000	\$ 450,000
Totals	\$ 18,952,413	\$26,136,802	\$22,310,000

*Community Memorial Health Center-VC00030879 is replacing CMH Center for Family Health-VC00018462 with expenditures of \$63,737 in FY24.

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 supports the goal of providing equitable and timely access to quality healthcare.

BACKGROUND:

VCHCP has contracts with Ventura County Medical Center (VCMC) and non-VCMC health care providers to obtain routine, elective, emergency, and specialized patient care services for its members. VCHCP contracts with non-VCMC facilities to have an adequate supply of primary care and specialty providers to ensure timely access for its members, as required by Department of Managed Health Care regulations. VCHCP contracts with “tertiary care” facilities when occasional complex illnesses require advanced physician and technological support. Examples of these services can include acute pediatric care, cardiovascular, emergency, and outpatient surgical care.

Adventist Health Simi Valley is a contracted hospital in the East County for VCHCP members providing emergency, outpatient surgery services, as well as inpatient services. Nineteen percent of VCHCP members reside in the East County. The annual costs for the hospital will depend on utilization and acuity of the care.

Beverly Radiology Medical Group provides radiologic and diagnostic imaging services including MRI, CT and PET scans.

Cedars Sinai Medical Center provides highly specialized tertiary medical care that involves advanced and complex treatment that local health care providers may not offer to members who are seriously ill and require high-level specialized care.

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Children's Hospital of Los Angeles provides highly specialized tertiary pediatric medical care that involves advanced and complex treatment for both inpatient and outpatient members of VCHCP that local providers may not offer.

Coastal Pharmaceutical Services Corporation dba Infusion RX provides high level pharmacy services not available through the VCHCP primary vendor. Services can include set-up and member education for home IV anti-infective therapies, home chemotherapy, and injectable drug therapies.

Community Memorial Health System provides advanced cardiovascular and thoracic care, including the specialized care required to perform operations on the heart and blood vessels of the body, as well as other specialized acute inpatient and outpatient care.

Dignity Health Medical Foundation dba Dignity Health Medical Group Ventura provides primary care physician services to VCHCP members from eight locations in Ventura County with over eighteen providers.

Dignity Health, doing business as St. John's Regional Medical Center provides specialized emergency, acute inpatient care, as well as outpatient surgical procedures to VCHCP members. Thirty-eight percent of VCHCP enrollees live in the Oxnard and Port Hueneme areas.

Golden State Imaging Associates, Inc. provides radiology services at Ventura County Medical Center and Santa Paula Hospital.

Marin Wellness Pharmacy LLC dba Apex Infusion Pharmacy provides many types of infusion therapy services, either in the patient's home or in their outpatient suite located in Ventura. In addition, they specialize in intravenous immunoglobulin (IVIG) therapy and offer services to both adult and pediatric patients.

The Regents of the University of California, a Constitutional Corporation on Behalf of UCLA Medical Center provides specialized acute inpatient care. Annual medical expenses are based on utilization as well as the acuity of the care provided, which creates a fluctuation in the annual expenditures required.

The Regents of the University of California, a Constitutional Corporation on Behalf of UCLA Medical Group provides highly specialized tertiary care that involves advanced and complex treatment that local healthcare providers may not offer to members who are seriously ill and require high-level specialized care.

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Seaside Emergency Associates provides emergency room physician services at VCMC and Santa Paula Hospital.

Total Renal Care Inc. provides outpatient dialysis service to patients with chronic kidney failure and end stage renal disease. This provider offers integrated treatment plans, personalized care teams, and conveniently located facilities throughout Ventura County.

Two Trees Physical Therapy and Wellness provides pediatric and adult physical, occupational, and speech therapy, and neurological rehabilitation from locations in Ventura and Oxnard.

Unilab dba Quest Diagnostics, Incorporated provides laboratory services. It has facilities located throughout Ventura County and is able to accommodate the large volume of patient walk-ins in addition to scheduled tests. Quest also has flexible hours of operation allowing patients to be seen outside of traditional business hours.

Ventura Orthopedics Medical Group, Inc. provides orthopedic surgeons and physical therapists to members of VCHCP. The group has locations in Ventura, Oxnard, Camarillo, Thousand Oaks, and Simi Valley.

The total amount requested is \$22,310,000 for FY 2024-25. The FY 2024-25 costs are covered by premiums paid to VCHCP by employers and subscribers. The requested amounts are an estimate based on payments to the providers for healthcare services rendered to VCHCP members in FY 2023-24.

This letter has been reviewed by the County Executive Office, County Counsel, and Auditor-Controller's Office. If you have any questions regarding these recommendations, please contact Dee Pupa at (805) 981-5006.



Dee Pupa
Health Care Agency Deputy Director Managed Care
Health Care Plan Administrator



Theresa Cho, MD, MHA
Health Care Agency Director