



**VENTURA COUNTY  
HEALTH CARE AGENCY**

**MICHAEL POWERS**  
Director

**Joan R. Araujo**  
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VCMC Ambulatory Care Administrator

**Barry Fisher**  
Public Health Director

**Robert Gonzalez, MD**  
Medical Director

**Paul E. Lorenz**  
Deputy Director  
VCMC Hospital Administrator  
Compliance Officer

**Ronald L. O'Halloran, MD**  
Medical Examiner/Coroner

**Catherine Rodriguez**  
Deputy Director  
Chief Financial Officer

**Meloney Roy**  
Behavioral Health Director

**Terrie Stanley**  
Deputy Director  
Managed Care Director

December 15, 2009

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

**Subject: Approval of Agreement for Ophthalmology Services – Miramar Eye Specialists Medical Group, Inc., Effective January 1, 2010. Approval for Second Amendment to Agreement for Interventional Radiology and Medical Director – Santa Paula Hospital Imaging Services, Lawrence Chespak, M.D., A.P.C., Effective January 1, 2010. Approval of Agreement for Attending Physician Oncology and Hematology Services – Mahshid Melody Mosallaei-Benjamin, M.D., Effective January 4, 2010.**

**Recommendations:**

1. That your Board approves and authorizes the Health Care Agency Director or designee to sign the Agreement for Ophthalmology Services – Miramar Eye Specialists Medical Group, Inc.
2. That your Board approves and authorizes the Health Care Agency Director or designee to sign the Second Amendment to Agreement for Interventional Radiology and Medical Director – Santa Paula Hospital Imaging Services, Lawrence Chespak, M.D., A.P.C.
3. That your Board approves and authorizes the Health Care Agency Director or designee to sign the Agreement for Attending Physician Oncology and Hematology Services – Mahshid Melody Mosallaei-Benjamin, M.D.
4. That your Board approves and authorizes the Health Care Agency Director or designee to amend the contracts to modify criteria and/or methodologies for various compensation within the agreements subject to the contract maximum.

**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 these Agreements. The revenue and appropriations for these proposed items are included in the VCMC Adopted Budget for FY 2009-2010.

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
REVENUE:	\$ 665,565	\$ 910,000
DIRECT COSTS:	\$ 665,565	\$ 910,000
INDIRECT COSTS:	Minor	Minor
Net revenue <cost>	\$ 0	\$ 0

**Current Fiscal Year Budget Projections:**

<b>FY 2009-10 Adopted Budget for Ventura County Medical Center</b>				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/ (Deficit)
Expenditures	\$258,770,205	\$263,165,730	\$258,770,205	\$4,395,525
Revenue	\$254,791,706	\$254,791,706	\$254,791,706	\$-0-
Operational	\$ 3,978,499	\$ 8,374,024	\$ 3,978,499	\$4,395,525

\* The operational loss projected, which includes County contributions, is attributable to the increasing cost of providing health care.

The Table below summarizes the net financial impacts of the contracts:

Provider	Current Contract Annual Maximum	Proposed Contract Annual Maximum	One-Time Payment	FY 2009-2010 Inc/<Decr>	FY 2010-2011 Inc/<Decr>
Miramar	\$100,000	\$440,400		\$170,200	\$340,400
Joel Corwin, M.D.	\$75,400	\$0		(\$37,700)	(\$75,400)
John Davidson, M.D.	\$175,000	\$0		(\$87,500)	(\$175,000)
Donald Frambach, M.D.	\$90,000	\$0		(\$45,000)	(\$90,000)
Lawrence Chespak, M.D.	\$367,000	\$1,037,000	\$212,500	\$547,500	\$670,000
Mahshid Melody Mosallaei-Benjamin, M.D.	\$0	\$240,000		\$118,065	\$240,000
<b>Total</b>	<b>\$807,400</b>	<b>\$1,717,400</b>	<b>\$212,500</b>	<b>\$665,565</b>	<b>\$910,000</b>

