

Setting the Standard in Health Care Excellence

November 10, 2020

Board of Supervisors
800 South Victoria Avenue
Ventura, California 93009

SUBJECT:

Approval of, and Authorization for the Health Care Agency Director or Designee to Sign, on behalf of the Ventura County Health Care Plan (VCHCP), Eight Small Group Subscriber Agreements, for Coverage of Health Benefits Offered by VCHCP, for Calendar Year 2021.

RECOMMENDATION:

That your Board approve and authorize the Health Care Agency Director or designee to sign, on behalf of the Ventura County Health Care Plan (VCHCP), eight small group subscriber agreements, for coverage of health benefits offered by VCHCP, for calendar year 2021.

FISCAL IMPACT:

Mandatory:	No
Authority:	VCHCP Operational Performance
Funding Match Required:	None
Impact on other Departments:	None

Summary of Annual Revenues and Costs under these Agreements:

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
REVENUE	\$2,000,000	\$2,000,000
DIRECT COSTS:	\$2,000,000	\$2,000,000
INDIRECT COSTS:	None	None
Net revenue <cost>	\$0	\$0

The appropriations and revenue needed for the small group product offering and subscriber agreements are already included in the adopted budget of VCHCP.

CURRENT FISCAL YEAR BUDGET TABLE

FY 2020-21 Current Budget for Ventura County Health Care Plan Fund E-510 Division 3390				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Expenditures	\$ 78,901,920	\$ 78,901,920	\$ 78,901,920	\$ -0-
Revenue	\$ 80,989,141	\$ 80,989,141	\$ 80,989,141	\$ -0-
Operational Income/(Loss)	\$ 2,087,220	\$ 2,087,220	\$ 2,087,220	\$ -0-

DISCUSSION:

The Ventura County Health Care Plan (VCHCP) operates as a Knox-Keene licensed health plan established to operate within the County of Ventura. Current authority allows VCHCP to offer health coverage to County employees, retirees, and their dependents. VCHCP is also authorized to offer small group plans to Ventura County Medical Center contracted physicians and their employees who provide services at County affiliated clinics. VCHCP began offering its small group products on January 1, 2014.

The Affordable Care Act (ACA) and state law require that in order for health plans to offer coverage for small groups with 100 or fewer employees, the product offering must either be grandfathered or qualify as an off-exchange ACA-compliant small group product. The small group subscriber agreements presented to your Board are ACA compliant.

If approved by your Board, the attached agreements will allow VCHCP to provide healthcare coverage to physicians and their staff from eight County-affiliated clinics for the members enrolled in the offered benefit plan for the 2021 calendar year. There is a 4.3% increase in premium rates for 2021, due to a combination of medical inflation and historical medical claims data. This is the first increase in premium rates since VCHCP began offering small group products in 2014. The agreements also contain updated language regarding rescission, non-renewals and cancellations as required by the Department of Managed Health Care (DMHC). These additions include a paragraph that appears to include notes to the drafter (§ 18.3.C); however, as it is required by DMHC, it remains.

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 Dee Pupa at (805) 981-5006.



Dee Pupa
Health Care Agency Deputy Director
Managed Care Health Care Plan Administrator



William T. Foley
Health Care Agency Director

Attachments:

- Exhibit 1 – Anacapa Surgical Group, Small Group Subscriber Agreement
- Exhibit 2 – Conejo Valley Family Medical Group, Small Group Subscriber Agreement
- Exhibit 3 – Family Health Center of Moorpark, Small Group Subscriber Agreement
- Exhibit 4 – Fillmore Medical Group, Small Group Subscriber Agreement
- Exhibit 5 – Mandalay Bay Women and Children's Medical Group, Small Group Subscriber Agreement
- Exhibit 6 – Oceanview Medical Specialists, Small Group Subscriber Agreement
- Exhibit 7 – Sun Moon & Stars Medical Corporation, Small Group Subscriber Agreement
- Exhibit 8 – Ventura Faculty Associates, Inc., Small Group Subscriber Agreement
- Exhibit 9 – 2021 Small Group Subscriber Rates
- Exhibit 10 – Evidence of Coverage Small Group 2021