



June 4, 2024

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

Subject: Approval of, and Authorization for the Purchasing Agent or Designee to Sign, the Third Amendment to the Agreement for Pediatric Gastroenterology Services with Children's Hospital Los Angeles Medical Group, Inc., Decreasing Clinic Coverage, Effective July 1, 2024; Authorization for the Purchasing Agent or Designee to Increase or Decrease the Purchase Document Amount as Needed, Provided that the Not-to-Exceed Amount Does Not Exceed \$353,117, an \$18,317 Increase for the Period of July 1, 2023 Through October 31, 2024, and \$289,800 for the Period of November 1, 2024 through October 31, 2025.

Recommendations:

1. That your Board approve, and authorize the Purchasing Agent or designee to sign, the third amendment to the agreement for pediatric gastroenterology services with Children's Hospital Los Angeles Medical Group, Inc. (CHLAMG), decreasing clinic coverage, effective July 1, 2024.
2. That your Board authorize the Purchasing Agent or designee to increase or decrease the purchase document amount as needed, provided that the amount paid does not exceed \$353,117, an \$18,317 increase for the period of July 1, 2023, through October 31, 2024, and \$289,800 for the period of November 1, 2024, through October 31, 2025.

Fiscal Impact:

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

Summary of Annual Revenues and Costs under this amendment.

	<u>Contract Term 1</u>	<u>Contract Term 2</u>
REVENUE:	\$18,317	<\$45,000>
DIRECT COSTS:	\$18,317	<\$45,000>
INDIRECT COSTS:	Minor	Minor
Net revenue <cost>	\$0	\$0

Current Fiscal Year 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	\$721,214,436	\$676,277,276	\$44,937,160
Revenue	\$665,452,626	\$682,772,959	\$672,052,975	(\$10,719,984)
Operational Income/(Loss)	(\$8,338,273)	(\$38,441,477)	(\$4,224,301)	\$34,217,176

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.

Table 1 below summarizes the net financial impacts of the contract:

Provider	Eff. Date	Current Contract Annual Maximum	Proposed Contract Annual Maximum	Contract Term 1 Inc/<Decr>	Contract Term 2 Inc/<Decr>
CHLA (Pediatric Gastroenterology Services)	07/01/23 – 10/31/24	\$334,800	\$353,117	\$18,317	
CHLA (Pediatric Gastroenterology Services)	11/01/24 – 10/31/25	\$334,800	\$289,800		<\$45,000>
Total				\$18,317	<\$45,000>

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:

CHLAMG has proven to be an invaluable partner to the Health Care Agency (HCA), significantly expanding outpatient pediatric services to offer a diverse range of specialty care to the community. The amendment before your Board decreases the half-day pediatric gastroenterology clinics provided by CHLAMG from a minimum of 372 to 322

per contract year, effective July 1, 2024. This adjustment is necessitated by a change in the schedule of Dr. Mazan Abbas, who was initially expected to provide services under this agreement but will no longer be available to continue his involvement with HCA.

The decrease in services will reduce the purchase document not-to-exceed amount by \$45,000 per contract year. The \$18,317 increase to the purchase document not-to-exceed amount for the current contract term is requested due to the extension of the term from 12-16 months.

The portions of the agreement concerning compensation paid by 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 County Counsel, the Auditor-Controller's Office, General Services Agency Procurement Services, and the County Executive Office. If you have any questions regarding this item, please call Theresa Cho, M.D., Chief Executive Officer, Ambulatory Care, at 805-677-5290.



THERESA CHO, M.D.
Chief Executive Officer, Ambulatory Care



BARRY ZIMMERMAN
Health Care Agency Director

Attachment:

Exhibit 1 – Third Amendment to the Agreement with Children's Hospital Los Angeles Medical Group, Inc. for Pediatric Gastroenterology Services