

Setting the Standard in Health Care Excellence

January 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 Increase, Expenditures from a Total of \$1,895,000 to \$3,575,000 (an increase of \$1,680,000), Pursuant to the Terms of Existing Contracts, with Community Memorial Health System, Golden State Imaging Associates Inc, Seaside Emergency Associates, and Ventura Orthopedic Medical Group Inc, Providers of Medical Services for Ventura County Health Care Plan for the Period of July 1, 2023 to June 30, 2024.

RECOMMENDATION:

That your Board approve and authorize the Health Care Agency Director or designee to increase, expenditures from a total of \$1,895,000 to \$3,575,000 (an increase of \$1,680,000), pursuant to the terms of existing contracts, with Community Memorial Health System, Golden State Imaging Associates Inc, Seaside Emergency Associates, and Ventura Orthopedic Medical Group Inc, providers of medical services for Ventura County Health Care Plan (VCHCP) for the period of July 1, 2023 to June 30, 2024, as set forth in Table 1 below.

FISCAL IMPACT:

| | |
|------------------------------|-------------------------------|
| Mandatory: | No |
| Authority: | VCHCP Operational Performance |
| Funding Match Required: | None |
| Impact on other Departments: | None |

| Summary of Revenues and Costs: | FY 2023-24 | FY 2024-25 |
|---------------------------------------|-------------------|-------------------|
| Revenues: | \$0 | \$0 |
| Costs: | | |
| Direct | \$3,575,000 | \$0 |
| Indirect-Dept | \$0 | \$0 |
| Indirect-County CAP | \$0 | \$0 |
| Total Cost | \$3,575,000 | \$0 |
| Net County Cost | \$3,575,000 | \$0 |
| Recovered Indirect Costs | \$0 | \$0 |

The appropriations needed for these agreements and expenditures are included in the adopted budget of VCHCP for FY 2023-24.

CURRENT FISCAL YEAR BUDGET TABLE

| Current FY 2023-24 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 | \$ 83,981,956 | \$ 85,202,550 | \$ 85,202,550 | \$ 0 |
| Revenue | \$ 84,170,439 | \$ 84,170,439 | \$ 84,170,439 | \$ 0 |
| Operational Income/(Loss) | \$ 188,483 | \$ (1,032,111) | \$ (1,032,111) | \$ 0 |

*Includes interest and fixed assets

Table 1: Contains the VCHCP Provider request for FY 2023-24

| PROVIDER | FY 2022-23 EXPENDITURES (As of June 30, 2023) | FY 2023-24 EXPENDITURES (As of November 21, 2023) | FY 2023-24 AUTHORIZED EXPENDITURES | FY 2023-24 INCREASE (Requested) | FY 2023-24 TOTAL AUTHORIZED EXPENDITURE LIMITS |
|----------------------------------|--|--|------------------------------------|---------------------------------|--|
| Community Memorial Health System | \$ 1,029,125 | \$ 604,772 | \$ 1,100,000 | \$ 500,000 | \$ 1,600,000 |
| - Community Memorial Hospital | \$ 45,950 | \$ 22,065 | \$ 65,000 | \$ - | \$ 65,000 |
| - Buenavista Billing Company | \$ 12,767 | \$ 9,396 | \$ 20,000 | \$ - | \$ 20,000 |

BOARD OF SUPERVISORS
 Authorization to Increase Expenditures for Four VCHCP Providers
 January 9, 2024
 Page 3 of 4

| PROVIDER | FY 2022-23 EXPENDITURES (As of June 30, 2023) | FY 2023-24 EXPENDITURES (As of November 21, 2023) | FY 2023-24 AUTHORIZED EXPENDITURES | FY 2023-24 INCREASE (Requested) | FY 2023-24 TOTAL AUTHORIZED EXPENDITURE LIMITS |
|---|--|--|--|---------------------------------------|--|
| - Buenvista Medical Management | \$ 59,239 | \$ 24,834 | \$ 70,000 | \$ - | \$ 70,000 |
| - CMH Center For Family Health | \$ 8,299 | \$ 11,760 | \$ 40,000 | \$ - | \$ 40,000 |
| - Ojai Valley Community Hospital | | | | | |
| Golden State Imaging Associates Inc | \$ - | **\$ 624,719 | \$ 200,000 | \$ 800,000 | \$ 1,000,000 |
| Seaside Emergency Associates | \$ 447,507 | \$ 145,994 | \$ 200,000 | \$ 180,000 | \$ 380,000 |
| Ventura Orthopedics Medical Group Inc | \$ 382,073 | \$ 150,052 | \$ 200,000 | \$ 200,000 | \$ 400,000 |
| Totals | \$ 1,984,960 | \$ 1,593,592 | \$ 1,895,000 | \$ 1,680,000 | \$ 3,575,000 |

** Paid unencumbered \$454,834, prior to contract signed August 8, 2023.

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.

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.

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

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

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 requested increase is \$1,680,000, which brings the total expenditure limit for these providers to \$3,575,000 for FY 2023-24. The FY 2023-24 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 the first five months of 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



Barry Zimmerman
Health Care Agency Director