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*Setting the Standard in Health Care Excellence*

June 27, 2023

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

**Subject:**

**Approval of The Hospital Services Agreement with the Ventura County Medi-Cal Managed Care Commission, Doing Business as Gold Coast Health Plan (GCHP) Effective July 1, 2023 Through June 30, 2025, Provider Services Agreement - Specialist with GCHP, Effective July 1, 2023 Through June 30, 2025, and Provider Services Agreement - Primary Care Physician with GCHP, Effective July 1, 2023 Through June 30, 2025.**

**Recommendations:**

- 1) That your Board approve and authorize the Health Care Agency (HCA) Director or designee to sign the attached Hospital Services Agreement (Exhibit 1) with the Ventura County Medi-Cal Managed Care Commission, doing business as Gold Coast Health Plan (GCHP) for health care services, effective July 1, 2023, through June 30, 2025.
- 2) That your Board approve, and authorize the HCA Director or designee to sign, the attached Provider Services Agreement – Specialist (Specialist Agreement) (Exhibit 2) with GCHP for specialist physician services, effective July 1, 2023 through June 30, 2025.
- 3) That your Board approve, and authorize the HCA Director or designee to sign, the attached Provider Services Agreement – Primary Care Physician (PCP Agreement) (Exhibit 3) with GCHP for primary care physician services, effective July 1, 2023, through June 30, 2025.

**FISCAL IMPACT**

Mandatory:	No
Source of Funding:	GCHP
Funding Match Required:	None
Impact on Other Departments:	NA

Summary of Annual Revenues and Costs under these agreements:

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
REVENUE:	\$57,755,165	\$58,931,566
DIRECT COSTS:	\$57,755,165	\$58,931,566
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

Sufficient revenue and appropriations are included in the FY 23-24 proposed budget.

**Discussion:**

GCHP is a county organized health system governed by the Ventura County Medi-Cal Managed Care Commission, currently serving more than 200,000 Medi-Cal beneficiaries living in Ventura County. HCA is the largest Medi-Cal provider of healthcare services in Ventura County with more than 90,000 assigned GCHP members.

Ventura County first entered into agreements to provide services to GCHP members in 2011. The agreements have not been re-negotiated since 2018 and there have been no increases in reimbursement rates since. The new agreements before your Board provide for important changes to the payment mechanism for hospital services and an increase in reimbursement rates for outpatient care. Inpatient services for the Medi-Cal members of GCHP will be paid on a multiple of the All Patients Refined Diagnosis Related Groups (APR-DRG) which is a classification system that classifies patients according to their reason for admission, severity of illness and risk of mortality. This system should simplify billing and collecting for inpatient services and reduce the risk of denied payments to HCA. Rate increases are also provided in the next two years for outpatient services, specialists, and primary care.

Another new feature is the ability to earn additional dollars in a quality incentive program. The GCHP Quality Incentive Pool and Program (QIPP) is a two-year initiative designed to incentivize HCA to improve performance on shared quality metrics and enhance data exchange. Through this program, HCA can receive up to \$25 million in incentives over two years. The program has three components: 1) Creation of a joint committee at the executive and program levels between HCA and GCHP to address quality issues together worth \$3.75 million over two years 2) Creation of a quality data feed to transmit relevant data to GCHP about their members worth \$3.75 million over two years and 3) Improved performance on 10 Health Effectiveness Data and Information Set (HEDIS) quality measures, worth \$17.5 million over two years. The first two components have “all or nothing” achievement. For the third component, HCA can obtain partial funding if only a subset of quality measures demonstrate improvement. The QIPP will require an unprecedented level of collaboration between GCHP, Ambulatory Care, and Healthcare Agency Information Technology Services. Achieving the quality metrics, which include items such as cervical cancer screening and well child visits, will require a substantial increase in primary care visits over the next two years. It will also require a commensurate increase in patient outreach to bring patients in for those visits.

The portions of the agreement concerning compensation paid to HCA are exempt from disclosure under the Public Records Act (Health and Safety Code Section 1457 (c) (1)). If the Board would like further information regarding the rates, the original agreement is retained by Mike Taylor, HCA Chief Financial Officer.

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 Paul Jaconette, MPH, Director, Strategy and Business Development at 805-677-5105.



Barry L. Zimmerman  
Health Care Agency Director

**Exhibits**

- Exhibit 1 –Hospital Services Agreement with the Ventura County Medi-Cal Managed Care Commission, dba Gold Coast Health Plan
- Exhibit 2 – Provider Services Agreement-Specialist with the Ventura County Medi-Cal Managed Care Commission, dba Gold Coast Health Plan
- Exhibit 3 – Provider Services Agreement-Primary Care Physician with the Ventura County Medi-Cal Managed Care Commission, dba Gold Coast Health Plan