

May 14, 2024

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

SUBJECT: Approval of, and Authorization for the Purchasing Agent or Designee to Sign, Amendment No. 5 to Contract No. 8449 with AB Staffing Solutions, LLC, Amendment No. 19 to Contract No. 7273 with AMN Healthcare, Inc., Amendment No. 5 to Contract No. 8947 with Cross Country Staffing, Inc. dba Cross Country Healthcare Services, Amendment No. 5 to Contract No. 8787 with Huffmaster Crisis Response Inc., Amendment No. 8 to Contract No. 8360 with Medical Solutions, LLC, Amendment No. 5 to Contract No. 8693 with MLee Healthcare Staffing and Recruiting Inc. dba McCall and Lee, LLC, and Amendment No. 3 to Contract No. 8965 with SnapMedTech, Inc. dba SnapNurse, for Temporary Staffing Services, Extending the Term of the Contracts Through June 30, 2027, Effective May 14, 2024; Authorization for the Purchasing Agent or Designee to Increase or Decrease the Individual Contract Amounts for Specified Nurse Registries as Needed, Provided that the Aggregate Amount Paid for Temporary Nurse Staffing Services Does Not Exceed \$28,022,453, a \$9,577,452 Increase for FY2023-24 and \$18,975,007 for FY2024-25.

RECOMMENDATIONS:

1. That your Board approve, and authorize the Purchasing Agent or designee to sign, amendment No. 5 to contract No. 8449 with AB Staffing Solutions, LLC, amendment No. 19 to contract No. 7273 with AMN Healthcare, Inc., amendment No. 5 to contract No. 8947 with Cross Country Staffing, Inc. dba Cross Country Healthcare Services, amendment No. 5 to contract No. 8787 with Huffmaster Crisis Response Inc., amendment No. 8 to contract No. 8360 with Medical Solutions, LLC, amendment No. 5 to contract No. 8693 with MLee Healthcare Staffing and Recruiting Inc. dba McCall and Lee, LLC, and amendment No. 3 to contract no. 8965 with SnapMedTech, Inc. dba SnapNurse, for temporary staffing services, extending the term of the contracts through June 30, 2027, effective May 14, 2024.

2. That your Board authorize the Purchasing Agent or designee to increase or decrease the individual contract amounts for the specified nurse registries as needed, provided that the aggregate amount paid for temporary nurse services does not exceed \$28,022,453, a \$9,577,452 increase for FY2023-24 (Table 1) and \$18,975,007 for FY2024-25 (Table 2).

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 these agreements:

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
REVENUE:	\$9,577,452	\$18,975,007
DIRECT COSTS:	\$9,577,452	\$18,975,007
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

Table 1: Nurse Registry Services – Funding Pool – FY2023-24

Contains the requests for FY2023-24 for Nurse Registry Services (Pooled)

Registry	Contract / Purchase Document	Exhibit No.	Recommendation	FY 2023-2024	FY 2023-2024	FY 2023-2024
				ENCUMBRANCE	INCREASE or <DECREASE>	TOTAL ENCUMBRANCE
Budget Unit 3300						
AB Staffing Solutions, LLC	8449 / MA ABSTAFFINGSOFY2*MA02	1	1	\$500,000	\$0	\$500,000
AMN Healthcare, Inc.	7273 / MA AMNHEALTHCARFY*MA01	2	1	\$250,000	\$ (6,063.24)	\$243,937
Aya Healthcare, Inc.	9048 / MA AYAHEALTHCARFY2*MA03	N/A	N/A	\$16,000,000	\$9,591,820	\$25,591,820
Cross Country Staffing, Inc. dba Cross Country Healthcare Services	8947 / MA CROSSCOUNTRYFY2*MA04	3	1	\$84,679	\$0	\$84,679
Huffmaster Crisis Response Inc.	8787 / MA HUFFMASTERCRFY2*MA02	4	1	\$55,000	\$ (295.00)	\$54,705
Medical Solutions, LLC	8360 / MA MEDICALSOLUTFY2*MA02	5	1	\$645,000	\$ (7,072.96)	\$637,927
MLea Healthcare Staffing and Recruiting Inc. dba McCall and Lee, LLC	8693 / MA MLEEHEALTHCAFY2*MA01	6	1	\$1,000	\$0	\$1,000
SnapMedTech, Inc. dba SnapNurse	8965 / MA SNAPMEDTECHIFY2*MA01	7	1	\$7,000	\$ (936.25)	\$6,064
FY 23-24 NURSE POOL RESERVE				\$902,322	\$0	\$902,322
Total				\$18,445,000	\$9,577,452	\$28,022,452

Table 2: Nurse Registry Services – Funding Pool – FY2024-25

Contains the requests for FY2024-25 for Nurse Registry Services (Pooled)

Registry	Contract / Purchase Document	Exhibit No.	Recommendation	FY 2024-2025	FY 2024-2025	FY 2024-2025
				ENCUMBRANCE	INCREASE or <DECREASE>	TOTAL ENCUMBRANCE
Budget Unit 3300						
AB Staffing Solutions, LLC	8449 / MA ABSTAFFINGSOFY2*MA02	1	1	\$0	\$425,000	\$425,000
AMN Healthcare, Inc.	7273 / MA AMNHEALTHCARFY*MA01	2	1	\$0	\$1	\$1
Aya Healthcare, Inc.	9048 / MA AYAHEALTHCARFY2*MA03	N/A	N/A	\$0	\$18,550,000	\$18,550,000
Cross Country Staffing, Inc. dba Cross Country Healthcare Services	8947 / MA CROSSCOUNTRYFY2*MA04	3	1	\$0	\$1	\$1
Huffmaster Crisis Response Inc.	8787 / MA HUFFMASTERCRFY2*MA02	4	1	\$0	\$1	\$1
Medical Solutions, LLC	8360 / MA MEDICALSOLUTFY2*MA02	5	1	\$0	\$1	\$1
MLee Healthcare Staffing and Recruiting Inc. dba McCall and Lee, LLC	8693 / MA MLEEHEALTHCAFY2*MA01	6	1	\$0	\$1	\$1
SnapMedTech, Inc. dba SnapNurse	8965 / MA SNAPMEDTECHIFY2*MA01	7	1	\$0	\$1	\$1
FY 24-25 NURSE POOL RESERVE				\$0	\$1	\$1
Total				\$0	\$18,975,007	\$18,975,007

