

William T. Foley
Health Care Agency Director**John Fankhauser, MD**
HCA Chief Medical Officer**Johnson K. Gill**
Chief Executive Officer
Ambulatory Care Delivery**Sevet Johnson, PsyD**
Behavioral Health Director**Katie McKinney**
Human Resources Director**Kim S. Milstien**
Chief Executive Officer
County Hospitals**Karla Valle**
HCA Chief Financial Officer**Rigoberto Vargas**
Public Health Director**Jennifer Wortham, Dr. PH**
Chief Deputy Director
Strategy and Growth**Christopher Young, MD**
Chief Medical Examiner

April 9, 2019

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93003**Subject:**

Approval of Agreement with GE Healthcare IITS USA Corp. for Changes to Service and Maintenance for the Picture Archive and Communication System serving Ventura County Medical Center and Santa Paula Hospital.

Recommendation:

That your Board approve, and authorize the Purchasing Agent or designee to execute, the agreement with GE Healthcare IITS USA Corp. (GE) attached as Exhibit 1, in order to remove service and maintenance from the UW Breast Imaging Package component of the Picture Archive and Communication System (PACS) serving Ventura County Medical Center and Santa Paula Hospital, for an annual savings of \$29,700.

VCMC FISCAL IMPACT:

Mandatory:	No
Source of Funding:	VCMC operating revenues/Collections/General Fund
Funding Match Required:	None
Impact on Other Departments:	NA

Summary of Annual Revenues and Costs Under This Agreement:

	Contract Year <u>2019</u>	Contract Year <u>2020</u>
REVENUE	(\$29,700)	(\$29,700)
DIRECT COSTS	(\$29,700)	(\$29,700)
INDIRECT COSTS	Minor	Minor
NET REVENUE <COST>	\$<0>	\$<0>

CURRENT FISCAL YEAR (PROJECTED) BUDGET:

Current FY 2018-19 Budget Projections for Ventura County Medical Center #3300				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated (Savings/Deficit)
Expenditures	\$508,452,987	522,276,728	\$511,788,409	\$10,488,319
Revenue	\$508,282,831	518,490,803	\$494,777,766	(\$23,713,037)
Operational Income/(Loss)	(\$170,156)	(\$3,785,925)	(\$17,010,643)	(\$13,224,718)

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

DISCUSSION:

The original PACS (acquisition and storage of digital images for diagnostic modalities) was purchased and installed in September 2008. An upgrade was purchased in 2015 and implemented in July 2018. In connection with the implementation of the upgrade, in September 2018 your Board approved amendments to the configuration of, and amendment and restatement of support and maintenance for, PACS resulting in annual support and maintenance fees of \$169,312.

While the 2015 PACS upgrade that was implemented in July 2018 included a UW Breast Imaging Package, this component has not been activated or utilized because the component was deemed redundant due to the County's prior engagement of Renaissance Imaging Medical Associates, Inc. (RIMA) for the provision of certain professional radiological services. Pursuant to the agreement with RIMA, RIMA will use RIMA's own breast imaging CAD software in the provision of services to the County. Therefore, as it is not being utilized, the PACS UW Breast Imaging Package component does not require support and maintenance. The purpose of the attached agreement is to remove this component from support and maintenance coverage resulting in a reduction of annual fees by \$29,700 to a revised total annual amount of \$139,612.

This letter has been reviewed by the County Executive Office, County Counsel, Auditor-Controller's Office, and the General Services Agency Procurement Services. If you have any questions regarding these recommendations, please contact Kim Milstien, Chief Executive Officer County Hospitals at (805) 652-6058.



Kim Milstien
Chief Executive Officer County Hospitals



Karla Valle
HCA Chief Financial Officer



William T. Foley
Health Care Agency Director

Attachments:
Exhibit 1 –Quotation #Q-00733194