

July 23, 2024

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

**SUBJECT:**

**Approval of, and Authorization for the Health Care Agency Director or Designee to Sign, a Third Four-Month Letter of Agreement Extension, from September 1, 2024 through December 31, 2024, Between Kaiser Foundation Hospitals and the County of Ventura, for Acute Care Pediatric Services, Pending the Completion of a Comprehensive Services Agreement.**

**RECOMMENDATION:**

That your Board approve, and authorize the Health Care Agency (HCA) Director or Designee to sign, a third four-month Letter of Agreement Extension (LOA Third Extension), from September 1, 2024 through December 31, 2024, between Kaiser Foundation Hospitals (KFH) and the County of Ventura, for acute care pediatric services, pending the completion of a comprehensive services agreement.

**FISCAL IMPACT:**

There is no measurable fiscal impact at this time as this is a new business for Ventura County Medical Center (VCMC).

**CURRENT YEAR BUDGET:**

Current FY 2024-25 Budget Projections for Ventura County Medical Center #3300				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Expenditures	720,985,484	720,985,484	720,985,484	-
Revenue	721,404,225	721,404,225	721,404,225	-
Operational Income/ (Loss)	418,741	418,741	418,741	-

The operational income includes "Operating Transfers In" that are primarily attributed to County contribution. Sufficient revenues and appropriations are included in the FY24-25 budget

**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:**

KFH and the County of Ventura signed a temporary Pediatric Services Letter of Agreement, effective October 1, 2023 through December 31, 2023, which was later extended through April 30, 2024, and later extended through August 31, 2024, pending the completion of negotiations for a more comprehensive health care services agreement between the parties. KFV requested a pediatric hospital services agreement in preparation for the October 1, 2023 transition of pediatric services from Community Memorial Hospital (CMH) to VCMC. Since VCMC already serves other non-pediatric Kaiser members that are admitted through the emergency room, KFV and VCMC agreed to negotiate a full-service hospital agreement. Negotiations have progressed but the parties require additional time to finalize contract language.

This LOA Third Extension is entered into between KFV, a California nonprofit public benefit corporation, on behalf of its Southern California region, and the County as owner and operator of VCMC. The Letter of Agreement sets forth the parties' nonexclusive contractual arrangement for acute care pediatric services provided at VCMC to pediatric members of Kaiser Foundation Health Plan, Inc. and pediatric members of fully insured plans of Kaiser Permanente Insurance Company.

The portions of the agreement concerning compensation paid to 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 agreements are retained by Mike Taylor, HCA Chief Financial Officer.

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 Paul Jaconette, MPH, Director of Strategy and Business Development at 805-677-5105.



Theresa Cho, MD, MHA  
Health Care Agency Director

Exhibit 1: Letter of Agreement Third Extension