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*Setting the Standard in Health Care Excellence*

November 9, 2021

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, Contract No. HCA-ECG-PNP112021 with ECG Management Consultants, LLC, for Consulting Services, Effective November 10, 2021 Through March 31, 2022, in the Amount of \$207,500.**

**RECOMMENDATION:**

Approval of, and authorization for the Health Care Agency (HCA) Director or designee to sign, contract No. HCA-ECG-PNP112021 with ECG Management Consultants, LLC (ECG) (Exhibit 1) to provide consulting services, in the amount of \$207,500, effective November 10, 2021 through March 31, 2022.

**FISCAL IMPACT**

Mandatory:	No
Source of Funding:	VCMC Operating Revenues/Collections
Funding Match Required:	None
Impact on Other Departments:	NA

Summary of Annual Revenues and Costs under this agreement:

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
REVENUE:	\$207,500	\$0
DIRECT COSTS:	\$207,500	\$0
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

Amounts shown in the Summary of Annual Revenue and Costs are estimates for ECG based on services being provided between November 10, 2021 and March 31, 2022

at the blended hourly rate and estimated travel and expense fees identified in Exhibit 1.

### **Current Year Fiscal Budget**

<b>Current FY 2021-22 Budget Projections for Ventura County Medical Center #3300</b>				
	<b>Adopted Budget</b>	<b>Adjusted Budget</b>	<b>Projected Actual</b>	<b>Estimated (Savings/Deficit)</b>
Expenditures	\$545,425,059	\$545,425,059	\$545,425,059	\$0
Revenue	\$545,674,943	\$545,674,943	\$545,674,943	\$0
Operational Income/(Loss)	\$249,884	\$249,884	\$249,884	\$0

Sufficient revenue and appropriations are included in the FY 21-22 adopted budget. The operational income includes "Operating Transfers In" that are primarily attributed to County contribution.

### **DISCUSSION:**

HCA is assessing how it can better serve the citizens in Ventura County through its network of providers through the establishment of a provider network panel (PNP) and compete for commercial and Medicare Advantage (MA) members. The PNP can also be viewed in the market as an independent physician association (IPA) that is sponsored by the County. As HCA looks to the future, the PNP will support the vision of attracting more commercial and MA patients and allow HCA patients to age into an MA health plan. ECG will provide support and leadership, IPA expertise, and experience in California to help HCA assess this business model.

ECG recommends that a steering committee be formed to guide, direct, and oversee this engagement. The planning and implementation process will need active participation from key stakeholders. As needed, ECG will support, guide, and direct the steering committee to assure that key milestones are met.

This engagement will need multiple phases to work through a process to determine the best IPA model for HCA. ECG envisions four phases for this engagement. The initial 3 phases are included in the contract before your Board. They include situational assessment, PNP model review and readiness assessment, and PNP testing with various health plans. The final phase, implementation support, is outside the scope of the contract before your Board.

ECG understands that HCA has already begun work on a number of planning issues associated the changes anticipated with this business mode. ECG will not duplicate those efforts, but rather use those materials and documents to advance the engagement and work side by side with HCA leadership to further the effort. Each phase will have specific deliverables, and input and feedback from the steering committee will ensure that key stakeholders are appropriately engaged in the process.

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 contact me at (805) 677-5272.



Barry L. Zimmerman  
Health Care Agency Director

**Exhibit:**

Exhibit 1 – ECG Management Consultants, LLC – Contract No. HCA-ECG-PNP112021