**Discussion:**

The first contract presented to the Board is for Miramar Eye Specialists Medical Group, Inc. Miramar Eye Specialists is comprised of Joel Corwin, M.D., John Davidson, M.D., Donald Frambach, M.D. and other associates. Dr. Corwin graduated from Brown University School of Medicine, in Providence, Rhode Island and completed his residency at New England Medical Center Hospitals. Dr. Davidson received his Medical Degree from Indiana University and completed his residency at Indiana University Hospital. Dr. Frambach received his Medical Degree from Stanford University and completed his residency at Harvard Community Memorial Hospital and a fellowship



program at University of Southern California Medical Center. All three physicians are Board Certified in Ophthalmology.

Through contracts with VCMC, Miramar Eye Specialists have been providing ophthalmology services to the underserved residents of Ventura County for over 20 years. These excellent physicians perform a wide range of services including Emergency Room coverage for eye trauma or illness, pediatric ophthalmology, cataract surgery, treatment of diabetic retinal disease, cornea transplant and other eye disease management.

The contract presented to the Board consolidates the multiple individual contracts currently in force into a combined single group contract with the same levels of responsibility and reimbursement. The existing contracts will be cancelled upon the implementation of the new consolidated contract version. This consolidation will result in reduced administrative time and associated expenses. The net change in total maximum cost of this contract is zero, and the associated costs are included in the current budget.

The agreement shall be effective January 1, 2010, and subject to all necessary budgetary approvals by the Ventura County Board of Supervisors, shall remain in effect until June 30, 2011. Then, unless terminated in writing by either party at least thirty (30) days prior to the renewal date, and subject to the receipt of all necessary budgetary approvals by the Ventura County Board of Supervisors, the agreement may then be extended for up to two (2) additional periods of one (1) year each. The Director of the Health Care Agency, or designee, shall have the authority to approve such extensions.

The second contract presented to the Board is an Amendment for Lawrence Chespak, M.D. The contract before the Board will increase the scope of services provided to the VCMC medical system by Dr. Lawrence Chespak through the addition of the following Board Certified Radiologists: Richard Alberts, M.D., Michael Kupfer, M.D., and Raymond Rieman, M.D.

Dr. Chespak joined our system in January 2009 when he replaced Pueblo Radiology Group as the contracted provider of imaging services for Santa Paula Hospital. He also provides medical leadership as the Director of the Radiology Department at SPH. In order to recruit additional physicians for coverage of services at Santa Paula Hospital, and address the need for 24/7 uninterrupted interventional radiology services at VCMC, we bring to the Board a consolidated contract for all these services.

Dr. Chespak will continue to perform the role of Director of Invasive Radiology and in this capacity, he will be responsible to provide 24 hour, 7 day per week coverage of this important clinical service both personally and through a system of after-hours call with appropriately trained and credentialed providers.

Prior to our partnering with Dr. Chespak, our medical system obtained Invasive Radiology services through an agreement with Pueblo Radiology Group. Accessing these services required transfer of VCMC and Santa Paula patients to St. John's Regional Medical Center. In February 2009, Pueblo Radiology canceled their contract with us and gave 30 days notice. Fortunately, Dr. Chespak was able to begin providing



some services on March 1 and we were able to maintain adequate coverage. In October 2009, VCMC opened our own interventional radiology suite. This investment allows patients to remain at VCMC and receive a wide variety of additional medical services. These increased services now include most forms of internal organ biopsy, angiography and procedural intervention, such as, placing stents in blocked arteries.

These new medical technologies now available at VCMC provide enhanced patient safety and reduce the need for patient transfers. As these services were started upon completion of the installation of new equipment, Dr. Chespak's contract comes to the Board with one time payment to allow for payment for services provided prior to the effective date of this amendment, from October 1 through December 31, 2009. The delay allowed us to negotiate this agreement in a fair and equitable manner for all parties.