Current Year Fiscal 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	\$712,998,636	\$677,942,647	\$35,055,989
Revenue	\$665,452,626	\$672,888,408	\$674,242,404	\$1,353,996
Operational Income/(Loss)	(\$8,338,273)	(\$40,110,228)	(\$3,700,243)	\$36,409,985

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:

The Health Care Agency (HCA) leverages registry and traveling nurses to address short-term staffing gaps, offer supplementary assistance during census and patient acuity fluctuations, and alleviate the challenge of vacant, hard-to-fill nursing positions. By partnering with nurse staffing services vendors, HCA ensures prompt and seamless fulfillment of these sudden needs, effectively preventing staffing shortages and ensuring

uninterrupted patient care access. The allocation of the requested increase is justified as follows:

Pediatric Growth – since the consolidation of our pediatric inpatient services unit with Community Memorial Healthcare Hospital in October 2023, our Pediatric Intensive Care Unit has seen a significant increase in patient volume, growing from an average daily census of 3-4 patients to 10-12 patients. This surge in volume has necessitated additional nurse staffing, with approximately five registered nurses (RNs) and one nursing assistant from the registry being brought on board.

Addiction Medicine Unit Launch – the launch of our new Addiction Medicine Unit in October 2023 has been hampered by recruitment challenges. Despite our efforts, we have been unable to fill 10 open RN positions and four nursing assistant positions for this unit, requiring us to rely on registry staff to cover these vacancies.

Registry Utilization in High-Census Units – to address the staffing needs arising from higher-than-planned patient census across several units, we have had to rely heavily on registry staff:

1. 4 South: With planned staffing for a census of 15 patients, this unit routinely operates at a census of 16-20, necessitating the addition of five FTE RNs and two FTE nursing assistants.
2. ICU2: This unit has sufficient planned staffing for only 2 RNs per shift, which does not account for a charge nurse or an additional RN to cover chemo induction, which requires from 1:1 to 1:3 nursing care (vs. the standard unit 1:4). As a result, we have had to supplement with registry staff as needed.
3. MS3: While the planned staffing of 21 RNs should support a census of 16-19 patients, this unit consistently operates at a census of 22-24, requiring the addition of five FTE registry RNs.

Leaves of Absence and Vacancies – the number of leaves of absence and vacancies has increased by approximately 20 more than originally projected, further exacerbating our staffing challenges. We have been covering these gaps with registry staff.

Contract Flexibility – because HCA contracts with several nurse staffing services vendors, to ensure the provision of full care and complete services for the patients we serve and compliance with State-mandated nurse staffing ratios, we are requesting flexibility for the Purchasing Agent to reallocate funds as needed among the registries listed in Table No. 1 and Table No. 2, with an aggregate amount does not-to-exceed of \$28,022,453 a \$9,577,452 increase for FY2023-24 (Table 1) and \$18,975,007 for FY2024-25 (Table 2).

The FY2023-24 increase of \$9.57 million is offset by salary and benefit savings of \$5.68 million and increased revenues of \$4.33 million, for a total offset of \$10.01 million, resulting in a net benefit of \$0.44 million. For comparison, the FY2023-24 projected spend

of \$28.02 million is a \$3.67 million decrease (11.6%) compared to the FY 2022-23 spend of \$31.69 million.

Hospital leadership will continue efforts to reduce nurse registry spending with its multifaceted approach to increase recruitment with the nurse residency program, outreach to nursing schools, and regular nurse recruiting events. In addition, it should be noted that changes in the market over the last year have resulted in a steady decline in the hourly rates for the registry and at this time the cost of a Registered Nurse II (FTE) is comparable to the registry rate. Therefore, unlike in the past, the cost of using registries is not significantly more than having FTEs and provides a flexible alternative to address changing staffing needs as dictated by volumes and operational needs.

This letter has been reviewed by the County Executive Office, County Counsel, Auditor-Controller's Office, and General Services Agency Procurement Services. If you have any questions regarding this item, please call John Fankhauser, M.D., Chief Executive Officer, County Hospitals, at 805-652-6058.



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

Barry L. Zimmerman
Health Care Agency Director

EXHIBIT

- Exhibit 1 – AB Staffing Solutions, LLC - Amendment No. 5 to Contract No. 8449.
- Exhibit 2 – AMN Healthcare, Inc. - Amendment No. 19 to Contract No. 7273.
- Exhibit 3 – Cross Country Staffing, Inc. dba Cross Country Healthcare Services - Amendment No. 5 to Contract No. 8947.
- Exhibit 4 – Huffmaster Crisis Response Inc. - Amendment No. 5 to Contract No. 8787.
- Exhibit 5 – Medical Solutions, LLC - Amendment No. 8 to Contract No. 8360.
- Exhibit 6 – MLee Healthcare Staffing and Recruiting Inc. dba McCall and Lee, LLC - Amendment No. 5 to Contract No. 8693.
- Exhibit 7 – SnapMedTech, Inc. dba SnapNurse - Amendment No. 3 to Contract No. 8965.