

April 29, 2025

County of Ventura Board of Supervisors

**Subject: Ratification, Approval of, and Authorization for the Health Care Agency (HCA) Director or Designee to Sign, Second Amendment to Agreement for Pathology Services, with Bradford S. Adler, M.D., Increasing the Contract Maximum by \$9,767 from \$337,696 to \$347,463, for Fiscal Year 2024-25, and Any Fiscal Year Thereafter, Effective March 1, 2025; Ratification, Approval of, and Authorization for the HCA Director or Designee to Sign, Second Amendment to Agreement for Pathology Services, with Melanie J. Gero, M.D., Increasing the Contract Maximum by \$9,900 from \$325,896 to \$335,796, for Fiscal Year 2024-25, and Any Fiscal Year Thereafter, Effective March 1, 2025; Ratification, Approval of, and Authorization for the HCA Director or Designee to Sign, Second Amendment to Agreement for Pathology Services, Mrugesh C. Shah, M.D., Increasing the Contract Maximum by \$9,967 from \$325,696 to \$335,663, for Fiscal Year 2024-25, and Any Fiscal Year Thereafter, Effective March 1, 2025; Approval of, and Authorization for the HCA Director or Designee to Decrease, Agreement for Pathology Services with Michael A. Richardson, M.D., by \$114,506 from \$325,696 to \$211,190, for Fiscal Year 2024-25, Effective March 1, 2025; Delegation of Authority to the HCA Director or Designee to Make Limited Modifications and Extend the Term of the Agreement. (Levine Act Item).**

**Recommendations:**

1. That your Board ratify, approve, and authorize the HCA Director or designee to sign, the second amendment to an agreement for medical director, pathology services with Bradford S. Adler, M.D. (Dr. Adler) increasing the contract maximum by \$9,767 from \$337,696 to \$347,463, for fiscal year 2024-25, and any fiscal year thereafter, effective March 1, 2025. (Exhibit 1).
2. That your Board ratify, approve, and authorize the HCA Director or designee to sign, the second amendment to an agreement for pathology services with Melanie J. Gero, M.D. (Dr. Gero) increasing the contract maximum by \$9,900 from \$325,896 to \$335,796, for fiscal year 2024-25, and any fiscal year thereafter, effective March 1, 2025. (Exhibit 2).
3. That your Board ratify, approve, and authorize the HCA Director or designee to sign, the second amendment to an agreement for pathology services with Mrugesh C. Shah, M.D. (Dr. Shah) increasing the contract maximum by \$9,967 from

\$325,696 to \$335,663, for fiscal year 2024-25, and any fiscal year thereafter, effective March 1, 2025. (Exhibit 3).

4. That your Board approve, and authorize the HCA Director or designee to decrease, agreement for pathology services with Michael A. Richardson, M.D. (Dr. Richardson) by \$114,506 from \$325,696 to \$211,190, for fiscal year 2024-25, due Dr. Richardson's resignation, effective March 1, 2025. (Exhibit 4 – Resignation Letter).
5. Authorization for the HCA Director or designee to amend the agreements in recommendations 1-3 to (a) allocate funds between different compensation categories within the not-to-exceed amount specified in the purchase document; (b) make budget modifications that do not increase the total amount of the purchase document; (c) and implement corrections, clarifications, business entity name changes (excluding Taxpayer ID Number changes), and technical adjustments to the agreement and purchase document, provided that these changes align with the original purpose of the agreements and do not incur additional costs to the County. All amendments are subject to review and approval by County Counsel.
6. Authorization for the HCA Director or designee to extend the term of the agreements by amendment, for up to two (2) additional periods of one (1) year each following the completion of the current agreement term, on the same or more favorable terms and conditions (with any changes in the Responsibilities of Contractor to be consistent with the original purpose of the agreements), and for up to a 15% increase per fiscal year (within the fair market value) of the not to exceed amount of the purchase document. All extensions would be subject to all necessary prior appropriations and other budgetary approvals by your Board and review and approval as to form by County Counsel.

**Reason for Ratification:**

The delay in bringing the pathologists amendments to your Board was due to the additional time required to finalize negotiations

**Fiscal Impact:**

	<u>FY 2024-25</u>	<u>FY 2025-26</u>
Revenues	(\$84,872)	\$1,018,922
Costs	(\$84,872)	\$1,018,922
Net County Cost	\$0	\$0

Funding Source: VCMC Operating Revenues/Collections  
Match Requirement: None

**Table 1 below summarizes the net financial impacts:**

Provider	Current Contract Annual Maximum FY 24-25	Proposed Contract Annual Maximum FY 24-25	FY 2024-25 Inc/<Decr>	FY 2025-26 Inc/<Decr>
Dr. Adler	\$337,696	\$347,463	\$9,767	\$347,463
Dr. Gero	\$325,896	\$335,796	\$9,900	\$335,796
Dr. Shah	\$325,696	\$335,663	\$9,967	\$335,663
Dr. Richardson	\$325,696	\$211,190	(\$114,506)	\$0
Total	\$1,314,984	\$1,230,112	(\$84,872)	\$1,018,922

**Discussion:**

The proposed amendments presented to your Board concern the positions of Medical Director and Attending Physician of Pathology Services. Dr. Adler has served as the Medical Director of Pathology Services since January 2016 and has been an Attending Physician in Pathology Services at VCMC since 2001. Dr. Gero and Dr. Shah have been Attending Physicians in Pathology Services at VCMC since 1993 and 2016, respectively.

These amendments establish a one-time payment for services rendered in March as part of the department's catch-up project that was necessary to manage the increased workload resulting from a sudden rise in volume following a recent resignation within the Pathology Department. Additionally, the call compensation structure has been revised from a monthly flat rate to a daily rate to accommodate the new 1:3 call schedule. This change reflects the increased call frequency resulting from the departure of one of the department's pathologists, which shifted the call rotation from 1:4 to 1:3.

The portions of the agreement and amendments concerning compensation paid by the Healthcare Agency 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 documents are retained by Mike Taylor, HCA's Chief Financial Officer.

**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.

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



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John Fankhauser, MD, MHA  
Chief Executive Officer, County Hospitals



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Theresa Cho, MD, MHA  
Health Care Agency Director

**Attachments:**

Exhibit 1 – Second Amendment to Agreement for Medical Director, Pathology Services, with Bradford S. Adler, M.D.

Exhibit 2 – Second Amendment to Agreement for Attending Physician, Pathology Services, with Melanie J. Gero, M.D.

Exhibit 3 – Second Amendment to Agreement for Attending Physician, Pathology Services, with Mrugesh C. Shah, M.D.

Exhibit 4 – Michael A. Richardson, M.D., Letter of Resignation.