

December 19, 2023

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

### **SUBJECT**

**Approval of, and Authorization for the Health Care Agency (HCA) Director or Designee to Sign, Amendment No. 1 to Contract No. HCA-ECG-AC2023 with Executive Consulting Group, LLC Doing Business As ECG Management Consultants (ECG), for Consulting Services, Extending the Contract Through December 31, 2024, Revising the Statement of Work, and Setting the Not-To-Exceed Amount at \$500,000 for Calendar Year 2024; Approval of, and Authorization for the HCA Director or Designee to Sign, Amendment No. 2 to Contract No. HCA-ECG-FMV2022 with ECG, for Consulting Services, Adding a Fixed Fee Fair Market Value Assessment Rate Sheet, Effective January 1, 2024.**

### **RECOMMENDATIONS**

1. Approval of, and authorization for the Health Care Agency (HCA) Director or designee to sign, amendment No. 1 to contract No. HCA-ECG-AC2023 (Exhibit 1) with Executive Consulting Group, LLC doing business as ECG Management Consultants (ECG), for consulting services, extending the contract through December 31, 2024, revising the statement of work, and setting the not-to-exceed amount at \$500,000 for calendar year 2024.
2. Approval of, and authorization for the Health Care Agency (HCA) Director or designee to sign, amendment No. 2 to contract No. HCA-ECG-FMV2022 (Exhibit 2) with ECG, for consulting services, adding a fixed fee fair market value (FMV) assessment rate sheet, effective January 1, 2024.

### **FISCAL IMPACT**

Mandatory:	No
Source of Funding:	VCMC Operating Revenues/Collections
Funding Match Required:	None
Impact on Other Departments:	NA

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

	<u>Calendar Year 2024</u>	<u>Calendar Year 2025</u>
REVENUE:	\$500,000	\$0
DIRECT COSTS:	\$500,000	\$0
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

**CURRENT FISCAL YEAR BUDGET:**

<b>Current 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	\$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**

HCA will continue to enhance Ambulatory Care clinic performance and patient experience through optimization of the Oracle Cerner EHR and implementation of Cerner Practice Management (CPM), and Experian Health, Inc. revenue cycle systems. Beginning in January 2023, ECG has provided subject matter advisory expertise to support HCA's Information Technology Services and Ambulatory Care teams with these Oracle Cerner-related initiatives. Among other things, ECG has been able to: (1) provide comprehensive operational knowledge and technical expertise on Oracle Cerner patient access, referral management, and infrastructure, (2) support a cross-functional team collaboration with stakeholders to execute on the vision, objectives, and strategy driven by executive leadership, and (3) advise and translate Ambulatory Care operational processes in design sessions to address key workflows, technology implications, and best practices with subject matter expertise. ECG has ensured technical alignment with operational needs from the current state, future-state design, future-state validation, maintenance training, integration testing phases, superuser training, end-user training, cutover, and go-live. The amendment to contract No. HCA-ECG-AC2023 before your Board will extend ECG services through 2024 to ensure the transition to these new services is successful.

Under the proposed amendment to Contract No. HCA-ECG-FMV2022, ECG will provide HCA with individual fair market value (FMV) assessments of physician compensation arrangements for a fixed fee.

The fixed fee will apply to standard arrangements for Level I and Level II FMV opinion reports. Examples of Level I FMV opinions are:

- A single employed physician with standard compensation plan components that while resulting in a higher level of cash compensation, may be generating this level through non-WRVU generating activities.
- Contract arrangements in which ECG has been asked to provide an FMV range or opinion on a single component of pay, e.g., a per diem shift rate for hospitalist gap coverage.

Level II FMV opinions may include (but are not limited to) the following: contracts for multiple provider specialties, multiple compensation components (various shift types and multiple roles), luminary physicians, and coverage at multiple locations. If ECG is requested to perform a FMV opinion outside of these levels, the opinions would be priced at an hourly rate.

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 call Theresa Cho, M.D., Chief Executive Officer, Ambulatory Care, at 805-339-1192, or John Fankhauser, M.D., Chief Executive Officer, County Hospitals, at 805-652-6058.



Theresa Cho, M.D.  
Chief Executive Officer, Ambulatory Care



John Fankhauser, M.D.  
Chief Executive Officer, County Hospitals



Barry L. Zimmerman  
Health Care Agency Director

#### **EXHIBITS**

- Exhibit 1 – Executive Consulting Group, LLC dba ECG Management Consultants –  
Amendment No. 1 to Contract No. HCA-ECG-AC2023
- Exhibit 2 – Executive Consulting Group, LLC dba ECG Management Consultants -  
Amendment No. 2 to Contract No. HCA-ECG-FMV2022