With regard to imaging services provided at VCMC, the County will bill and retain all revenue. As per prior agreement, Dr. Chespak will directly bill and collect for all imaging services provided at the Santa Paula Hospital Campus. The cost of this contract is fully offset through the billing for VCMC services, cost savings of services that would otherwise be referred to external providers and it is included in the current budget.

The agreement shall be effective January 1, 2010, and subject to all necessary budgetary approvals by the Ventura County Board of Supervisors, shall remain in effect until June 30, 2011. Then, unless terminated in writing by either party at least thirty (30) days prior to the renewal date, and subject to the receipt of all necessary budgetary approvals by the Ventura County Board of Supervisors, the agreement may then be extended for up to two (2) additional periods of one (1) year each. The Director of the Health Care Agency, or designee, shall have the authority to approve such extensions.

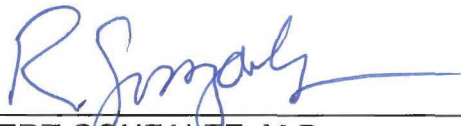
The third contract presented to the Board is for Mahshid Melody Mosallaei-Benjamin, MD aka: Melody Benjamin, M.D. With the Board's approval of this contract, Dr. Melody Benjamin will join Dr. Evan Slater and Dr. Milcah Larks in providing hematology and oncology care to the underserved residents of Ventura County. The VCMC Oncology Program is a highly regarded specialty service of our system. These outstanding physicians and nurses provide expert, compassionate care to those challenged by complex blood diseases and cancer. We have seen an influx of patients that have lost private insurance due to the impact of our economic downturn, sometimes, while actively engaged in chemotherapy. Providing them with timely seamless care is of extraordinary importance. In addition, Medicare only and Medicare/Medi-Cal patients are being referred to our system as private offices struggle with decreases in medication related revenue and professional fee compensation. We are currently impacted and although Drs. Slater and Larks have increased their personal efforts, we need to add additional medical support.

Dr. Melody Benjamin graduated from the University of Kansas as a pharmacist and worked for several years in this field. She decided to pursue the practice of medicine and graduated from the University of Oklahoma with her M.D degree. She remained at the University of Oklahoma for her internal medicine residency and completed her hematology/oncology fellowship there as well. She is Board Certified in Internal

Medicine and Oncology. Dr. Benjamin is transitioning to our system from a local practice and we have had an opportunity to get to know her work and manner. She will be a welcomed addition to our system and we believe she will have a positive impact in the interface of medical and pharmacy utilization and clinical practice guideline development. The cost of this contract is offset through the additional revenue generated by the Oncology Department and it is included in the current budget.

The agreement shall be effective January 4, 2010, and subject to all necessary budgetary approvals by the Ventura County Board of Supervisors, shall remain in effect until June 30, 2011. Then, unless terminated in writing by either party at least thirty (30) days prior to the renewal date, and subject to the receipt of all necessary budgetary approvals by the Ventura County Board of Supervisors, the agreement may then be extended for up to two (2) additional periods of one (1) year each. The Director of the Health Care Agency, or designee, shall have the authority to approve such extensions.

This letter has been reviewed by County Counsel, the Auditor Controller's Office, and the County Executive Officer. If you have any questions regarding this item, please call Paul Lorenz at 805-652-6058.



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ROBERT GONZALEZ, M.D.  
HCA Medical Director



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MICHAEL POWERS  
Health Care Agency Director  
Ventura County Medical Center Administrator

Attachments:

- Exhibit 1 - Agreement for Ophthalmology Services –Miramar Eye Specialists Medical Group, Inc.
- Exhibit 2 - Second Amendment to Agreement for Interventional Radiology and Medical Director – Santa Paula Hospital Imaging Services, Lawrence Chespak, M.D., A.P.C
- Exhibit 3 - Agreement for Attending Physician, Oncology and Hematology Services – Mahshid Melody Mosallaei-Benjamin, M.D.