

*Setting the Standard in Health Care Excellence*

February 28, 2023

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

### **SUBJECT**

**Approval of, and Authorization for the Health Care Agency (HCA) Director or Designee to Sign, a Contract with Armand Begian DDS, Inc. Doing Business As Sugarbug Dental, for Dental Services, Effective March 1, 2023 Through February 29, 2024, and For Up to Two Contract Years Thereafter, Setting the Not-to-Exceed Amount at \$1,034,400 for the Period March 1, 2023 Through February 29, 2024, and \$1,328,400 for Each Contract Year Thereafter; Authorization for the HCA Director or Designee to Update the Contract Exhibit A - Participating Dentists.**

### **RECOMMENDATIONS**

1. That your Board approve, and authorize the Health Care Agency (HCA) Director or designee to sign, a contract for dental services with Armand Begian DDS, Inc. doing business as Sugarbug Dental (Sugarbug), effective March 1, 2023 through February 29, 2024, and for up to two contract years thereafter, setting the not-to-exceed amount at \$1,034,400 for the period March 1, 2023 through February 29, 2024, and \$1,328,400 for each contract year thereafter.
2. That your Board authorize the HCA Director or designee to update, as needed, the contract Exhibit A – Participating Dentists.

### **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>Contract Year 1</u>	<u>Contract Year 2</u>
REVENUE:	\$1,034,400	\$1,328,400
DIRECT COSTS:	\$1,034,400	\$1,328,400
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

**Current Year Fiscal Budget**

<b>Current FY 2022-23 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	\$597,277,305	\$627,489,238	\$620,091,297	\$7,397,941
Revenue	\$597,588,755	\$604,063,467	\$612,518,590	\$8,455,123
Operational Income/(Loss)	\$311,450	(\$23,425,771)	(\$7,572,707)	\$15,853,064

Sufficient revenue and appropriations are included in the FY 2022-23 adopted budget. The operational income includes "Operating Transfers In" that are primarily attributed to County contribution.

**DISCUSSION**

The County's designation as a Community Health Center (CHC) under the Health Resources and Services Agency (HRSA) grant (section 330(e)) is critical to being progressive and well positioned to take full advantage of the benefits that come from this special status. The eighteen (18) clinics that constitute the County's CHC are known as Federally Qualified Health Centers (FQHCs). Currently, the FQHCs are managing more than 100,000 unique patients a year, of which over 12,000 are provided service through the Health Care for the Homeless program. The goal of the CHC system is to improve access to quality health care for the community with a focus on the underserved people, such as the homeless.

Currently, the County's CHC system is equipped to provide dental services at Pediatric Diagnostic Center (two dental chairs) in Ventura and will be opening a new dental site by the summer of 2023 in the Magnolia clinic (five dental chairs) location in Oxnard. The contract before your Board with Sugarbug, a local pediatric dental group providing dental care in Ventura County since 2008, is to provide pediatric and general dentists at both sites. Sugarbug is an active member of the Ventura County Oral Health Advisory Committee and participates in community initiatives to improve oral health outcomes for children. The partnership with Sugarbug will provide an opportunity for ongoing dental service expansion to meet the needs of both pediatric and adult patients of HCA.

In addition to added revenue produced by increasing dental services, the addition of dental services at the Magnolia clinic will allow HCA to renegotiate its Medi-Cal

reimbursement rate for the Magnolia clinic location, which is expected to increase operating revenue for all services under the Magnolia clinic's FQHC scope of services.

Recommendation No. 2 will allow HCA to update the list of participating providers as needed throughout the term of this contract. This is critical to ensuring Medical Staff credentialing and payor enrollment is accurately maintained.

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 call Theresa Cho, M.D., Chief Executive Officer, Ambulatory Care, at 805-339-1192.



Theresa Cho, M.D.  
Chief Executive Officer, Ambulatory Care



Barry L. Zimmerman  
Health Care Agency Director

**Exhibits**

Exhibit 1 – Armand Begian DDS, Inc. dba Sugarbug Dental - Contract