

April 9, 2019

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

Subject:

Approval of Intergovernmental Agreements Regarding Transfer of Public Funds, Contract Nos. 16-93696 A1 and 16-93927 A1, Between the Department of Health Care Services (DHCS) and County of Ventura; Approval of the Intergovernmental Transfer Assessment Fee Agreement, Contract No. 16-93727 A1, Between the County of Ventura and DHCS; Approval of an Amendment to the Hospital Services Agreement Between the County of Ventura and the Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan (GCHP); Approval of the Health Plan-Provider Agreement Between the County of Ventura and GCHP.

Recommendations:

1. That your Board approves, and authorizes the Health Care Agency Director or designee to sign, Intergovernmental Agreements Regarding Transfer of Public Funds, Contract No. 16-93696 A1 (Exhibit 3) and Contract No. 16-93927 A1 (Exhibit 4), between the Department of Health Care Services (DHCS) and the County of Ventura, including any non-material change approved by County Counsel.
2. That your Board approves, and authorizes the Health Care Agency Director or designee to sign, the Intergovernmental Transfer Assessment Fee Agreement, Contract No. 16-93727 A1 (Exhibit 6), between the County of Ventura and DHCS, including any non-material change approved by County Counsel.
3. That your Board approves, and authorizes the Health Care Agency Director or designee to sign, an Amendment to the Hospital Services Agreement (Exhibit 9) between the County of Ventura and the Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan (GCHP), including any non-material change approved by County Counsel.
4. That your Board approves, and authorizes the Health Care Agency Director or designee to sign, the Health Plan-Provider Agreement (Exhibit 10) between the

County of Ventura and GCHP, including any non-material change approved by County Counsel.

VCMC Fiscal Impact:

There is no fiscal impact associated with this item.

Discussion:

On June 6, 2017 and February 27, 2018 your Board approved agreements authorizing the County to participate in the intergovernmental transfer (IGT) program for fiscal year 2015-2016 and fiscal year 2016-2017. Under the IGT program the County, as owner and operator of Ventura County Medical Center (VCMC), sends funds to the State of California, which are used by the State as matching funds to access additional federal dollars for services provided by the VCMC medical system to GCHP enrollees.

The existing agreements (Exhibits 1 and 2) will expire on June 30, 2019. Because DHCS has not yet completed the reconciliation process for the fiscal year 2016-17 Rate Range Program, it requested that the agreements be replaced with new contracts that will expire on December 31, 2020. The agreements presented to your Board today (Exhibits 3 and 4) have identical terms to the existing agreements, but will remain in effect through December 31, 2020, providing DHCS sufficient time to complete the reconciliation.

Similarly, the Intergovernmental Transfer Assessment Fee agreement approved by your Board on June 6, 2017 (Exhibit 5), which authorizes payment of a 20% assessment fee to DHCS, will be replaced with a new Intergovernmental Transfer Assessment Fee agreement (Exhibit 6) referencing the new IGT agreements. All other terms of the existing agreement remain unchanged.

The Hospital Services Agreement Amendment with GCHP dated June 2, 2017 (Exhibit 7) and the Health Plan-Provider Agreement with GCHP effective January 1, 2017 (Exhibit 8) will also be replaced with a new amendment and agreement, respectively, that will remain in effect through December 31, 2020 (Exhibits 9 and 10). The amendment and agreement permit payment to the County by GCHP of the IGT amounts received by GCHP.

The fiscal summary does not change. The total funding required for all five agreements for the period July 1, 2015 through June 30, 2016 is \$10,396,698 and for the period July 1, 2016 through June 30, 2017 is \$12,211,646. Upon repayment of these funds and the payment of the DHCS assessment fee, the County will receive a net revenue increase of \$8,122,653 for the period July 1, 2015 through June 30, 2016, and \$8,991,636 for the period July 1, 2016 through June 30, 2017 for a net sum of \$17,114,289.

The approved agreements are due to DHCS at the close of business on April 30, 2019.

This letter has been reviewed by the County Executive Office, County Counsel, and Auditor-Controller's Office. If you have any questions regarding these recommendations, please contact Karla Valle, HCA Chief Financial Officer, at 677-5140.



Karla Valle
HCA Chief Financial Officer

William T. Foley
Health Care Agency Director

Attachment:

Exhibit 1 – Intergovernmental Agreement Regarding Transfer of Public Funds, Contract #16-93696

Exhibit 2 - Intergovernmental Agreement Regarding Transfer of Public Funds, Contract #16-93927

Exhibit 3 - Intergovernmental Agreement Regarding Transfer of Public Funds, Contract #16-93696 A1

Exhibit 4 - Intergovernmental Agreement Regarding Transfer of Public Funds, Contract #16-93927 A1

Exhibit 5 - Intergovernmental Transfer Assessment Fee Agreement, Contract #16-93727

Exhibit 6 - Intergovernmental Transfer Assessment Fee Agreement, Contract #16-93727 A1

Exhibit 7 - GCHP - Hospital Services Agreement - Amendment - IGT FY15-16 and FY16-17

Exhibit 8 - Health Plan-Provider Agreement - AB85 FY16-17

Exhibit 9 - GCHP - Hospital Services Agreement - Amendment - IGT FY15-16 and FY16-17

Exhibit 10 - Health Plan-Provider Agreement - AB85 FY16-17