

July 23, 2019

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

Subject: Approval of the Third Amendment to the Agreement with William E. Starr, M.D., A Professional Corporation, for Medical Director, Plastic and Reconstructive Surgery Services, Extending the Agreement and Decreasing the Not-to-Exceed Amount by \$6,250 to a New Total Contract Maximum of \$424,250 per Fiscal Year, Effective July 1, 2019, through June 30, 2020, and for Up to Two Fiscal Years Thereafter.

Recommendation:

That your Board approves, and authorizes the Health Care Agency (HCA) Director or designee to sign, the third amendment to the agreement with William E. Starr, M.D., A Professional Corporation, for Medical Director, Plastic and Reconstructive Surgery Services, in a maximum amount of \$424,250 for the period of July 1, 2019 through June 30, 2020, and for up to two (2) fiscal years thereafter.

Fiscal Impact:

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

Summary of Annual Revenues and Costs under this Agreement. The revenue and appropriations for this item are included in the VCMC budget for Fiscal Year 2019-2020.

	<u>FY 2019-20</u>	<u>FY 2020-21</u>
REVENUE:	\$424,250	\$424,500
DIRECT COSTS:	\$424,250	\$424,500
DIRECT COSTS:	Minor	Minor
Net revenue <cost>	\$0	\$0

Current Fiscal Year Budget Projections:

Current FY 2019-20 Budget Projections for Ventura County Medical Center #3300				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Expenditures	\$504,040,129	504,040,129	\$504,040,129	\$0
Revenue	\$501,052,444	501,052,444	\$501,052,444	\$0
Operational Income/(Loss)	(\$2,987,685)	(\$2,987,685)	(\$2,987,685)	\$0

*The operational income includes "Operating Transfers In" that is primarily attributed to County contributions.

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


Provider	Eff. Date	Current Contract Annual Maximum	Proposed Contract Annual Maximum	FY 19-20 Inc/<Decr>	FY 20-21 Inc/<Decr>
William Starr, M.D.	07/01/19	\$430,500	\$424,250	(\$6,250)	\$0
Total		\$430,500	\$424,250	(\$6,250)	\$0

Discussion:

The proposed contract amendment presented to your Board is for William E. Starr, M.D., a Professional Corporation. Dr. Starr has been the director of the plastic surgery department since 1986. The amendment before your Board extends the term of the contract by two (2) additional terms of one (1) year each at the end of the current fiscal year. In addition, it decreases the call compensation of additional call days in excess of 183 days per year from \$43,500 to \$6,900 and increases the rate from \$500 per call day to \$600 per call day. Furthermore, an annual reimbursement of \$12,000 was added for health care benefits. The cost of this contract is included in the VCMC budget for Fiscal Year 2019-20.

With the amendment, the agreement with William E. Starr, M.D., a Professional Corporation, shall remain in effect through June 30, 2020. Then, unless either party gives notice of its intent not to renew at least ninety (90) days prior to the renewal date, and subject to the receipt of all necessary budgetary approvals by your Board, the agreement shall then be extended for up to two (2) additional periods of one (1) year each.

This letter has been reviewed by 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.



JOHN FANKHAUSER, M.D.
Chief Executive Officer, County Hospitals



KARLA VALLE
HCA Chief Financial Officer



WILLIAM T. FOLEY
Health Care Agency Director

Attachments:

Exhibit 1 – Agreement for Director, Plastic and Reconstructive Surgery Services with William E. Starr, M.D., A Professional Corporation.